



FOR IMMEDIATE RELEASE

**ATRIUM MORTGAGE INVESTMENT CORPORATION
ACHIEVES RECORD REVENUES AND EARNINGS
IN THIRD QUARTER**

TORONTO: October 26, 2017 – Atrium Mortgage Investment Corporation (TSX: AI) today released its unaudited financial results for the three- and nine-month periods ended September 30, 2017.

Highlights for the quarter

- **Record revenues of \$12.7 million, up 10.6% from prior year**
- **Earnings of \$7.2 million, up 6.0% from prior year**
- **\$0.24 basic and \$0.23 diluted earnings per share for the quarter**
- **Portfolio of \$629 million, up 17.5% from December 31, 2016**
- **High quality mortgage portfolio**
 - **82.9% of portfolio in first mortgages**
 - **86.8% of portfolio is less than 75% loan to value**
 - **average loan-to-value is 60.7%**

“We had a record level of loan advances during the quarter, at \$105 million, which resulted in our portfolio exceeding \$600 million for the first time. The new loans continue to be deliberately diversified by real estate sector. In the third quarter, loans were funded in low-rise residential developments (37%), commercial real estate (28%), single family mortgages (19%), high rise residential developments (10%) and construction loans (7%). We continue to lend conservatively, so that our overall loan-to-value ratio remains at historically low levels,” said Rob Goodall, CEO of Atrium.

Interested parties are invited to participate in a conference call with management on Friday, October 27, 2017 at 4:00 p.m. ET to discuss the results.

Results of operations

Atrium achieved record results, as its assets grew to \$624.5 million, and revenues for the quarter were \$12.7 million, an increase of 10.6% from the prior year. For the nine months ended September 30, 2017, revenues were \$36.7 million, an increase of 13.8% from the prior year.

Net earnings for the three months ended September 30, 2017 were \$7.2 million, an increase of 6.0% from the prior year. Basic and diluted earnings per common share were \$0.24 and \$0.23, respectively, for the three months ended September 30, 2017, compared with \$0.25 basic and diluted earnings per common share for the prior year. Net earnings for the nine months ended September 30, 2017 were \$21.2 million, an increase of 9.4% from the prior year. Basic and diluted earnings per common share were \$0.71 and

\$0.70, respectively, for the nine months ended September 30, 2017, compared with \$0.72 basic and \$0.71 diluted earnings per common share for the comparable period in the previous year.

The company had \$623.4 million of mortgages receivable as at September 30, 2017, an increase of 9.8% from the prior quarter and 17.5% from the prior year end. During the quarter, \$105.0 million of mortgages were advanced, and \$50.7 million of mortgages were repaid.

The weighted average interest rate on the mortgage portfolio decreased slightly to 8.34% at September 30, 2017, compared with 8.50% at December 31, 2016 and 8.56% at September 30, 2016.

Interim Consolidated Statements of Income and Comprehensive Income

(Unaudited, 000s, except per share amounts)

	Three months ended September 30		Nine months ended September 30	
	2017	2016	2017	2016
Revenue	\$ 12,668	\$ 11,459	\$ 36,703	\$ 32,266
Mortgage servicing and management fees	(1,385)	(1,185)	(3,969)	(3,363)
Other expenses	(274)	(287)	(862)	(844)
Provision for mortgage losses	(400)	(350)	(1,448)	(969)
Income before financing costs	10,609	9,637	30,424	27,090
Financing costs	(3,397)	(2,832)	(9,252)	(7,730)
Net income and comprehensive income	<u>\$ 7,212</u>	<u>\$ 6,805</u>	<u>\$ 21,172</u>	<u>\$ 19,360</u>
Basic earnings per share	\$ 0.24	\$ 0.25	\$ 0.71	\$ 0.72
Diluted earnings per share	\$ 0.23	\$ 0.25	\$ 0.70	\$ 0.71
Dividends declared	\$ 6,866	\$ 5,809	\$ 19,905	\$ 17,384
Dividends declared per share	\$ 0.22	\$ 0.215	\$ 0.66	\$ 0.645
Mortgages receivable, end of period	\$ 623,417	\$ 521,405	\$ 623,417	\$ 521,405
Total assets, end of period	\$ 624,500	\$ 522,634	\$ 624,500	\$ 522,634
Shareholders' equity, end of period	\$ 348,835	\$ 279,499	\$ 348,835	\$ 279,499

Analysis of mortgage portfolio

(dollars in 000s)

<u>Mortgage category</u>	September 30, 2017			December 31, 2016		
	Number	Outstanding amount	% of Portfolio	Number	Outstanding amount	% of Portfolio
Low-rise residential	34	\$ 189,191	30.1%	30	\$ 135,701	25.4%
House and apartment	118	120,768	19.2%	102	99,456	18.6%
Construction	6	56,298	9.0%	8	49,345	9.2%
High-rise residential	6	37,380	5.9%	7	53,182	9.9%
Mid-rise residential	4	24,566	3.9%	5	28,787	5.4%
Condominium corporation	14	2,972	0.5%	16	3,548	0.7%
Residential portfolio	182	431,175	68.6%	168	370,019	69.2%
Commercial/mixed use	30	197,604	31.4%	29	165,231	30.8%
Mortgage portfolio	<u>212</u>	<u>\$ 628,779</u>	<u>100.0%</u>	<u>197</u>	<u>\$ 535,250</u>	<u>100.0%</u>

September 30, 2017

<u>Location of underlying property</u>	<u>Number of mortgages</u>	<u>Outstanding amount</u>	<u>Percentage outstanding</u>	<u>Weighted average loan to value</u>	<u>Weighted average interest rate</u>
Greater Toronto Area	154	\$ 411,650	65.5%	61.4%	8.36%
Non-GTA Ontario	37	26,243	4.2%	65.9%	8.51%
Saskatchewan	2	14,966	2.4%	100.0%	8.23%
Alberta	6	23,589	3.7%	54.9%	8.85%
British Columbia	<u>13</u>	<u>152,331</u>	<u>24.2%</u>	<u>55.2%</u>	<u>8.16%</u>
	<u>212</u>	<u>\$ 628,779</u>	<u>100.0%</u>	<u>60.7%</u>	<u>8.34%</u>

December 31, 2016

<u>Location of underlying property</u>	<u>Number of mortgages</u>	<u>Outstanding amount</u>	<u>Percentage outstanding</u>	<u>Weighted average loan to value</u>	<u>Weighted average interest rate</u>
Greater Toronto Area	148	\$ 350,026	65.4%	63.9%	8.47%
Non-GTA Ontario	24	16,009	3.0%	65.4%	8.91%
Saskatchewan	2	12,375	2.3%	97.1%	8.50%
Alberta	11	37,032	6.9%	62.0%	9.24%
British Columbia	<u>12</u>	<u>119,808</u>	<u>22.4%</u>	<u>55.6%</u>	<u>8.27%</u>
	<u>197</u>	<u>\$ 535,250</u>	<u>100.0%</u>	<u>62.7%</u>	<u>8.50%</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, 2017, 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, October 27, 2017 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 9, 2017) please call 1 (855) 859-2056, Conference ID 19854485.

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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