



## FIRM CAPITAL MORTGAGE INVESTMENT CORPORATION

### FIRM CAPITAL MORTGAGE INVESTMENT CORPORATION PROVIDES UPDATE ON APRIL 1ST PAYMENT STATUS OF THE INVESTMENT PORTFOLIO

TORONTO, ONTARIO – April 6, 2020 - Firm Capital Mortgage Investment Corporation (the “**Corporation**”), (TSX: FC) discloses that, with the passing of the April 1st payment due dates on its Investment Portfolio, there have been no material increases in terms of arrears since March 1, 2020.

We would like to assure shareholders that the Corporation has been taking proactive action to mitigate the impact of the COVID-19 situation and that at present, even during these challenging times, loan arrears in the Corporation’s Investment Portfolio are not materially different than as at March 1, 2020, and that new defaults after January 1, 2020 are part of normal business operations and not as a result of the COVID-19 situation:

- Of the 111 pre-authorized payments submitted on April 1, 2020; six payments were returned NSF, of which five were replaced, leaving one outstanding payment relating to an investment representing 0.4% of the Investment Portfolio. Management has been in negotiations to resolve it;
- Three payments were not received, all relating to one borrower on three investments, representing 1.4% of the Investment Portfolio. That same borrower has historically always paid by month end. Management is not concerned given the loan-to-value exposure; and
- Management has been managing and addressing seven loans which are currently under legal workouts initiated before April 1, 2020, with one loan being sold under enforcement proceedings, closing April 30, 2020 with the full repayment of principal and interest.

The Corporation’s Mortgage Banker minimizes risks associated with defaulting mortgages through diligent monitoring of the Investment Portfolio, active communication with borrowers and the implementation of appropriate and timely enforcement procedures on defaulted mortgages. The Mortgage Banker has substantial experience in servicing mortgage loans, including the implementation of enforcement proceedings.

Thank you for your continued support!

## **ABOUT THE CORPORATION**

### ***Where Mortgage Deals Get Done®***

The Corporation, through its mortgage banker, Firm Capital Corporation, is a non-bank lender providing residential and commercial short-term bridge and conventional real estate financing, including construction, mezzanine and equity investments. The Corporation's investment objective is the preservation of shareholders' equity, while providing shareholders with a stable stream of monthly dividends from investments. The Corporation achieves its investment objectives through investments in selected niche markets that are under-served by large lending institutions. The Corporation is a Mortgage Investment Corporation (MIC) as defined in the Income Tax Act (Canada). Accordingly, The Corporation 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. Full reports of the financial results of the Corporation for the year are outlined in the audited financial statements and the related management discussion and analysis of Corporation, available on the SEDAR website at [www.sedar.com](http://www.sedar.com). In addition, supplemental information is available on Corporation's website at [www.firmcapital.com](http://www.firmcapital.com).

## **CAUTIONARY STATEMENT**

The Corporation has provided the above information in response to various enquiries received from shareholders and other stakeholders. Unless otherwise required by applicable securities laws, the Corporation does not intend, nor does the Corporation undertake any obligation, to update or revise any information contained in this press release or to provide any additional information, similar or otherwise, to reflect subsequent periods, information, events or circumstances, or otherwise.

For further information, please contact:  
Firm Capital Mortgage Investment Corporation

Eli Dadouch  
President & Chief Executive Officer  
(416) 635-0221