



FIRM CAPITAL MORTGAGE INVESTMENT CORPORATION

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

TORONTO, ONTARIO - May 12, 2020 - Firm Capital Mortgage Investment Corporation (the "**Corporation**") (TSX: FC) discloses that, with the passing of the May 1st payment due dates on its Investment Portfolio, there have been no material increases in terms of arrears on the Investment Portfolio since our last update provided in our press release issued on April 6th, 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.

- Of the 139 pre-authorized payments and post-dated cheques on hand submitted May 1, 2020 to the Corporation's Manager, one payment was returned NSF, and its replacement is on hand.
- Five payments were not received, three of which are from the same borrower who has historically paid by month end, Management is not concerned given the loan-to-value exposure. Two remaining loans represent 1.2% of the Investment Portfolio, Management is in negotiations to resolve these payments: and
- Management has been managing and addressing seven loans which are currently under enforcement, all matters related to these loans were initiated prior to April 1st, 2020, those loans represent 3.6% of the Investment Portfolio.

The Corporation's Mortgage Banker mitigates risks associated with defaulting mortgages through ongoing monitoring of the Investment Portfolio, active communication with borrowers and the implementation of appropriate and timely enforcement procedures on defaulted mortgages. Our 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. In addition, supplemental information is available on Corporation's website at 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