

PRESS RELEASE



FIRM CAPITAL MORTGAGE INVESTMENT CORPORATION

TSX Symbol FC

Firm Capital Mortgage Investment Corporation

ANNOUNCES THE CONFIRMATION OF THE SPECIAL YEAR-END DIVIDEND AND THE DECLARATION OF JANUARY, FEBRUARY AND MARCH MONTHLY CASH DIVIDENDS

January 7, 2021, TORONTO - Firm Capital Mortgage Investment Corporation (the "Corporation") (TSX: FC) is pleased to confirm that its board of directors has formally declared the previously announced special year-end dividend of \$0.008 per common share. The regular December 2020 dividend and the special year-end dividend, totalling \$0.086 per common share, are payable on January 15, 2021 to holders of common shares of record at the close of business on December 31, 2020.

The special year-end dividend recognizes that the annual income generated in 2020 exceeded the regular dividends. Accordingly, a special year-end dividend is being made to distribute all of the Corporation's net income earned in 2020. The special dividend is not indicative of future performance by the Corporation.

Total dividends paid to holders of common shares in 2020, including the December and special year-end dividends, amounted to \$0.944 per common share.

The Corporation is also pleased to announce that its board of directors has declared monthly cash dividends of \$0.078 per common share (subject to adjustment in the discretion of the board of directors) payable on such dates as are set out below to holders of common shares of record at the close of business on each date as follows:

<u>Record Date</u>	<u>Dividend Payment Date</u>
January 31, 2021	February 15, 2021
February 28, 2021	March 15, 2021
March 31, 2021	April 15, 2021

The Corporation has in place a Dividend Reinvestment Plan ("DRIP") and Share Purchase Plan ("Plan") that is available to its shareholders. Shareholders are reminded that they can participate in the Corporation's Dividend Reinvestment Plan and Share Purchase Plan. Participant shareholders pay no commission for common shares issued from treasury.

DIVIDEND REINVESTMENT PLAN (DRIP)

The DRIP allows participants to have their monthly cash dividends reinvested in additional common shares of the Corporation. A 3% discount will only apply if the weighted average trading

price, calculated during the five trading days immediately preceding each dividend payment date, is higher than \$14.10.

SHARE PURCHASE PLAN

Once registered with the DRIP, participants have the right to purchase additional common shares, totaling no greater than \$12,000 per year and no less than \$250 per month.

For further information, including answers to frequently asked questions about the DRIP, please refer to our website: www.firmcapital.com, and select Firm Capital Mortgage Investment Corporation under the heading Fund Management, which also includes enrollment information. If you have any questions, please contact Investor Relations at the Corporation by calling 416-635-0221.

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. Lending activities to date continue to develop a diversified mortgage portfolio, producing a stable return to shareholders. 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 Corporation 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 the Corporation, available on the SEDAR website at www.sedar.com. In addition, supplemental information is available on the Corporation's website at www.firmcapital.com.

FORWARD-LOOKING STATEMENTS

This news release contains forward-looking statements within the meaning of applicable securities laws including, among others, statements concerning our objectives, our strategies to achieve those objectives, our performance, our mortgage portfolio and our dividends, as well as statements with respect to management's beliefs, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "expect", "intent", "estimate", "anticipate", "believe", "should", "plans" or "continue" or similar expressions suggesting future outcomes or events. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management.

These statements are not guarantees of future performance and are based on our estimates and assumptions that are subject to risks and uncertainties, including those described in our most recent Annual Information Form under "Risk Factors" (a copy of which can be obtained at www.sedar.com), which could cause our actual results and performance to differ materially from the forward-looking statements contained in this circular. Those risks and uncertainties include,

among others, risks associated with mortgage lending, dependence on the Corporation's MIC manager and mortgage banker, competition for mortgage lending, real estate values, interest rate fluctuations, environmental matters, Shareholder liability and the introduction of new tax rules. Material factors or assumptions that were applied in drawing a conclusion or making an estimate set out in the forward-looking information include, among others, that the Corporation is able to invest in mortgages at rates consistent with rates historically achieved; adequate mortgage investment opportunities are presented to the Corporation; and adequate bank indebtedness and bank loans are available to the Corporation. Although the forward-looking information continued in this new release is based upon what management believes are reasonable assumptions, there can be no assurance that actual results and performance will be consistent with these forward-looking statements.

All forward-looking statements in this news release are qualified by these cautionary statements. Except as required by applicable law, the Corporation undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

For further information, please contact:

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Boutique Mortgage Lenders®