NEWS RELEASE

FOR IMMEDIATE RELEASE

BUILDERS CAPITAL MORTGAGE CORP. REPORTS FIRST QUARTER 2023 RESULTS:

Higher Rates, Fewer Defaults and Fully Invested Capital Drives Higher Profits.

CALGARY, ALBERTA – May 29, 2023 – Builders Capital Mortgage Corp. (TSX VENTURE: BCF) ("Builders Capital" or "the Company") announced today the release of its first quarter financial results for the period ended March 31, 2023.

Highlights include:

- We distributed $0.2016 per share to our Class A public shareholders Q1 2023 continuing our 10-year unbroken dividend record since inception.
- Subsequent to the quarter-end, we distributed $0.3945 per share to our Class B shareholders or the equivalent of an annualized 16% return on the original $10.00 share issue price.
- Total comprehensive income grew to $829,000, up 25% year-over-year.
- Earnings per share increased to $0.26, up 13% year-over-year.
- Assets held for sale were successfully reduced by 35% year-over-year. By quarter-end, assets held for sale represented just 2.6% of shareholders' equity.
- We further enhanced the geographic diversity of our portfolio with continued growth in the BC market. The proportion of our mortgage funds deployed in Alberta continued to become better balanced, decreasing to 47.6% from 59.5% a year ago.
- We achieved an approximate weighted average loan-to-value ratio on our mortgage portfolio of slightly better than our 75% target level.

In commenting on these results, Sandy Loutitt, President of Builders Capital, stated:

"Builders Capital is currently firing on all cylinders with our capital fully deployed, our non-productive inventory almost fully liquidated and with rising interest rates steadily improving profitability. We've never missed distributing our planned $.20 per quarter to our A shareholders, and were able to distribute quarterly dividends at an annualized 16% rate to our B shareholders at the end of last month.

"Despite concerns that the Canadian economy may be moving towards recession, demand for housing is expected to remain elevated, driven by increased immigration and robust levels of new household creation. And, while other lenders may be limiting their exposure to construction financing, our specialization gives us the confidence and skill set to continue to effectively and efficiently deploy our capital in this area.

"Real estate prices in most regions in Canada have retreated significantly from the highs reached a year ago and while prices can always sink lower, we believe key economic indicators are pointing to flat or improving markets in the coming months. This, combined with the current status of our mortgage portfolio and the healthy average loan-to-value that we have maintained, assures us that Builders Capital is well positioned to weather any economic storms which may be brewing. Consequently, we expect our recent results to extend for at least the immediate future."

Financial Overview

	Quarter ended March 31, 2023	Quarter ended March 31, 2022	Quarter ended March 31, 2021	Quarter ended March 31, 2020
Revenues	1,084,900	844,516	704,149	703,638
Total comprehensive earnings	829,315	664,861	564,021	475,731
Net mortgages receivable, end of period	35,236,623	29,426,045	19,003,776	25,678,648
Total assets	36,010,916	30,682,037	27,454,925	31,725,932
Shareholders' equity	29,482,917	26,951,410	26,894,699	26,997,126
Basic and Diluted Earnings per share	0.26	0.23	0.19	0.16
Cash dividends declared	710,434	624,450	485,880	466,880
Cash dividends declared per Class A share	0.1972	0.1972	0.1972	0.1972
Cash dividends declared per Class B share	0.2898	0.2521	0.1008	0.0756

A more detailed discussion of the Company's financial results can be found in Builders Capital's First quarter 2023 Financial Statements and Management's Discussion and Analysis, which has been posted on the Company's website (www.builderscapital.ca) and filed on SEDAR (www.sedar.com).

About Builders Capital

Builders Capital is a mortgage lender providing short-term course-of-construction financing to builders of residential, wood-frame properties in Western Canada. The Company commenced active operations on December 12, 2013 on the closing of its initial public offering, whereupon it acquired a portfolio of mortgages from two predecessor companies.

Builders Capital's investment objective is to generate attractive returns, relative to risk, in order to provide stable and consistent distributions to shareholders while remaining focused on capital preservation and satisfying the criteria mandated for mortgage investment corporations ("MIC") as defined in the *Income Tax Act*.

As an MIC, Builders Capital is not subject to income tax provided that it distributes all of its taxable income as dividends to shareholders within 90 days of its December 31st year-end. Such dividends are generally treated by shareholders as interest income, so that each shareholder is in the same tax position as if their proportionate share of mortgage investments made by the company had been made directly by the shareholder.

Forward-Looking Information

This news release contains forward-looking statements within the meaning of applicable securities legislation, including 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 estimates and assumptions that are subject to risks and uncertainties which could cause actual results to differ materially from the forward-looking statements contained in this news release. These include, among other things, risks associated with mortgage lending, competition for mortgage lending, real estate values, interest rate fluctuations, environmental matters and the general economic environment. The company cautions that the foregoing list is not exhaustive, as other factors could adversely affect its results, performance or achievements. Readers are cautioned against undue reliance on any forward-looking statements. Although the forward-looking information contained in this news release is based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. Except as required by applicable law, Builders Capital undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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