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Attention Business/Financial Editors:

BUILDERS CAPITAL MORTGAGE CORP. REPORTS 2015 Q4 AND ANNUAL RESULTS

Company increases annual comprehensive income, exceeds target 8% return to shareholders

CALGARY, ALBERTA -- (Marketwired – April 5, 2016) – Builders Capital Mortgage Corp. (TSX VENTURE: BCF) (Builders Capital or the company) today released financial results for the three and 12 months ended December 31, 2015. The three-month period represents the fourth quarter of the company's 2015 fiscal year and its eighth full quarter as a publicly traded mortgage investment corporation (MIC). Under the two-tier share structure established at its inception, Builders Capital grants full dividend priority to publicly-held Class A Non-Voting Shares over Class B Non-Voting Shares held by management and private investors.

"Given the current economic climate, we remain pleased with our financial performance," said Sandy Loutitt, President of Builders Capital. "As expected, our Q4 results were impacted by the difficulties that our primary Southern Alberta marketplace continues to experience; however, our annual results clearly reflect our ability to successfully operate in a distressed market."

"We maintained a full mortgage book throughout the year, exceeding our targeted capital turnover rate and driving up annual mortgage revenue by 6.8% over 2014," Loutitt stated. "At the same time, we further enhanced the geographic diversification of our portfolio, reduced our operating expenses and brought our debt-to-equity ratio down to 8.3% from 18.1% at the end of 2014."

Fourth Quarter Financial Results

In the final three months of 2015, Builders Capital generated mortgage revenue of \$879,000, compared to \$968,000 in Q4 2014. This represented annualized gross revenue of 14.5% of the weighted average gross share capital, down from 16% in Q4 2014. Revenue for the quarter consisted of \$788,000 in interest and \$91,000 in lender fees charged to borrowers. Lender fee revenue for the period exceeded management fees by \$310,100, or 50%.

Fourth quarter operating expenses, excluding a provision for mortgage losses and interest, were reduced to \$86,300 (9.8% of revenue) from \$89,300, (9.2% of revenue) in 2014. This compares favourably to the 10.7% of revenue targeted in the company's business plan.

As a precautionary measure, the company increased the Q4 allowance for loan losses to \$132,000 from \$70,500 in the third quarter of the year. The Q4 amount was based on a current analysis of the construction finance marketplace by Builders Capital Management Corp., which manages Builders Capital's mortgage portfolio, as well as an analysis of historical bad debts. This is a collective provision and does not relate to any individual mortgage. No write-downs were recorded against the company's accumulated allowance for doubtful loans during the fourth quarter.

Comprehensive income for the three months was affected by the slowing of the Alberta real estate market, as well as more cautious use of the company's line of credit and the increase to the loan loss provision. As a result of these factors, comprehensive income for Q4 decreased to \$656,200, or \$0.27 per share, based on the weighted average number of shares outstanding for the period, from \$770,900, or \$0.32 per share, in 2014.

The 2015 Q4 income translates into earnings of \$0.46 per Class A Non-Voting Share, compared to \$0.53 per Class A Non-Voting Share for the same period of 2014. Given the dividend priority granted to Class A Non-Voting Shares held by the public, the effective Class A Non-Voting Share dividend coverage ratio for the quarter was 2.3 times, compared to 2.5 times in Q4 2014.

Twelve-Month Financial Results

For the 2015 fiscal year, mortgage revenue was \$3.8 million, representing annualized gross revenue of 15.6% of the weighted average gross share capital, up from \$3.5 million, or 14.8% of gross share capital, in 2014. Annual revenue consisted of \$3.4 million in interest and \$350,000 in lender fees.

Annual operating expenses, excluding funds set aside to provide for mortgage losses and interest, totaled \$321,600 or 8.5% of revenue. As with the quarterly result, this compares favourably to 2014 operating expenses of \$342,500, which represented 9.7% of revenue. Over the year, \$333,000 was accumulated to provide for loan losses, including approximately \$146,000 earmarked for a mortgage default in the second quarter of the year.

Comprehensive income for 2015 was \$2.9 million, or \$1.23 per share, based on the weighted average number of shares outstanding for the period. This was up from \$2.8 million, or \$1.19 per share in 2014. The 2015 income translates into 12-month earnings of \$2.05 per Class A Non-Voting Share, up from \$2.00 per Class A Non-Voting Share in 2014. Given the dividend priority granted to Class A Non-Voting Shares held by the public, the effective Class A Non-Voting Share dividend cover ratio for the 12 months was 2.6 times, compared to 2.5 times in 2014.

Mortgage Portfolio

At December 31, 2015, Builders Capital's mortgage portfolio consisted of 36 mortgage loans with an aggregate value of \$24.2 million. All mortgage transactions conducted during the year were consistent with Builders Capital's tight focus on financing short-term, wood-frame residential construction in strong urban markets. In 2015, mortgages were purchased or funded in the amount of \$33.2 million, and \$40.4 million was received as proceeds of sale or as repayments on loans. The acquisition of \$6.5 million and sale of \$8.6 million in mortgages helped to ensure full cash utilization and create the needed liquidity. In line with its targeted nine-month portfolio turnover rate, the company achieved a full turnover of invested capital every 8.6 months.

At the year-end, mortgages on properties in Alberta represented 84% of the portfolio, compared to 89% in 2014, while mortgage holdings in British Columbia had been increased to 10% of the portfolio's total value from 5% in 2014. Saskatchewan mortgage holdings represented the remaining 6% of the portfolio in both years.

Distributions

On December 18, 2015, based on income for the 2015 fiscal year, the company's Board of Directors declared a dividend of \$0.2216 per Class A Non-Voting Share to shareholders of record on December 31, 2015. This distribution was paid on January 31, 2016. The dividend amount was calculated to provide a cumulative 8.2% return for the year on the \$10.00 initial Class A Non-Voting share price, slightly exceeding the company's targeted 8% return.

Subsequent to the quarter-end, on January 25, 2016, again based on the income for the quarter, the Board declared a dividend of \$0.4234 per share to Class B Non-Voting shareholders of record on that date. This distribution was also paid on January 31, 2016.

Outlook

Builders Capital remains confident that the levels of housing starts forecast by Canada Mortgage and Housing Corporation in its key western Canadian markets are more than adequate to support the growth of the company's business.

"Given the size of the western Canadian marketplace, our current relatively small market share and the opportunities that exist to further expand our geographic footprint, we expect to be able to source sufficient quality lending opportunities to keep our capital fully utilized and to continue to deliver attractive returns to shareholders," said Loutitt.

"We anticipate that economic uncertainty in our primary Southern Alberta market will continue to slow real estate activity and drive some lenders from the region, but we expect that margins on new construction will remain viable and we are optimistic that the marketplace, while smaller, will remain a profitable one for Builders Capital," he continued.

Loutitt noted that a slower turnover of the company's invested capital in 2016 will equate to lower lender fees as mortgages with fixed terms will be more likely to remain outstanding until their full term expires, and the outstanding funds will not be available to write new loans.

“While we anticipate having to take additional steps to collect on some of our mortgage assets over the coming months, we’re confident in our ability to do so,” he said, noting that the company has a number of strategies in place to limit downside risk.

Builders Capital takes a cautious approach to leverage and maintains a prudent debt-to-equity ratio. By investing only in short-term mortgages, the company maintains the liquidity necessary to preserve capital. It generally restricts mortgage lending to 75% of what it believes the fair market value of a property at any given time to be, ensuring that it holds a targeted minimum of 25% of the value of the project in owner’s equity. Investors are also protected by the general allowance for doubtful accounts the company sets aside each quarter before paying dividends. Finally, safeguards built into Builders Capital’s share structure give public Class A Non-Voting shareholders priority on all capital as well as income distributions over Class B Non-Voting shareholders.

“With Class B Non-Voting shareholders bearing a much greater proportion of the risk of income fluctuations, even if the year’s earnings had been only 39% of their actual figure, we would still have been in a position to pay Class A shareholders their full, planned annual dividend,” said Loutitt. “Given this margin, we anticipate that potential continued fluctuations in our comprehensive income as a result of the slower Alberta real estate market will not affect the payment of our Class A Non-Voting Share dividends.”

A more detailed discussion of the company’s financial results can be found in Builders Capital’s 2015 Year-End Management’s Discussion and Analysis, which will be posted along with audited consolidated financial statements for the year on the company’s website (www.builderscapital.ca) and SEDAR (www.sedar.com) on April 5, 2016.

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 was formed on March 28, 2013 but did not commence active operations until December 12, 2013, on the closing of its initial public offering, following which 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 steady distributions to shareholders while remaining focused on capital preservation and staying within the criteria mandated for mortgage investment corporations, as defined in the *Income Tax Act*.

As a 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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