

## **For Immediate Release**

### **PrimeWest Raises \$1.8 Million in the Tightest Capital Market in 25 Years**

December 19, 2008 - PrimeWest Mortgage Investment Corporation recently received an investment of \$1.8 million from Paradigm Portfolio Management and Meckelborg Financial Group. This deal increases the company's capital by more than 20% to over \$10 million. "Everyone sees the instability in the stock market and they're looking for alternatives," says President & CEO, Al Zack. "We've increased our total dividends paid by 110% over 2007, so investors are taking a good look at us."

With 12 consecutive quarters of dividend distribution, it's not surprising that capital is flowing into PrimeWest. The company's asset base in 2008 is up 50% to over \$13.5 million. "Capital markets are tight, but our business model reassures investors that we're on the right path," says Zack.

Investors agree that the Saskatchewan real estate market is solid and PrimeWest is perfectly positioned. Despite a global economic downturn, growth in the province is projected to continue well into 2012. "This means people will have good jobs and money to spend on homes," notes Zack. "Our investors are confident that this is not just a boom – there is sustainable growth here."

The Saskatoon-based investment company focuses on making mortgages accessible to people who have been turned away by traditional institutions. "Our short-term mortgage solutions and client support help people get into conventional mortgages sooner," says Zack.

When asked about the mortgage situation in the US, Zack is quick to point out how PrimeWest is quite different. "Our clients are thoroughly investigated to ensure that they're ready to take on or continue with their mortgage. Our goal is to build a strategy to get them on the right financial track as soon as possible." With a 68% payout ratio for 2007 and similar results expected for 2008, the company proudly boasts that they are successful when clients are approved by a conventional lender before their loan with PrimeWest matures. Additionally, equity in the company's portfolio is up to over 37% or an average loan to value of under 63%. "US lenders were leveraging themselves into dangerous territory – between our strong economy and our tighter lending policies, we don't need to extend ourselves."

PrimeWest was launched in October 2005 and is the only mortgage investment corporation in the province funded by a public offering. The company started with a vision to bring accessible mortgages to the province of Saskatchewan while providing a high-performing investment vehicle to the public. PrimeWest supports many local charitable organizations including Bicycles for Humanity, Junior Achievement, the Princess Shop and the Saskatoon Cancer Foundation.

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