

MIC Fast Facts

September 2020 in Review:

AP Capital MIC's 127th consecutive monthly distribution of 6.5% p.a. or greater was made on Thursday, October 1st. In September, AP's underwriting team advanced 10 mortgages for \$3.8 MM. The LTV of 51.61% on September mortgages falls well below the fund's 70% target. Additionally, nine of the ten mortgages were in first position security. Mortgage payouts received in the month summed \$5.7 MM from 14 mortgages.

Market Update:

There remains continued strength in the residential real estate markets most served by AP Capital MIC - Greater Vancouver through to the Fraser Valley with a particular preference for Single Detached Homes (SDH). In year-over-year comparisons, the SDH has risen in price at a faster rate than the condo/apartment market. In Greater Vancouver, the SDH benchmark price has increased 8% (Sep 2019 to Sep 2020) whereas condos/apartments have risen 4.5%. In the Fraser Valley, this same trend persists with SDH benchmark prices up 8.7% (Sep 2019 to Sep 2020) with condos/apartments up 4.7%. This upward trend in SDH prices may be influenced by a desire for households to seek larger dwellings following the first phase of the pandemic and the transition of many to work-from-home. Upward pricing on all segments is also supported by ultra-low interest rates; which more than likely will remain low, or go lower, in the coming months. Bank of Canada Governor Tiff Macklem has not ruled out further reducing rates as he recently commented, "We are not actively discussing negative interest rates at this point but it's in our toolkit, and never say never." The BoC overnight rate is currently 0.25%.

The health and security of AP MIC's portfolio continues to show good strength as existing borrowers make their required monthly mortgage payments. In aggregate, collection rates surpassed 99% (*expected payments collected) in June, July, August, and September - exceeding pre-Covid levels. Our team's focused effort in dealing with borrowers for prompt payment is proving successful. *Expected payments collected does not include mortgages in foreclosure or mortgages pending payout.

Monthly Distributions:

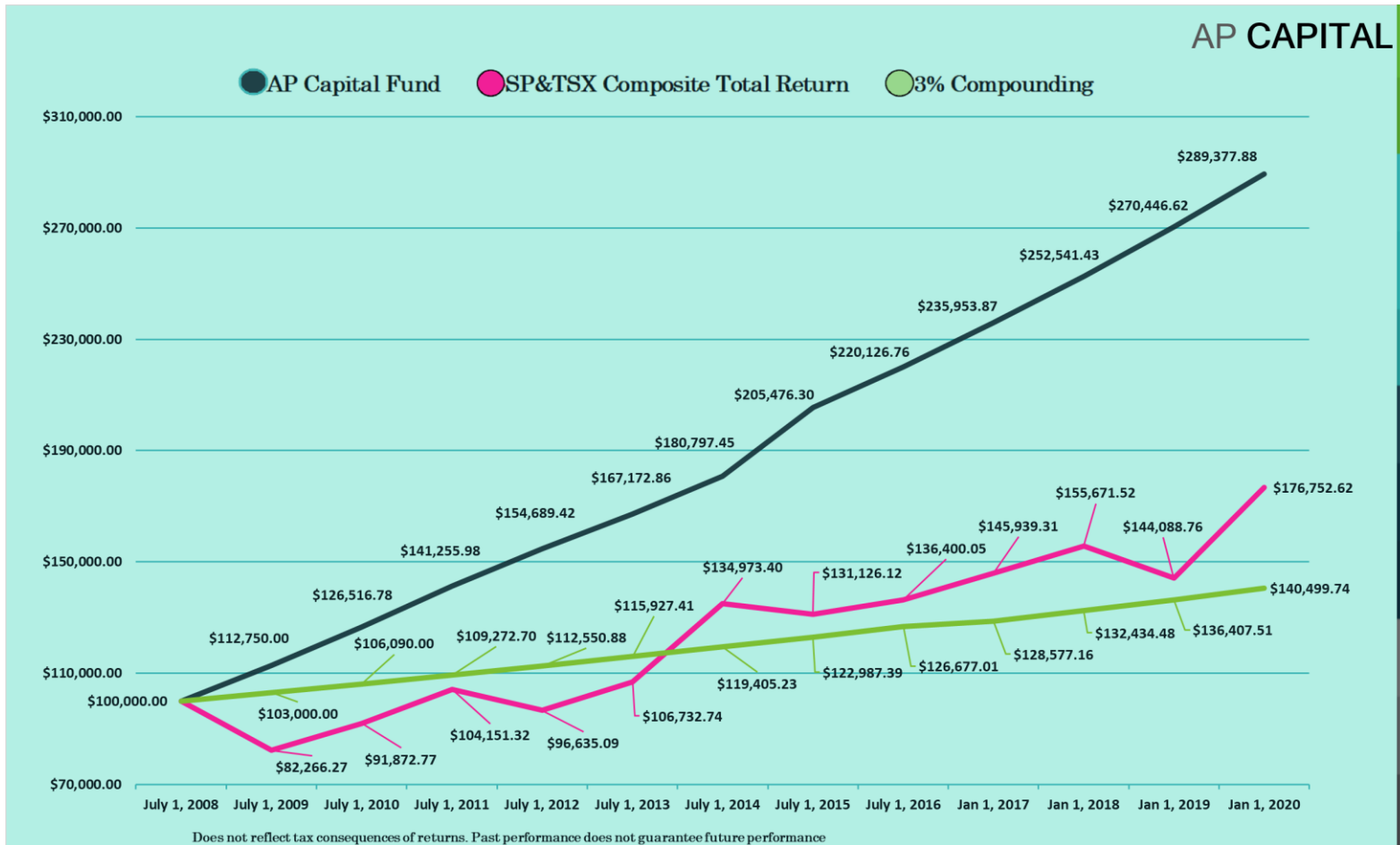
AP Capital MIC's 6.5% p.a. monthly distribution for September was made on Thursday, October 1st. Shareholders who elect for monthly cash will see the direct deposit in their bank account, or via cheque. Shareholders electing for DRIP (dividend reinvestment) will have their accounts updated with the newly issued shares. For Open DRIP account holders, go

September 30, 2020

Shareholder Capital	\$98.30 MM
Credit Facility	\$28.00 MM
Lendable Funds	\$126.30 MM
Mortgages in portfolio	242
Portfolio Loan to Value (LTV)	57.79%
Mortgage funds in BC	86.67%
Mortgage funds in AB	13.25%
Mortgage funds in ON	0.08%
Mortgage funds in 1 st position	69.98%
Mortgage funds in 2 nd position	30.02%
Residential Mortgages	96.96%
Detached Properties	71.78%
Condos	12.35%
Townhouses/other	13.33%
Owner Occupied	66.49%
Mortgages in foreclosure	9
% of portfolio in foreclosure	8.51%
Average LTV on foreclosures	64%
10-year average return	8.66%
3-year average return	7.09%
2019 return	7.15%
Consecutive months of ≥6.5% distribution	127
Shareholder Accounts	1,286
Shareholders 7% monthly cash	49%
Shareholders share re-investment (DRIP)	51%
Open/cash shareholders	59%
Registered (RRSP, TFSA, etc) shareholders	41%

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online to Computershare for updated account holdings. RRSP, TFSA or other registered account holders on DRIP, access your trustee account for updated account balances. Note: There is often a significant delay in trustee accounts reflecting up-to-date account balances. Contact AP Capital if you would like a real-time Account Snapshot. All distributions and returns noted are "after Management Fees" are deducted.



DISCLAIMER:

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