

MIC Fast Facts

December 2020 in Review:

AP Capital MIC's 130th consecutive monthly distribution was made on Monday, January 4th. In December, AP's underwriting team advanced 15 mortgages for \$9.5 MM. The LTV of 62.15% in December mortgages falls well below the fund's 70% target. Mortgage payouts received in the month summed \$3.3 MM from 9 mortgages.

Monthly distribution adjusted to 5.65% per annum:

Effective January 2021, AP Capital MIC's monthly distribution will be adjusted from 6.50% p.a. to 5.65% p.a. The team at AP Capital is committed to providing an investment fund that focuses first on preservation of investor capital, while looking to deliver a steady and sustainable yield. The interest rate environment since the 2nd quarter 2020 has moved measurably down. Rates have not been lower in decades and this adjustment to the fund's monthly distribution reflects this. Our commitment to shareholders is to remain disciplined in underwriting practices and funding of mortgages that, after 13 years, we have proven perform through varying market conditions. Put simply, we will not chase yield by increasing risk tolerance. While interest rates are at all time lows, the real estate market in the areas served by AP Capital showed resilience and pricing strength throughout 2020. This provides the backstop on mortgages we place on homes in neighborhoods throughout BC and the Alberta urban markets. We look ahead at 2021 with confidence in the real estate market as well as our business model in providing alternative finance options to homeowners and home purchasers.

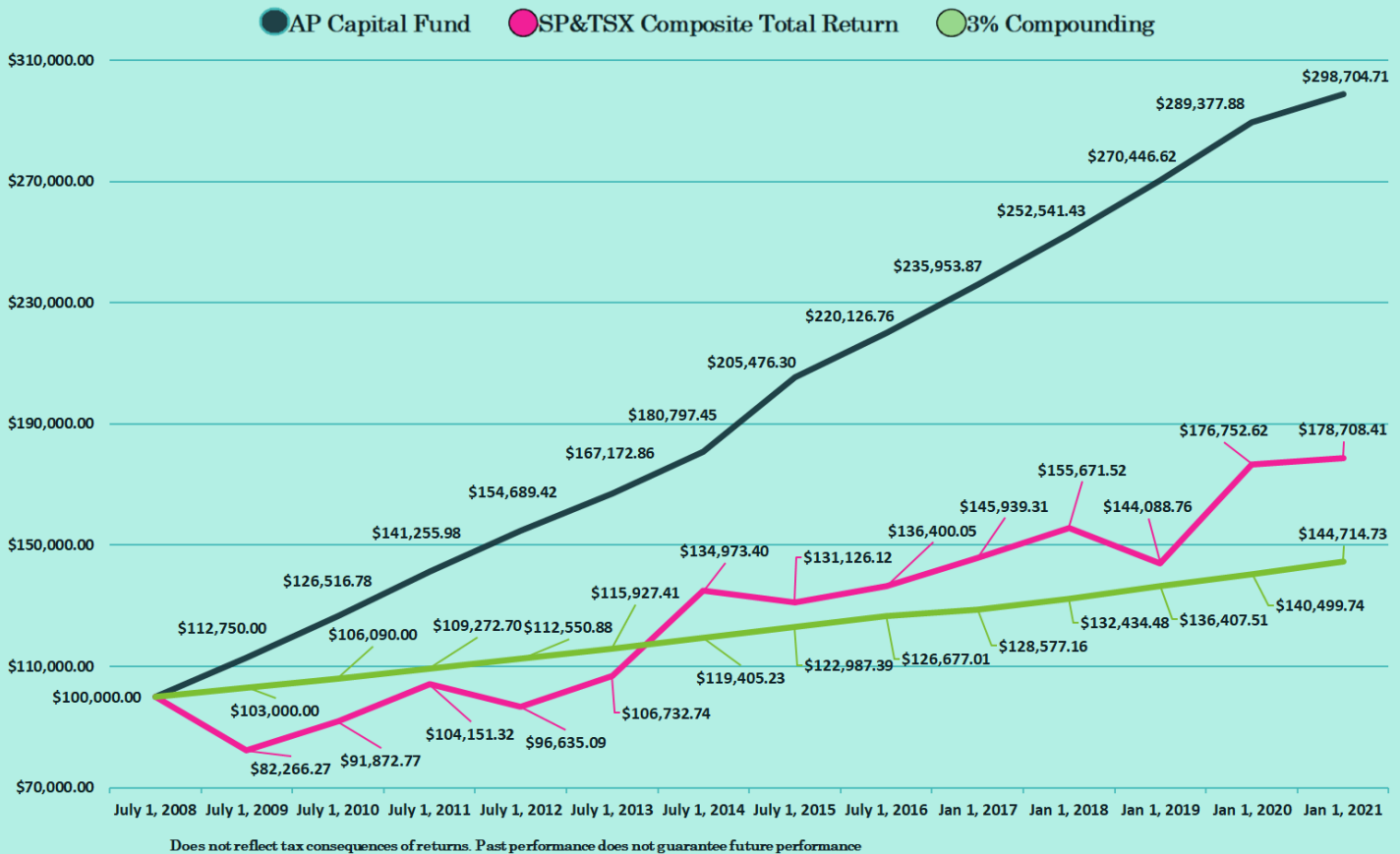
Monthly Distributions:

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, visit Computershare's InvestorOnline portal for updated account holdings. Registered account holders on DRIP, access your trustee account for updated account balances. Please 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.

December 31, 2020

Shareholder Capital	\$96.39 MM
Credit Facility	\$28.00 MM
Lendable Funds	\$124.39 MM
Mortgages in portfolio	242
Portfolio Loan to Value (LTV)	59.90%
Mortgage funds in BC	87.80%
Mortgage funds in AB	11.95%
Mortgage funds in ON	0.07%
Mortgage funds in 1 st position	73.15%
Mortgage funds in 2 nd position	26.85%
Residential Mortgages	97.60%
Detached Properties	72.29%
Condos	11.36%
Townhouses/other	13.88%
Owner Occupied	62.66%
Mortgages in foreclosure	8
% of portfolio in foreclosure	6.89%
Average LTV on foreclosures	66.20%
10-year average return	8.66%
3-year average return	7.09%
2019 return	7.15%
Consecutive months of ≥5.65% distribution	130
Shareholder Accounts	1,289
Shareholders 5.65% monthly cash	47%
Shareholders share re-investment (DRIP)	53%
Open/cash shareholders	57%
Registered (RRSP, TFSA, etc) shareholders	43%

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AP CAPITAL

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