



March 2022 In Review

AP Capital MIC's 145th consecutive monthly dividend was made on Friday, April 1st. The current monthly dividend rate is 6.05% per annum. In March, AP's underwriting team advanced 24 mortgages for \$11.1 MM. The Loan-to-Values (LTV) of 57.51% in March mortgages falls well below the fund's 70% target. Mortgage payouts received in the month summed \$9.3 MM from 17 mortgages.

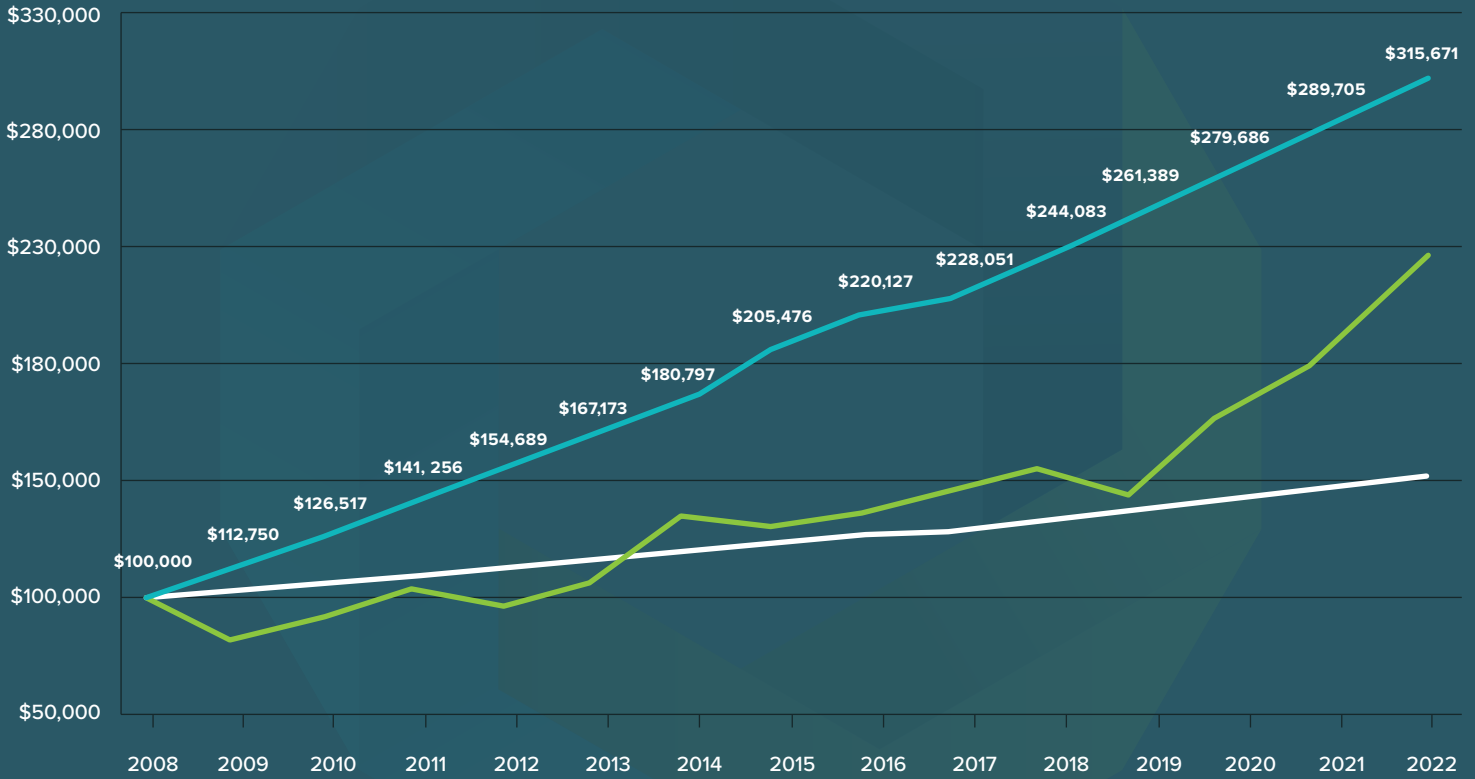
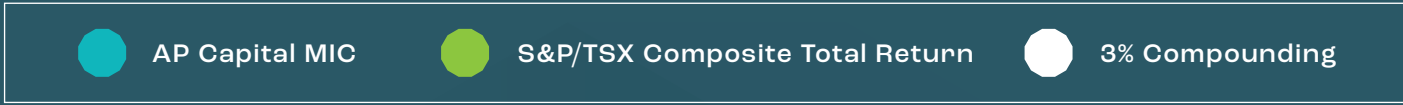
Market Update

The residential real estate market across Canada is now reacting to two prime interest rate increases since early March. Signals of slowing market activity are showing; a welcome slow down after a too-hot 2021 and early 2022. The 0.75% increase to prime regains half of the key bank interest rate's reduction in the early pandemic. It was March of 2020 where in just 13 days prime was reduced one and a half percent from 3.95% to 2.45%. Prime today is 3.20%. In the alternative lending space where AP Capital MIC operates, the interest rate environment is influenced by these moves from the big banks and we too have seen rates increase. In a year over year comparison, the average interest rate on AP deals funded in Q1 2022 vs 2021 increased approximately 0.50%. This upward trend continues into Q2 with further increases to recent mortgage applicants. As a result, AP management expects further increases to the fund's monthly dividend (currently 6.05% p.a.) in the coming months. Deal flow, as measured by new mortgage applications, remains very strong and the performance of the portfolio remains at its highest level in recent years; as measured by payment performance by current borrowers, mortgages funded, mortgage payouts, loan-to-value (LTV) levels, and foreclosure rates.

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.

Lendable Funds	\$185.1 MM
Mortgages in Portfolio	257
Portfolio to Loan Value (LTV)	58.1%
Mortgage funds in BC	90%
Mortgage funds in AB	10%
Mortgage funds in ON	0%
Mortgage funds in 1 st position	83.7%
Mortgage funds in 2 nd position	16.3%
Residential Mortgages	94.4%
Detached Properties	60.4%
Condos	4.8%
Townhouses/other	29.5%
Owner Occupied	42%
Mortgages in foreclosure	4
% of portfolio in foreclosure	0.8%
Average LTV on foreclosures	67.3%
10-year average return	8%
3-year average return	6.5%
2021 return	5.65%
Consecutive months of distributions	145
Shareholder Accounts	1,240
Shareholders monthly cash distribution	54%
Shareholders share re-investment (DRIP)	46%
Open/cash shareholders	67%
Registered (RRSP, TFSA, etc) shareholders	33%



Does not reflect tax consequences of returns. Past performance does not guarantee future performance.

12.75%	12.21%	11.65%	9.51%	8.07%
JULY 2009	JULY 2010	JULY 2011	JULY 2012	JULY 2013
8.15%	13.65%	7.13%	3.6% (6mos.)	7.03%
JULY 2014	JULY 2015	JULY 2016	JANUARY 2017	JANUARY 2018
7.09%	7.15%	6.80%	5.65%	
JANUARY 2019	JANUARY 2020	JANUARY 2021	JANUARY 2022	

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