



## July 2022 In Review

AP Capital MIC's 149th consecutive monthly distribution was made on Tuesday, August 2nd. The current monthly dividend rate is 6.3% per annum. In July, AP's underwriting team advanced 27 mortgages for \$17.5 MM. The Loan-to-Values (LTV) of 57.66% in July mortgages falls well below the fund's 70% target. Mortgage payouts received in the month summed \$5.7 MM from 11 mortgages.

## Fund Update

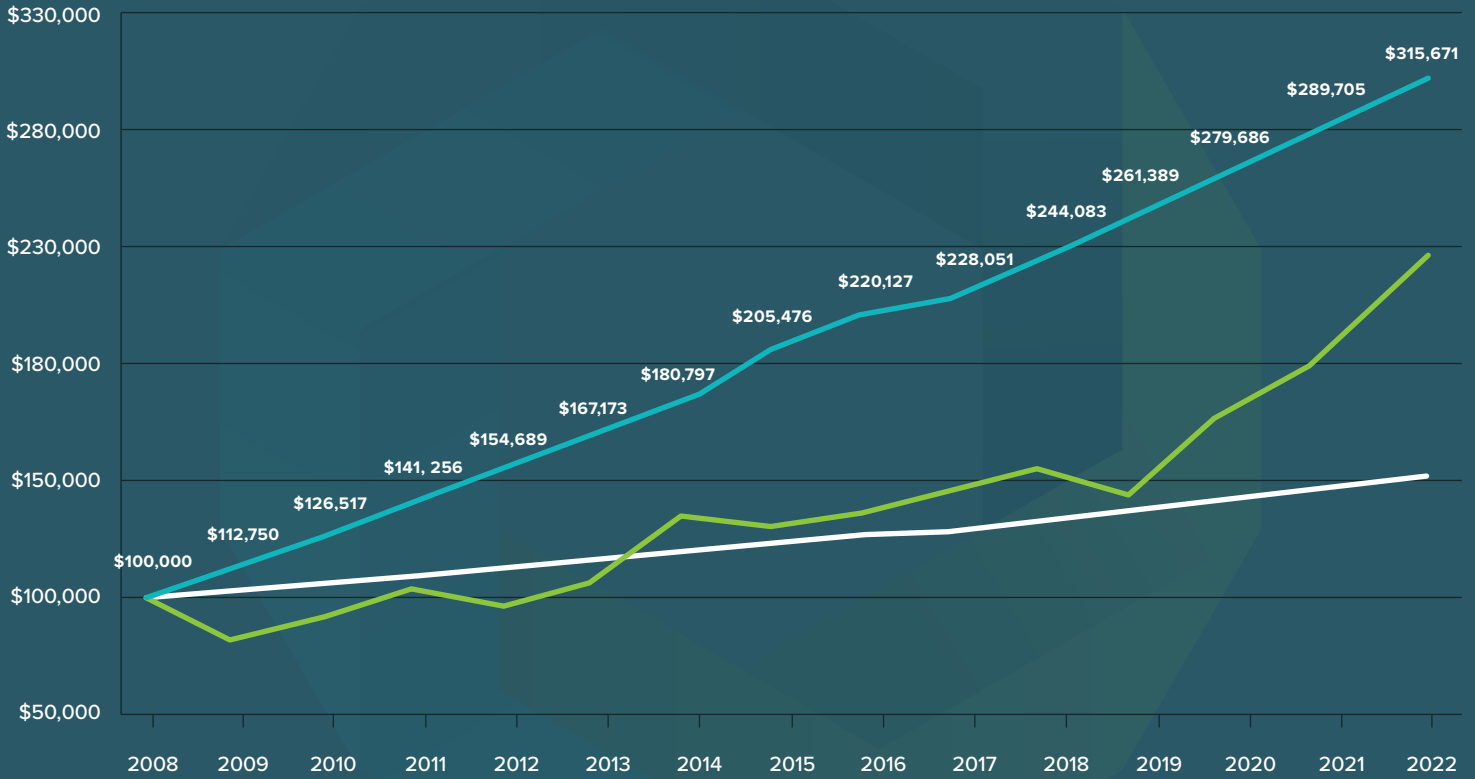
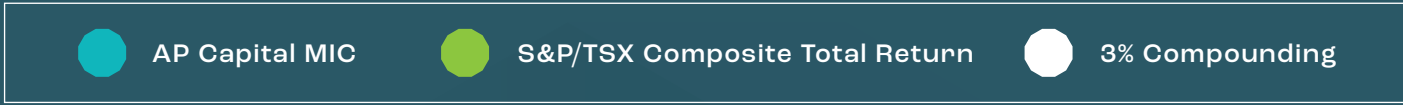
Canada's 2022-2024 Immigration Levels Plan was tabled in Parliament on February 14, 2022, with the following permanent resident admission targets: 431,645 in 2022, 447,055 in 2023, 451,000 in 2024. This past year, 2021, 405,000 new immigrants arrived in Canada with over 67,000\* of them arriving in British Columbia. The province of BC welcomed an additional 33,000\* through interprovincial migration (Canadians moving from other provinces to BC). Of these 100,000 new residents to BC, the highest annual total since 1961, the majority choose BC's Lower Mainland & Fraser Valley. With this constant demand on BC housing, the province's residential real estate market has a strong foundation to maintain its stability and price strength. As a non-bank residential mortgage lender, AP Capital MIC currently sees two forces acting against one another; downward pressure on house prices due to increasing borrowing costs, countered by growing housing demand coupled by supply constraints. Since our inception in 2007, AP's underwriting team has followed a discipline of selecting mortgage applications that meet our criteria of (1) highly marketable properties at comfortable loan to values with (2) borrowers that we deem fit to make payments and have legitimate exit strategies. To stakeholders that support our business and shareholders who have entrusted AP, enjoy the closing weeks of August and summer 2022!

\*source: <https://news.gov.bc.ca/releases/2022PREM0019-000505>

## Monthly Distributions

The successful transition of Class B shares from transfer agent Computershare to SGGG Fund Services Inc. was finalized in June 2022. SGGG now manages AP Capital MIC's monthly distributions (cash or shares) and online access to shareholder account services will be made available in the coming weeks. Registered account holders (i.e. RRSP, TFSA), please access your trustee accounts for balances. All distributions and returns are "after deduction of Management Fees".

Lendable Funds	<b>\$214.6 MM</b>
Mortgages in Portfolio	<b>300</b>
Portfolio Loan to Value (LTV)	<b>58.2%</b>
Mortgage funds in BC	<b>92%</b>
Mortgage funds in AB	<b>8%</b>
Mortgage funds in ON	<b>0%</b>
Mortgage funds in 1 <sup>st</sup> position	<b>83.8%</b>
Mortgage funds in 2 <sup>nd</sup> position	<b>16.2%</b>
Residential Mortgages	<b>95%</b>
Detached Properties	<b>61.7%</b>
Condos	<b>5.1%</b>
Townhouses/other	<b>29.3%</b>
Owner Occupied	<b>43%</b>
Mortgages in foreclosure	<b>2</b>
% of portfolio in foreclosure	<b>0.5%</b>
Average LTV on foreclosures	<b>66.7%</b>
10-year average return	<b>7.95%</b>
3-year average return	<b>6.5%</b>
2021 return	<b>5.65%</b>
Consecutive months of distributions	<b>149</b>
Shareholder Accounts	<b>1,281</b>
Shareholders monthly cash distribution	<b>53%</b>
Shareholders share re-investment (DRIP)	<b>47%</b>
Open/cash shareholders	<b>70%</b>
Registered (RRSP, TFSA, etc) shareholders	<b>30%</b>



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

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

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