



August 2022 In Review

AP Capital MIC's 150th consecutive monthly distribution was made on Thursday, September 1st. The current monthly dividend rate is 6.3% per annum. In August, AP's underwriting team advanced 27 mortgages for \$12.93 MM. The Loan-to-Values (LTV) of 49.68% in August mortgages falls well below the fund's 70% target. Mortgage payouts received in the month summed \$13.15 MM from 15 mortgages.

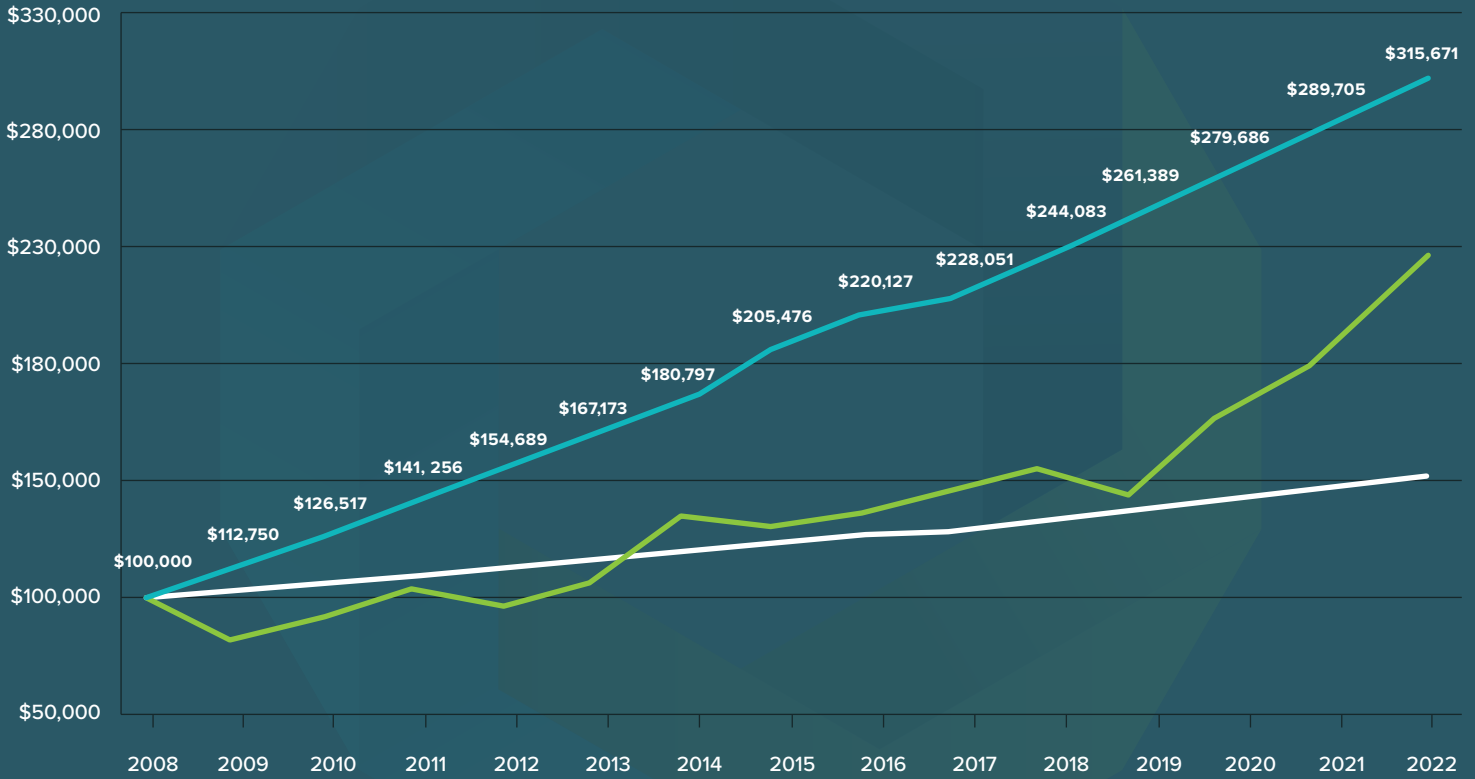
Market Update

Interest rates are moving up quickly across the banking spectrum here in 2022. In 2021, AP Capital MIC funded close to 200 new mortgages priced in aggregate at 7.44%. In 2022, our alternative mortgage space have been on a steady climb as our mortgage rates to borrowers nears 10% on newly funded mortgages. This 2-3% increase has occurred over just 8 months and homeowners and homebuyers are learning quickly that the low rate environment of 2020/2021 is no longer. At AP Capital MIC we structure mortgages as "fixed" rate, and due to the structure of 1-year fixed mortgages, we are in a laddering process where 2021 mortgages are being paid out (or renewed at today's higher rates), while new deals are replacing them at current rates. As this occurs, it moves up our weighted average interest rate across the portfolio of 302 mortgages. Naturally, there is a delay in how this translates to the fund's overall yield to investors. Every month in 2022 we have tracked our fund's yield higher and this of course has translated into increases to our monthly distribution twice in 2022. We expect this trend to continue as rates continue to rise. We remain unchanged in our focus at AP Capital; to remain vigilant in our due diligence on new mortgage applications, always choosing the highest quality mortgages in this ever changing market. Thank you for your continued support and business.

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	\$217.32 MM
Mortgages in Portfolio	302
Portfolio Loan to Value (LTV)	57.9%
Mortgage funds in BC	92%
Mortgage funds in AB	8%
Mortgage funds in ON	0%
Mortgage funds in 1 st position	83.4%
Mortgage funds in 2 nd position	16.6%
Residential Mortgages	94%
Detached Properties	59%
Condos	5%
Townhouses	4%
Other	27%
Owner Occupied	42%
Mortgages in foreclosure	2
% of portfolio in foreclosure	0.5%
Average LTV on foreclosures	66.7%
10-year average return	7.95%
3-year average return	6.5%
2021 return	5.65%
Consecutive months of distributions	150
Shareholder Accounts	1,276
Shareholders monthly cash distributions	54%
Shareholders share re-investment (DRIP)	46%
Open/cash shareholders	70%
Registered (RRSP, TFSA, etc) shareholders	30%



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	

THESE MATERIALS SHOULD BE READ IN CONJUNCTION WITH THE OFFERING MEMORANDUM DATED APRIL 30, 2022, INCLUDING THE RISK FACTORS IDENTIFIED THEREIN. THIS UPDATE HAS BEEN PROVIDED FOR GENERAL INFORMATION PURPOSES ONLY AND IS NOT INTENDED TO BE A SOLICITATION TO PURCHASE SHARES OF AP CAPITAL MORTGAGE INVESTMENT CORPORATION OR ADVICE REGARDING THE SUITABILITY OF THE INVESTMENT FOR SPECIFIC INVESTORS. ALL PURCHASES OF SHARES IN AP CAPITAL MORTGAGE INVESTMENT CORPORATION MUST BE MADE THROUGH AN APPROVED REGISTRANT (IIROC OR EXEMPT MARKET DEALER). ANY OPINIONS EXPRESSED HEREIN ARE EFFECTIVE AS AT THE DATE OF THE REPORT. MANAGEMENT DOES NOT UNDERTAKE TO NOTIFY THE READER OF ANY SUBSEQUENT CHANGE OF CIRCUMSTANCE OR OPINION. HISTORIC RETURNS SET OUT ABOVE ARE NET OF ALL FUND EXPENSES AND MANAGEMENT FEES. PAST RESULTS ARE NOT INDICATIVE OF FUTURE PERFORMANCE. FOR FURTHER INFORMATION AND DISCLOSURES PLEASE REFER TO THE INVESTOR SECTION ON OUR WEBSITE.