



## October 2023 In Review

AP Capital MIC's 164th consecutive monthly distribution was made on Wednesday, November 1st. In October, AP's underwriting team advanced 28 mortgages for \$9 MM. The Loan-to-Values (LTV) of 56.50% in October mortgages falls well below the fund's 70% target. Mortgage payouts received in the month summed \$14.6MM from 23 mortgages.

## Fund Update

In last month's Fund Update (Version 163) we discussed one of the main aspects of our defensive position as a lender; the focus on properties that protect the loans we advance. The other aspect of our defensive position includes a thorough review of the borrower, including assessing all aspects of their financial position. Homeowners and home purchasers have many options and they work through banks and mortgage brokers to secure property financing. Chartered banks in Canada hold approximately 75% of residential mortgages in the country, with over 5 million loans secured by residential dwellings. The remaining 25% is held by trust companies, credit unions, mortgage finance companies, and mortgage investment entities (such as AP Capital MIC). For mortgages sourced through independent mortgage brokers (approximately 50% of all mortgages in Canada), the broker collects the borrower's information (income, income source/sources, credit, net worth, etc.), and through consultation with the borrower, matches them with an appropriate lender and mortgage product. When that match is AP Capital, the broker prepares and delivers their client's details to AP's underwriting team. The team then thoroughly reviews the borrower, weighing all elements to determine whether they satisfy our underwriting criteria. While income and credit are important, other elements are taken into consideration, including net worth, various sources of income, and credit behavior over time. Many Canadians fall just short of chartered bank requirements and an independent mortgage broker can assist them with finding alternative means of financing. Our relationships with mortgage brokers are paramount in our fund's ability to source high volumes of applications. If we like the property, and like the borrower, we might just offer them an AP Capital mortgage. While their next mortgage might just be from a chartered bank, credit union, trust company, or mortgage finance company, their solution from AP will allow them to proceed. Until next month.

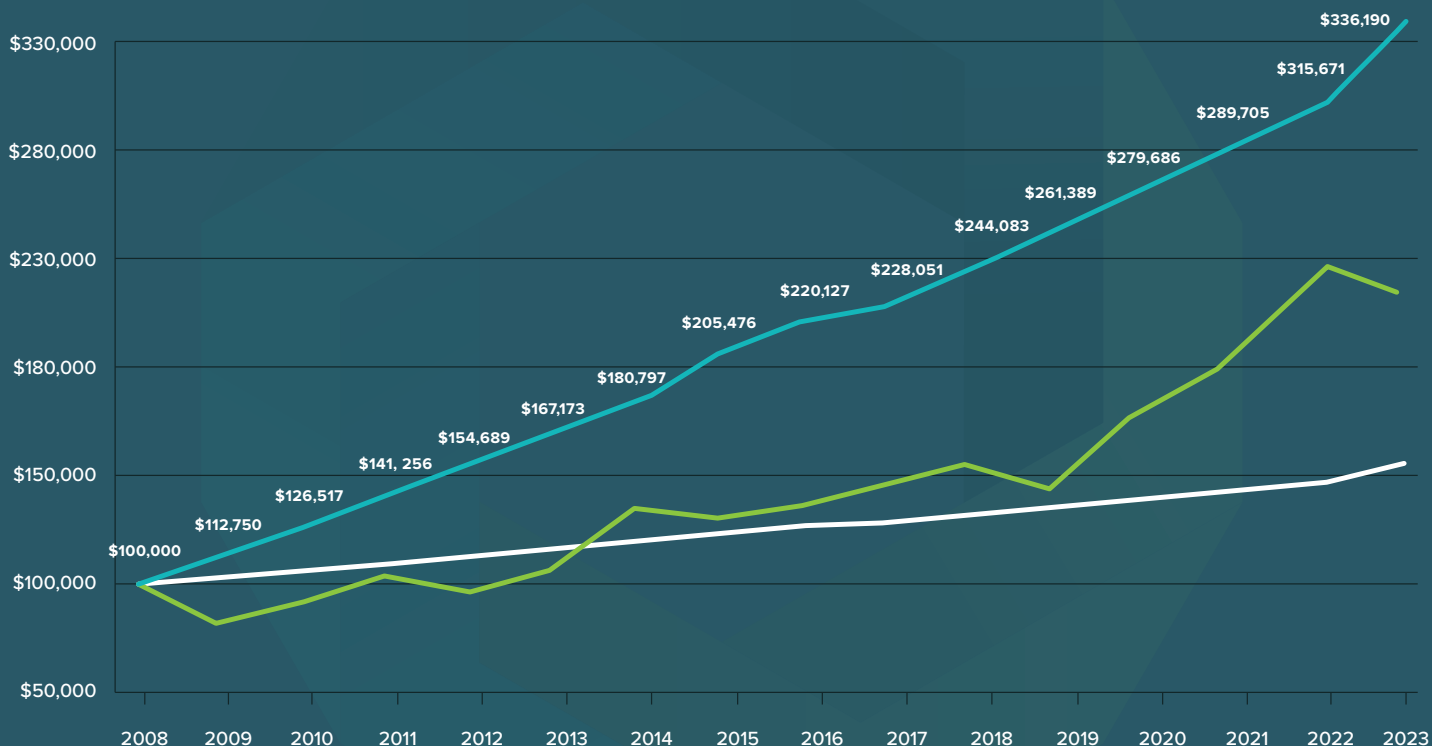
## Monthly Distributions

AP Capital MIC's monthly distributions (in cash or shares/DRIP) are managed by transfer agent SGGG Fund Services. Online access to shareholder account services are available. Registered account holders (i.e. RRSP, TFSA), please access your trustee accounts for balances. All distributions and returns are "after deduction of Management Fees".

<b>Mortgages Under Administration</b>	<b>\$215.01MM</b>
Mortgages in Portfolio	331
Portfolio Loan to Value (LTV)	58%
Mortgage funds in BC	91%
Mortgage funds in AB	9%
Mortgage funds in 1 <sup>st</sup> position	83%
Mortgage funds in 2 <sup>nd</sup> position	17%
Residential Mortgages	95%
Single Detached Home	57%
Condo	5%
Townhouse	3%
Other	30%
Owner Occupied	38%
Average credit score of borrowers	705
% of portfolio in foreclosure	4.5%
Average LTV on foreclosures	42%
Consecutive months of distributions	164 mo
Current monthly distribution	8.05% p.a.
Shareholder Accounts	1,371
Shareholders monthly cash distributions	55%
Shareholders share re-investment (DRIP)	45%
Open/cash shareholders	69%
Registered (RRSP, TFSA, etc) shareholders	31%



● AP Capital MIC    
 ● S&P/TSX Composite Total Return    
 ● 3% Compounding



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

12.75%	12.21%	11.65%	9.51%	8.07%
JUNE 2009	JUNE 2010	JUNE 2011	JUNE 2012	JUNE 2013
8.15%	13.65%	7.13%	3.6% (6mos.)	7.03%
JUNE 2014	JUNE 2015	JUNE 2016	DECEMBER 2016	DECEMBER 2017
7.09%	7%	6.80%	5.68%	6.34%
DECEMBER 2018	DECEMBER 2019	DECEMBER 2020	DECEMBER 2021	DECEMBER 2022

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