

MIC Fast Facts

2018 Audited Weighted Average Yield: 7.09%

Top up distributions will be issued in the coming weeks.

March 2019 in Review

March rounded out a quiet 1st quarter in terms of mortgage origination with AP Capital MIC's underwriting team funding just 3 mortgages for less than \$1.0 MM in principal. April is off to a more expected start with greater than \$5.0 MM in origination on 9 mortgages in the first two weeks.

Guess which Vancouver neighborhoods don't have mortgages

Few will deny that housing is expensive in Vancouver. Certainly, the prevailing opinion of many is "who can afford the mortgage on a million+ dollar home?" Well, as it turns out, a large percentage of owner households have no mortgage at all; and notably the highest priced neighborhoods in Vancouver have some of the most mortgage free homes. Between 40-49% of all homes are clear title (no mortgage) in neighborhoods Dunbar Southlands (average single detached home price \$2.6M), Kerrisdale (asdhp \$3.1M) and Shaughnessy (asdhp \$5.2M).

See the comparison of Vancouver owner households *with* mortgages, to those in Abbotsford, Calgary, Edmonton, and Toronto. Vancouver not only has the lowest owner households without mortgages, but also spends more on their shelter. At AP Capital, we like the stability of real estate in markets we serve.

City	Owner households with mortgage	Owner households spending 30% or more of income on shelter costs
Vancouver	53.1%	27.8%
Abbotsford	65.6%	18.8%
Calgary	66.8%	16.5%
Edmonton	65.1%	16.5%
Toronto	57.5%	27.4%
Province-wide		
BC	58.6%	20.7%
Alberta	65.2%	15.1%
Ontario	61.0%	19.8%

Source: Statistics Canada: 2016 Census and REBGV

RBC replacing HSBC:

AP Capital MIC is pleased to announce that RBC replaces the HSBC credit line relationship. The RBC credit terms expand to \$28.00MM. Management feels the terms of this agreement, in addition to the reputation and distinction of RBC, will enhance AP Capital's portfolio performance as well as its profile in the market.

March 31, 2019

Shareholder Capital	\$83.72 MM
Credit Facility	\$28.00 MM
Lendable Funds	\$111.72 MM

Mortgages in portfolio 236

Portfolio Loan to Value (LTV) 58.15%

Mortgage funds in BC 97.16%

Mortgage funds in AB 2.76%

Mortgage funds in ON 0.08%

Mortgage funds in 1st position 71.14%

Mortgage funds in 2nd position 28.86%

Residential Mortgages 100%

Single Detached Homes 87%

Condos 10%

Townhouses 3%

Owner Occupied 74.5%

Mortgages in foreclosure 3

% of portfolio in foreclosure 5.20%

Average LTV on foreclosures 65.18%

10-year average return 9.17%

3-year average return 7.10%

2018 return 7.09%

Consecutive months of ≥7% distribution 109

Shareholder Accounts 1,180

Shareholders 7% monthly cash 49.29%

Shareholders share re-investment (DRIP) 50.71%

Open/cash shareholders 56.22%

Registered (RRSP, TFSA, etc) shareholders 43.78%

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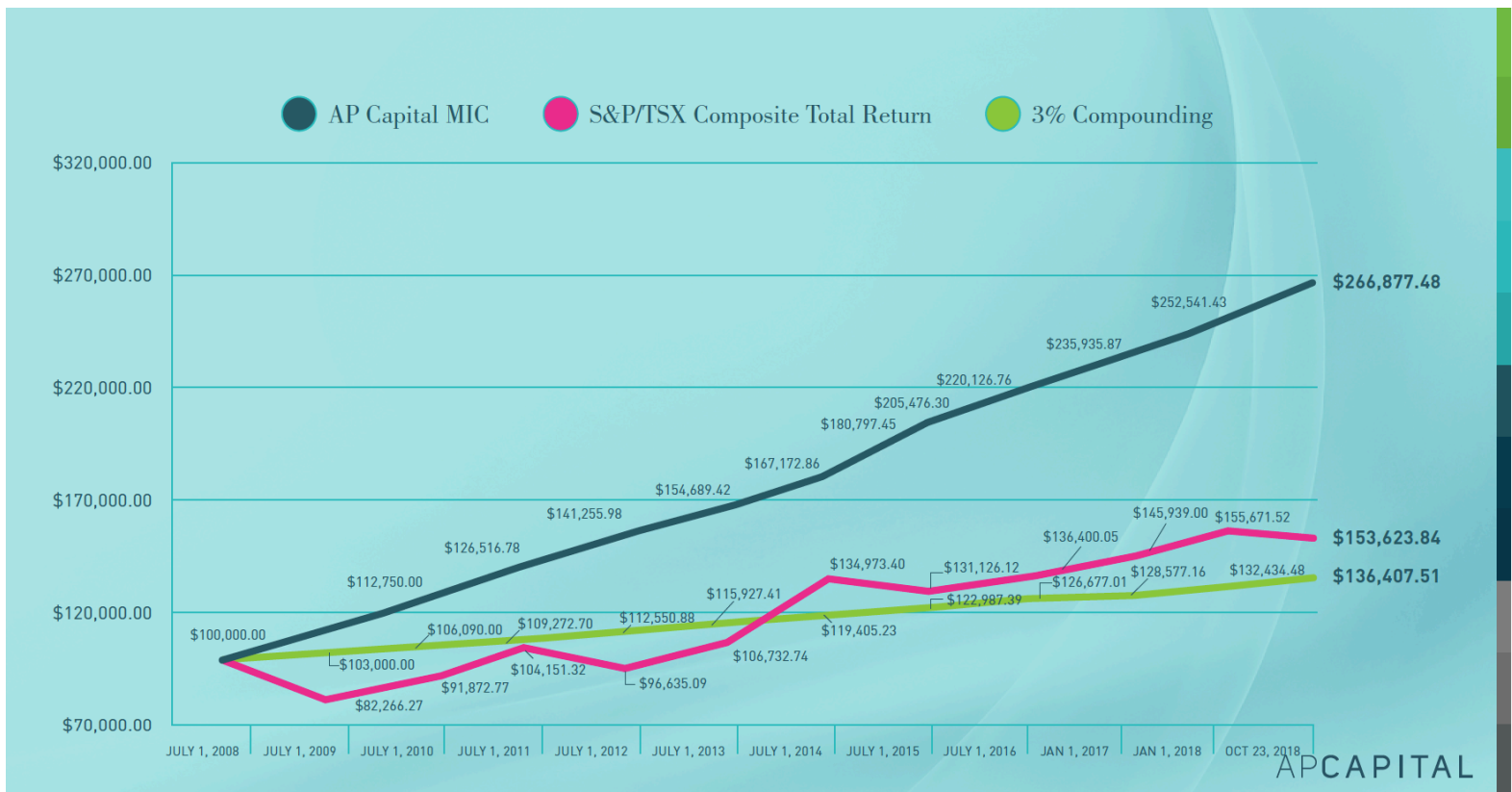
Monthly Distributions:

AP Capital MIC's 7% p.a. monthly distribution for March was made on Monday, April 1. 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 issued shares. For Open DRIP account holders, logon to Computershare for updated account holdings. RRSP, TFSA or other registered account holders on DRIP, access your trustee account for updated account balances. 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"

DISCLAIMER:

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Does not reflect tax consequences of returns. July 1, 2008 - Dec 31, 2017 is audited return annually reinvested for AP Capital MIC. Jan 1, 2018 - Oct 23, 2018 is non-audited return for AP Capital MIC. Past investment returns are no guarantee of future investment returns.

INVESTING IN CANADIAN MORTGAGES / OCTOBER 2018 / PAGE 24