

MIC Fast Facts

October 2020 in Review:

AP Capital MIC's 128th consecutive monthly distribution of 6.5% p.a. or greater was made on Monday, November 2nd. In September, AP's underwriting team advanced 16 mortgages for \$7.8 MM. The LTV of 57.86% in October mortgages falls well below the fund's 70% target. Additionally, fourteen of the sixteen mortgages were in first position security. Mortgage payouts received in the month summed \$4.2 MM from 14 mortgages.

Market and Fund Update:

As the end of 2020 approaches, we reflect on a year that introduced many unexpected impacts to Canadians and their families. Looking forward to 2021, we do so with optimism. Over the Covid months, home prices have stayed stable, even showing increases year over year across many Western Canadian markets. Home prices serve as the backstop to mortgage lenders and their stability bodes well for AP Capital. The fund's origination rates on new mortgage deals have been generally steady throughout the year and collected monthly payments from borrowers have maintained their strong trend through October. With many positives to reflect on, there have been unexpected developments; most of which has been the rapid drop in interest rates in 2020. Since mid-summer, lower interest rates in the market have remained low, and are predicted to persist into 2021. In reaction to the first signs of interest rate headwinds, AP Capital MIC reduced its monthly distribution from 7% p.a. to 6.5% p.a in August 2020. With persisting lower lending rates, further reductions in the monthly distribution rate (reducing by up to 1%) should be expected by MIC shareholders in 2021. While maximizing yield and return is our objective, our commitment also remains on preserving and protecting the invested capital of shareholders. Conservative Loan to Values and diligent management of borrower payments serve to prove this commitment. We appreciate all shareholder support and wish all a safe and happy holiday season ahead.

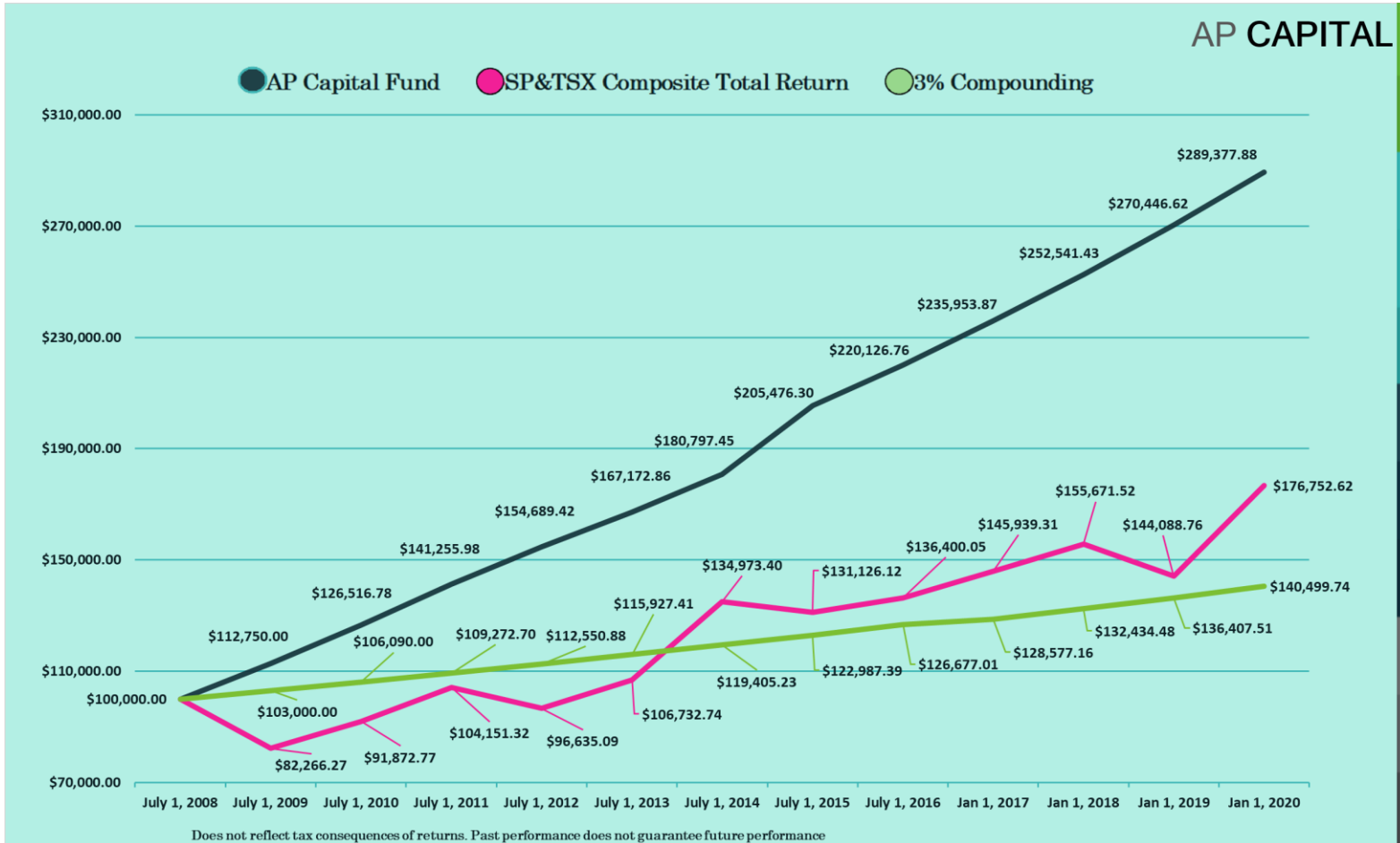
Monthly Distributions:

AP Capital MIC's 6.5% p.a. monthly distribution for October was made on Monday, November 2nd. 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, go online 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" are deducted.

October 31, 2020

Shareholder Capital	\$98.61 MM
Credit Facility	\$28.00 MM
Lendable Funds	\$126.61 MM
Mortgages in portfolio	242
Portfolio Loan to Value (LTV)	57.13%
Mortgage funds in BC	87.07%
Mortgage funds in AB	12.86%
Mortgage funds in ON	0.08%
Mortgage funds in 1 st position	70.57%
Mortgage funds in 2 nd position	29.43%
Residential Mortgages	97.10%
Detached Properties	70.81%
Condos	11.55%
Townhouses/other	15.21%
Owner Occupied	66.39%
Mortgages in foreclosure	8
% of portfolio in foreclosure	7.02%
Average LTV on foreclosures	64.62%
10-year average return	8.66%
3-year average return	7.09%
2019 return	7.15%
Consecutive months of ≥6.5% distribution	128
Shareholder Accounts	1,280
Shareholders 7% monthly cash	49%
Shareholders share re-investment (DRIP)	51%
Open/cash shareholders	59%
Registered (RRSP, TFSA, etc) shareholders	41%

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