



## September 2024 In Review

AP Capital MIC's 175th consecutive monthly distribution was made on Tuesday, October 1st. In September AP's underwriting team advanced 24 mortgages for \$10.8MM. The Loan-to-Values (LTV) of 58% in September falls well below the fund's 70% target. Mortgage payouts received in the month summed \$8.3MM from 12 mortgages.

## Fund Update

As we conclude the final quarter of 2024, we look ahead to 2025 with optimism and a sense of opportunity. Following a period of moderated real estate activity due to elevated interest rates, we are now observing early signs of strengthening demand in the residential resale market. This resurgence in sales activity enhances liquidity in the housing market, paving the way for continued deal origination by the AP underwriting team. For lenders, a well-functioning market is always an encouraging indicator.

A key focus for us over the past decade has been the supply of resale housing in the Greater Vancouver and Fraser Valley regions, with particular emphasis on single-detached homes. One of the primary metrics we monitor is the number of newly listed detached homes over a two-week period in these areas. In a normal environment, we typically see around 1,500 new listings. As of this report, new listings stand just below 1,100. We interpret this as a sign that sellers may be holding back, potentially waiting for more favorable market conditions before listing their properties.

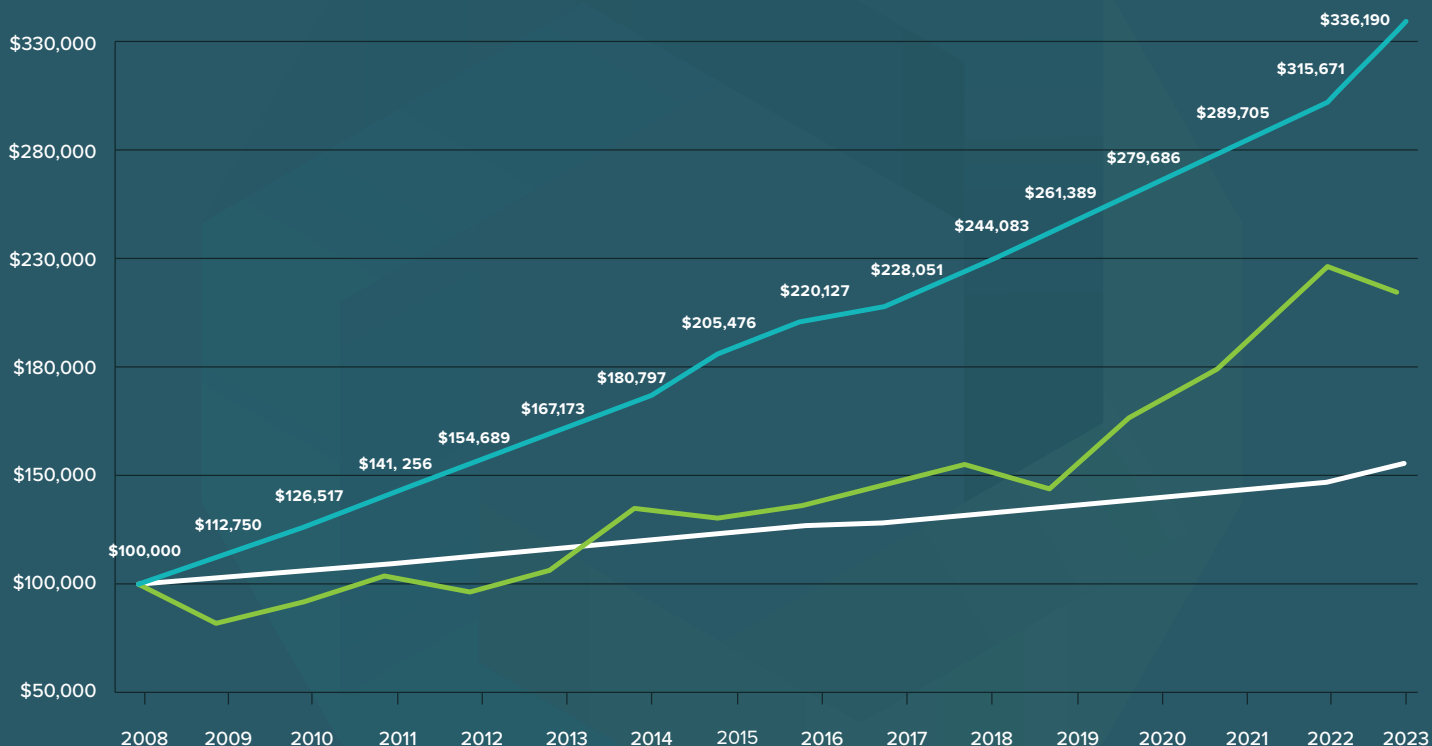
The total number of detached listings currently sits at just under 8,900, representing an 18% increase compared to the 7,500 detached homes we typically observe on the market from Hope to Horseshoe Bay. However, this figure has slightly decreased from the over 9,000 listings recorded a month ago. The higher-than-usual number of total listings could also reflect the relisting of less desirable homes in the region as well as a resale market that may be at its reflection point to rebound.

Looking ahead, our expectations are aligned with broader market sentiment: as interest rates continue to decline, market activity is likely to accelerate. If this uptick in activity materializes, we could see an increase in average home prices, following a relatively flat period over the past year. For lenders, stability and growth in market activity are key drivers of success, and we are confident in the strength of the coming quarters and the year ahead.

Mortgages Under Administration	<b>\$238 MM</b>
Mortgages funded since inception	<b>\$968MM</b>
Mortgages in Portfolio	<b>397</b>
Mortgages funded since inception	<b>2,290</b>
Portfolio Loan to Value (LTV)	<b>57%</b>
Mortgage funds in BC	<b>93%</b>
Mortgage funds in AB	<b>7%</b>
Mortgage funds in 1 <sup>st</sup> position	<b>80%</b>
Mortgage funds in 2 <sup>nd</sup> position	<b>20%</b>
Residential Mortgages	<b>96%</b>
Single Detached Homes	<b>59%</b>
Serviced & Urban Lots	<b>28%</b>
Condos	<b>7%</b>
Townhouses	<b>2%</b>
Owner Occupied	<b>40%</b>
Average credit score of borrowers	<b>713</b>
% of portfolio in foreclosure	<b>5.48%</b>
Average LTV on foreclosures	<b>57%</b>
Consecutive months of distributions	<b>175</b>
Class B shares	<b>8.50% p.a.</b>
Class F shares	<b>9.00% p.a.</b>
Class I shares	<b>9.50% p.a.</b>
Shareholder Accounts	<b>1,556</b>
Shareholders monthly cash distributions	<b>51%</b>
Shareholders share re-investment (DRIP)	<b>49%</b>
Open/cash shareholders	<b>67%</b>
Registered (RRSP, TFSA, etc) shareholders	<b>33%</b>



● 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.

2014	8.15%	2019	B class	7.00%
			F class	7.71%
2015	13.65%	2020	B class	6.80%
			F class	7.33%
2016	7.20%	2021	B class	5.68%
			F class	6.23%
2017	7.03%	2022	B class	6.34%
			F class	6.87%
2018	B Class	2023	B class	7.84%
	F Class		F Class	8.36%

\*Introduction of F class shares

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