



August 2025 In Review

AP Capital MIC's 186th consecutive monthly distribution was made on Tuesday, September 2nd. In August, AP's underwriting team advanced 27 mortgages for \$16.7 million. The Loan-to-Value (LTV) of 59% in August falls well below the fund's 70% target. Mortgage payouts received in the month summed \$15.8 million from 24 mortgages.

Fund Update

AP Capital Mortgage Fund is in a robust financial position, demonstrating resilience and growth across key metrics. The portfolio's performance from January to August 2025, with comparisons to the same period in 2024, provides insights into our ongoing strategy and execution.

The fund's portfolio comprises 487 mortgages on August 31, compared to 387 one year prior. New mortgage originations have accelerated, reaching \$149 million in 2025 compared to \$107 million from January to August 2024, underscoring sustained demand for our lending solutions. Mortgage payouts are a good measure of fund liquidity, with \$112 million in mortgage payouts year-to-date this year, a significant increase from \$90 million in the same period in 2024. Payment performance has been strong, with mortgage delinquencies (90+ days in arrears) at 3.49%, up a modest 39 basis points from 3.10% at August 31, 2024. Meanwhile, the percentage of the portfolio in foreclosure has decreased to 4.57%, down from 5.23% as of August 31, 2024, reflecting effective risk management. Observers may recognize that foreclosures exceed delinquencies, an unusual outcome; however, this is due to AP's policy of initiating foreclosures when borrowers fall 45+ days behind in their payments. The fund's overall health is supported by robust investor confidence as net new investments contributed \$30 million in equity growth year to date, surpassing the \$24 million recorded during the same period in 2024. The average mortgage size has risen modestly to \$616,000 from \$605,000, aligning with our strategic focus on balanced risk across the portfolio. Borrower credit quality has also improved, with the average credit score increasing to 716 from 714 year-over-year. These metrics position the fund favorably within the residential lending market, particularly in detached homes, where we believe stability is greatest.

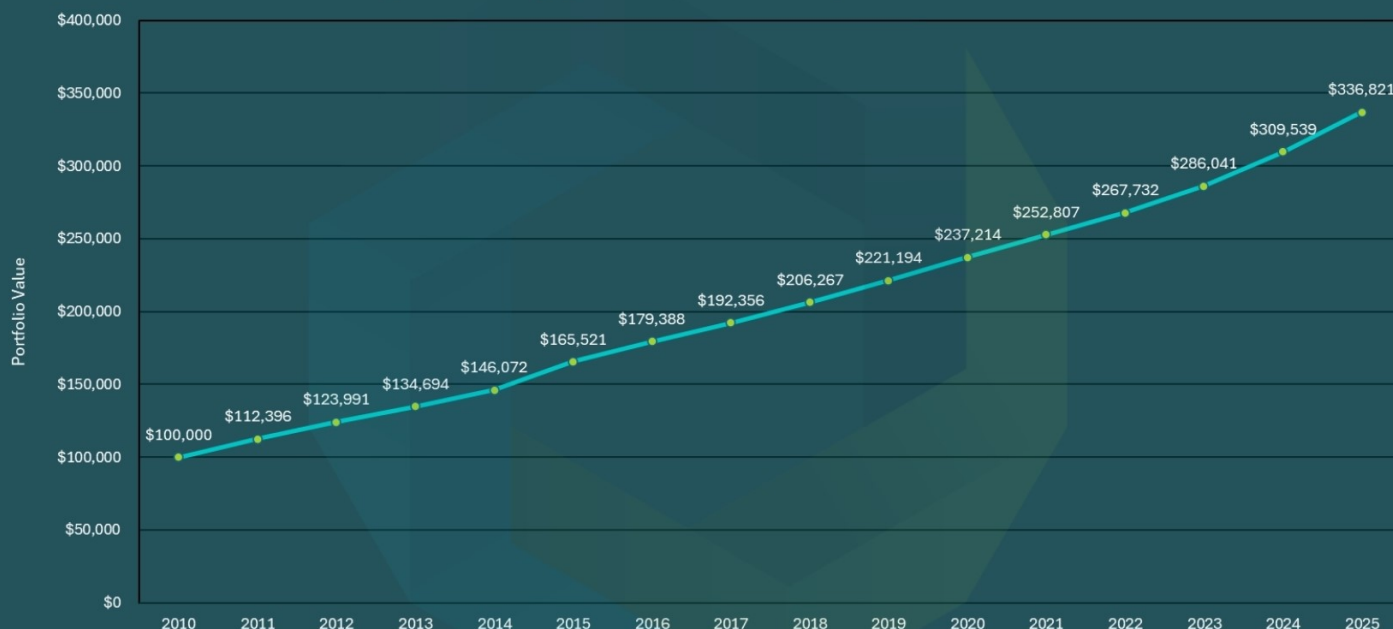
The fund has outperformed many of our 2025 projections, with the exception of interest rates, which have declined by 1.40% over the past 12 months due to broader market trends. To address this, we have adjusted our monthly distribution rate, with an additional modest adjustment to be announced soon.

Our focus on residential lending, disciplined underwriting, and proactive portfolio management underpins the fund's stability. Please don't hesitate to contact us with any questions. Your AP team!

Mortgages Under Administration	\$307 MM
Mortgages funded since inception	\$1.1 B
Mortgages in Portfolio	487
Mortgages funded since inception	2,677
Portfolio Loan to Value (LTV)	57%
Mortgage funds in BC	94%
Mortgage funds in AB	6%
Mortgage funds in 1 st position	79%
Mortgage funds in 2 nd position	21%
Residential Mortgages	98%
Single Detached Homes	62%
Serviced & Urban Lots	27%
Condos	7%
Townhouses & Duplex / MFD	2%
Owner Occupied	45%
Average credit score of borrowers	716
% of portfolio in foreclosure	4.57%
Average LTV on foreclosures	48%
Monthly distributions	
Class B shares	7.5% p.a.
Class F shares	8% p.a.
Consecutive months of distributions	186
Shareholder Accounts	1,712
Shareholders monthly cash distributions	54%
Shareholders share re-investment (DRIP)	46%
Open/cash shareholders	67%
Registered (RRSP, TFSA, etc) shareholders	33%



AP Capital Mortgage Investment Corporation Total Return



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

Simple Interest Audited Yield (net of fees)

Year	B Class	F Class
2018	7.09%	7.65%*
2019	7.00%	7.71%
2020	6.80%	7.33%
2021	5.68%	6.23%
2022	6.34%	6.87%
2023	7.84%	8.36%
2024	8.46%	9.02%

*Introduction of F class shares

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