MIC Fund Facts

Version.196

June 2026 In Review

In June, AP's underwriting team advanced 32 mortgages for $17.5 Million. The Loan-to-Values (LTV) of 57% in June falls well below the fund's 70% target. Mortgage payouts received in the month summed $15.45 million from 21 mortgages.

AP Capital MIC's 196th consecutive monthly distribution was made on Thursday, July 2nd; 16 years, 4 months.

Fund Update

The latest real estate market data from Greater Vancouver and the Fraser Valley highlights a continuing shift toward buyer-favorable conditions, with modest price adjustments across BC's key urban centers. While headlines often focus strictly on benchmark price declines, the broader picture demonstrates a functioning, liquid market where home buying and selling activity continues to transact smoothly.

Recent data shows that benchmark prices for single-family homes—the cornerstone asset class of AP Capital's mortgage portfolio—have adjusted lower:

- Greater Vancouver: Single-family home benchmark prices declined 7.2% year-over-year, with a 3-year cumulative price adjustment of -7.7%.
- Fraser Valley: Single-family home benchmark prices fell 7.7% year-over-year, with an 11.2% decline over the past 3 years.

Despite these price shifts, transaction velocity remains stable. In June 2026, Greater Vancouver and Fraser Valley markets recorded a total of 3,537 unit sales (+9.6% GV and -4.0% FV unit sales year-over-year), reflecting sustained demand across both regions.

As a specialized lender providing 1-year term mortgages, AP Capital is intentionally structured to navigate market cycles and price adjustments. We manage through a price declining market by maintaining a substantial equity cushion. The fund's current conservative portfolio Loan-to-Value (LTV) stands at 57.4%. This means our average borrower holds over 40% equity in their home at the time of underwriting, creating an extensive protective buffer that absorbs 3-year historical price drops of 7.7% to 11.2%. This combination of strict, asset-first underwriting and a low average LTV ensures that AP's capital remains well-protected even as real estate valuations normalize.

We remain confident in the underlying fundamentals of the Greater Vancouver and Fraser Valley residential markets. Our team remains focused on prudent risk management, diligent mortgage underwriting, and conservative loan administration to safeguard your capital while delivering stable monthly distributions. Thank you for your continued trust in our strategy. Until next month.

Mortgages Under Administration	**$285 MM**
Mortgages funded since inception	**$1.3 B**
Mortgages in Portfolio	**460**
Mortgages funded since inception	**2,938**
Portfolio Loan to Value (LTV)	**57%**
Mortgage funds in BC	**92%**
Mortgage funds in AB	**8%**
Mortgage funds in 1st position	**79%**
Mortgage funds in 2nd position	**21%**
Residential Mortgages	**98%**
Single Detached Homes	**54%**
Serviced & Urban Lots	**33%**
Condos	**7%**
Townhouses & Duplex / MFD	**4%**
Owner Occupied	**42%**
Average credit score of borrowers	**715**
% of portfolio in foreclosure	**5.09%**
Average LTV on foreclosures	**59%**
Monthly distributions	
Class B shares	**6.25% p.a.**
Class F shares	**6.75% p.a.**
Consecutive months of distributions	**196**
Shareholder Accounts	**1,753**
Shareholders monthly cash distributions	**48%**
Shareholders share re-investment (DRIP)	**52%**
Open/cash shareholders	**72%**
Registered (RRSP, TFSA, etc) shareholders	**28%**

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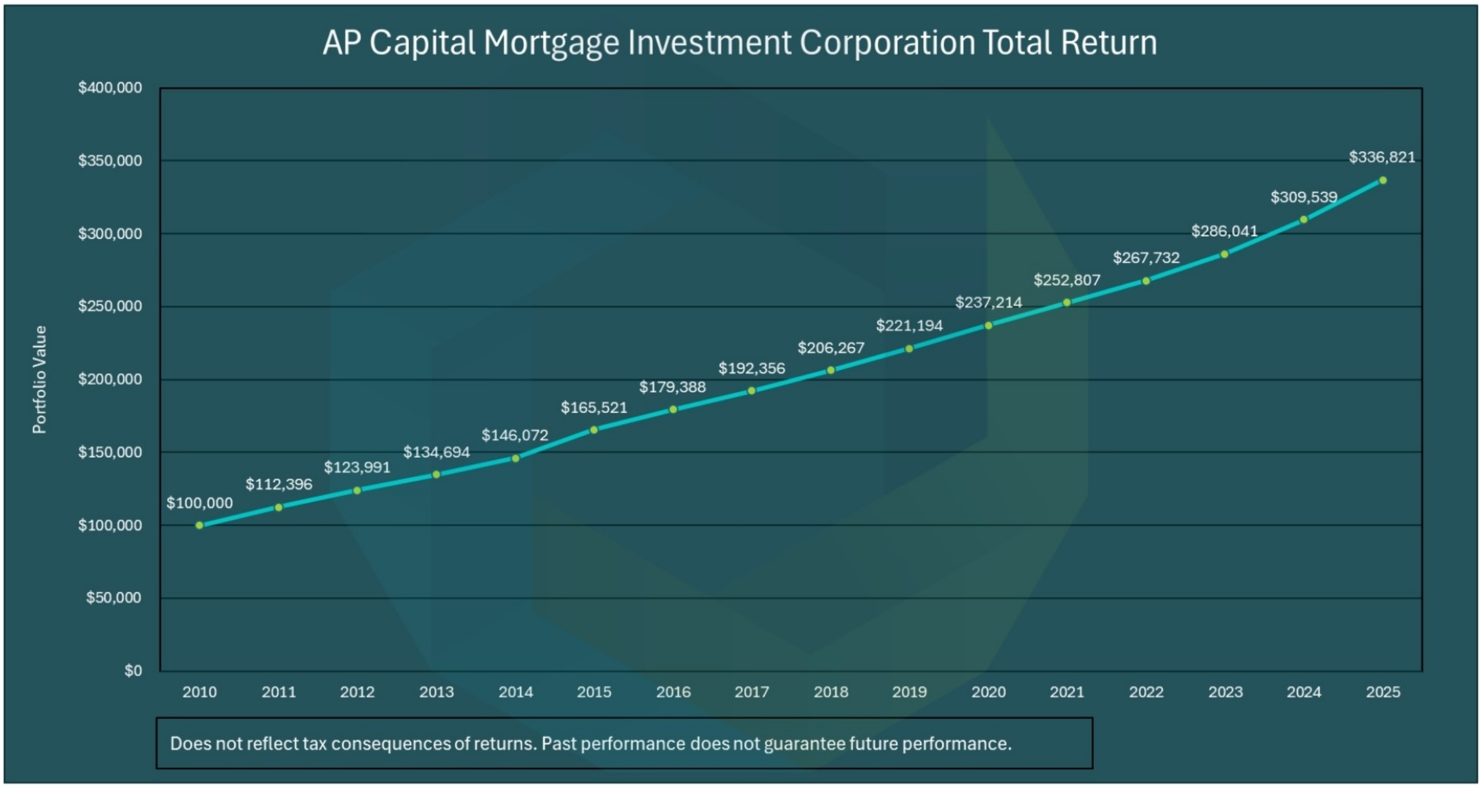

Simple Interest Audited Yield (net of fees)

Year	B Class	F Class
2015	13.65%	
2016	7.20%	
2017	7.03%	
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%	8.365
2024	8.46%	9.02%
2025	7.69%	8.33%

*Introduction of F class shares

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