MIC Fund Facts

Version.198

August 2026 In Review

Current Monthly Distribution: 6.25% p.a. Class B

In August, AP's underwriting team advanced 22 mortgages for $11.8 MM. The Loan-to-Values (LTV) of 57% in August falls well below the fund's 70% target. Mortgage payouts received in the month summed $13.3 MM from 22 mortgages.

AP Capital MIC's 198th consecutive monthly distribution (16 years, 6 months) was made on Tuesday, September 1st.

Fund Update

AP Capital Mortgage Fund's performance through August 31 underscores our strategy's strength and our disciplined approach to portfolio management.

Key Year-to-Date Highlights (Jan – Aug 2026 vs. same period 2025)

- **Enhanced Credit Quality:** Delinquencies (90+ days in arrears) dropped to 3.08% (down 41 basis points from 3.49% in 2025).
- **Reduced Foreclosures:** Portfolio percentage in foreclosure decreased to 3.24% (down from 4.57% in 2025).
- **Stable Borrower Profile:** Average credit score remains robust at 715 (vs. 716 in 2025), with an average mortgage size of $626,000 (vs. $616,000 Aug 2025).
- **Strong Liquidity:** Mortgage payouts reached $107 MM YTD (compared to $112 MM in 2025), demonstrating steady fund-level liquidity.
- **Disciplined Origination:** New mortgage originations totaled $99MM across 455 active mortgages (down from $149 MM across 487 mortgages in 2025). This drop reflects broader market dynamics and reduced overall transaction volume across residential real estate. True to our core value of only writing sound deals, we do not stretch our risk parameters in pursuit of volume simply to grow AUM. We remain fully committed to quality over quantity.

Our firm commitment to residential lending, conservative underwriting standards, and active portfolio management continues to safeguard fund stability and deliver dependable performance. Until next month.

Mortgages Under Administration	$285 MM
Mortgages funded since inception	$1.33 B
Mortgages in Portfolio	455
Mortgages funded since inception	2,999
Portfolio Loan to Value (LTV)	57%
Mortgage funds in BC	93%
Mortgage funds in AB	7%
Mortgage funds in 1st position	78%
Mortgage funds in 2nd position	22%
Residential Mortgages	99%
Single Detached Homes	55%
Serviced & Urban Lots	32%
Condos	7%
Townhouses & Duplex / MFD	5%
Owner Occupied	41%
Average credit score of borrowers	715
% of portfolio in foreclosure	3.24%
Average LTV on foreclosures	59%
Monthly distributions	
Class B shares	6.25% p.a.
Consecutive months of distributions	198
Shareholder Accounts	1,757
Shareholders monthly cash distributions	47%
Shareholders share re-investment (DRIP)	53%
Open/cash shareholders	66%
Registered (RRSP, TFSA, etc) shareholders	34%

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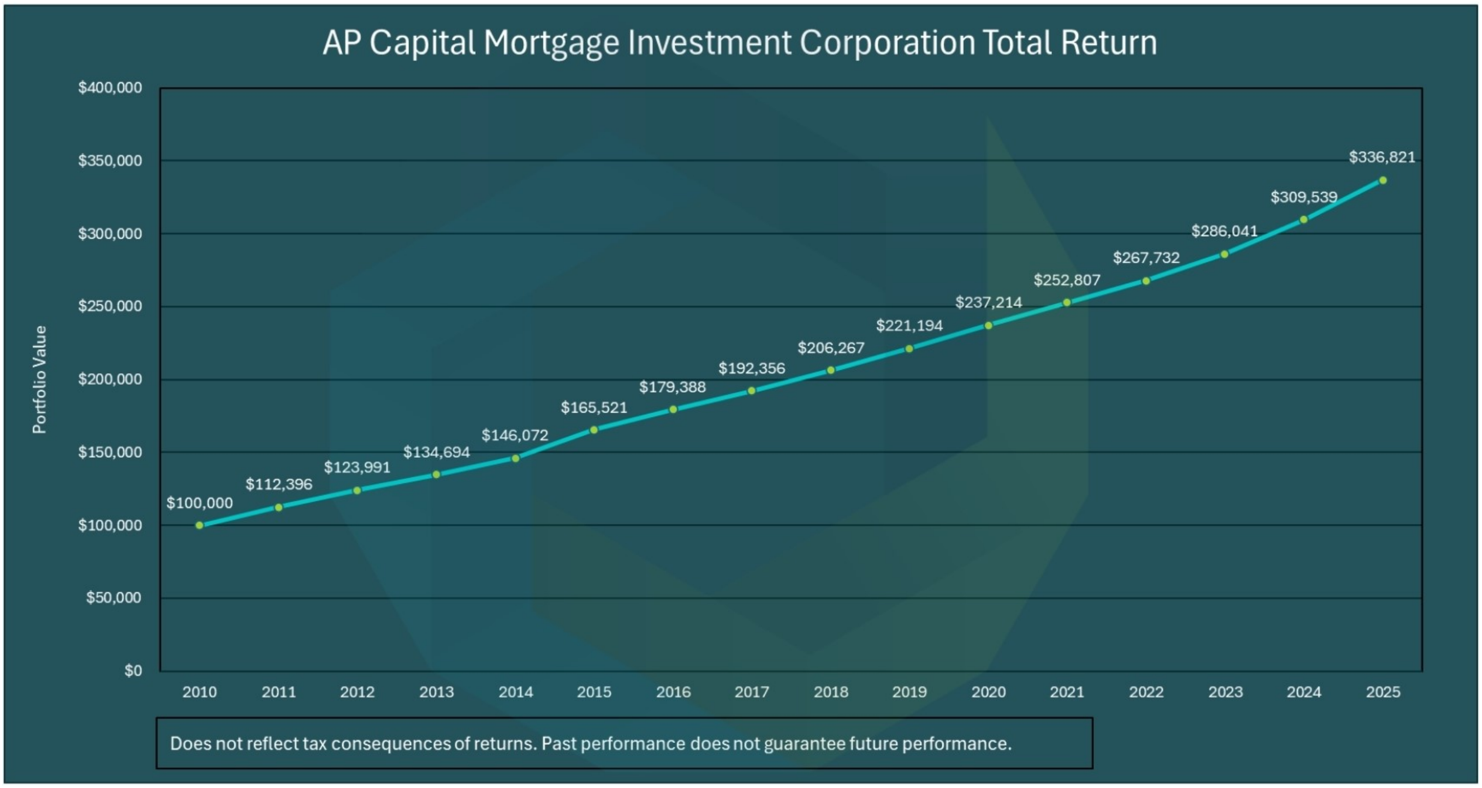

Simple Interest Audited Yield (net of fees)

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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