



FIRM CAPITAL PROPERTY TRUST

FIRM CAPITAL PROPERTY TRUST ANNOUNCES SOLID QUARTER OF EARNINGS AND PORTFOLIO GROWTH

Toronto, Ontario, November 3, 2016. Firm Capital Property Trust (“**FCPT**” or the “**Trust**”), (TSXV : FCD.UN) is pleased to report today its consolidated interim financial results for the three and nine months ended September 30, 2016.

THIRD QUARTER AND YEAR-TO-DATE HIGHLIGHTS

- Rental revenue for the three months ended September 30, 2016 was \$4.2 million, an 11% sequential increase and 29% increase over June 30, 2016 and September 30, 2015, respectively. Rental revenue for the nine months ended September 30, 2016 was \$11.7 million, a 27% increase over September 30, 2015;
- On a cash basis, NOI for the three months ended September 30, 2016 was \$2.4 million, a 10% sequential increase and 27% increase over June 30, 2016 and September 30, 2015, respectively. Cash NOI for the nine months ended September 30, 2016 was \$6.7 million, a 26% increase over September 30, 2015;
- Excluding a gain on sale generated from the sale of two properties from the Centre Ice Retail Portfolio, FFO and AFFO for the three months ended September 30, 2016 were \$1.3 million and \$1.4 million, respectively, an 8% and 13% sequential increase over the three months ending June 30, 2016 and a 6% and 23% increase over the three months ending September 30, 2015. For the nine months ended September 30, 2016, FFO and AFFO were \$3.7 million and \$3.7 million, respectively, a 13% and 20% increase over the nine months ending September 30, 2015;
- Excluding a gain on sale generated from the sale of two properties from the Centre Ice Retail Portfolio, FFO and AFFO Per Unit were \$0.105 and \$0.108 for the three months ended September 30, 2016, respectively. For the nine months ended September 30, 2016; FFO and AFFO Per Unit were \$0.317 and \$0.309, respectively;
- Including a gain on sale generated from the sale of two properties from the Centre Ice Retail Portfolio, Adjusted FFO and AFFO Per Unit for the nine months ended September 30, 2016 were \$0.384 and \$0.377, respectively;
- Three Months Ended September 30, 2016 FFO and AFFO payout ratios were 100% and 97%, respectively;
- Nine Months Ended September 30, 2016 Adjusted FFO and AFFO payout ratios were 82% and 84%, respectively;

- Occupancy for the commercial portfolio was 92.8%, a 260 basis point sequential increase over the 90.2% reported at June 30, 2016. Occupancy for the multi-residential portfolio was 92.6%; and
- Conservative leverage profile with Debt / Gross Book Value (“**GBV**”) at 49.8%.

Financial Highlights

	% Change Over								
	Three Months			Nine Months		Three Months		Nine Months	
	Sept 30, 2016	June 30, 2016	Sept 30, 2015	Sept 30, 2016	Sept 30, 2015	June 30, 2016	Sept 30, 2015	Sept 30, 2015	
Rental Revenue	\$4,228,005	\$3,804,157	\$3,277,289	\$11,671,819	\$9,226,792	11%	29%	27%	
NOI									
- IFRS Basis	\$2,506,220	\$2,247,672	\$1,955,829	\$ 6,819,929	\$5,447,886	12%	28%	25%	
- Cash Basis	\$2,439,294	\$2,209,927	\$1,925,116	\$ 6,694,262	\$5,328,912	10%	27%	26%	
FFO	\$1,317,775	\$1,218,474	\$1,245,318	\$ 3,740,825	\$3,319,534	8%	6%	13%	
AFFO	\$1,364,856	\$1,209,959	\$1,110,619	\$ 3,655,244	\$3,036,596	13%	23%	20%	
Adjusted FFO*	\$1,317,775	\$1,218,474	\$1,245,318	\$ 4,541,517	\$3,319,534	8%	6%	37%	
Adjusted AFFO*	\$1,364,856	\$1,209,959	\$1,110,619	\$ 4,455,936	\$3,036,596	13%	23%	47%	
FFO Per Unit	\$ 0.105	\$ 0.107	\$ 0.121	\$ 0.317	\$ 0.345	(2%)	(13%)	(8%)	
AFFO Per Unit	\$ 0.108	\$ 0.106	\$ 0.107	\$ 0.309	\$ 0.316	2%	1%	(2%)	
Adjusted FFO/Unit*	\$ 0.105	\$ 0.107	\$ 0.121	\$ 0.384	\$ 0.345	(2%)	(13%)	11%	
Adjusted AFFO/Unit*	\$ 0.108	\$ 0.106	\$ 0.107	\$ 0.377	\$ 0.316	2%	1%	19%	
Distributions/Unit	\$ 0.105	\$ 0.105	\$ 0.100	\$ 0.315	\$ 0.300	-	5%	5%	
Payout Ratios									
- FFO	100%	99%	83%	100%	87%				
- AFFO	97%	99%	93%	102%	95%				
- Adjusted FFO	100%	99%	83%	82%	87%				
- Adjusted AFFO	97%	99%	93%	84%	95%				

- **Closed on Thickson Place Joint Venture with First Capital Realty:** On September 29, 2016, the Trust completed the acquisition of a 40% interest in Thickson Place, located in Whitby, Ontario. The acquisition price values the property at approximately \$39.5 million (at 100%), excluding transaction costs. As a result of the acquisition, the Trust increased the size of its investment portfolio by approximately 11% to \$157 million.

Thickson Place is a 100% occupied, 104,808 square foot retail property anchored by Metro and LCBO. It is located at 80 Thickson Road South, directly across from Whitby Mall, which the Trust purchased a 40% interest in with the same joint venture partners in June of 2016. Owning the two neighbouring centres provides a strategic benefit and long term synergies. Thickson Place was previously owned 100% by First Capital Realty.

The acquisition of Thickson Place was funded through the Trust's existing cash resources and debt arranged on Whitby Mall. The joint venture is comprised of the Trust for 40%, First Capital Realty for 50%, and 10% is held by a syndicate group. Thickson Place and Whitby Mall will each be managed by First Capital Realty;

- **Completed Three Debt Financings for \$51.8 Million:** During and subsequent to quarter end, the Trust completed three debt financings for \$51.8 million. The Trust's pro-rata share in these debt financings was \$21.2 million;
- **Completion of Private Placement for Gross Proceeds of \$7.1 Million:** During the quarter, the Trust closed a non-brokered private placements over two closings for \$7.1 million consisting of 1,190,534 units of the Trust at a price of \$6.00 per Trust Unit;
- **Increased Distribution by 4.8%:** On November 1, 2016, the Trust announced that its Board of Trustees approved a 4.8% increase in its monthly distributions to \$0.036666 per unit from \$0.035 per unit. On an annualized basis, this equates to anticipated distributions of \$0.44 per unit up from \$0.42 per unit. These distributions will be paid on or about December 15, 2016 and January 15, 2017 to unitholders of record at the close of business on November 30, 2016 and December 30, 2016, respectively. This is the Trust's fourth distribution increase and represents a cumulative increase of 25.7%;
- **Closed on 1435 Mountain Road for \$4.7 Million:** On November 1, 2016, the Trust acquired a 100% interest in 1435 Mountain Road located in Moncton, New Brunswick. The acquisition price of the property is approximately \$4.7 million, excluding transaction costs. The property is a 100% occupied, 16,372 square foot neighborhood retail property with a mix of national and local tenants. The acquisition was funded through the Trust's existing cash resources and is expected to be immediately accretive to AFFO; and
- **Approved Distributions for January, February and March, 2017:** On November 3, 2016, the Trust announced that it has declared and approved monthly distributions in the amount of \$0.036666 per Trust Unit for unitholders of record on January 31, 2017, February 28, 2017 and March 31, 2017 payable on or about February 15, 2017, March 15, 2017 and April 14, 2017.

For the complete financial statements, Management's Discussion & Analysis and supplementary information, please visit www.sedar.com or the Trust's website at www.firmcapital.com

PROPERTY PORTFOLIO HIGHLIGHTS

The Trust's property portfolio consists of 60 commercial properties with a total Gross Leasable Area ("**GLA**") of 1,369,483 square feet (1,366,094 square feet of Net Leasable Area ("**NLA**")) and one apartment complex comprised of 135 units. The portfolio is diversified across geographies with 72% of the NOI generated from Ontario, 19% from Quebec, 7% from Nova Scotia and 2% collectively from BC, Alberta, Manitoba and New Brunswick. The portfolio is diversified across asset classes with 51% of NOI generated from retail, 39% from industrial, 7% from office and 3% from multi-residential.

TENANT DIVERSIFICATION

The portfolio is well diversified by tenant profile with no tenant accounting for more than 5.3% of total net rent. Further, the top 10 tenants are largely comprised of creditworthy and large national tenants and account for 23.4% of total net rent.

DISTRIBUTION REINVESTMENT PLAN & UNIT PURCHASE PLAN

The Trust has in place a Distribution Reinvestment Plan (“**DRIP**”) and Unit Purchase Plan (the “**Plan**”). Under the terms of the DRIP, FCPT’s Unitholders may elect to automatically reinvest all or a portion of their regular monthly distributions in additional Units, without incurring brokerage fees or commissions. Under the terms of the Plan, FCPT’s Unitholders may purchase a minimum of \$1,000 of Units per month and maximum purchases of up to \$12,000 per annum. Management and trustees have not participated in the DRIP or Plan to date and own approximately 7% of the issued and outstanding trust units of the Trust.

ABOUT FIRM CAPITAL PROPERTY TRUST

Firm Capital Property Trust is focused on creating long-term value for Unitholders, through capital preservation and disciplined investing to achieve stable distributable income. In partnership with management and industry leaders, The Trust’s plan is to co-own a diversified property portfolio of multi-residential, flex industrial, net lease convenience retail, and core service provider professional space. In addition to stand alone accretive acquisitions, the Trust will make joint acquisitions with strong financial partners and acquisitions of partial interests from existing ownership groups, in a manner that provides liquidity to those selling owners and professional management for those remaining as partners. Firm Capital Properties Inc., through a structure focused on an alignment of interests with the Trust sources, syndicates and property and asset manages investments on behalf of the Trust.

FORWARD LOOKING INFORMATION

This press release may contain forward-looking statements. In some cases, forward-looking statements can be identified by the use of words such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue", and by discussions of strategies that involve risks and uncertainties. The forward-looking statements are based on certain key expectations and assumptions made by the Trust. By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. Although management of the Trust believes that the expectations reflected in the forward-looking statements are reasonable, there can be no assurance that future results, levels of activity, performance or achievements will occur as anticipated. Neither the Trust nor any other person assumes responsibility for the accuracy and completeness of any forward-looking statements, and no one has any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or such other factors which affect this information, except as required by law.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, which may be made only by means of a prospectus, nor shall there be any sale of the Units in any state, province or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under securities laws of any such state, province or other jurisdiction. The Units of the Firm Capital Property Trust have not been, and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered, sold or delivered in the United States absent registration or an application for exemption from the registration requirements of U.S. securities laws.

For further information, please contact:

Robert McKee
President & Chief Executive Officer
(416) 635-0221

Sandy Poklar
Chief Financial Officer
(416) 635-0221