



FIRM CAPITAL AMERICAN REALTY PARTNERS CORP.

FIRM CAPITAL AMERICAN REALTY PARTNERS CORP. ANNOUNCES THIRD QUARTER RESULTS

Toronto, Ontario, November 28, 2016. Firm Capital American Realty Partners Corp. (“the **Company**”), (TSXV : FCA.U) is pleased to report today its consolidated interim financial results for the three and nine months ended September 30, 2016.

QUARTER END AND YEAR-TO-DATE HIGHLIGHTS

- Net loss was approximately \$1.5 million in comparison to the \$1.0 million loss reported at September 30, 2015;
- Rental revenue was approximately \$1.8 million or a 9% decline over the \$2.0 million reported at September 30, 2015;
- FFO was approximately a \$1.0 million loss or a 18% improvement over the \$1.3 million loss reported at September 30, 2015. AFFO was approximately a \$0.9 million loss or a 46% improvement over the \$1.6 million loss reported at September 30, 2015;
- Net loss per share was \$(0.03) in comparison to the \$(0.02) per share reported as at September 30, 2015;
- FFO per share was \$(0.02) and AFFO per share was \$(0.01) for the quarter ended September 30, 2016, respectively, both a 23% and 49% improvement over the \$(0.02) and \$(0.03) per share reported as at September 30, 2015;
- As at September 30, 2016, the Company had two asset portfolios:
 - **Retained Investment Portfolio:** Consisting of 66 mini-multi units (of which 44 units are residential condominium units) located across three buildings in Florida and 311 multi-family apartment units located across three buildings in Florida (1 building) and Texas (two buildings) with a fair value of approximately \$43.5 million; and
 - **Single Family Disposition Portfolio:** Consisting of 538 single family homes located in Florida, Georgia and New Jersey with a fair value of approximately \$30.8 million;
- **Occupancy:** Retained investment portfolio occupancy was largely unchanged at 96.3%, while the single family disposition portfolio occupancy increased to 49.3% over the 46.7% reported at June 30, 2016;
- **Average Rents:** Retained investment portfolio average monthly rents increased by 0.6% over June 30, 2016;

- **Single Family Home Sales Update:** During the quarter, the Company closed sales on 26 single family home units for gross proceeds of approximately \$1.8 million (net proceeds of approximately \$1.5 million). Since September 2014, the Company has sold 262 single family home units for gross proceeds of approximately \$17 million. Subsequent to quarter end, the Company closed sales on 36 single family home units for gross proceeds of approximately \$2.1 million (net proceeds of approximately \$1.8 million). The Company also has under contract 48 single family homes units located in South Florida for gross proceeds of approximately \$3.1 million and 15 single family home units located in Georgia for gross proceeds of approximately \$0.8 million;
- **\$2.3 Million in SSN Repayments:** During the quarter, the Company repaid \$0.8 million of the SSN from proceeds generated from home sales. Subsequent to quarter end, the Company repaid an additional \$1.5 million of the SSN. As a result, the SSN balance stands at approximately \$10.0 million or 40% of the original balance;
- **\$0.3 Million in New Jersey Promissory Note Repayment:** Subsequent to quarter end, the Company repaid \$0.3 million of the New Jersey Promissory Note. As a result, the balance today stands at approximately \$2.8 million;
- **\$10 Million Rights Offering:** On November 14, 2016, the Company announced that it was launching a \$10 million Rights Offering to all existing shareholders of the Company at a price of US\$0.16 per Rights Share. The Company is offering rights (the “Rights”) to holders of its common shares as at the close of business on the record date of November 18, 2016, based on one Right for each common share; and
- **Announces First Investment Since Q2/2014 - \$7.5 Million Joint Venture Investment:** On November 14, 2016, the Company announced that it had agreed to invest in a joint venture that will consist of eight multi-family buildings (the “Portfolio”) comprised of 127 residential units and two commercial units located in New York City with a strong local partner. The Portfolio is currently 91% occupied and presents significant repositioning and value enhancement opportunities. The Company will be investing in a combination of preferred and common equity. The preferred equity has a fixed rate of return of 8% per annum and the common equity is forecasted to generate a five year Levered Internal Rate of Return (“IRR”) of approximately 27% per annum. On a blended basis, both the preferred and common equity investment are forecasted to generate a five year Levered IRR of approximately 16%. The Company’s expected pro-rata share of the joint venture investment is approximately \$7.5 million and will be funded from net proceeds received from the \$10.0 million Rights Offering. Closing of the Portfolio is expected to occur during the fourth quarter of 2016.

For the complete financial statements including Management’s Discussion & Analysis, please visit www.sedar.com or the Company’s website at www.firmcapital.com

ABOUT FIRM CAPITAL AMERICAN REALTY PARTNERS CORP.

Firm Capital American Realty Partners Corp. focuses on capital partnership investing in U.S. income producing real estate & mortgage debt investments.

The Company is focused on the following investment platforms:

- **Income Producing Real Estate Investments:** Acquiring income producing U.S. real estate assets in major cities across the United States. Acquisitions are completed solely by the Company or in joint-venture partnership with local industry expert partners who retain property management; and
- **Mortgage Debt Investments:** Real estate debt and equity lending platform focused on major cities across the United States. Focused on providing all forms of bridge mortgage loans and joint venture capital.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain information in this news release constitutes forward-looking statements under applicable securities law. Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as "may", "should", "anticipate", "expect", "intend" and similar expressions. Forward-looking statements in this news release include, but are not limited to, statements regarding the Company's single family property disposition program and Debt Restructuring, which may not be completed within the estimated time frames specified above or at all. Failure to complete the steps described above or any delays in their implementation may have a material adverse effect upon the business of the Company and its market value. There is no assurance that the Company will be able to complete the disposition of the single property disposition portfolio at anticipated values or at all or that market conditions will support the debt and equity raises contemplated by the Company. There is no assurance that the implementation of the steps described above, even if completed as described above, will increase the market value of the Company's securities, which is subject to numerous factors beyond the Company's control.

Forward-looking statements necessarily involve known and unknown risks, including, without limitation, risks associated with general economic conditions; adverse factors affecting the U.S. real estate market generally or those specific markets in which the Company holds properties; volatility of real estate prices; inability to complete the Company's single family property disposition program or Debt Restructuring in a timely manner; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; industry and government regulation; changes in legislation, income tax and regulatory matters; the ability of the Company to implement its business strategies; competition; currency and interest rate fluctuations and other risks.

Readers are cautioned that the foregoing list is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

Certain financial information presented in this press release reflect certain non-International Financial Reporting Standards ("IFRS") financial measures, which include NOI, FFO and AFFO. These measures are commonly used by real estate investment companies as useful metrics for measuring performance, however, they do not have

standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other real estate investment companies. These terms are defined in The Company's Management Discussion and Analysis for the quarter ended September 30, 2016 filed on www.sedar.com.

Neither the Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

For further information, please contact:

Sandy Poklar
President & Chief Executive Officer
(416) 635-0221

Stuart Pasternak
Chief Financial Officer
(416) 635-0221