



FIRM CAPITAL PROPERTY TRUST

FIRM CAPITAL PROPERTY TRUST ANNOUNCES STRONG SECOND QUARTER AND YEAR-TO-DATE RESULTS

Toronto, Ontario, August 10, 2017. Firm Capital Property Trust (“**FCPT**” or the “**Trust**”), (TSXV : FCD.UN) is pleased to report today its consolidated financial results for the three and six months ended June 30, 2017.

PROPERTY PORTFOLIO HIGHLIGHTS

Based on the Trust’s pro rata interests as at June 30, 2017, the portfolio consists of 60 commercial properties with a total GLA of 1,394,310 square feet and one apartment complex comprised of 135 apartment units. The portfolio is well diversified in terms of geographies and property asset types.

TENANT DIVERSIFICATION

The portfolio is well diversified by tenant profile with no tenant accounting for more than 5.4% of total net rent. Further, the top 10 tenants are largely comprised of creditworthy and large national tenants and account for 23.5% of total net rent.

SECOND QUARTER AND YEAR-TO-DATE HIGHLIGHTS

- Net income for the three months ended June 30, 2017 was approximately \$5.2 million, a 132% sequential increase in comparison to the \$2.2 million reported for the three months ended March 31, 2017 and a 311% increase over the \$1.3 million reported for the three months ended June 30, 2016;
- Net income for the six months ended June 30, 2017 was approximately \$7.4 million, a 122% increase in comparison to the \$3.3 million reported for the six months ended June 30, 2016;
- Funds From Operations (“**FFO**”) for the three months ended June 30, 2017 was approximately \$1.5 million, a 26% increase in comparison to the \$1.2 million reported for the three months ended June 30, 2016;
- Adjusted Funds From Operations (“**AFFO**”) for the three months ended June 30, 2017 was approximately \$1.6 million, a 16% sequential increase in comparison to the \$1.3 million reported for the three months ended March 31, 2017 and a 29% increase in comparison to the \$1.2 million reported for the three months ended June 30, 2016;
- FFO for the six months ended June 30, 2017 was approximately \$3.1 million, a 29% increase in comparison to the \$2.4 million reported for the six months ended June 30, 2016. AFFO for the six months ended June 30, 2017 was \$2.9 million, a 27%

increase in comparison to the \$2.3 million reported for the six months ended June 30, 2016;

- Including gains on sales of investment properties, for the three months ended June 30, 2017, Adjusted FFO per Unit was \$0.144 while Adjusted AFFO per Unit was \$0.146. For the six months ended June 30, 2017, Adjusted FFO per Unit was \$0.270 while Adjusted AFFO per Unit was \$0.253;
- For the three months ended June 30, 2017, FFO and AFFO payout ratios are 92% and 90%, respectively. For the six months ended June 30, 2017, FFO and AFFO payout ratios are 89% and 96%, respectively;
- For the three months ended June 30, 2017, Adjusted FFO and Adjusted AFFO payout ratios are 76% and 75%, respectively. For the six months ended June 30, 2017, Adjusted FFO and Adjusted AFFO payout ratios are 81% and 87%, respectively;
- On an IFRS basis, NOI for the three months ended June 30, 2017 was approximately \$2.9 million, a 7% sequential increase in comparison to the \$2.7 million reported for the three months ended March 31, 2017 and a 28% increase in comparison to the \$2.2 million reported for the three months ended June 30, 2016. NOI for the six months ended June 30, 2017 was approximately \$5.5 million, a 29% increase in comparison to the \$4.3 million reported for the six months ended June 30, 2016;
- On a cash basis (“**Cash NOI**”), for the three months ended June 30, 2017 was approximately \$2.8 million, a 10% sequential increase in comparison to the \$2.6 million reported for the three months ended March 31, 2017 and a 28% increase over the \$2.2 million reported for the three months ended June 30, 2016. Cash NOI for the six months ended June 30, 2017 was \$5.4 million, a 27% increase in comparison to the \$4.3 million reported for the six months ended June 30, 2016;
- Commercial occupancy was a solid 92.5%;
- Conservative leverage profile with Debt / Gross Book Value (“**GBV**”) at 48.8%;
- **Disposition Generates +56% Gain over IFRS Valuation:** On May 12, 2017, the Trust completed the sale of one of its Centre Ice Retail properties located in North Bay, Ontario to a third party for gross proceeds of approximately \$1.1 million (\$1.0 million net of closing costs). As a result, a gain of approximately \$0.4 million was generated from the sale which translates into a +56% gain over the IFRS valuation for this property; and
- **Approved Distributions for October, November and December, 2017:** The Trust is also pleased to announce that it has declared and approved monthly distributions in the amount of \$0.036666 per Trust Unit for unitholders of record on October 31, 2017, November 30, 2017 and December 29, 2017 payable on or about November 15, 2017, December 15, 2017 and January 15, 2018.

Financial Highlights

% Change Over

	Three Months			Six Months		Three Months		Six Months
	June 30, 2017	March 31, 2017	June 30, 2016	June 30, 2017	June 30, 2016	March 31, 2017	June 30, 2016	June 30, 2016
Rental Revenue	\$4,660,305	\$4,798,197	\$3,804,157	\$9,458,502	\$7,443,814	(3%)	23%	27%
NOI								
- IFRS Basis	\$2,868,130	\$2,680,278	\$2,247,672	\$5,548,408	\$4,313,709	7%	28%	29%
- Cash Basis	\$2,830,095	\$2,568,019	\$2,209,927	\$5,398,114	\$4,254,967	10%	28%	27%
FFO	\$1,533,889	\$1,596,731	\$1,218,474	\$3,130,621	\$2,423,049	(4%)	26%	29%
AFFO	\$1,564,472	\$1,351,027	\$1,209,959	\$2,915,499	\$2,290,387	16%	29%	27%
Adjusted FFO*	\$1,840,548	\$1,596,731	\$1,218,474	\$3,437,280	\$3,223,741	15%	51%	7%
Adjusted AFFO*	\$1,871,131	\$1,351,027	\$1,209,959	\$3,222,158	\$3,091,079	38%	55%	4%
FFO Per Unit	\$ 0.120	\$ 0.126	\$ 0.107	\$ 0.246	\$ 0.212	(5%)	13%	16%
AFFO Per Unit	\$ 0.122	\$ 0.106	\$ 0.106	\$ 0.229	\$ 0.200	15%	16%	14%
Adjusted FFO/Unit*	\$ 0.144	\$ 0.126	\$ 0.107	\$ 0.270	\$ 0.282	14%	35%	(4%)
Adjusted AFFO/Unit*	\$ 0.146	\$ 0.106	\$ 0.106	\$ 0.253	\$ 0.270	37%	38%	(6%)
Distributions Per Unit	\$ 0.110	\$ 0.110	\$ 0.105	\$ 0.220	\$ 0.210	(0%)	5%	5%
Payout Ratios								
- FFO	92%	87%	99%	89%	99%			
- AFFO	90%	103%	99%	96%	105%			
- Adjusted FFO	76%	87%	99%	81%	74%			
- Adjusted AFFO	75%	103%	99%	87%	78%			

* = Includes gain on sale of assets

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

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 6% 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.

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