Firm Capital

Firm Capital Property Trust

REAL ESTATE EQUITY PARTNERS

2018 Q2 Investor Presentation

August 2018

Overview

- Firm Capital Property Trust ("FCPT") is a publicly (TSXV) listed REIT, designed for retail investors, as a play on a diversified real estate portfolio in Canada
- Ticker Symbol: FCD.UN
- The fund focuses on stable distributions derived from succession and co-ownership acquisitions with strong industry partners
  - Partial acquisitions with management and industry leaders;
  - Co-ownerships with existing owner groups through partial acquisitions; and
  - Stand alone acquisitions
- FCPT focuses on acquiring the following diversified asset classes:
  - Multi Residential
  - Industrial & Flex Industrial
  - Net Lease Convenience and Stand Alone Retail
  - Core Service Provider Professional /Healthcare Professional Office
- FCPT is externally asset and property managed
- Over the past 25 years, Firm Capital has developed a significant track record of investing capital for both institutional and retail investors focused on real estate debt and equity

Investment Highlights

Attractive Yield & Reasonable Leverage	• 6.97% Distribution Yield attractive relative to comparable REITs/REOCs • 97% /99% Q2 FFO/AFFO Payout Ratio • 65% LTV target on acquisitions (Max. 75% LTV; Q1 41.2%)
Experienced Management Team	• Partnership with a management team that has extensive experience in real estate acquisitions, management and finance • Externally managed – limited operating expense risk
Alignment of Interests	• FCPT will have the option to acquire up to 50% or more of each new acquisition completed by the Asset Manager • Performance-based compensation structure • Due diligence risk and purchase deposits funded by the Asset Manager
Fundamental Growth	• **NAV/ unit increased from $4.84 to $6.97 (44% increase)** • **Five distribution increases from $0.35 to $0.46 per annum over five years an increase of 31%**

Targeted Asset Classes

FCPT targets and owns the following diversified asset classes:

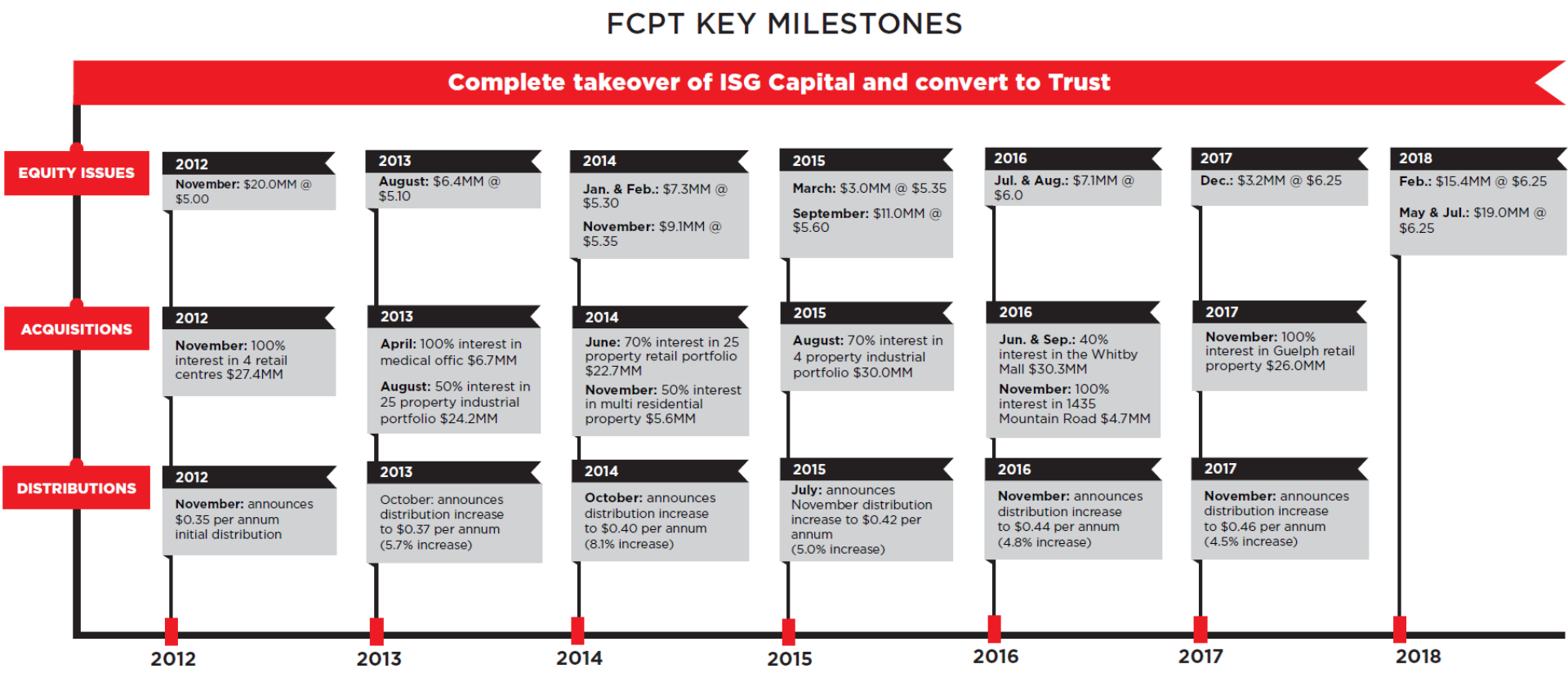
Industrial & Flex Industrial

Net Lease & Convenience Retail

Core Service Provider & Healthcare Office

Multi-Residential

Key Milestones – Since Inception



Growth Strategy

External

- Partnering with industry leaders
- Joint venture acquisition program and acquisitions of partial interests
- Accretive stable income producing properties

Internal

- Tenant retention and tenant growth
- Rental income growth
- Development of excess density

Disciplined Approach to Growth

- Acquisitions
  - 100% interest in 4 retail centres $27.4MM
  - 100% interest in medical office $6.7MM
  - 50% interest in 25 property industrial portfolio $24.2MM
  - 70% interest in 26 property retail portfolio $22.7MM
  - 50% interest in multi residential property $5.6MM
  - 70% interest in 4 property industrial portfolio $30.3MM
  - 40% interest in The Whitby Mall and Thickson Place $30.0MM
  - 100% interest in 1435 Mountain Road $4.7MM
  - 100% interest in Guelph Grocery Anchored Retail Plaza $26.0MM

Disciplined Approach to Growth

- Equity Issues
  - $20.0MM @ $5.00 November 2012
  - $6.4MM @ $5.10 August 2013
  - $7.3MM @ $5.30 January & February 2014
  - $9.1MM @ $5.35 November 2014
  - $3.0MM @ $5.35 March 2015
  - $11.0MM @ $5.60 September 2015
  - $7.1MM @$6.00 July & August 2016
  - $3.2MM @ $6.25 December 2017
  - $15.4MM @ $6.25 February 2018
  - $9.0MM @ $6.25 May & July 2018

Governance

- Strong independent board of trustees with significant real estate experience
- Governed by declaration of trust with operating policies and investment guidelines that protect investors
- Right to participate in a least 50% of all real estate acquisitions originated by Firm Capital

Board of Trustees

- Board of Trustees consists of nine members with substantial experience in real estate management, acquisitions, lending and finance

Trustee	Role	Current Role
Stanley Goldfarb	Chairman, Independent Trustee	CEO of Goldfarb Management Services Limited Chairman of Firm Capital MIC (TSX : FC)
Larry Shulman	Independent Trustee	Retired Senior Partner of Goldfarb, Shulman, Patel & Co. Director of Firm Capital MIC (TSX : FC)
Howard Smuschkowitz	Independent Trustee	Corporate Director Director of Firm Capital American Realty Partners Corp. (TSXV : FCA.U)
Manfred Walt	Independent Trustee	CEO of Walt & Co. Inc., a consultant to the Reichmann Family Trustee of Killam Apartment REIT (TSX : KMP.U)
Geoffrey Bledin	Independent Trustee	Corporate Director Director of Firm Capital American Realty Partners Corp. (TSXV : FCA.U) Director of Firm Capital MIC (TSX : FC)
Eli Dadouch	Vice Chairman	President & CEO of Firm Capital Corporation President, CEO and Director of Firm Capital MIC (TSX : FC) Vice Chairman and Director of Firm Capital American Realty Partners Corp. (TSXV : FCA.U)
Jonathan Mair	Trustee	Vice President, Mortgage Banking of Firm Capital Corporation CFO, Senior VP and Director of Firm Capital MIC (TSX : FC)
Robert McKee	Trustee	President & CEO of FCPT Past Trustee of True North Apartment REIT (TSX : TN.UN)
Sandy Poklar	Trustee	CFO of FCPT COO of Firm Capital MIC (TSX : FC) Trustee of True North Commercial REIT (TSX : TNT.UN) CFO and Director of Firm Capital American Realty Partners Corp. (TSXV : FCA.U)

Non-Trustee	Role	Current Role
Joseph Fried	Secretary	Partner at Meyer, Wassenaar & Banach, LLP

Management Team

Robert McKee President &CEO	• Managing Director; Firm Capital Realty Partners Inc. since October 2008 • Past Trustee of True North Apartment Real Estate Trust (TSX:TN.UN) • Previously with TD Securities Inc. - Real Estate Investment Banking Group
Sandy Poklar CFO	• Chief Operating Officer and Managing Director, Capital Markets & Strategic Developments for Firm Capital Corporation • Trustee of True North Commercial REIT (TSX: TNT.UN) • Previously with Macquarie Capital - Vice President; Real Estate Investment Banking Group, TD Securities Inc. - Associate; Real Estate Investment Banking Group and with Canaccord Adams in real estate equity research
Eli Dadouch Vice Chairman & Co-Chief Investment Officer	• Since 1988, Founder, President and CEO of mortgage banking company, Firm Capital Corporation • President and CEO of FCPT's Asset and Property Manager • President, CEO and Director of Firm Capital Mortgage Investment Corporation (TSX : FC) • Director, Global Risk Institute in Financial Services

Management Team

Jonathan Mair CA
Co-Chief Investment Officer

- Vice-President, Mortgage Banking, Firm Capital Corporation
- CFO, SVP and Director of Firm Capital Mortgage Investment Corporation (TSX: FC)
- Previously, Vice-President of KPMG Inc. from 1993 to 1997.

Sergio Elport
Vice President, Investments & Asset Management

- Managing Director, Real Estate Investments, Head of Canadian Acquisitions Firm Capital Realty Partners Inc.
- Previously Director of Investments Dream Global REIT (TSX:DRG.UN). Analyst BMO Capital Markets

2018 Q1 Financial Highlights

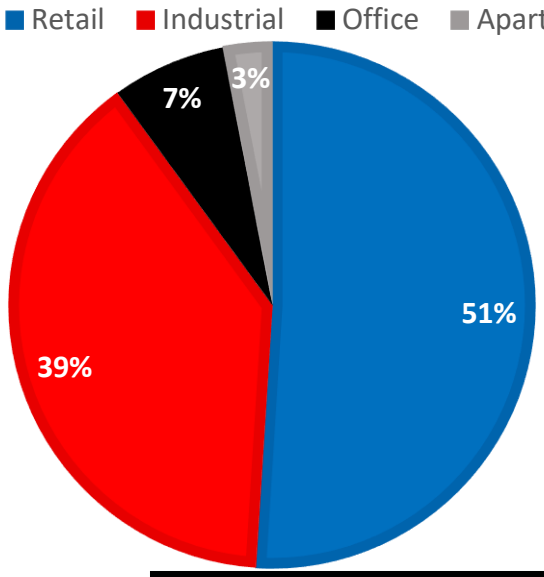
In $ millions, unless per unit or % amounts	Quarter Ended June 30, 2018	Quarter Ended March 31, 2018
Net Operating Income	**$3.41**	**$3.07**
AFFO/Unit	**$0.116**	**$0.106**
NAV / Unit	**$7.01**	**$6.97**
Distributions/Unit	**$0.115**	**$0.115**
Quarterly AFFO payout ratio	**99%**	**108%**
Debt to Gross Book Value	**41.2%**	**45.0%**
Portfolio Size	**$207.3**	**$204.9**

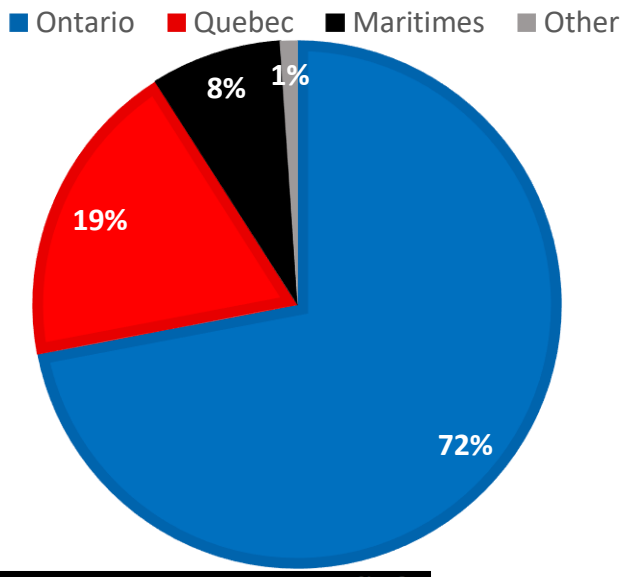
2017 Financial Highlights

In $ millions, unless per unit or % amounts	Year Ended December 31, 2017	Year Ended December 31, 2016
Net Operating Income	**$11.54**	**$9.44**
AFFO/Unit	**$0.467**	**$0.415**
Distributions/Unit	**$0.440**	**$0.423**
AFFO payout ratio	**94%**	**102%**
AFFO payout ratio including gain	**84%**	**88%**
Debt to Gross Book Value	**51.7%**	**50.5%**
Portfolio Size	**$200.2**	**$163.9**
NAV/Unit	**$6.85**	**$6.11**

Portfolio Overview

PORTFOLIO DIVERSIFICATION: The total portfolio at Q2 is diversified across geographies, asset classes and tenants by NOI:





#	Tenant	Location	% of Total Net Rent
1	PPG (Dulux Paints)	8 locations in ON, with 1 in each of NB, MB, AB	5.3%
2	Sobeys	Guelph and Whitby, ON	3.4%
3	NCR Canada Corp.	Waterloo, ON	3.0%
4	LCBO	Guelph and Whitby, ON	2.7%
5	Sport Systems Unlimited Corp.	Waterloo, ON	2.0%
6	Quebecor Media	Montreal, QC	1.8%
7	Staples	Bridgewater, NS	1.8%
8	Elmira Pet Products Ltd.	Waterloo, ON	1.6%
9	World Gym	Waterloo, ON	1.6%
10	Dollar Tree Stores Canada Inc	Guelph, ON	1.6%
Total			**24.9%**

Firm Capital Advantage

- Long term track record of creating value for investors
- Focused on capital preservation
- Strong alignment of interests through direct investment in assets by management and board of trustees
- Track record of accretive acquisitions
- Growth that has benefited unitholders:
  - Five distribution increases totaling $0.11 per annum in five years a 31% increase from the initial distribution

Summary

Key Metrics

- Ticker Symbol: FCD.UN
- Current Trading Price: $6.60
- Current Yield: 6.97%
- Market Capitalization: $115 million
- Property Portfolio: $207million
- AFFO Payout Ratio : 99%
- Debt to GBV: 41.2%

Price Chart

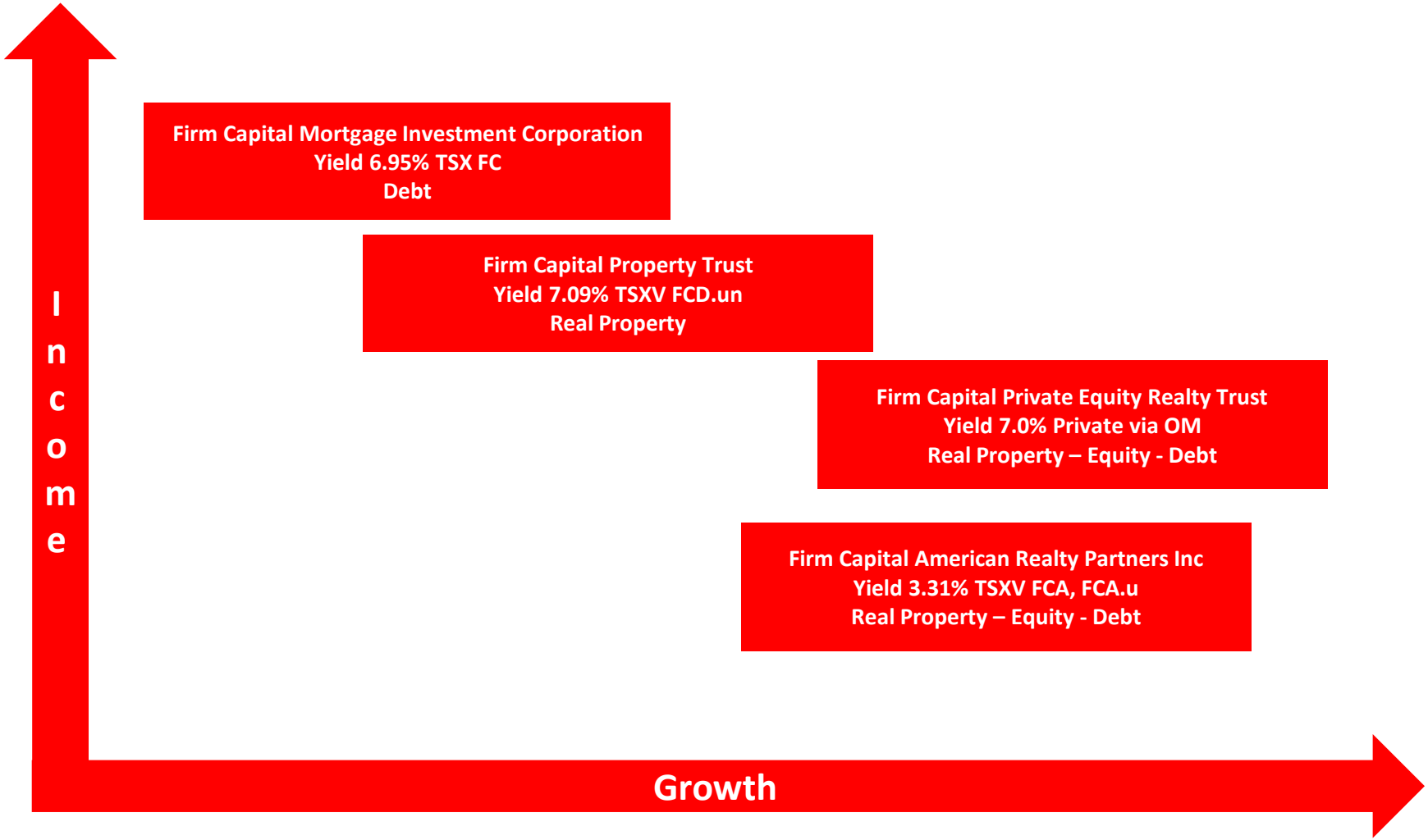
Investment Highlights

- Attractive & Responsible Leverage
- Experienced Management Team
- Strong alignment of interests
- Accretive acquisitions
- Distribution increases

Benefits to Unitholders

- Liquidity
- Strong balance sheet
- Great tenant quality
- Conservative leverage
- Compensation based on performance

Firm Capital Investment Entity's



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