

PRESS RELEASE



FIRM CAPITAL AMERICAN REALTY PARTNERS CORP.

FIRM CAPITAL AMERICAN REALTY PARTNERS CORP. ANNOUNCES CLOSING OF PREVIOUSLY ANNOUNCED NEW YORK ACQUISITION

All amounts are in US Dollars unless otherwise stated.

Toronto, Ontario, December 27, 2018. Firm Capital American Realty Partners Corp. (the "**Company**"), (TSXV: FCA.U), (TSXV: FCA) is pleased to announce the closing of its previously announced acquisition in the Bronx, NY.

The Company entered into a joint venture with SBT Property to acquire the Tinton Portfolio, a 132 unit multi-family residential portfolio comprised of three buildings located in the Port Morris neighborhood in the Bronx. The Tinton Portfolio was acquired for approximately \$25.0 million (including transaction costs), representing a 6.0% going-in capitalization rate or \$215 per square foot.

The Tinton Portfolio was financed, in part, by three new secured first mortgages at a 4.4% interest rate for approximately \$16.5 million. The terms of the financing include a two year interest-only period, 30 year amortization and a seven year term. The remaining capital requirement of approximately \$8.5 million was funded through a combination of (i) \$4.8 million of preferred equity yielding 8.0% to be held by the Company; and (ii) \$3.7 million of common equity held 50% by the Company and 50% by SBT Property.

ABOUT FIRM CAPITAL AMERICAN REALTY PARTNERS CORP.

Firm Capital American Realty Partners Corp. is a U.S. focused real estate investment entity that pursues real estate and debt investments through the following platforms:

- **Income Producing Real Estate Investments:** Acquiring income producing 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 responsibilities; and
- **Mortgage Debt Investments:** Real estate debt and equity lending platform in 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 with respect to the Company's intention to complete the sale of its single-family homes (and the ability to do so for consideration that accords with the estimated value of the portfolio, as set out above) and ultimate debt repayments, the use of proceeds from the new loan described above, the use of proceeds from (and timing of) the disposition of the Company's portfolio of single family homes located in Atlanta, potential capital financing and growth opportunities, as well as the Company's intention to acquire income producing U.S. real estate assets and complete joint venture partnerships and mortgage debt and equity lending investments. 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, debt repayments 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, including those described in the Company's public disclosure documents on SEDAR at www.sedar.com.

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.

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. Additional information about the Company is available at www.firmcapital.com or www.sedar.com.

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