

PRESS RELEASE



FIRM CAPITAL PROPERTY TRUST

FIRM CAPITAL PROPERTY TRUST ANNOUNCES CLOSING OF \$26 MILLION MARKETED OFFERING AND \$16.3 MILLION PRIVATE PLACEMENT

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Toronto, Ontario, April 24, 2019. Firm Capital Property Trust (“**FCPT**” or the “**Trust**”), (TSX-V: FCD.UN) is pleased to announce that it has completed its previously announced fully marketed offering (the “**Offering**”) of 4,100,000 trust units (the “**Trust Units**”) at a price of \$6.40 per Trust Unit (the “**Offering Price**”), for aggregate gross proceeds of \$26.2 million. As previously announced, concurrent with the Offering, the Trust has also closed the first tranche of its non-brokered private placement of Trust Units, on substantially the same terms as the Offering, for gross proceeds of approximately \$16.3 million (the “**Concurrent Private Placement**”).

CLOSING OF THE OFFERING

The Offering was completed by a syndicate of underwriters led by Canaccord Genuity Corp., CIBC Capital Markets, and National Bank Financial Inc., and included Scotiabank, TD Securities Inc., Echelon Wealth Partners Inc., Industrial Alliance Securities Inc., Raymond James Ltd., Desjardins Securities Inc., GMP Securities L.P., and Laurentian Bank Securities Inc. (collectively, the “**Underwriters**”).

The Trust has also granted the Underwriters an over-allotment option exercisable, in whole or in part, to purchase up to an additional 615,000 Trust Units at the Offering Price (for estimated aggregate gross proceeds to the Trust of \$30.2 million if the over-allotment option is exercised in full) for a period of 30 days from the date hereof, to cover over-allotments, if any, and for market stabilization purposes.

The net proceeds of the Offering and the Concurrent Private Placement will be used by the Trust to fund the cash portion of the purchase price of the Acquisition Portfolio (as defined below) and for working capital and general trust purposes.

CONCURRENT PRIVATE PLACEMENT

The first tranche of the Concurrent Private Placement included, among other subscribers, an existing institutional unitholder of the Trust and a group consisting of certain members of senior management and trustees of the Trust. Certain insiders of the Trust participated in the first tranche of the Concurrent Private Placement. Such participation represents a related-party transaction under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”), but the transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the subject matter of the transaction, nor the consideration paid, exceed 25% of the Trust’s market capitalization.

The Concurrent Private Placement was approved by all of the independent trustees of the Trust. The number of Trust Units issued to insiders of the Trust pursuant to the first tranche of the Concurrent Private Placement represents not more than 10% of the Trust’s currently issued and outstanding Trust Units on a non-diluted basis.

Pursuant to applicable Canadian securities laws, all securities issued pursuant to the first tranche of the Concurrent Private Placement are subject to, among other things, a statutory hold period of four months and one day, which expires on August 25, 2019.

THE ACQUISITION PORTFOLIO

On April 3, 2019, the Company announced that it entered into an agreement to acquire (the “**Acquisition**”) from First Capital Realty Inc. and an affiliate thereof (collectively, “**First Capital**”) a 50% non-managing interest in six net-leased primarily grocery anchored shopping centres located in Ontario and Quebec (the “**Acquisition Portfolio**”). The acquisition price for 100% of the Acquisition Portfolio is approximately \$266 million, excluding transaction costs. The Trust’s portion of the acquisition price is approximately \$133 million.

The Acquisition Portfolio is comprised of six properties totaling 1,022,600 square feet of GLA (at a 100% interest) located in Ottawa, Ontario; Nepean, Ontario; Repentigny, Quebec; and Gatineau, Quebec. All six of the properties are anchored by high quality tenants including Canadian Tire, IGA, Loblaws, Walmart, and Shoppers Drug Mart, among others. The Acquisition Portfolio is approximately 97% occupied and has a remaining weighted average lease term (“**WALT**”) of approximately 6.1 years. Upon closing of the Acquisition, the Trust and First Capital will enter into a co-ownership arrangement such that the Trust and First Capital will each own half of the Acquisition Portfolio. First Capital will also property manage the Acquisition Portfolio. Closing of the Acquisition Portfolio is expected to occur on or about May 2, 2019.

Property	Property Occupancy¹	GLA (at 100%)	% of Total	Remaining WALT (Years)¹
Carrefour du Plateau (Gatineau)	100.0%	241,772	23.6%	9.6
Galeries de Repentigny (Repentigny)	100.0%	130,739	12.8%	2.9
Galeries Brien Est (Repentigny)	100.0%	8,856	0.9%	3.9
Galeries Brien Ouest (Repentigny)	100.0%	52,331	5.1%	4.2
Gloucester City Centre (Ottawa)	97.2%	369,663	36.1%	5.2
Merivale Mall (Nepean)	91.6%	219,239	21.4%	6.2
Total / Weighted Average	97.2%	1,022,600	100.0%	6.1

Note:

(1) As of March 1, 2019.

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 own a diversified property portfolio of multi-residential, flex industrial, net lease convenience retail, and core service provider professional space. In addition to standalone 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 Realty Partners 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, including statements regarding: the timing for completion, and the ability to complete, the Acquisition; the pro forma composition of FCPT's portfolio upon completion of the Acquisition; the entering into of a co-ownership agreement with First Capital; the timing of and ability to obtain new mortgages on the Acquisition Portfolio; and whether the over-allotment option described above will be fully or partially exercised by the Underwriters in connection with the Offering, if at all. 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. Closing of the Offering, the Concurrent Private Placement and the Acquisition remain subject to the final approval of the TSX Venture Exchange.

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 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.

Neither the TSX Venture 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.

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