

PRESS RELEASE



FIRM CAPITAL AMERICAN REALTY PARTNERS CORP.

FIRM CAPITAL AMERICAN REALTY PARTNERS CORP. ANNOUNCES CLOSING OF \$18.1 MILLION CONVERTIBLE DEBENTURE UNIT MARKETED OFFERING

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Toronto, Ontario, August 8, 2019. Firm Capital American Realty Partners Corp. ("**FCA**" or the "**Company**"), (TSXV: FCA.U), (TSXV: FCA) is pleased to announce that it has completed its previously announced fully marketed offering (the "**Offering**") of 18,078 convertible debenture units ("**Convertible Debenture Units**") at a price of \$1,000 per Convertible Debenture Unit (the "**Offering Price**"), including partial exercise of the Over-Allotment Option (as herein defined), for aggregate gross proceeds of \$18,078,000.

Each Convertible Debenture Unit consists of \$1,000 principal amount of unsecured subordinated convertible debentures of the Company (each, a "**Convertible Debenture**"), and 79 common share purchase warrants of the Company (each, a "**Warrant**"). Each Warrant is exercisable to acquire one common share of the Company for an exercise price of \$12.60 per share for a period of two years following the closing date of the Offering.

CLOSING OF THE OFFERING

The Offering was completed by a syndicate of underwriters led by Canaccord Genuity Corp. and including Echelon Wealth Partners Inc., Industrial Alliance Securities Inc., Raymond James Ltd., TD Securities Inc., GMP Securities L.P., CIBC World Markets Inc., and Laurentian Bank Securities Inc. (collectively, the "**Underwriters**").

In connection with the Offering, the Company has also granted the Underwriters an over-allotment option (the "**Over-Allotment Option**") exercisable in whole or in part, at the sole discretion of the Underwriters, for a period of 30 days from the date hereof, to purchase up to an additional 2,550 Convertible Debenture Units (the "**Additional Debenture Units**") at the Offering Price, or up to 2,550 additional Convertible Debentures (the "**Additional Debentures**") at a price of \$942.33 per Additional Debenture, or up to 201,450 additional Warrants (the "**Additional Warrants**") at a price of \$0.73 per Additional Warrant, or any combination of the foregoing, so long as the aggregate number

of Additional Debentures and Additional Warrants issued under the Over-Allotment Option does not exceed 2,550 Additional Debentures and 201,450 Additional Warrants.

As of the date hereof and pursuant to the Over-Allotment Option, the Underwriters have purchased 1,078 of the Additional Debenture Units for gross proceeds of \$1,078,000. If the remaining Over-Allotment Option of 1,472 Additional Debenture Units is exercised in full, an additional \$1,472,000 in gross proceeds will be raised pursuant to the Offering and the aggregate gross proceeds of the Offering to the Company will be \$19,550,000.

The net proceeds of the Offering will be used by the Company to fund prospective acquisitions of income producing multi-family residential properties in the United States primarily by way of joint venture partnerships, to fund prospective investments in mortgage debt on real estate properties in the United States, for the repayment of debt, for working capital and for general corporate purposes.

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.

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 use of proceeds of the Offering; and whether the Over-Allotment Option will be further exercised by the Underwriters in connection with the Offering. The forward-looking statements are based on certain key expectations and assumptions made by the Company. 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 Company 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 Company 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 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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