



FIRM CAPITAL PROPERTY TRUST
QUARTERLY NEWSLETTER
Q3 2019 | SEPTEMBER 2019



Disciplined Investing • Capital Preservation

www.FirmCapital.com



COMPANY OVERVIEW

Firm Capital Property Trust (the “Trust” (TSXV:FCD.UN)) 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 focus is on co-owning a diversified property portfolio.

The Trust focuses on acquiring the following diversified asset classes:

- Industrial and Flex Industrial
- Net Lease Convenience Retail and Stand Alone Retail
- Medical and Core Service Provider Office
- Multi Residential

In addition to stand alone acquisitions, the Trust will make acquisitions on a co-ownership basis with strong financial partners. The Trust will also make joint and partial interest acquisitions from existing ownership groups in a manner that provides liquidity to those selling and professional management for those remaining as partners.

KEY METRICS

- **Ticker Symbol:** FCD.UN
- **Current Trading Price:** \$6.85
- **Current Yield:** 7.01%
- **Market Capitalization:** \$181.2 million
- **Portfolio Property:** \$436 million
- **AFFO Payout Ratio:** 103%
- **Debt to GBV:** 56.4%
- **(Pro Forma First Capital Portfolio)**

Unit Price Performance





DID YOU KNOW:

Investors have benefited from acquisitions through 7 distribution increases totaling \$0.15 per annum in the first seven years - a 43% increase from the initial distribution.



INVESTMENT HIGHLIGHTS

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

BENEFITS TO UNITHOLDERS

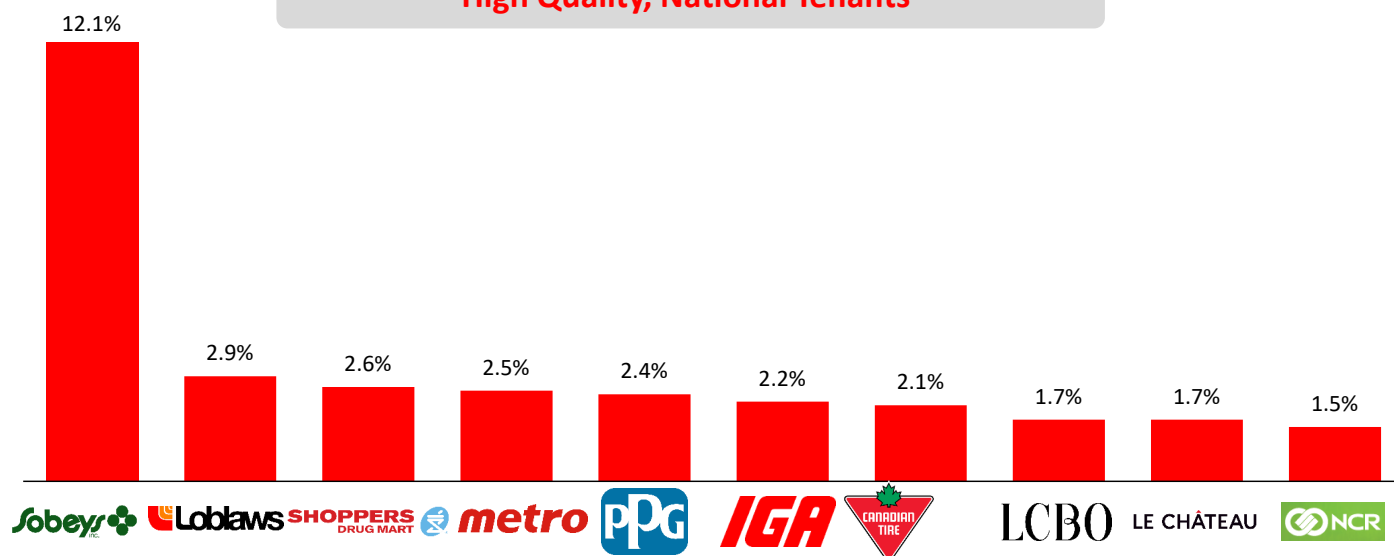
- Liquidity
- Strong balance sheet
- Great tenant quality
- Conservative leverage
- Compensation based on performance

STRONG TENANT BASE

Top Ten Commercial Tenants

(by % of net rent)

High Quality, National Tenants





INVESTMENT HIGHLIGHTS

ATTRACTIVE YIELD & REASONABLE LEVERAGE

- 7.01% Distribution Yield attractive relative to comparable REITs/REOCs
- 103% AFFO Payout Ratio
- 65% LTV target on acquisitions (Max. 75% LTV; 56.4%)

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

TAX EFFICIENT VEHICLE FOR VENDORS

- FCPT to purchase partial ownership interests for succession planning on a tax efficient basis

ACCRETIVE ACQUISITIONS

- Initial acquisition of four properties from Calloway REIT for \$27.4MM
- 50% acquisition of \$48.8MM, 25 property Montreal Industrial Portfolio
- 70% acquisition of \$32.4MM, 26 property retail portfolio
- 50% acquisition of \$11.2MM multi-residential complex
- 70% acquisition of \$43.3MM, 4 property Waterloo Industrial Portfolio
- 40% interest in The Whitby Mall and Thickson Place \$30.0MM
- 100% interest in Moncton Retail \$4.7MM
- 100% interest in grocery anchored retail \$26.0MM
- 50% interest in Montreal Industrial Property \$11.0MM
- 100% interest in Dartmouth Residential \$10.9MM
- 50% interest in Crombie REIT JV \$41.6MM
- 50% interest in First Capital JV \$159.5 MM
- 100% interest in 2 Edmonton Industrial Properties \$11.4 MM



QUARTERLY FINANCIAL HIGHLIGHTS

<i>In \$ millions, unless per unit or % amounts</i>	Quarter Ended September 30, 2019	Quarter Ended June 30, 2019
Net Operating Income	\$6.79	\$5.61
AFFO/Unit	\$0.117	\$0.111
Distributions/Unit	\$0.120	\$0.120
Quarterly AFFO payout ratio	103%	108%
Debt to Gross Book Value	56.4%	54.3%
Portfolio Size	\$436	\$410.3
NAV/Unit	\$7.02	\$7.00



Firm Capital

PROPERTY TRUST

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