



FIRM CAPITAL PROPERTY TRUST

FIRM CAPITAL PROPERTY TRUST REPORTS HIGHEST NOI SINCE INCEPTION AND +4% DISTRIBUTION INCREASE

Toronto, Ontario, November 7, 2019. Firm Capital Property Trust (“**FCPT**” or the “**Trust**”), (TSXV: FCD.UN) is pleased to report today its financial results for the three and nine months ended September 30, 2019 along with its seventh distribution increase in seven years.

PROPERTY PORTFOLIO HIGHLIGHTS

The portfolio consists of 73 commercial properties with a total GLA of 4,075,444 square feet (2,268,775 square feet on an owned interest basis) and interests in two apartment complexes comprised of 204 apartment units. The portfolio is well diversified in terms of geographies and property asset types.

TENANT DIVERSIFICATION

The portfolio is well diversified by tenant profile with no tenant accounting for more than 12% of total net rent. Further, the top 10 tenants are comprised of large national tenants and account for 32% of total net rent.

THIRD QUARTER AND YEAR TO DATE HIGHLIGHTS 2019

The Trust is pleased to report the following strong results as a result of its accretive acquisition activity and internal growth initiatives:

- Net income for the three months ended September 30, 2019 was approximately \$3.8 million compared to the \$9.2 million reported for the three months ended June 30, 2019, but a 22% increase over the \$3.1 million reported for the three months ended September 30, 2018. Excluding fair value adjustments and the unit based compensation expense/(recovery) as they are non-cash items, net income is approximately \$3.4 million for the three months ended September 30, 2019, a 12% increase over the \$3.0 million reported for the three months ended June 30, 2019;
- Net income for the nine months ended September 30, 2019 was approximately \$15.3 million, a 17% increase compared to the \$13.1 million reported for the nine months ended September 30, 2018;
- \$7.02 Net Asset Value (“**NAV**”) per Unit based on a IFRS book value of equity of approximately \$184.3 million. This is a 0.3% increase over the \$7.00 NAV reported at June 30, 2019;

- On an IFRS basis, NOI for the three months ended September 30, 2019 was approximately \$6.8 million, a 21% increase over the \$5.6 million reported for the three months ended June 30, 2019 and a 108% increase in comparison to the \$3.3 million reported for the three months ended September 30, 2018. NOI for the nine months ended September 30, 2019 was approximately \$16.2 million, a 67% increase over the \$9.8 million reported for the nine months ended September 30, 2018;
- On a cash basis (“**Cash NOI**”), for the three months ended September 30, 2019 was approximately \$6.7 million, a 21% increase over the \$5.5 million reported for the three months ended June 30, 2019 and a 104% increase over the \$3.3 million reported for the three months ended September 30, 2018. Cash NOI for the nine months ended September 30, 2019 was approximately \$15.9 million, a 64% increase over the \$9.7 million reported for the nine months ended September 30, 2018;
- Adjusted Funds From Operations (“**AFFO**”) for the three months ended September 30, 2019 was approximately \$3.1 million, a 13% increase over the \$2.7 million reported for the three months ended June 30, 2019 and a 73% increase over the \$1.8 million reported for the three months ended September 30, 2018. AFFO for the nine months ended September 30, 2019 was approximately \$7.7 million, a 45% increase over the \$5.3 million reported for the nine months ended September 30, 2018;
- AFFO per Unit was \$0.117 for the three months ended September 30, 2019, a 5% increase compared to the \$0.111 per Unit reported for the three months ended June 30, 2019 and a 16% increase over the \$0.101 per Unit reported for the three months ended September 30, 2018. AFFO per unit was \$0.339 for the nine months ended September 30, 2019, a 5% increase over the \$0.323 for the nine months ended September 30, 2018;
- Average net rents increased 0.1% - 2.5% across all asset classes since June 30, 2019;
- Commercial occupancy was 95.5% while residential occupancy was 97.4%; and
- Conservative leverage profile with Debt / Gross Book Value (“**GBV**”) at 56.4%.

% Change Over

	Three Months			Nine Months		Three Months		Nine Months
	Sep 30, 2019	Jun 30, 2019	Sep 30, 2018	Sep 30, 2019	Sep 30, 2018	Jun 30, 2019	Sep 30, 2018	Sep 30, 2018
Rental Revenue	\$ 10,432,798	\$ 8,664,867	\$ 5,423,802	\$ 25,541,357	\$ 16,433,972	20%	92%	55%
NOI								
- IFRS Basis	\$ 6,788,600	\$ 5,612,287	\$ 3,269,870	\$ 16,236,357	\$ 9,751,076	21%	108%	67%
- Cash Basis	\$ 6,657,450	\$ 5,481,879	\$ 3,258,543	\$ 15,934,621	\$ 9,738,254	21%	104%	64%
Net Income	\$ 3,815,843	\$ 9,183,443	\$ 3,117,455	\$ 15,286,378	\$ 13,064,528	(58%)	22%	17%
FFO	\$ 2,765,130	\$ 3,429,815	\$ 1,874,298	\$ 7,960,452	\$ 5,684,771	(19%)	48%	40%
AFFO	\$ 3,062,646	\$ 2,706,154	\$ 1,772,699	\$ 7,698,015	\$ 5,301,706	13%	73%	45%
FFO Per Unit	\$ 0.105	\$ 0.140	\$ 0.107	\$ 0.350	\$ 0.347	(25%)	(2%)	1%
AFFO Per Unit	\$ 0.117	\$ 0.111	\$ 0.101	\$ 0.339	\$ 0.323	5%	16%	5%
Distributions Per Unit	\$ 0.120	\$ 0.120	\$ 0.115	\$ 0.360	\$ 0.345		4%	4%
Payout Ratios								
- FFO	114%	85%	108%	103%	100%			
- AFFO	103%	108%	114%	106%	107%			

TRANSACTIONAL ACTIVITY AND DISTRIBUTION INCREASE

- **\$220 Million in Acquisitions:** Since the beginning of 2019, the Trust has completed \$220 million in acquisitions, comprised of four retail portfolios for approximately \$417 million (100% including transaction costs) or approximately \$209 million (at the Trust's pro-rata proportionate interest) along with a multi-residential property for approximately \$11.2 million (including transaction costs);
- **\$57 Million of Equity Issued:** Since the beginning of 2019, the Trust has issued \$56 million from treasury in the form of brokered public offerings and non-brokered private placements at a price of \$6.40 per Trust Unit. The Trust has also issued \$1.2 million of Trust Units from treasury through the exercising of Trust unit options;
- **\$175 Million of New and Assumed Mortgage Financings:** Since the beginning of 2019, the Trust has completed \$175 million of new and assumed financing at a 3.54% weighted average interest rate;
- **Announces Increased Distributions by 4.2% to \$0.50 per Unit:** As a result of the Trust's accretive acquisition activity and higher rents achieved on new and renewal leases it is pleased to announce its seventh distribution increase in seven years of 4.2% to \$0.50 per Trust Unit on an annualized basis or \$0.041667 per month commencing January 2020. This represents a cumulative increase since inception of 42.9%; and
- **Declaration of Monthly Distributions:** The Trust is pleased to announce that it has declared and approved monthly distributions of \$0.041667 per Trust Unit for Unitholders of record on January 31, 2020, February 28, 2020 and March 31, 2020 payable on or about February 17, 2020, March 16, 2020 and April 15, 2020.

For the complete financial statements, Management's Discussion & Analysis and supplementary information, please visit www.sedar.com or the Trust's website at www.firmcapital.com

DISTRIBUTION REINVESTMENT PLAN & UNIT PURCHASE PLAN

The Trust has in place a Distribution Reinvestment Plan ("DRIP") and Unit Purchase Plan (the "UPP"). Under the terms of the DRIP, FCPT's Unitholders may elect to automatically reinvest all or a portion of their regular monthly distributions in additional Units, without incurring brokerage fees or commissions. Under the terms of the UPP, FCPT's Unitholders may purchase a minimum of \$1,000 of Units per month and maximum purchases of up to \$12,000 per annum. Management and trustees have not participated in the DRIP or UPP to date and own approximately 7% of the issued and outstanding trust units of the Trust.

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 as well as to co-own a diversified property portfolio of multi-residential, flex industrial, net lease convenience retail, and core service provider professional space. In

addition to stand alone 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. 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.

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 of the Firm Capital Property Trust 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.

Certain financial information presented in this press release reflect certain non-International Financial Reporting Standards ("IFRS") financial measures, which include NOI, FFO and AFFO. These measures are commonly used by real estate investment entities as useful metrics for measuring performance and cash flows, however, they do not have standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other real estate investment entities. These terms are defined in the Trust's Management Discussion and Analysis ("MD&A") for the three and nine months ended September 30, 2019 as filed on www.sedar.com.

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 Trust is available at www.firmcapital.com or www.sedar.com.

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