



Firm Capital American Realty Partners Trust

INVESTOR PRESENTATION – FEBRUARY 12, 2020

A preliminary short form prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of provinces of Canada except Quebec. A copy of the preliminary short form prospectus, and any amendment, is required to be delivered with this document.

The preliminary short form prospectus is still subject to completion. There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final short form prospectus has been issued. This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the preliminary short form prospectus, the final short form prospectus and any amendment for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

All figures in U.S. dollars, unless otherwise indicated.

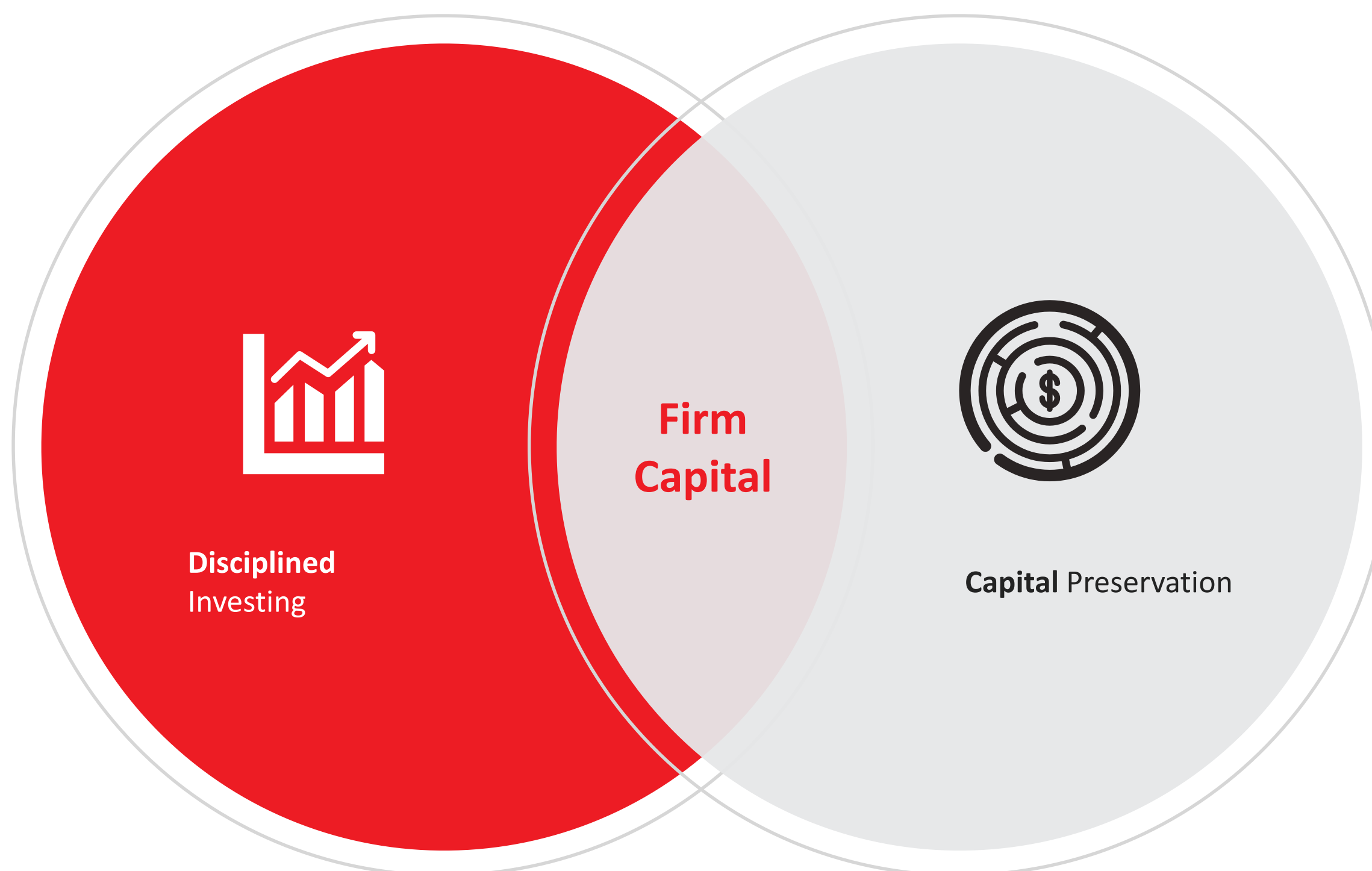
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Firm Capital with approximately CDN\$3.5 Billion of assets under management operates as a boutique real estate and financial services equity investment company deploying capital opportunistically between debt and equity in the real estate private and public markets across Canada and parts of the US.

Operating in the same industry for over **32 years**





Since inception in 1988,

Firm Capital has established an exceptional track record demonstrated by past performance and prides itself on its risk management abilities to protect and preserve capital, while acting as a disciplined investor.

Firm Capital Advantage

Investing Integrity



EXPERIENCE MATTERS

Experienced team managing debt and real estate throughout a real estate cycle

30+ year track record with over 100 years of combined industry experience

DIRECT INVESTMENTS

Strong alignment of interest through direct investment in assets by management team and board members

PUBLIC ENTITIES

Public entities provide transparency, safety & liquidity as well as being governed by rigid investment & operating policies



DISCIPLINED INVESTING

Disciplined investing focused on capital preservation & consistent returns

PROVEN TRACK RECORD

Long term track record creating value with attractive yields for investors

Investment Highlights

Firm Capital American Realty Partners Trust (the “Trust” or “FCA”) is a uniquely positioned U.S. focused real estate investment entity with the following investment highlights:

Unique Blend of Underlying Assets	<ul style="list-style-type: none"> Preferred & Common Equity Investment (Joint Ventures) in 41 Multi-Family Residential Properties with 2,073 units in seven different U.S. States Preferred Capital Loan Investments on 8 Multi-Family Residential Properties with 1,405 Residential units in New York & Houston
Alignment of Interests	<ul style="list-style-type: none"> Management Team & Board Members have ownership interest of approximately 30% based on current outstanding trust units
Strategic Portfolio Diversification	<ul style="list-style-type: none"> Strategically diversified by geography (across 7 U.S. states) and investment type (blend of income producing real estate investments & mortgage debt investments)
Compelling Investment Metrics & Attractive Growth	<ul style="list-style-type: none"> Quarterly distributions of USD\$0.059/Unit (an increase of 5% from Q4/2018) NAV increased by a 10%+ Compounded Annual Growth Rate (“CAGR”) from \$7.85/Unit in Q3/2017 to \$9.07/Unit in Q3/2019¹ The Trust’s Return of Capital for 2020 is expected to be approximately 85% of distributions
Disciplined Philosophy for Growth & Income	<ul style="list-style-type: none"> Full capital stack investment model targets balanced growth and income returns to the Trust, including mix of common equity returns (targeted at >20%), preferred equity returns (targeted at >8%), and bridge lending returns (targeted at >12%)
Traded on TSX Venture Exchange (as at February 11, 2020)	<ul style="list-style-type: none"> TSXV: FCA.U for \$USD & TSXV: FCA.UN for \$CDN USD\$8.25/Unit for FCA.U & CDN\$10.55/Unit for FCA.UN Market Capitalization: Approximately USD\$57.2 Million Units Issued: Approximately 6.9 million Yield: Approximately 3%

(1) CAGR calculation includes cash dividends paid during the period

2019 Q3 Financial Highlights

In USD\$, unless % amounts	Quarter Ended September 30, 2019 ⁽⁴⁾	Quarter Ended June 30, 2019
AFFO⁽¹⁾	\$530,416	\$498,203
AFFO/Unit	\$0.08	\$0.07
NAV/Unit	\$9.07	\$8.80
Distributions/Unit	\$0.059	\$0.059
Leverage⁽²⁾	21.3%	23.0%
Portfolio Size⁽³⁾	\$144.5 million	\$124.4 million

(1) Adjusted Funds from Operations ("AFFO") is a measure commonly used by real estate investment companies as a useful metric for measuring performance, however it does not have a standard meaning prescribed by IFRS and is not necessarily comparable to similar measures presented by other real estate investment companies. For more information on AFFO, please refer to the Trust's Management Discussion and Analysis for the quarter ended September 30th, 2019 filed on www.sedar.com

(2) Defined as Mortgages/Investment Portfolio, where the Investment Portfolio includes the Trust's investment properties, equity accounted and preferred investments and preferred capital investments and mortgages excludes the Trust's outstanding convertible debentures. Including the convertible debentures the leverage would be 38.7%.

(3) Calculated including the pro-forma consolidation of its interests in the equity accounted and preferred investments assuming proportionate consolidation.

(4) Excludes subsequent acquisitions and investments.

The Trust's investment strategy

is executed through the following platforms:

Real Estate Investments:

- Acquisition of income producing real estate
- Focus in major cities across the U.S.
- Joint venture partnerships with local industry expert owners/operators who retain property management responsibility

Debt Investments:

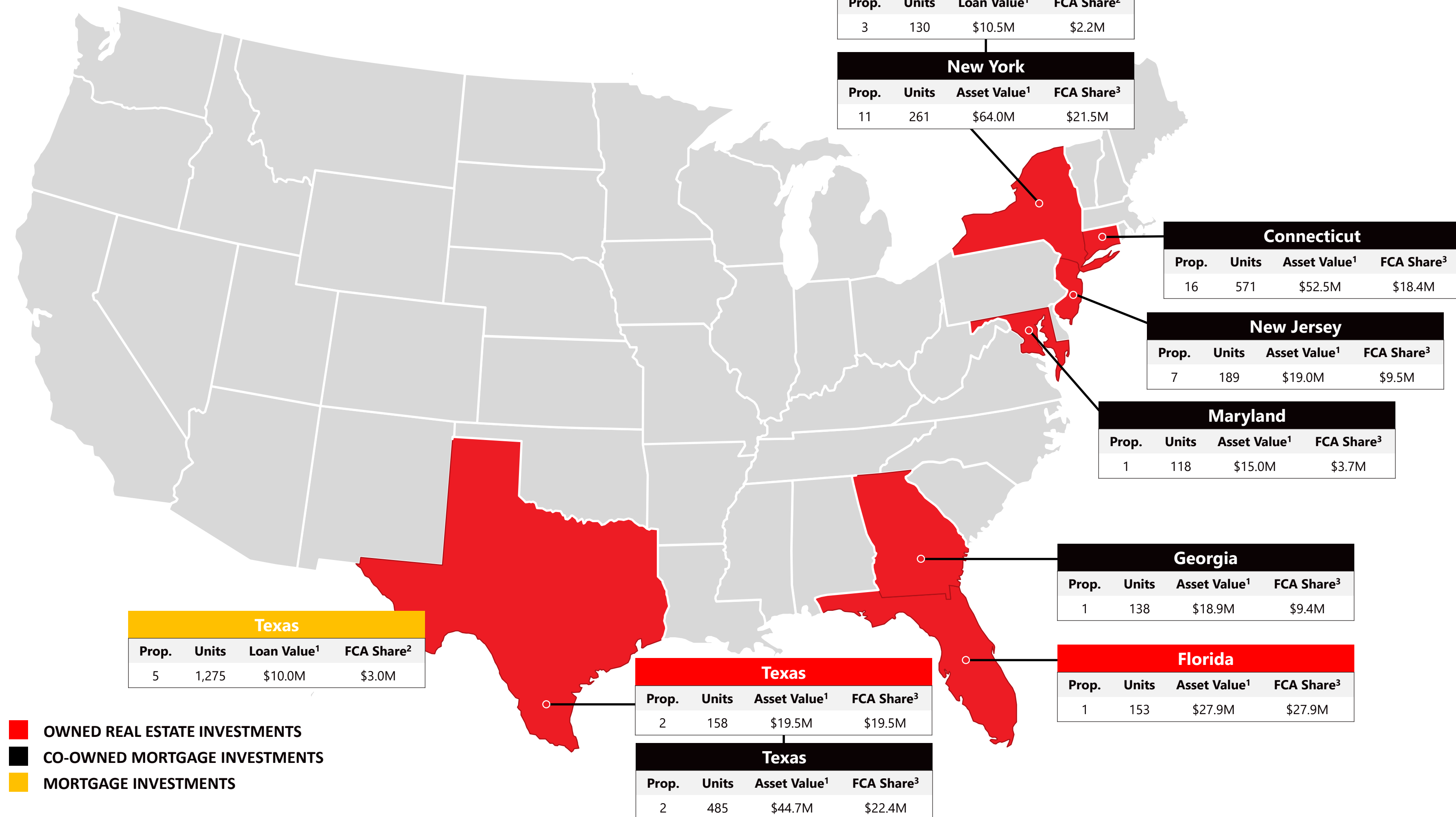
- Real estate debt and equity lending platform
- Major cities across the U.S.
- All forms of shorter-term bridge mortgage loans and joint venture capital

The Trust is positioned to participate in all levels of the capital stack:

Targeted Capital Stack for Investing		
Shorter – Term	Senior Debt	First Lien Mortgages
	Subordinated Debt	Second Lien Mortgages
	Mezzanine Debt	Gap Financing
Longer – Term	Preferred Equity	Preferred Equity Repaid With Set Terms
	Common Equity	Investment Ownership

Property Summary¹

As of September 30, 2019



(1) Shown at 100% share as at September 30, 2019, and pro-forma announced acquisitions

(2) FCA share of total loan; based on participation percentage

(3) FCA share of asset value; based on common equity ownership

Investment Profile

- The Trust's portfolio of investment properties is comprised of 2,073 residential units across 41 apartment properties in 7 U.S. states and provides a broad platform for further external growth opportunities
- In addition, the Trust's mortgage investments are currently comprised of two preferred capital loans secured by New York City and Houston apartment properties, providing high current income and enhancing the overall portfolio yield

Current Investment Portfolio (US\$ in millions) ⁽¹⁾								
	State	Properties	Units ^{(2) (3)}	Occupancy	Asset Value	FCA Pref (\$)	FCA Equity (\$)	FCA Own. (\$)
Owned	Florida	1	153	88.9%	\$27.9	-	\$16.4	100.0%
	Texas	2	158	96.8%	\$19.5	-	\$12.9	100.0%
Co-Owned	New York ⁽²⁾	11	261	96.6%	\$64.0	\$10.3	\$3.3	33.6%
	Maryland	1	118	94.1%	\$15.0	-	\$1.3	25.0%
	Connecticut	16	571	92.5%	\$52.5	\$3.6	\$4.6	35.0%
	New Jersey ⁽³⁾	7	189	98.9%	\$19.0	\$2.6	\$1.1	50.0%
	Texas	2	485	94.9%	\$44.7	\$7.1	\$2.6	50.0%
	Georgia	1	138	91.3%	\$18.9	\$2.1	\$1.6	50.0%
Total Residential Units		41	2,073	94.2%	\$261.5	\$25.7	\$43.8	50.6%

Mortgage Investments (US\$ in millions) ⁽¹⁾							
State	Properties	Units	Coupon	Investment	Term	FCA Share of Inv.	
New York	3	130	12.0%	\$10.5	3 Years	\$2.2	
Texas	5	1,275	12.0%	\$10.0	2 Years	\$3.0	

(1) All figures are shown at 100% share, except under columns for "FCA Pref" and "FCA Equity"; as at September 30, 2019, and pro-forma announced acquisitions

(2) Includes two commercial units

(3) Includes five commercial units

Acquisition Target: Hillstone at Wolf Ranch (Austin, Texas)

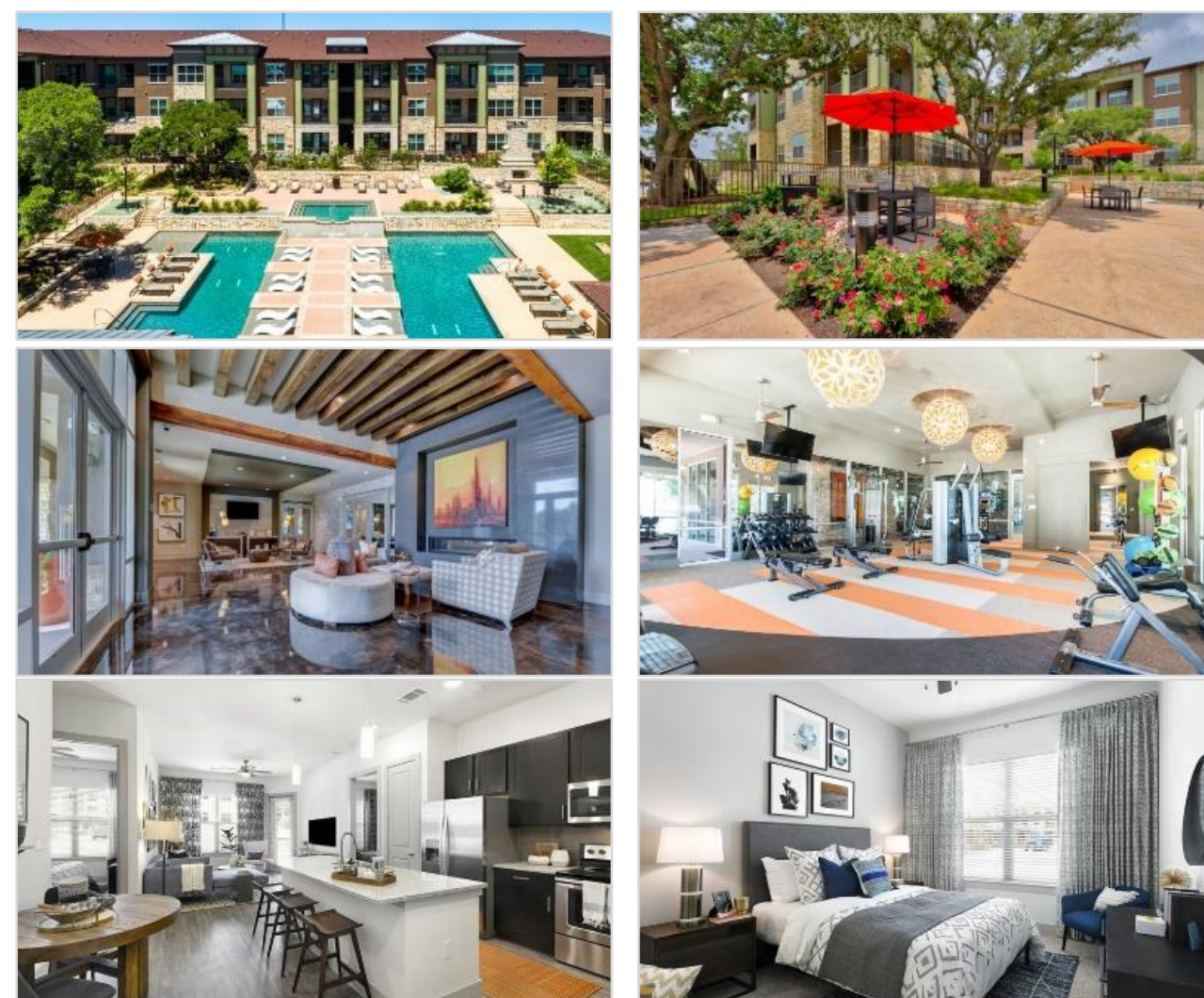
Market Highlights / Rationale

- Suburb north of Austin (30 min drive to downtown)
- Close to local hospital and highways
- Management believes units at this property will attract good quality mid luxury renters looking to avoid paying the luxury prices of downtown Austin
- Current in-place rents represent a discount of over 50% on an absolute and per-square-foot basis when compared to downtown Austin one bedroom and two bedroom apartments¹
- Class A comparable properties nearby have 94% or greater occupancy²
- Recent leases are executed at a much higher price per sq. ft. than the current in-place average (approximately 15% to 25% higher)

Key Property Stats

Year Built	2018
Units	332
Price per Door	\$169k
Current Occupancy	91.6%
Avg. Mthly Rent/Unit	\$1,310
Avg. Mthly Rent/Sq. Ft.	\$1.41
Avg. Unit Size	926 sq. ft.

Property Photos



Source and Uses

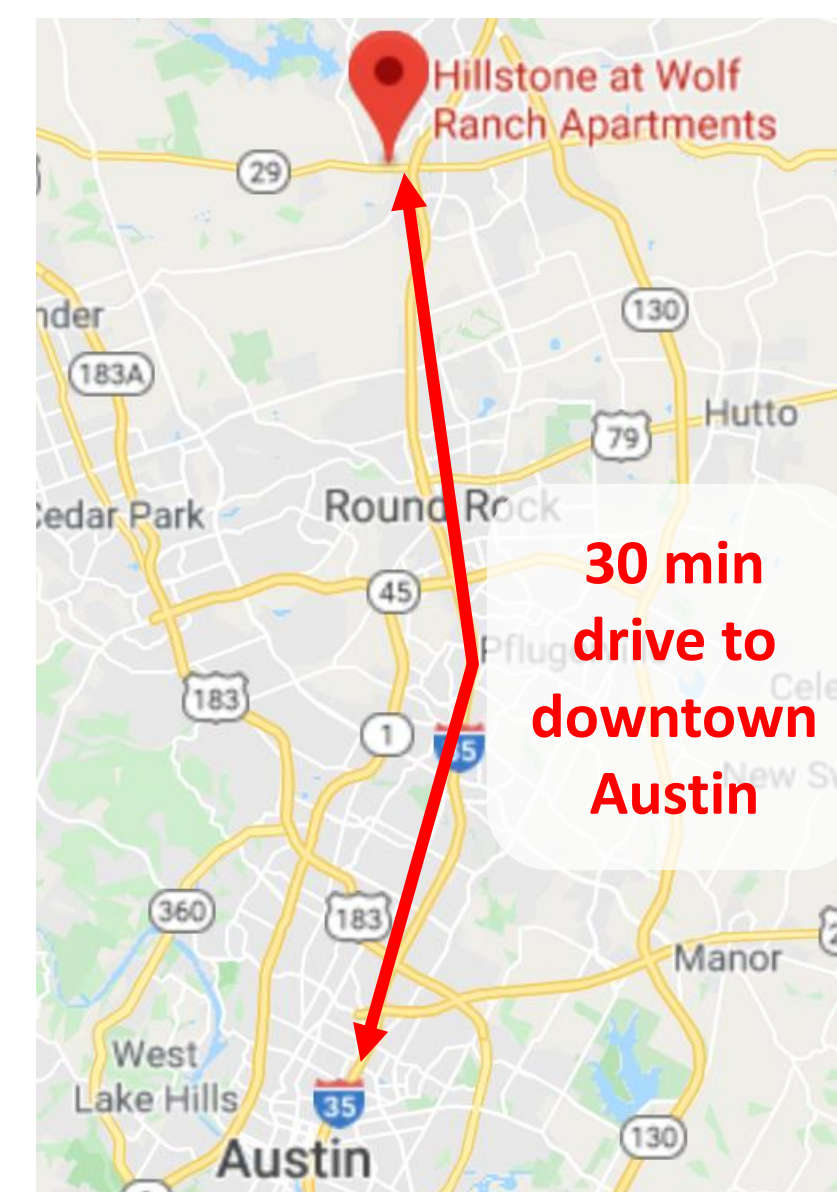
(US\$ millions)

Sources:

Cash Equity	\$19.9
First Mortgage (67% LTV)	\$37.5
Total Sources	\$57.5

Uses:

Purchase Price	\$56.0
Fees and Closing Costs	\$1.5
Total Uses	\$57.5



(1) Median rental list prices of one bedroom and two bedroom apartments in Downtown Austin, as reported by Zillow for December 2019, compared to in-place rental rates of Hillstone one bedroom and two bedroom apartments, respectively

(2) Based on three comparable Class A properties located in Georgetown, Texas

Note: Acquisition is subject to further due diligence and satisfaction of closing conditions

- On January 1, 2020, Firm Capital American Realty Partners Corp. (the “Corporation”) converted into an investment trust¹
- The conversion was completed as it was believed that it would enhance long-term shareholder value by:

PREFERRED STRUCTURE

Expanding the investor base with both retail and institutional investors. Investment trust structure represents the preferred Canadian structure to own income producing real estate

PEER COMPARABILITY

Enhancing comparability with the Corporation’s peers

EFFICIENT VEHICLE

Providing a more efficient vehicle to deliver the benefits of real estate investing from the Corporation’s business to investors

TAX EFFICIENCY

Enhancing shareholder value by maximizing cash distributions to investors in a more tax efficient way

(1) Information in this presentation for periods prior to January 1, 2020 relate to the Corporation prior to the conversion to the Trust

Board of Trustees

Independent Trustees	Geoffrey Bledin Chairman, Independent Trustee	<ul style="list-style-type: none"> • Corporate Director • Former President and CEO of Equitable Trust Company • Former Partner with Price Waterhouse
	Keith L. Ray Independent Trustee	<ul style="list-style-type: none"> • CEO of Realvest Management • Former Partner with KPMG LLP
	Pat DiCapo Independent Trustee	<ul style="list-style-type: none"> • Founder of PowerOne Capital Markets Limited • Former attorney with Smith Lyons LLP (now Gowlings WLG) and Goodwin Proctor LLP
	Robert Janson Independent Trustee	<ul style="list-style-type: none"> • CIO of Westcourt Capital Corporation • Former Director for the Ultra High Net Worth Wealth Management Team with UBS Bank Canada
	Howard Smuschkowitz Independent Trustee	<ul style="list-style-type: none"> • Corporate Director • President of Total Body Care Inc. & JRS Capital Management • Former President of Homeland Self Storage
	Ojus Ajmera Independent Trustee	<ul style="list-style-type: none"> • Co-founder of FGF Brands
	Valentina Kalyk Independent Trustee - Nominee	<ul style="list-style-type: none"> • Over 20 years of capital markets experience, including 15 years with Canaccord Genuity where she was a Managing Director and a senior member of the institutional equity sales team, with a dedicated focus to REITs and real estate
Management	Eli Dadouch Trustee, President & CEO	<ul style="list-style-type: none"> • Founder, President & CEO of Firm Capital Group organization • President & CEO of Firm Capital Mortgage Investment Corporation (TSX:FC) • Vice Chairman, Co-CIO & Trustee of Firm Capital Property Trust (TSXV: FCD.UN)
	Sandy Poklar Trustee & CFO	<ul style="list-style-type: none"> • COO and Managing Director, Capital Markets & Strategic Developments of Firm Capital Corporation • CFO and Trustee of Firm Capital Property Trust (TSXV: FCD.UN) • EVP, Finance of Firm Capital Mortgage Investment Corporation (TSX: FC) • Trustee of True North Commercial REIT (TSX: TNT.UN) • Previous investment banking roles with Macquarie Capital Markets Canada (Toronto) and TD Securities (Toronto)

Substantial Experience in Real Estate Management, Acquisitions, Lending and Finance

Investments Since December 2016

- Below is a list of the investments acquired by the Trust (and its predecessor) since December 2016:

Preferred & Common Equity Investments (US\$)

Portfolio Location	Acq. Date	Acq. Purchase Price @100%	Units	FCA Investment at Acquisition			Preferred Interest Rate	FCA Equity Ownership
				Preferred	Equity	Total		
Houston, TX	Jan. 2020	\$27.9M	250	\$3.5M	\$1.2M	\$4.8M	9.0%	50%
Canton, GA	Sep. 2019	\$20.3M	138	\$3.2M	\$1.6M	\$4.8M	8.0%	50%
Hartford, CT	Apr. 2019	\$12.2M	109	\$1.9M	\$1.2M	\$3.1M	8.0%	50%
Bronx, NY	Dec. 2018	\$25.0M	132	\$4.8M	\$1.9M	\$6.7M	8.0%	50%
Houston, TX	Feb. 2018	\$15.3M	235	\$3.5M	\$1.2M	\$4.7M	9.0%	50%
Irvington, NJ	Feb. 2018	\$17.8M	189	\$2.6M	\$0.8M	\$3.4M	9.0%	50%
Bridgeport, CT	Aug. 2017	\$30.5M	462	\$3.8M	\$1.3M	\$5.1M	9.0%	30%
Brentwood, MD	Jan. 2017	\$9.8M	116	\$0.7M	\$0.3M	\$1.0M	8.0%	25%
New York, NY	Dec. 2016	\$38.4M	129	\$4.6M	\$1.5M	\$6.1M	8.0%	23%
Total		\$197.2M	1,760	\$28.6M	\$11.0M	\$39.7M	8.5%	43.3%

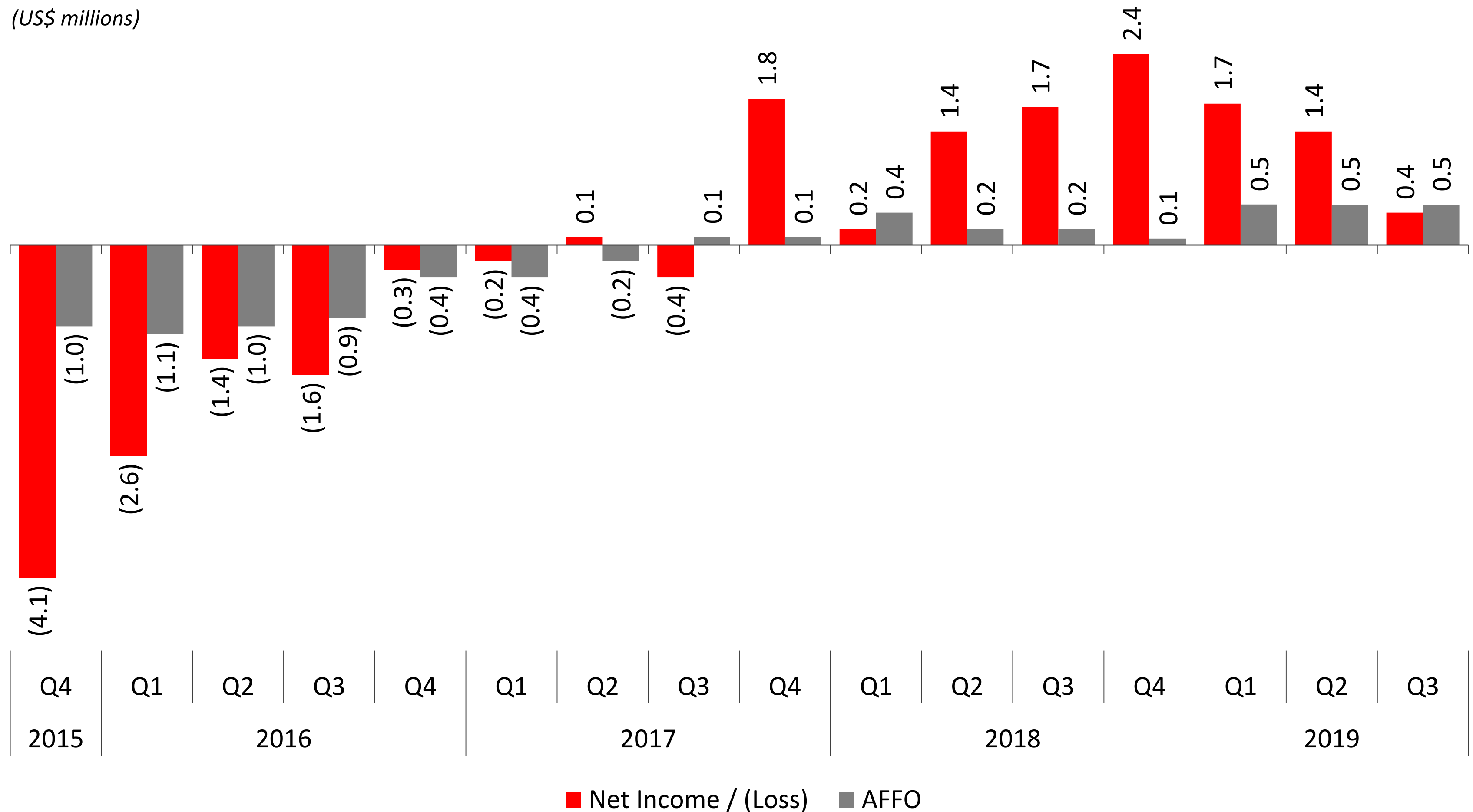
Preferred Capital Loan Investments (US\$)

Portfolio Location	Acq. Date	Total Pref. Loan at Acquisition	Units	FCA Investment at Acquisition	Pref. Interest Rate	FCA Loan Ownership	Term
Manhattan, NY	Dec. 2017	\$12.0M	130	\$2.5M	12.0%	21%	3 years
Houston, TX	Nov. 2019	\$10.0M	1,275	\$3.0M	12.0%	30%	2 years

Quarterly Net Income & AFFO

- Between the fourth quarter of 2015 ("Q4 2015") and the third quarter of 2019 ("Q3 2019"), FCA's earnings have increased from a \$4.1 million net loss in Q4 2015 to a \$0.4 million net income in Q3 2019
- AFFO has increased from negative \$1.0 million in Q4 2015 to \$0.5 million in Q3 2019

(US\$ millions)



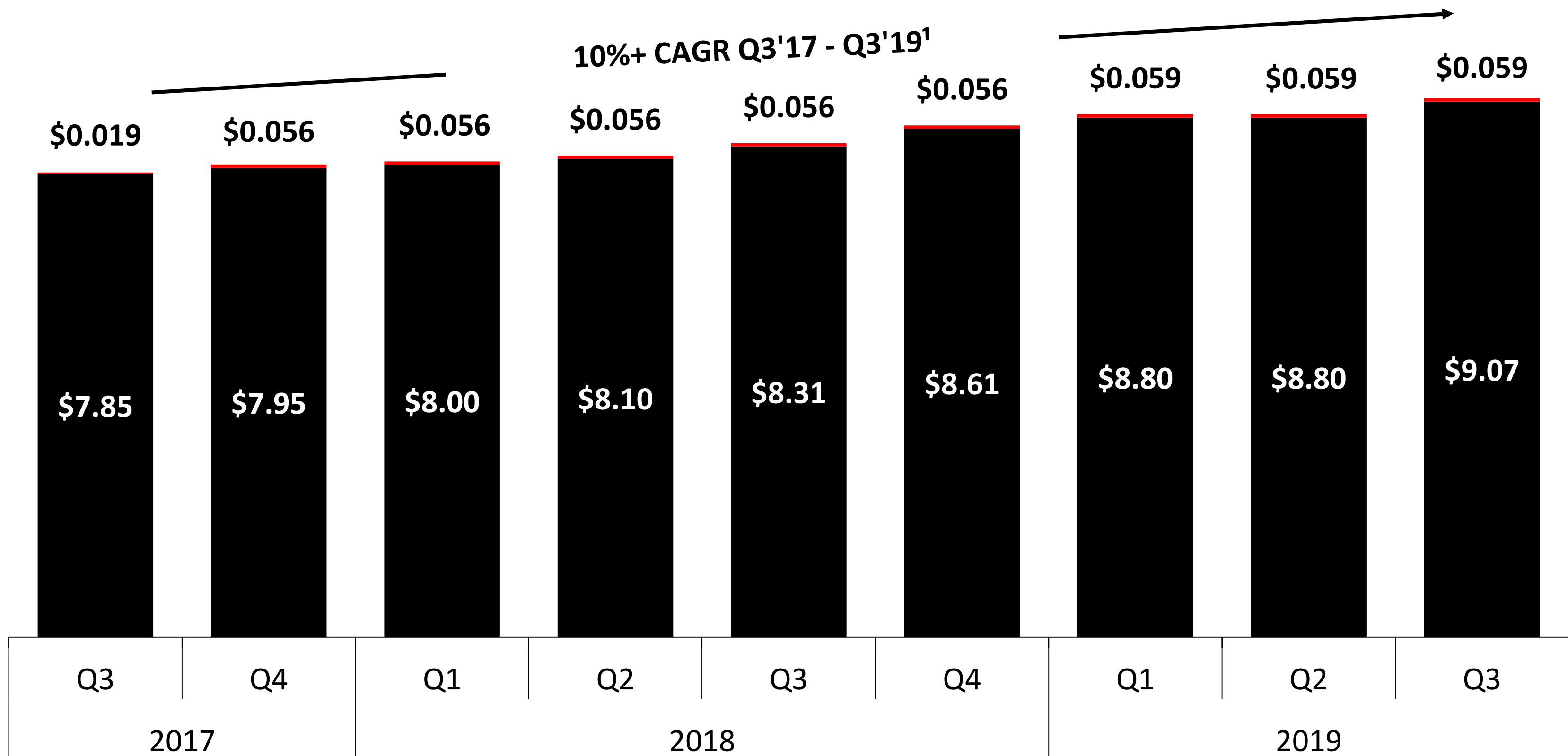
Reported NAV & Distributions Per Unit

- Net asset value (“NAV”) has increased by a 10%+ CAGR since Q3/2017¹
- Distributions were implemented in Q3/2017 and later increased to \$0.059/Unit commencing in Q1 2019

(US\$)

■ NAV / Unit

■ Dividend / Unit



(1) CAGR calculation includes cash dividends paid during the period

Key Highlights (Q4 2015 To Q3 2019)

Increased Earnings¹

- \$0.4 million net income from a \$4.1 million net loss
- Earning per share of \$0.06 from a \$2.11 net loss per share
- \$0.5 million AFFO from a \$1.0 million negative AFFO
- \$0.08 AFFO per Unit from a \$0.53 negative AFFO per Share

Strong Investment Portfolio Performance¹

- Net Rental Income: Increased to \$0.6 million from \$0.2 million
- Equity Investment Income: \$0.6 million from nil
- Operating Expenses: 67% decline to \$0.5 million
- Finance Costs: 61% decline to \$0.5 million

Strong Balance Sheet and Capitalization¹

- Multi-Family: +\$9.5 million increased valuation
- Equity Investments: Increase of \$35.4 million Unitholders Equity: +158% increase to \$65.6 million

Legacy Debt Repayments:

Senior Secured Notes: Fully Repaid
New Jersey Notes: Fully Repaid
7.0% Convertible Debentures: Fully Repaid

New Financing

- Convertible Debentures: Raised CDN\$19.4 million in August 2019

(1) Current metrics for the third quarter of 2019, as compared to the fourth quarter of 2015



APPENDIX:

INVESTMENT OVERVIEW

Partnership Investment:

Houston, Texas

- January 2020, FCA purchased a 50% interest, with an unrelated third party, in a multi-family residential building comprised of 250 units, located in Houston, Texas
- The joint venture partner is a fully integrated real estate investment firm based in New York City with a main focus on acquiring multi-family value-add properties
- Value-add plan is designed to reposition the buildings by investing in units and upgrading property amenities to capture market rents at a premium to in-place rents
- Purchase price of \$27.9 million (including transaction costs & further expected capital expenditure)
- FCA invested in a combination of preferred equity and common equity, representing a 50% ownership interest
- The joint venture partner co-invested in common equity on a 50/50 basis with FCA

1 Apartment Property – 250 Units

Acquisition Funding Structure

New Conventional First Mortgage

\$22.1 million / 4.6% rate

Preferred Equity – FCA

\$3.5 million / 9.0% rate

Common Equity –

FCA

\$1.2 million

Common Equity –

Joint Venture Partner

\$1.2 million



Preferred Capital Loan:

Houston, Texas

- On November 15, 2019, Firm Capital Group invested \$10 million of preferred equity at a 12.0% coupon for an initial 2-year term, to finance the acquisition of a portfolio of 5 apartment properties comprised of 1,275 residential units in Houston, Texas
- FCA's participation in the preferred equity investment is \$3 million, or 30% of the balance
- The portfolio has 4 properties located in Southwest Houston with the fifth located in Southeast Houston, < 5 miles away from Houston's Hobby airport
- The loan is subordinated to the first mortgage and ranks ahead of approximately \$11 million of common equity
- The equity sponsor's \$9.6 million value-add plan is being funded by the first mortgagee and is designed to significantly enhance the common areas and property exteriors, and complete an in-suite renovation program to increase the rental income over the term of our investment



Partnership Investment:

Canton, Georgia

- September 2019, FCA purchased a 50% interest, with an unrelated third party, in a multi-family residential building comprised of 138 units, located in Canton, Georgia
 - The joint venture partner is a fully integrated real estate acquisition company based out of Phoenix, Arizona that focuses on multi-family opportunities in the US. The property will be managed by Lincoln Property Company, a national property manager
- The seller completed a renovation of 49 of the 138 units at the property and as result is realizing rent premiums of \$140-150/month over the classic/unrenovated units
- Purchase price of \$20.3 million (including transaction costs & further expected capital expenditure)
- FCA invested in a combination of preferred equity and common equity, representing a 50% ownership interest
 - The joint venture partner co-invested in common equity on a 50/50 basis with FCA

1 Apartment Building – 138 Units

Acquisition Funding Structure

Conventional First Mortgage
\$14.0 million

Preferred Equity – FCA
\$3.2 million / 8.0% rate

Common Equity – FCA
\$1.6 million

Common Equity – Joint Venture Partner
\$1.6 million



Partnership Investment:

West Hartford, Connecticut

- April 2019, FCA acquired a 50% joint venture ownership in a portfolio of two apartment buildings comprised of 109 residential units in West Hartford, Connecticut
- The joint venture partner is a fully integrated real estate acquisition and management company based out of Lakewood, New Jersey that focuses on multi family properties in the Connecticut Area
- Value-add plan is designed to reposition the buildings by investing in unit and building-wide renovations to capture premium market rents
- Purchase price of \$12.2 million (excluding transaction costs)
- FCA invested in a combination of preferred equity and common equity, representing a 50% ownership interest
- The joint venture partner co-invested in common equity on a 50/50 basis with FCA

2 Apartment Buildings – 109 Units

Acquisition Funding Structure

Conventional First Mortgage
\$10.0 million

Preferred Equity – FCA
\$1.9 million / 8.0% rate

Common Equity – FCA
\$1.2 million

**Common Equity –
Joint Venture Partner**
\$1.2 million



Partnership Investment:

Bronx, New York

- On December 24, 2018, FCA acquired a 50% joint venture ownership in a portfolio of three apartment buildings comprised of 132 residential units in Bronx, New York
 - The joint venture partner is a fully integrated real estate investment firm based in New York City with a main focus on acquiring multifamily value-add properties
- Value-add plan is designed to reposition the buildings by investing in units and building-wide renovations to capture market rents at a premium to in-place rents
- Purchase price of \$25.0 million (including transaction costs)
- FCA invested in a combination of preferred equity and common equity, representing a 50% ownership interest
 - The joint venture partner co-invested in common equity on a 50/50 basis with FCA

3 Apartment Buildings – 132 Units

Acquisition Funding Structure

Conventional First Mortgage
\$16.5 million

Preferred Equity – FCA
\$4.8 million / 8.0% rate

Common Equity – FCA
\$1.9 million

**Common Equity –
Joint Venture Partner**
\$1.9 million



Partnership Investment:

Houston, Texas

- On February 28, 2018, FCA acquired a 50% joint venture ownership in an apartment community comprised of 235 units in Houston, TX
- The joint venture partner is a private real estate investment firm based in New York City and local property management is provided by FCA's existing property manager on its properties in Austin, TX
- Value-add plan is designed to reposition the buildings by investing in units and building-wide renovations to capturing premium market rents over a 2-year horizon
- Purchase price of \$15.3 million (excluding transaction costs)
- FCA invested \$4.7 million in a combination of preferred equity (\$3.5 million) and common equity (\$1.2 million), representing a 50% ownership interest
- The joint venture partner co-invested in common equity on a 50/50 basis with FCA

1 Apartment Community – 235 Units

Acquisition Funding Structure

New Conventional First Mortgage
\$11.6 million / 4.9% rate

Preferred Equity – FCA
\$3.5 million / 9.0% rate

Common Equity – FCA
\$1.2 million

Common Equity – Joint Venture Partner
\$1.2 million



Partnership Investment:

Irvington, New Jersey

- On February 28, 2018, FCA acquired a 50% joint venture ownership in a portfolio of 7 apartment properties comprised of 184 residential units and 5 retail units in Irvington, NJ
- The joint venture partner is a private real estate investment firm based in Brooklyn, NY with a strong presence in New Jersey
- The buildings are already stabilized, with substantial capital improvements to the units and building-wide already completed by the previous owner
- Purchase price of \$17.8 million (excluding transaction costs)
- FCA invested \$3.4 million in a combination of preferred equity (\$2.6 million) and common equity (\$0.8 million), representing a 50% ownership interest
- The joint venture partner co-invested in common equity on a 50/50 basis with FCA

7 Apartment Properties – 184 Units

Acquisition Funding Structure

New Conventional First Mortgage
\$14.2 million / 3.8% rate

Preferred Equity – FCA
\$2.6 million / 9.0% rate

Common Equity – FCA
\$0.8 million

Common Equity – Joint Venture Partner
\$0.8 million



Partnership Investment:

Bridgeport, Connecticut

- On August 16, 2017, FCA and the Firm Capital Group acquired a 50% joint venture ownership in a portfolio of 14 apartment properties comprised of 462 residential units in Bridgeport, CT
 - The joint venture partner is a private real estate investment firm based in New York City
 - 2nd joint venture investment among partner and FCA (also New York City)
- Value-add plan designed to reposition the buildings by investing in units and building-wide renovations to capture premium market rents
- Purchase price of \$30.5 million (excluding transaction costs)
- FCA invested \$5.1 million in a combination of 60% of the preferred equity (\$3.8 million) and common equity (\$1.3 million), representing a 30% ownership interest
 - The joint venture partner co-invested in common equity on a 50/50 basis with FCA and Firm Capital Group

14 Apartment Properties – 462 Units

Acquisition Funding Structure

New Conventional First Mortgage
\$24.4 million / 4.5% rate

**Preferred Equity–
FCA**
\$3.8million / 9.0% rate

**Preferred Equity–
Firm Capital Group**
\$2.5 million / 9.0% rate

**Common Equity –
FCA**
\$1.3 million

**Common Equity –
Joint Venture Partner &
Firm Capital Group**
\$3.0 million



Partnership Investment:

Brentwood, Maryland

- On January 18, 2017, FCA and the Firm Capital Group acquired a 50% joint venture ownership in an apartment property comprised of 116 residential units in Brentwood, MD, outside of Washington, DC
- The joint venture partner is a private real estate investment firm based in Baltimore, MD
- Value-add plan designed to reposition the buildings by investing in units and building-wide renovations to capture premium market rents
- Purchase price of \$9.8 million (including transaction costs)
- FCA invested \$1.0 million in a combination of 50% of the preferred equity (\$0.7 million) and common equity (\$0.3 million), representing a 25% ownership interest
- The joint venture partner co-invested in common equity on a 50/50 basis with FCA and the Firm Capital Group

1 Apartment Property – 116 Units

Acquisition Funding Structure

New Conventional First Mortgage
\$7.8 million / 5.2% rate

**Preferred Equity–
FCA**
\$0.7 million / 8.0% rate

**Preferred Equity–
Firm Capital Group**
\$0.7 million / 8.0% rate

**Common Equity –
FCA**
\$0.3 million

**Common Equity –
Joint Venture Partner &
Firm Capital Group**
\$1.1 million



Partnership Investment:

Manhattan, New York City

- On December 20, 2016, FCA and the Firm Capital Group acquired a 50% joint venture ownership in a portfolio of 8 apartment properties, comprised of 127 residential units and 2 retail units, in the Harlem neighbourhood of Manhattan, New York City
 - The joint venture partner is a private real estate investment firm based in New York City
- Value-add plan is designed to reposition the buildings by investing in units and building-wide renovations to capture premium market rents over a 5-year horizon
- Purchase price of \$38.4 million
- FCA invested \$6.1 million in a combination of 46% of the preferred equity (\$4.6 million) and common equity (\$1.5 million), representing a 23% ownership interest
 - The joint venture partner co-invested in common equity on a 50/50 basis with FCA and the Firm Capital Group

8 Apartment Properties – 127 Residential Units – 2 Retail units

Acquisition Funding Structure

New Conventional First Mortgage
\$23.8 million / 3.5% rate

**Preferred Equity–
FCA**
\$4.6 million / 8.0% rate

**Preferred Equity–
Firm Capital Group**
\$5.5 million / 8.0% rate

**Common Equity –
FCA**
\$1.5 million

**Common Equity –
Joint Venture Partner &
Firm Capital Group**
\$5.2 million



Preferred Capital Loan:

Manhattan, New York City

- On December 18, 2017 the Firm Capital Group issued a \$12 million preferred capital loan at a 12.0% coupon for an initial 3-year term to a private real estate investment firm based in New York City, to finance the acquisition of a portfolio of 3 apartment properties comprised of 130 residential units in Manhattan, New York City
 - FCA's initial participation in the preferred capital loan was for \$2.5 million, or 20.8% of the balance (\$2.2 million currently outstanding)
- The portfolio is comprised of 3 well positioned apartment buildings located on the border of Upper West Side and Harlem, in close proximity to Columbia University and Central Park
- The loan is subordinated to the first mortgage, provided by a Tier 1 bank
- The capital structure is enhanced by significant common equity infusion from the borrower
- The borrower's value-add plan is designed to renovate and re-tenant the buildings to increase the rental income, while providing strong debt service coverage on the loan



Direct Investment:

Florida & Texas

Summerfield Apartments, Sunrise, FL

- 100% ownership
- 7 buildings and 153 units



South Congress Commons, Austin, TX

- 100% ownership
- 4 buildings and 68 units



Enclave, Austin, TX

- 100% ownership
- 5 buildings and 90 units





Firm Capital American Realty Partners Trust

FOR ADDITIONAL INFORMATION, PLEASE CONTACT:

Eli Dadouch

President & CEO

T: 416.635.0221 X 231

E: edadouch@firmcapital.com

Sandy Poklar

Chief Financial Officer

T: 416.635.0221 X 235

E: spoklar@firmcapital.com

Victoria Moayed

Director, Investor Relations &
Private Client Capital

T: 416.635.0221 X 270

E: vmoayed@firmcapital.com

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Material factors or assumptions that were applied in drawing a conclusion or making an estimate set out in the forward-looking information may include, but are not limited to: that the general economy remains stable, interest rates are relatively stable, acquisition/disposition capitalization rates are stable, competition for acquisition or disposition of residential apartments remains intense, and equity and debt markets continue to provide access to capital. These assumptions, although considered reasonable by FCA at the time of preparation, may prove to be incorrect.

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