



FIRM CAPITAL PROPERTY TRUST PROVIDES PORTFOLIO AND ENTITY UPDATE REGARDING COVID-19, ITS FINANCIAL STABILITY AND NORMAL COURSE ISSUER BID

TORONTO, ONTARIO - March 30, 2020 - Firm Capital Property Trust (the "Trust"), (TSXV: FCD.UN) is issuing this press release regarding the impact of COVID-19 and information on the financial stability of the Trust.

Over the past several weeks, this pandemic has driven business, market and economic turmoil to inconceivable levels. Since 2012 the Trust has demonstrated a track record of delivering returns to unitholders while maintaining a strong financial position. In return, unitholders have seen their distributions increased seven times in seven years by a total of almost 43% since 2012, representing a 4.5% average annual increase. However, the effect of the global markets as well as the provisions and regulations various national authorities have implemented, have had a negative effect on the Trust's unit price, alongside many other similar REITs in the marketplace. Like other entities, the Trust has been impacted by what management believes is an overselling of the Trust's trust units.

We would like to assure unitholders that the Trust has been taking proactive action to mitigate the impact of COVID-19. As stated in our prior press releases, the Trust is conservatively levered at a 48% Debt to Gross Book Value ratio ("Debt/GBV"), has \$9 million of cash availability on its revolving credit facility and is expected to increase liquidity once it completes several mortgage financings that are in progress over the next two months. Further, as press released on March 27, 2020, the Trust plans to file an application with the TSX Venture Exchange ("TSXV") to commence a Normal Course Issuer Bid or NCIB to purchase up to 2,824,296 of its trust units, being 10% of the Public Float (as defined in the policies of the TSXV). The board of trustees of the Trust is of the opinion that the recent market prices of its trust units do not reflect the underlying value of its assets and future prospects, and that repurchasing trust units is one way of creating unitholder value.

The Trust remains confident in its financial position to mitigate the short and long-term challenges of COVID-19. From a portfolio perspective, as at March 30, 2020, we provide to you the following update:

- **Portfolio Size:** The Trust's investment portfolio is approximately \$465 million, which is slightly over the \$458 million reported as at December 31, 2019. Further, the investment portfolio is diversified across both geographies and asset classes as detailed in the Q4/2019 MD&A with 77% of our retail assets, or 47% of total assets, in solid 50/50 partnerships with First Capital REIT and Crombie REIT;
- **Leverage:** The Trust has a strong balance sheet with a conservative leverage ratio of 48% Debt/GBV;
- **Tenant Quality:** Approximately 29% of the Trust's base rent is derived from retail tenants that are deemed essential services (Sobeys, Loblaw, Metro, IGA, LCBO, Shoppers Drug Mart, Rexall and The Beer Store), a sector which has shown to have greater stability during these types of crisis. Further, approximately 35% of the Trust's base rent is from publicly listed entities;
- **Cash Availability:** The Trust is currently sitting on approximately \$9 million of availability on its \$22 million credit facility. It should be noted that the Trust expects to pay down the \$13 million drawn on the same credit facility through the refinancing of

- four existing properties over the next two months. This would provide the Trust with total cash availability of approximately \$40 million if these transactions are completed;
- **Tenant Support Program:** The Trust is working with its small commercial tenants to provide a rent deferral option of up to two months' rent that would be paid back over the course of the next twelve months;
 - **Normal Course Issuer Bid ("NCIB"):** As press released on March 27, 2020, the Trust announced plans to file an application with the TSXV to commence a NCIB to purchase up to 2,824,296 of its trust units being 10% of the Public Float. The board of trustees of the Trust is of the opinion that the recent market prices of its trust units do not reflect the underlying value of its assets and future prospects, and that repurchasing trust units is one way of creating unitholder value;
 - **NAV Per Share:** As at December 31, 2019; the Trust's NAV was \$ 7.47 per share; and
 - **Highly Experienced Senior Management and Board of Trustees:** The Trust has a highly experienced senior management team and board of trustees with a combined 100+ years industry experience in managing real estate throughout various real estate cycles. Further, the senior management team and board of trustees have a strong alignment of interests through the direct investment in assets along-side investors.

Please feel free to contact any member of senior management with questions or comments.

ABOUT FIRM CAPITAL PROPERTY TRUST (TSXV: FCD.UN)

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 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. 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

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. Forward-looking statements in this release relate to the refinancing of certain mortgages, the approval of the NCIB and the timing and amount of purchases to be made under the NCIB. 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.

Neither the TSXV 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. Additional information about the Trust is available at www.firmcapital.com or www.sedar.com.

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