



Firm Capital Apartment Real Estate Investment Trust

INVESTOR PRESENTATION - Q2 2021

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Why Invest in Firm Capital Apartment REIT?

- Firm Capital Apartment REIT (TSXV: FCA.U/FCA.UN)** with its compelling investment metrics, disciplined philosophy for growth & income and **backed by a highly experienced Management Team & Board**, offers investors the opportunity to profit from a **Value Investing opportunity** while benefiting from ongoing value creation through **organic portfolio growth** and **tax efficient structure**.

| | |
|------------------------------------|--|
| Value Investing Opportunity | <ul style="list-style-type: none"> A REIT with solid assets in U.S. multi-residential space offering a great value on a risk-adjusted basis Trading at 19%* discount to NAV (vs. 4% premium for peers in the multi-residential space) offering excellent value investing opportunity 44% 2021 total return (stock price increase plus accumulated distributions from Jan. 4/21 to Aug. 3/21) 25% 5-year total return (stock price increase plus accumulated distributions from Jan. 4/16 to Aug. 3/21) Steady cash flow with consistent quarterly distributions of USD\$0.059/unit 3.1%* attractive yield for U.S. multi-residential space |
| Tax Efficient | <ul style="list-style-type: none"> 2020 distributions qualified as 100% Return of Capital Other eligibility options: RRSP, RRIF, TFSA, RESP, RDSP, DPSP |
| Organic Growth | <ul style="list-style-type: none"> Primed for growth in the short & medium term through accretive acquisitions, opportunistic mortgage refinancing, and rent increases Portfolio size increased by 12% from USD\$154.7M to USD\$173.8MM from Q2/2020 to Q2/2021 due to accretive acquisitions Low Leverage of 26% as at Q2/2021 (provides opportunity for portfolio growth potential) 56% of the total mortgage portfolio being refinanced in the next 24 months (provides opportunity for increase in AFFO) Strong 95% occupancy rate with a 77% AFFO payout ratio 3% Rent Increase on existing properties from Q1/2020 to Q2/2021 (provides resistance to inflation related devaluations and maintain growth in earnings) NAV increased by +11% CAGR from Q2/2018 to Q2/2021 Since the beginning of COVID-19, the Trust through its NCIB and other accretive opportunities has prudently purchased for redemption and cancellation a total of 857,400 Trust Units at 52% of the original cost, thereby creating USD\$3.3 million of equity for future growth while effectively generating annual distribution savings that benefit Unitholders over the long term. |
| Solid Team & Alignment | <ul style="list-style-type: none"> Highly experienced Management Team & Board of Trustees in all areas of real estate, finance, accounting and investing in the U.S. (33+ year track record with combined over 100 years industry experience) Strong Alignment of Interest from Management & Board of Trustees: control 28.5% of the outstanding Trust Units issued and their known institutional investors & affiliates have ownership interest of an additional 18.1% of the outstanding Trust Units issued |

(Financials as at August 3, 2021, unless indicated otherwise)

Investment Highlights

| | |
|--|---|
| Unique Blend of Underlying Assets | <ul style="list-style-type: none"> Preferred & Common Equity Investment (Joint Ventures) in 63 Multi-Family Residential Properties with 1,846 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 a true alignment of interest with Unitholders, controlling 28.5% of the outstanding Trust Units issued |
| Strategic Portfolio Diversification | <ul style="list-style-type: none"> Strategically diversified by geography (across 7 U.S. states) and investment type (blend of stabilized and value-add 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 +11%⁽¹⁾ Compounded Annual Growth Rate ("CAGR") from USD\$8.10/Unit in Q2/2018 to USD\$9.45/Unit in Q2/2021 2020 Distributions qualified as 100% Return of Capital |
| 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%) |
| Compelling Valuation Metrics | <ul style="list-style-type: none"> Trades at a significant discount to its multi-residential peers |
| Trades on TSX Venture Exchange (As at August 3, 2021) | <ul style="list-style-type: none"> TSXV: FCA.U (for \$USD) & TSXV: FCA.UN (for \$CAD) USD\$7.64/Unit (for FCA.U) & CAD\$8.10/Unit (for FCA.UN) Market Capitalization: USD\$58.6Million Units Issued: Approximately 7.6 million Yield: 3.1% |

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

2021/Q2 Financial Highlights

| In USD\$ millions, unless per unit or % amounts | Quarter Ended Jun. 30, 2021 | Quarter Ended Mar. 31, 2021 |
|---|--------------------------------|--------------------------------|
| AFFO/Unit | \$0.08 | \$0.07 |
| NAV/Unit | \$9.45 | \$9.40 |
| Distributions/Unit | \$0.06 | \$0.06 |
| Leverage⁽¹⁾ | 26.2% | 17.6% |
| Portfolio Size⁽²⁾ | \$173.8 | \$164.2 |
| AFFO Payout Ratio | 77% | 90% |

(1) 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 convertible debentures. Including the convertible debentures the leverage would be 39.2%.

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

Fundamentals Driving The Demand For U.S. Multi-Residential

HIGH BARRIERS TO HOMEOWNERSHIP

- **Higher credit standards for mortgage application process** have limited home purchases;
- **Rise of student debt balances** have prolonged average rent duration out of necessity;
- According to US Census Bureau, the **homeownership rate of 65.3% in Q1/2020 remains below the 25-year average of 66.3%, as it has since the 2008 financial crisis.**

APARTMENT DEMAND DRIVERS

- **Many prefer the flexibility of renting**, enabling both greater mobility and less maintenance;
- **There is a continuing trend to delay “adult milestones”**, such as getting married, having a child, and purchasing a home;
- **Low vacancy rates in relation to other asset classes.**



GOVERNMENT SPONSORED FINANCIANG TERMS

- **Loan Structures, leverage standards and interest rate pricing for multi-family properties are more favorable** compared to any other real estate asset class;
- **Variety of multi-family financial sources** provides flexible capital structures to maximize returns;
- **Fannie Mae & Freddie Mac offer unique financing advantage** compared to other real estate asset classes and Government Sponsored Entities (GSEs) account for the largest source of multi-family financing option.

DATA & PRICING TRANSPARENCY

- **The U.S. has one of the most transparent CRE industries in the world;** independent, subscription-based research firms provide non-biased data on rental rates, market conditions, development activity, property ownership trends and key performance indicators that allow investors to make well-informed investment decisions.

The Trust's investment strategy

is executed through the following platforms:

Real Estate Investments:

- Focused in the attractive multi-family asset class with favorable fundamentals
- Acquisition of income producing real estate (stabilized & value-add properties)
- Joint venture partnerships with local industry expert owners/operators who retain property management responsibility

Debt Investments:

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

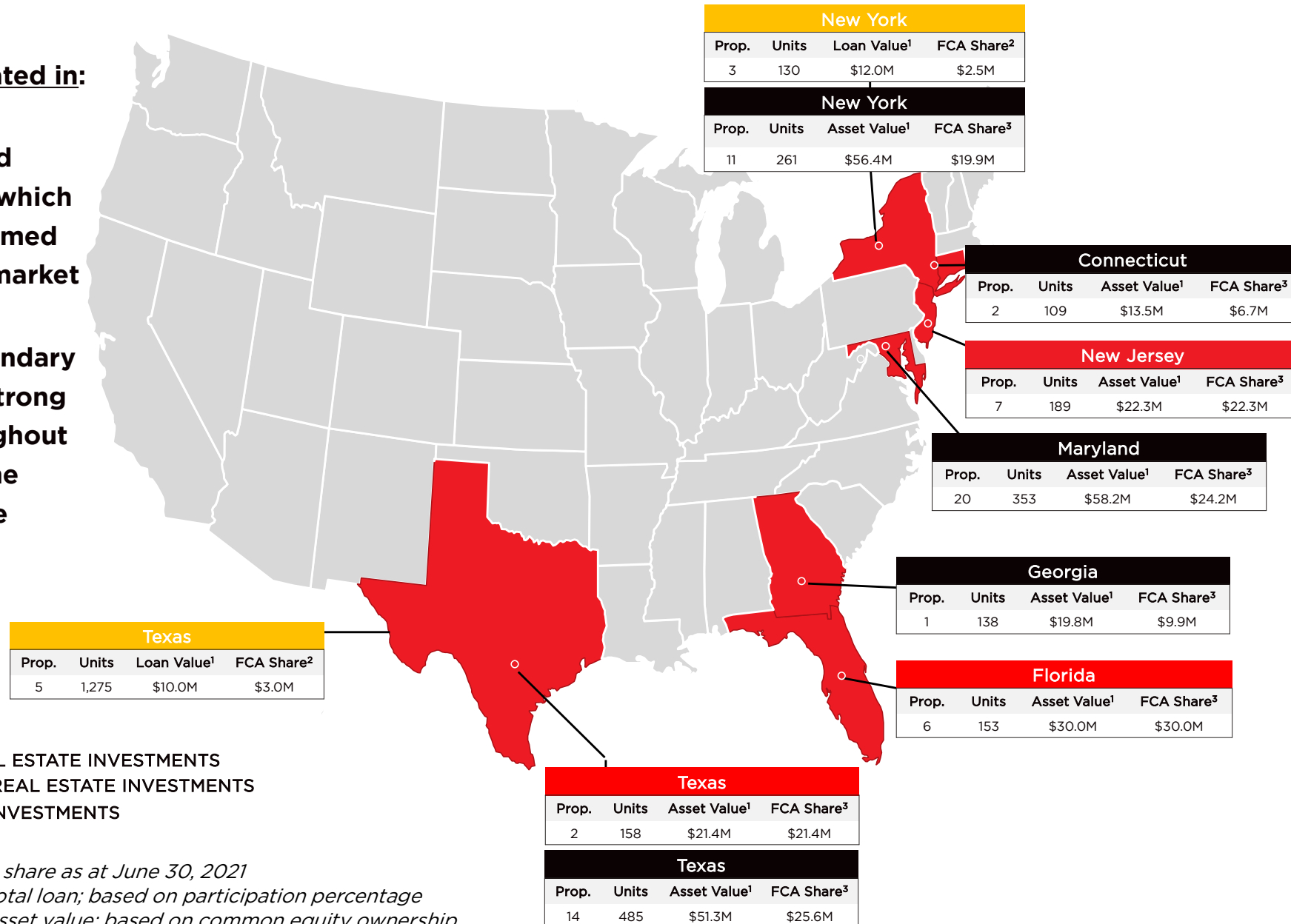
The Trust is positioned to participate in all levels of the capital stack:

| 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 |

2021/Q2 Property Summary¹

Strategically located in:

- Major cities and sunbelt states which have outperformed national REIT market
- Primary & secondary markets with strong demand throughout all phases of the economic cycle



(1) Shown at 100% share as at June 30, 2021

(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 1,846 residential units across 63 apartment properties in 7 U.S. states and provides a broad platform for further external growth opportunities
- The Trust's mortgage investments are currently comprised of 2 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 | 6 | 153 | 97.4% | \$30.0 | - | \$19.0 | 100.0% |
| | Texas | 2 | 158 | 96.2% | \$21.4 | - | \$15.2 | 100.0% |
| | New Jersey ⁽³⁾ | 7 | 189 | 96.8% | \$22.3 | - | \$8.9 | 100.0% |
| Co-Owned | New York ⁽²⁾ | 11 | 261 | 98.1% | \$56.4 | \$4.6 | \$3.7 | 36.4% |
| | Maryland | 20 | 353 | 93.2% | \$58.2 | \$4.2 | \$6.0 | 42.0% |
| | Connecticut | 2 | 109 | 93.6% | \$13.5 | \$1.3 | \$1.2 | 50.0% |
| | Texas | 14 | 485 | 93.6% | \$51.3 | \$7.2 | \$6.6 | 50.0% |
| | Georgia | 1 | 138 | 98.6% | \$19.8 | \$2.9 | \$1.7 | 50.0% |
| Total Residential Units | | 63 | 1,846 | 95.4% | \$272.9 | \$20.2 | \$62.3 | 59.8% |
| Mortgage Investments (US\$ in millions) ⁽¹⁾ | | | | | | | | |
| State | Properties | Units | Coupon | Investment | Term | FCA Share of Inv. | | |
| New York | 3 | 130 | 12.0% | \$12.0 | 3 Years | \$2.5 | | |
| 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";

2) Includes two commercial units;

3) Includes five commercial units.

Rent Collection Update

- The Trust has received approximately 92% of its expected rent since COVID-19 began in March 2020 to June 2021 and is actively either collecting the remaining rent or working with tenants who require assistance.
- The Trust's monthly average rents have increased by 3.2% since March 2020.
- By state, the rent collections and rent increases are as follows:

RENT COLLECTIONS

| | March 2020 to June 2021 |
|-------------------------|----------------------------|
| Texas | 97% |
| Georgia | 98% |
| Maryland | 90% |
| New Jersey | 88% |
| Connecticut | 95% |
| Florida | 95% |
| New York | 85% |
| Weighted Average | 92% |

AVERAGE RENT INCREASE

| | Unit Count | March 2020 | June 2021 |
|-------------------------|--------------|----------------|----------------|
| Texas | 643 | \$884 | \$919 |
| Georgia | 138 | \$1,023 | \$1,093 |
| Maryland | 118 | \$1,344 | \$1,319 |
| New Jersey | 189 | \$1,003 | \$1,121 |
| Connecticut | 109 | \$1,121 | \$1,229 |
| Florida | 153 | \$1,406 | \$1,402 |
| New York | 261 | \$1,551 | \$1,530 |
| Weighted Average | 1,611 | \$1,117 | \$1,153 |

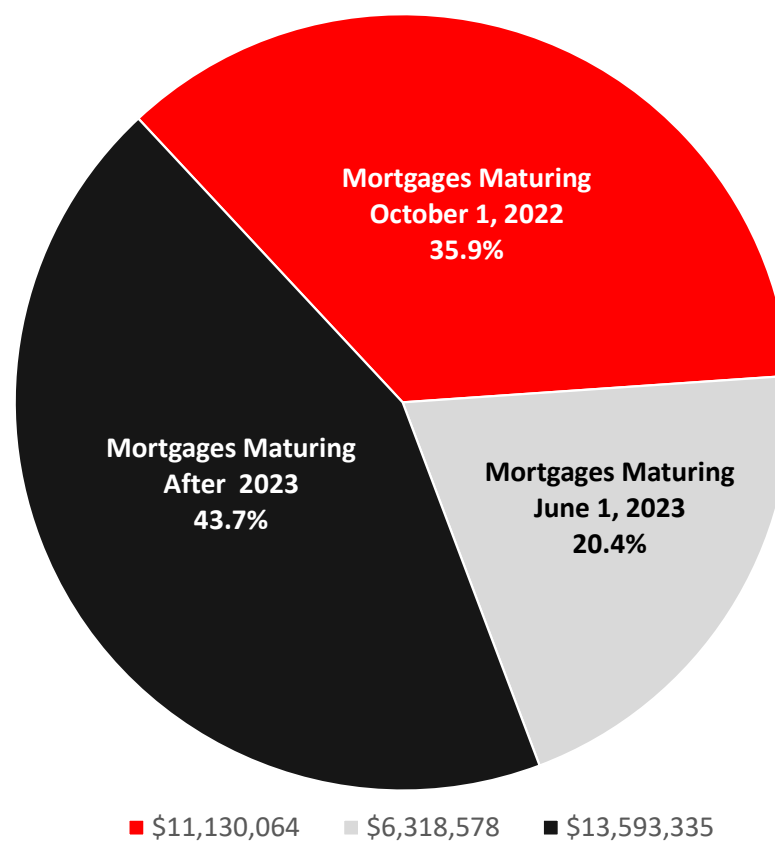
Rent Increase 3.2%*

Note: Excludes the Hyattsville, MD acquisition in Sept. 2020 and the Bridgeport, CT sale in Dec. 2020.

Opportunistic Mortgage Refinancing & Growth Opportunity

- With 56% of the existing mortgages set to mature in the next 24 months, the Trust sees growth opportunities from:
 - Lower Cost of Debt (existing 4.3% vs. current market at ~3.25%);
 - Portfolio Growth and Acquisitions; and
 - Higher AFFO and Distributable Cashflows

Mortgage Portfolio Maturity Due Dates



Multi-Residential Comparables

- The Trust trades at a significant discount to its multi-residential REIT peer group and represents a better risk adjusted rate of return than peers:
 - Trading Price:** 18.7% discount to NAV vs. 4.3% premium to NAV for peers
 - Distribution Yield:** 3.1% vs. 3.0% for peers
 - AFFO Multiple:** 1.6x lower
 - Higher cashflow payout**
 - 2020 distributions qualified as 100% Return of Capital**

MULTI-RESIDENTIAL COMPARABLES*

| Comaprable | Ticker | Currency | Price | Market Cap (\$Millions) | Dist. / Unit | Dist. Yield | AFFO / Unit | AFFO Payout | AFFO Multiple | NAV | NAV Premium / (Discount) |
|------------------------------------|--------------|------------|----------------|-------------------------|----------------|-------------|----------------|--------------|---------------|----------------|--------------------------|
| BSR REIT | HOM.U | USD | \$ 14.17 | \$ 646 | \$ 0.50 | 3.5% | \$ 0.52 | 96.1% | 27.3x | \$ 12.32 | 15.0% |
| InterRent REIT | IIP.UN | CAD | \$ 17.86 | \$ 2,530 | \$ 0.32 | 1.8% | \$ 0.40 | 80.1% | 44.7x | \$ 15.34 | 16.4% |
| Killam Properties | KMP.UN | CAD | \$ 20.44 | \$ 2,110 | \$ 0.68 | 3.3% | \$ 0.83 | 81.9% | 24.6x | \$ 19.65 | 4.0% |
| Minto Apartment | MI.UN | CAD | \$ 24.06 | \$ 1,973 | \$ 0.46 | 2.4% | \$ 0.71 | 64.3% | 34.0x | \$ 18.70 | 28.7% |
| Morguard N.A. Residential REIT | MRG.UN | CAD | \$ 17.47 | \$ 983 | \$ 0.70 | 4.0% | \$ 1.23 | 56.9% | 14.2x | \$ 30.34 | (42.4%) |
| Total / Average | | | | | | 3.0% | | 75.8% | 28.9x | | 4.3% |
| Firm Capital Apartment REIT | FCA.U | USD | \$ 7.64 | \$ 59 | \$ 0.24 | 3.1% | \$ 0.28 | 85.7% | 27.3x | \$ 9.40 | (18.7%) |

* As of August 3, 2021

NCIB & Accretive Investment Opportunity Benefiting Unitholders

- Since the beginning of COVID-19, the Trust through its NCIB and other accretive opportunities has prudently purchased for redemption and cancellation a total of 857,400 Trust Units at 52% of the original cost, thereby creating USD\$3.3 million of equity for future growth while effectively generating annual distribution savings that benefit Unitholders over the long term.

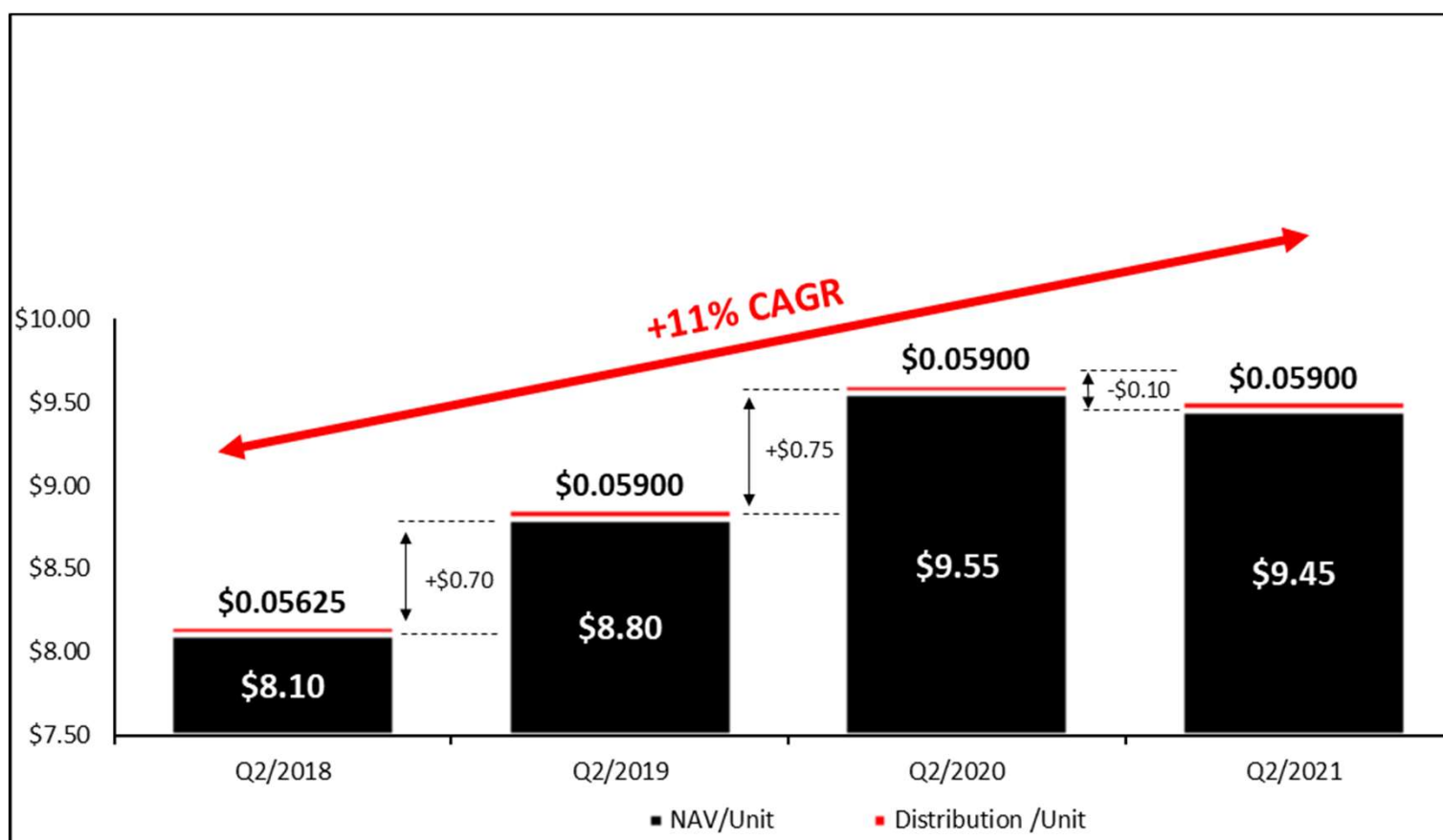
Amounts in USD\$

| Normal Course Issuer Bid Activity & Accretive Cancellation of Trust Units | | | | |
|---|--|------------------------------|----------------------|----------------------------------|
| | # of Trust Units Purchased for Cancellation by Trust | W.A. Cost of Units Purchased | Amount Paid by Trust | Implied Value Creation for Trust |
| 2020 | 814,300 Units | \$4.00 to \$5.75 | \$3,465,204 | \$3,212,056 |
| 2021 | 43,100 Units | \$7.10 | \$305,854 | \$47,566 |
| Total | 857,400 units | | \$3,771,058 | \$3,259,622 |

Reported NAV & Distributions Per Unit

- Net Asset Value has increased by 11% year-over-year, from USD\$8.10 in Q2/2018 to USD\$9.45 in Q2/2021
- Distributions were implemented in Q3/2017 and later increased to USD \$0.059/Unit commenced in Q1/2019
- NAV growth attributed to value-added initiatives and cap rate compression (valuation increases)

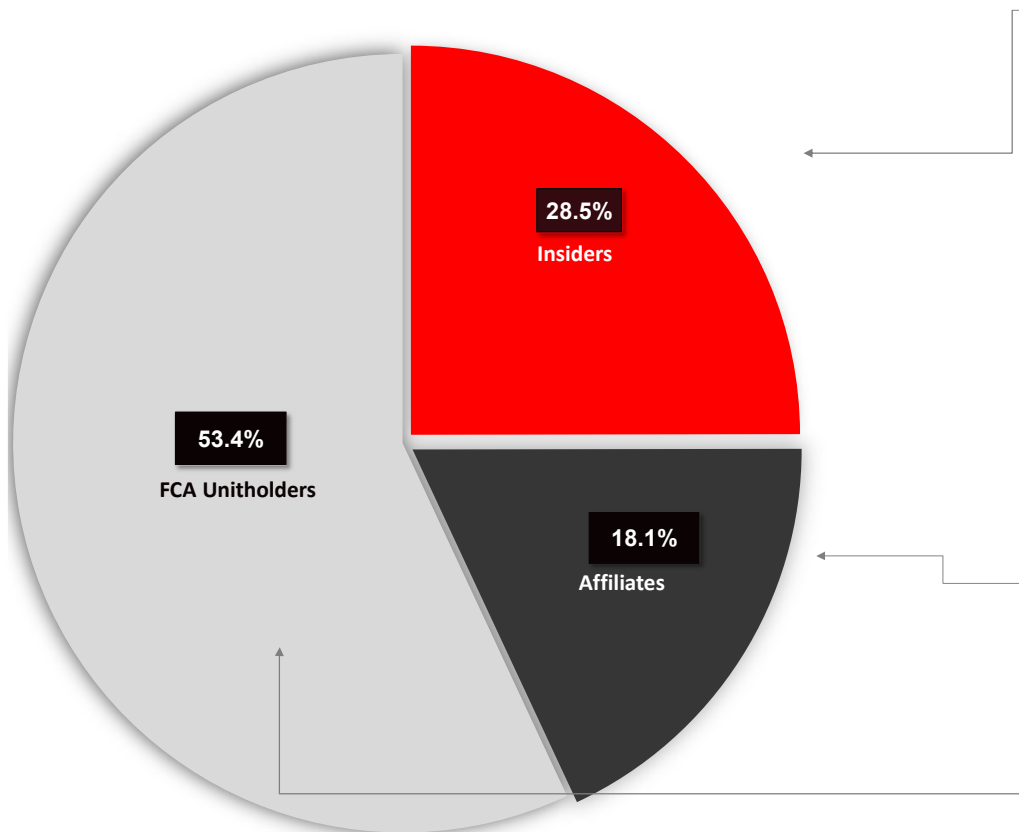
Total value add equals to USD\$1.35/unit or the equivalent of USD\$10.4 million of imbedded growth while delivering a distribution yield of +3.1%



Insider Participation – A True Alignment of Interest

- Senior Management and the Board have a true alignment of interest with Unitholders, having ownership interest consisting of 13% of the common equity & preferred capital in the REIT, as well as controlling 28.5% of the outstanding Trust units issued.
- In addition, known institutional investors and affiliates of FCA have ownership interest of 53% of the common equity & preferred capital in the REIT, as well as control 18.1% of the Trust units.

47% of Units Held by Insiders & Affiliates



| Trustee Name | Number of Units Held Directly or Affiliated | Ownership Interest |
|--|---|--------------------|
| Pat DiCapo | 851,014 | 11.2% |
| Robert Parker | 542,980 | 7.1% |
| Eli Dadouch | 334,735 | 4.4% |
| Howard Smuschkowitz | 202,802 | 2.7% |
| Geoffrey Bledin | 126,000 | 1.7% |
| Keith L. Ray | 72,573 | 1.0% |
| Sandy Poklar | 12,044 | 0.2% |
| Jonathan Mair | 12,100 | 0.2% |
| Valentina Kalyk | 10,400 | 0.1% |
| Subtotal for Insiders | 2,164,648 | 28.5% |
| Known Institutional Investors | 1,378,508 | 18.1% |
| Subtotal for Insiders & Known Institutional Investors | 3,548,156 | 46.6% |
| FCA Unitholders | 4,066,219 | 53.4% |
| Total | 7,604,375 | 100% |

Financials as at August 3, 2021

Highly Experienced Management & Board of Trustees

| | | |
|------------|---|---|
| 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 |
| | Howard Smuschowitz 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 |
| | Valentina Kalyk Independent Trustee | <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 |
| | Robert Parker Independent Trustee | <ul style="list-style-type: none"> • Vice President, Investments & Asset Management of Muzzo Group and Pemberton Developments • Former real estate lawyer at Minden Gross LLP |
| | Jonathan Mair Non-Independent Trustee | <ul style="list-style-type: none"> • Vice President, Mortgage Banking of Firm Capital Corporation • COO, SVP and Director of Firm Capital Mortgage Investment Corporation (TSX: FC) • Trustee of Firm Capital Property Trust (TSXV: FCD.UN) • Former Vice-President of KPMG Inc. from 1993 to 1997 |
| Management | Eli Dadouch Vice-Chairman | <ul style="list-style-type: none"> • Founder, President & CEO of Firm Capital 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 President & CEO | <ul style="list-style-type: none"> • COO and Managing Director, Capital Markets & Strategic Developments of Firm Capital Corporation & Former CFO of the Firm Capital Apartment REIT (TSXV: FCA.U/FCA.UN) • 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) |
| | Mark Goldreich CFO | <ul style="list-style-type: none"> • Former VP Finance & Controller of the Firm Capital Apartment REIT (TSXV: FCA.U / FCA.UN) since 2019 and has been with the Trust since 2016 |

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

The REIT's Strategic Direction for 2021 & Beyond

- Firm Capital Apartment REIT's strategy is to increase unitholder value and create sustainable and growing distributions through acquisition, ownership, and preferred capital investment in US Multi-Family Apartments. The REIT's primary objective is to use the proven industry experience of management, board of trustees, and joint venture partners to acquire, and invest capital, in a portfolio of apartments to grow Net Asset Value per Unit and generate attractive total unitholder returns, while maintaining a conservative balance sheet.
- The REIT's portfolio consists of (i) joint venture and wholly owned apartments; and (ii) preferred capital investments.
- The REIT has successfully utilized a joint venture strategy with partners who bring strong, local expertise in its core markets. The joint venture strategy de-risks the REIT's investment. We have the privilege, based on where the market place is, to shift between buying wholly owned apartments and formulating joint venture ownerships with strong industry partners who seek out solid investments in their specialized markets, giving us the opportunity to benefit from their expertise.
- Preferred capital investments continue to provide attractive, risk adjusted returns for the REIT. Preferred capital ranks ahead of common shares, and behind first mortgage debt in the capital structure of a real estate investment. These types of investments typically generate a higher yield and an overall better risk-adjusted return for the REIT than the underlying real estate when real estate valuations are at a premium. In the near term, the REIT expects to continue to increase this investment class.
- Over the medium to long term, the REIT's target is a portfolio mix of 50/50 wholly owned vs. joint venture partner ownership, while continuing to grow its Preferred Capital investments that provide enhanced returns secured by asset classes we own.
- The REIT will opportunistically acquire wholly owned assets on an accretive basis and when the REIT's cost of equity is compelling. Any growth of the scale as outlined above will require the REIT to raise additional capital through either the private and/or public debt and equity capital markets.



APPENDIX:

INVESTMENT OVERVIEW

Partnership Investment:

Hyattsville, MD

- September 2020, FCA has purchased a 50% interest, with an unrelated third party, in a multi-family residential building comprised of 235-units, located in Hyattsville, Maryland
- The joint venture partner is a fully integrated real estate investment firm based in New York City, Washington D.C and Boca Raton with a focus on acquiring multi-family properties
- Purchase price of \$40.8 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 Community – 235 Units

Acquisition Funding Structure

New Conventional First Mortgage
\$29.7 million / 3.0% rate

Preferred Equity – FCA
\$4.0 million / 9.0% rate

Common Equity – FCA
\$3.4 million

Common Equity – Joint Venture Partner
\$3.4 million



Partnership Investment:

Houston, Texas

- January 2020, FCA has 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 \$28 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 Community – 250 Units

Acquisition Funding Structure

New Conventional First Mortgage
\$22.1 million / 4.5% 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, the 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, provided by Greystone, and ranks ahead of about \$11 million of common equity
- The equity sponsor's \$9.6 million value-add plan is being funded by Greystone 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 has 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:

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 is designed to reposition the buildings by investing in units and building-wide renovations to capture premium market rents over a 3-year horizon
- 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 – 118 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 the 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
- 46.8% loan-to-value (includes supplemental loan)
- Historical stabilized occupancy at +/- 95%



South Congress Commons, Austin, TX

- 100% ownership
- 4 buildings and 68 units
- 31.4% loan-to-value
- Historical stabilized occupancy at +/- 95%



Enclave, Austin, TX

- 100% ownership
- 5 buildings and 90 units
- 39.4% loan-to-value
- Historical stabilized occupancy at +/- 95%



OUR **CORE** PRINCIPLES



TRUST

Our partners, investors and clients can trust FirmCapital to execute on our commitment.



INNOVATION

Firm Capital brings an innovative approach to structuring a transaction.



RELATIONSHIPS

Firm Capital builds strong, long term relationships with its partners, investors and clients.

Firm Capital is a real estate private equity investment firm and alternative investment manager based in Toronto, Canada. Since 1988, Firm Capital has focused on deploying proprietary and managed capital opportunistically between debt and equity investments in the private and public real estate markets. The organization has established an exceptional track record of successfully lending, financing, owning, investing, joint venturing and managing real estate all across Canada and parts of the US. Firm Capital focuses on a simple culture and goal: to be a client driven organization with impeccable integrity focused on preservation of capital through disciplined tactical investing at the same time as building long term relationships.

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