



FIRM CAPITAL PROPERTY TRUST

FIRM CAPITAL PROPERTY TRUST ANNOUNCES STRONG START TO 2018

Toronto, Ontario, May 9, 2018. Firm Capital Property Trust (“**FCPT**” or the “**Trust**”), (TSXV: FCD.UN) is pleased to report today its financial results for the three months ended March 31, 2018.

PROPERTY PORTFOLIO HIGHLIGHTS

The portfolio consists of 61 commercial properties with a total GLA of 2,529,037 square feet (1,502,783 square feet on an owned interest basis) and a 50% interest in one apartment complex comprised of 135 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 4.7% of total net rent. Further, the top 10 tenants are largely comprised of creditworthy and large national tenants and account for 23.1% of total net rent.

FIRST QUARTER HIGHLIGHTS

- Net income for the three months ended March 31, 2018 was approximately \$6.2 million, a 22% increase over the \$5.1 million reported for the three months ended December 31, 2017 and a 180% increase over the \$2.2 million reported for the three months ended March 31, 2017;
- \$6.97 Net Asset Value (“**NAV**”) per Unit based on a IFRS book value of equity of approximately \$112.1 million;
- On an IFRS basis, NOI for the three months ended March 31, 2018 was approximately \$3.1 million which is largely in line with the \$3.1 million reported December 31, 2017 but a 15% increase in comparison to the \$2.7 million reported for the three months ended March 31, 2017;
- On a cash basis (“**Cash NOI**”), for the three months ended March 31, 2018 was approximately \$3.1 million, which is largely in line with the \$3.1 million reported for the three months ended December 31, 2017 but a 19% increase over the \$2.6 million reported for the three months ended March 31, 2017;
- Funds From Operations (“**FFO**”) for the three months ended March 31, 2018 was approximately \$1.9 million, which is largely in line with the \$1.9 million reported for the three months ended December 31, 2017, but a 16% increase over the \$1.6 million reported for the three months ended March 31, 2017.

- Adjusted Funds From Operations (“**AFFO**”) for the three months ended March 31, 2018 was approximately \$1.6 million, largely in line with the \$1.7 million reported for the three months ended December 31, 2017, but a 20% increase in comparison to the \$1.4 million reported for the three months ended March 31, 2017;
- FFO per Unit for the three months ended March 31, 2018 was \$0.122 while AFFO per Unit was \$0.106;
- For the three months ended March 31, 2018, FFO and AFFO payout ratios are 94% and 108% respectively.
- Commercial occupancy was 95.1% while residential occupancy was a strong 95.6%; and
- Conservative leverage profile with Debt / Gross Book Value (“**GBV**”) at 45.0%.

	Three Months			Three Months	
	Mar 31, 2018	Dec 31, 2017	Mar 31, 2017	Dec 31, 2017	Mar 31, 2017
Rental Revenue	\$ 5,463,490	\$ 5,025,013	\$ 4,798,197	9%	14%
NOI					
- IFRS Basis	\$ 3,069,874	\$ 3,124,641	\$ 2,680,278	NM	15%
- Cash Basis	\$ 3,059,174	\$ 3,112,045	\$ 2,568,019	NM	19%
Net Income	\$ 6,231,326	\$ 5,125,746	\$ 2,227,545	22%	180%
FFO	\$ 1,860,165	\$ 1,904,860	\$ 1,596,731	NM	16%
AFFO	\$ 1,624,880	\$ 1,671,250	\$ 1,351,027	NM	20%
FFO Per Unit	\$ 0.122	\$ 0.145	\$ 0.126	(16%)	(3%)
AFFO Per Unit	\$ 0.106	\$ 0.127	\$ 0.106	(16%)	0%
Distributions Per Unit	\$ 0.115	\$ 0.110	\$ 0.110		5%
Payout Ratios					
- FFO	94%	76%	87%		
- AFFO	108%	87%	103%		

* = Includes gain on sale of assets

NM= Not Meaningful

FINANCIAL HIGHLIGHTS

- **\$15.4 Million of Equity Raised:** During the quarter, the Trust issued \$15.4 million of trust units through a combination of a non-brokered private placement and an overnight marketing public offering;
- **Announced \$15 Million Non-Brokered Private Placement:** On April 23, 2018, the Trust announced that it is proceeding with a Non-Brokered Private Placement

in which it will raise up to \$15.0 million and issue approximately 2.4 million Trust Units of the Trust at \$6.25 per Trust Unit. Closing of the Private Placement is expected to occur in one or more tranches and be completed on or before July 31, 2018; and

- **Declaration of Monthly Distributions:** On May 9, 2018, the trust announced that it has declared and approved monthly distributions in the amount of \$0.038333 per Trust Unit for Unitholders of record on July 31, 2018, August 31, 2018, and September 28, 2018 payable on or about August 15, 2018, September 17, 2018, and October 15, 2018.

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 "Plan"). 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 Plan, 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 Plan 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 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 quarter and year ended March 31, 2018 as filed on www.sedar.com.

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