

PRESS RELEASE



FIRM CAPITAL AMERICAN REALTY PARTNERS CORP.

FIRM CAPITAL AMERICAN REALTY PARTNERS CORP. ANNOUNCES THE PURCHASE OF A 50% INTEREST IN A 138-UNIT, MULTI RESIDENTIAL BUILDING FOR \$20.3 MILLION IN THE GREATER ATLANTA AREA

All amounts are in US Dollars unless otherwise stated.

Toronto, Ontario, September 16, 2019. Firm Capital American Realty Partners Corp. (the "**Company**"), (TSXV: FCA.U), (TSXV: FCA) is pleased to announce it will be entering into a \$20.3 million joint venture located in the Greater Atlanta Area.

The Company will be entering into a joint venture with an unrelated third party to acquire the Riverview Apartments ("**Riverview**" or the "**Property**"). Built in 2008, Riverview is a 138-unit, multi-family residential building located in Canton, Georgia (a submarket of Atlanta, Georgia) with a total square footage of 103,562 square feet. The joint venture is investing approximately \$20.3 million (including transaction costs and the capital expenditure program as outlined below) into the property, representing a 5.08% going-in capitalization rate based on the purchase price of \$18.35 million or approximately \$133,000 per unit or approximately \$177 per square foot.

In addition, a capital expenditure program will be implemented in the joint venture to undertake various upgrades to the apartment units, green renovation initiatives, and common areas. This capital expenditure program is anticipated to take two years and is expected to further increase cash flow and be accretive to the joint venture.

The unrelated third party is a highly experienced owner/operator of real estate with over \$18 billion of real estate owned and managed over its management team's careers.

The Property is expected to be financed, in part, by a new first mortgage for approximately \$14.0 million. The terms of the financing include a four-year interest-only period, 30-year amortization and a ten-year term. The remaining capital requirement of approximately \$6.3 million is funded through \$3.15 million of common equity held 50% by the Company and 50% by the unrelated third party, and the excess equity of \$3.15 million is being funded as preferred equity at an 8% rate, also held by the Company. Closing of the Property is anticipated to be on or approximately September 27, 2019.

ABOUT FIRM CAPITAL AMERICAN REALTY PARTNERS CORP.

Firm Capital American Realty Partners Corp. is a U.S. focused real estate investment entity that pursues real estate and debt investments through the following platforms:

- **Income Producing Real Estate Investments:** Acquiring income producing real estate assets in major cities across the United States. Acquisitions are completed

solely by the Company or in joint-venture partnership with local industry expert partners who retain property management responsibilities; and

- **Mortgage Debt Investments:** Real estate debt and equity lending platform in major cities across the United States, focused on providing all forms of bridge mortgage loans and joint venture capital.

FORWARD LOOKING INFORMATION

Certain information in this news release constitutes forward-looking statements under applicable securities law. Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as "may", "should", "anticipate", "expect", "intend" and similar expressions. Forward-looking statements necessarily involve known and unknown risks, including, without limitation, risks associated with general economic conditions; adverse factors affecting the U.S. real estate market generally or those specific markets in which the Company holds properties; volatility of real estate prices; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; industry and government regulation; changes in legislation, income tax and regulatory matters; the ability of the Company to implement its business strategies; competition; currency and interest rate fluctuations and other risks, including those described in the Company's public disclosure documents on SEDAR at www.sedar.com.

Readers are cautioned that the foregoing list is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. Neither the TSX 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 Company is available at www.firmcapital.com or www.sedar.com.

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