



**FIRM CAPITAL PROPERTY TRUST**

**FIRM CAPITAL PROPERTY TRUST ANNOUNCES STRONG START TO 2021 WITH  
\$7.83/UNIT NET ASSET VALUE AND REALIZED GAINS FROM CENTRE ICE  
RETAIL PORTFOLIO DISPOSITIONS**

Toronto, Ontario, May 20, 2021. Firm Capital Property Trust (“**FCPT**” or the “**Trust**”), (TSXV: FCD.UN) is pleased to report its financial results for the period ended March 31, 2021.

**PROPERTY PORTFOLIO HIGHLIGHTS**

The portfolio consists of 72 commercial properties with a total gross leasable area (“GLA”) of 2,313,389 square feet, two multi-residential complexes comprised of 204 units and one Manufactured Home Community comprised of 181 units. The portfolio is well diversified and defensive in terms of geographies and property asset types, with 60% of NOI comprised of grocery anchored retail followed by industrial at 21% of NOI.

**TENANT DIVERSIFICATION**

The portfolio is well diversified by tenant profile with no tenant currently accounting for more than 11.7% of total net rent. Further, the top 10 tenants are comprised of large national tenants and account for 30.6% of total net rent.

**Q1/2021 FINANCIAL HIGHLIGHTS**

- Net income for the three months ended March 31, 2021 was approximately \$10.2 million compared to the \$13.4 million net income for the three months ended December 31, 2020, and the \$5.4 million loss in net income reported for the three months ended March 31, 2020.
- \$7.83 Net Asset Value (“**NAV**”) per Unit based on a IFRS book value of equity of approximately \$230.1 million;
- On an IFRS basis, NOI for the three months ended March 31, 2021 was approximately \$7.1 million, inline with the \$7.1 million reported for the three months ended December 31, 2020;
- On a cash basis (“**Cash NOI**”), for the three months ended March 31, 2021 was approximately \$7.0 million, in line with the \$7.0 million reported for the three months ended December 31, 2020;
- Funds From Operations (“**FFO**”) for the three months ended March 31, 2021 was approximately \$3.5 million, a 6% increase over the \$3.3 million reported for the three months ended December 31, 2020, and a 41% increase over the \$2.5

million reported for the three months ended March 31, 2020. Including gains on sales from the Centre Ice Retail Portfolio, FFO was approximately \$6.8 million;

- Adjusted Funds From Operations (“**AFFO**”) for the three months ended March 31, 2021 was approximately \$3.4 million, inline with the \$3.4 million reported for the three months ended December 31, 2020, and largely in line with the \$3.6 million reported for the three months ended March 31, 2020. Including gains on sales from the Centre Ice Retail Portfolio, AFFO was approximately \$6.7 million;
- FFO per Unit was \$0.118 for the three months ended March 31, 2021 compared to the \$0.111 per Unit reported for the three months ended December 31, 2020 and the \$0.08 per Unit reported for the three months ended March 31, 2020. Including gains on sales from the Centre Ice Retail Portfolio, FFO per Unit was \$0.230;
- AFFO per Unit was \$0.117 for the three months ended March 31, 2021 compared to the \$0.115 per Unit reported for the three months ended December 31, 2020 and the \$0.117 per Unit reported for the three months ended March 31, 2020. Including gains on sales from the Centre Ice Retail Portfolio, AFFO per Unit was \$0.229;
- FFO Payout Ratio was 108% for the three months ended March 31, 2021, compared to the 112% for the three months ended December 31, 2020 and the 156% reported for the three months ended March 31, 2020. Including gains on sales from the Centre Ice Retail Portfolio, FFO Payout Ratio was 55%;
- AFFO Payout Ratio was 109% for the three months ended March 31, 2021, compared to the 109% for the three months ended December 31, 2020 and the 107% reported for the three months ended March 31, 2020. Including gains on sales from the Centre Ice Retail Portfolio, AFFO Payout Ratio was 56%;
- Commercial occupancy was a solid 95.7%, while residential occupancy was 96.3%; and
- Conservative leverage profile with Debt / Gross Book Value (“**GBV**”) at 51.2%.

	Three Months			Three Months	
	Mar 31, 2021	Dec 31, 2020	Mar 31, 2020	Dec 31, 2020	Mar 31, 2020
Rental Revenue	\$ 11,337,581	\$ 10,990,587	\$ 11,254,472	3%	1%
NOI					
- IFRS Basis	\$ 7,051,088	\$ 7,087,092	\$ 7,026,986	(1%)	0%
- Cash Basis	\$ 6,948,767	\$ 7,000,818	\$ 6,848,118	(1%)	1%
Net Income / (Loss)	\$ 10,159,514	\$ 13,419,117	\$ (5,365,029)	(24%)	NM
FFO	\$ 3,475,457	\$ 3,268,721	\$ 2,458,737	6%	41%
AFFO	\$ 3,439,568	\$ 3,375,880	\$ 3,586,261	2%	(4%)
Including Gain on Sale from real estate properties:					
FFO	\$ 6,770,826	-	-		
AFFO	\$ 6,734,937	-	-		
FFO Per Unit	\$ 0.118	\$ 0.111	\$ 0.080	7%	48%
AFFO Per Unit	\$ 0.117	\$ 0.115	\$ 0.117	2%	0%
Including Gain on Sale from real estate properties:					
FFO/Unit	\$ 0.230	-	-	-	-
AFFO/Unit	\$ 0.229	-	-	-	-
Distributions Per Unit	\$ 0.128	\$ 0.125	\$ 0.125		2%
Payout Ratios					
- FFO	108%	112%	156%		
- AFFO	109%	109%	107%		
Including Gain on Sale from real estate properties:					
- FFO	55%	-	-		
- AFFO	56%	-	-		

NM = Not Meaningful

## Q1/2021 TRANSACTIONAL HIGHLIGHTS

- Capital Recycling into Industrial and Multi Residential Sectors:** The Trust continues to focus its near-term acquisition efforts on the industrial and multi-residential sectors across Canada by reducing its exposure to its non-core retail assets. In this regard, the Trust completed sales of four retail properties from the Centre Ice Retail Portfolio during the quarter with proceeds of approximately \$7.7 million. In addition, the Trust completed the sale of four additional Centre Ice Retail Portfolio assets after the quarter for approximately \$6.2 million. In total, the Trust has identified and has remaining \$15.8 million in Assets Held for Sale as at March 31, 2021. The program is ongoing and we expect the identification of further non-core retail assets for sale and redeployment into the industrial and multi-residential sectors as the year continues;
- \$8.5 Million Acquisition of Manufactured Home Community (“MHC”) in Calgary, Alberta:** On March 16, 2021, the Trust closed the acquisition of a 50% interest in a 181 site Manufactured Housing Community (“MHC”) named Mountview Mobile Home Park (“Mountview”) located in Calgary, Alberta. The acquisition price for 100% of Mountview was \$16.9 million (excluding transaction costs). The acquisition price for the Trust’s portion of the portfolio was \$8.5 million; and
- Declaration of Monthly Distributions:** The Trust is pleased to announce that it has declared and approved monthly distributions in the amount of \$0.0425 per Trust Unit for Unitholders of record on July 30, 2021, August 31, 2021, and September 30, 2021 payable on or about, August 16, 2021, September 15, 2021 and October 15, 2021, respectively.

## **POST QUARTER HIGHLIGHTS**

Beyond the first quarter of 2021, the following transactions occurred in the Trust:

- **\$11.3 Million Mortgage Financing:** On April 30, 2021, Mountview was financed with a \$11.3 million first mortgage with a Canadian Chartered Bank. The interest only mortgage carries a 2.5% interest rate and a 1 year term. The Trust's portion of the mortgage is approximately \$5.7 million;
- **\$25.0 Million Multi-Residential Acquisition:** On May 3, 2021, the Trust closed the acquisition of 128 units in two multi-residential buildings located in Edmonton, Alberta (the "Edmonton Property") for approximately \$25.0 million (excluding transaction costs). The Edmonton Property has a strong 98% occupancy rate and was purchased for approximately \$195,000 per unit or \$180 per square foot. The Edmonton Property was financed with a new \$17.0 million mortgage with a Canadian Chartered Bank for an interest rate of approximately 2.5%, term of five years and a 30 year amortization. The Trust acquired the Edmonton Property such that the Trust owns 70% and private clients affiliated with certain members of senior management and the board of trustees of the Trust owning the remaining 30%. The Trust's portion of the acquisition price was approximately \$17.5 million (excluding transaction costs); and
- **\$18.0 Million Multi-Residential Acquisition:** On May 5, 2021, the Trust closed the acquisition of 132 units in three multi-residential buildings located in Lower Sackville, Nova Scotia (the "Lower Sackville Property") for approximately \$18.0 million (excluding transaction costs). The Lower Sackville Property has enjoyed strong 98% occupancy rates or higher since 2018. The Lower Sackville Property was purchased for approximately \$136,300 per unit or \$113 per square foot. The Lower Sackville Property was financed with a new \$13.7 million mortgage with a Canadian Chartered Bank for an interest rate of approximately 2.4%, term of five years and a 30 year amortization. The Trust acquired the Lower Sackville Property such that the Trust owns 70% and private clients affiliated with certain members of senior management and the board of trustees of the Trust owning the remaining 30%. The Trust's portion of the acquisition price was approximately \$12.7 million (excluding transaction costs).

For the complete financial statements, Management's Discussion & Analysis and supplementary information, please visit [www.sedar.com](http://www.sedar.com) or the Trust's website at [www.firmcapital.com](http://www.firmcapital.com)

## **DISTRIBUTION REINVESTMENT PLAN & UNIT PURCHASE PLAN**

The Trust has in place a Distribution Reinvestment Plan ("DRIP") and Unit Purchase Plan (the "UPP"). 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 UPP, 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 UPP 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 own as well as 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 period ended March 31, 2021 as filed on [www.sedar.com](http://www.sedar.com).

For further information, please contact:

Robert McKee  
President & Chief Executive Officer  
(416) 635-0221

Sandy Poklar  
Chief Financial Officer  
(416) 635-0221

For Investor Relations information, please contact:

Victoria Moayedi  
Director, Investor Relations  
(416) 635-0221