



FIRM CAPITAL PROPERTY TRUST

FIRM CAPITAL PROPERTY TRUST COMMENTS ON \$20.0 MILLION BOUGHT DEAL FINANCING ANNOUNCEMENT

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TORONTO, May 17, 2022. Firm Capital Property Trust ("**FCPT**" or the "**Trust**"), (TSX: FCD.UN) announced on May 16, 2022 that it intends to complete an offering of 2,820,000 trust units (the "**Trust Units**") of FCPT at a price of \$7.10 per Trust Unit (the "**Issue Price**") for gross proceeds of approximately \$20 million (the "**Offering**"). Pursuant to the Offering, the Trust has also granted the underwriters an over-allotment option to purchase up to an additional 423,000 Trust Units at the Issue Price exercisable, in whole or in part, at any time and from time to time until 30 days following the closing of the Offering, to cover over-allotments (if any). If the over-allotment option is exercised in full, the gross proceeds of the Offering will be approximately \$23 million.

Eli Dadouch, Founder, Vice-Chairman & Trustee stated the following: "The Offering further shows our commitment to maintain a strong balance sheet, with the net proceeds to be used to reduce debt and help ensure liquidity and flexibility for the Trust. The Trust has operated since inception with the investment approach of doing less but completing meaningful and accretive transactions. The Trust has assets at fair market value of approximately \$644 million and, assuming completion of the Offering, and the planned re-payment of a portion of the Trust's outstanding debt, it will have outstanding debt of approximately \$329 million, representing approximately 51% loan-to-value. If the past 90 days is any indication of the future, management of the Trust expects that the next two years will reward those with liquidity, as management believes that opportunities will be plenty. The cost of mortgage debt today, in most cases, exceeds historical capitalization rates on valuations. As such, management sees a reset of values occurring, leading to potential opportunities. Even if this is not the case, the Offering will create better liquidity for the Trust. With existing credit facilities and mortgage debt expansion, the Trust will have the liquidity to seek out opportunities. The timing of this Offering, in this market, reiterates our commitment to being liquid and having the ability to expand when needed."

ABOUT FIRM CAPITAL PROPERTY TRUST (TSX : 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 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 contains contain forward-looking statements within the meaning of applicable securities laws including, among others, statements associated with the ability to satisfy the conditions of the Offering, the expected use of proceeds of the Offering, the expected closing date of the Offering, the impact of the Offering on the Trust's liquidity, the opportunities that may be available to the Trust and statements regarding the business of the Trust. 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. These statements are not guarantees and are based on our estimates and assumptions that are subject to risks and uncertainties, including those described in the Trust's Annual Information Form for the year ended December 31, 2021 under "Risks and Uncertainties" (a copy of which can be obtained at www.sedar.com). 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.

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