



**FIRM CAPITAL PROPERTY TRUST**

**FIRM CAPITAL PROPERTY TRUST ANNOUNCES ACCRETIVE ACQUISITION, DISPOSITION AND REFINANCING INITIATIVES**

Toronto, Ontario. December 8, 2022. Firm Capital Property Trust ("FCPT" or the "Trust") (TSX : FCD.UN) is pleased to provide the following updates:

1. \$6.2 Million Acquisition of Two Edmonton Industrial Properties;
2. \$44.0 Million Montreal Industrial Mortgage Finance Update;
3. Manufactured Homes Communities ("MHC") Potential Acquisitions; and
4. \$2.7 Million Sale Update of Two Non-Core Assets

**\$6.2 MILLION ACQUISITION OF TWO EDMONTON INDUSTRIAL PROPERTIES**

The \$6.2 million acquisition in the existing Edmonton Joint Venture Partnership of a 50% interest in two multi-tenant industrial properties with a combined area of 68,000 square feet, located in Edmonton, Alberta (the "Properties").

The Properties offer excellent access to major vehicular and rail transportation infrastructure. The Properties are a short drive to both downtown Edmonton, the Edmonton International Airport and in close proximity to the Trust's existing Edmonton Industrial properties. The properties have a total of 19 units with bay sizes from 3,200 to 4,000 square feet are leased to 14 tenants. The Properties are 100% occupied and immediately accretive to AFFO. The Properties are being acquired at a going in capitalization rate in excess of 9.0% and \$91 per square foot.

The Trust will be acquiring the Properties such that the Trust will own 50% and private clients affiliated with certain members of senior management and the board of trustees of the Trust (the "Private Partners") owning the remaining 50% in a side-by-side alignment of interest structure and being the same partners as the other Edmonton Industrial Portfolio. The acquisition of the Properties will be financed, in part, with a new \$1.8 million first mortgage and the assumption of an existing \$2.4 million first mortgage, both from a Canadian Chartered Bank. The remaining equity requirement of \$2.0 million (excluding transaction costs), will be split 50% by the Trust and 50% by the Private Partners. The Trust's portion of the equity will be funded through existing cash and or credit facility resources.

Proforma the transaction, the Trust will have a 50% interest in a combined Alberta industrial portfolio of 486,300 square feet with an in-place occupancy of 88% versus 82% at Q3/2022. Closing of the Properties is anticipated during the fourth quarter of 2022.

**\$44.0 MILLION MONTREAL INDUSTRIAL MORTGAGE FINANCE UPDATE**

The Trust has entered into an early renewal of the mortgage on our Montreal Industrial Portfolio for proceeds of \$44.0 million at a 4.88% interest rate, amortizing and for a term of seven years. The previous mortgage was at a 3.98% interest rate and was set to mature in August 2023. As part of the early repayment of the mortgage the lender paid out an early break fee of approximately \$0.6 million to the property partnership. The Trust

has a 50% interest in the mortgage and will use the proceeds from the early termination to reduce the Trust's credit facility.

### **MHC POTENTIAL ACQUISITIONS**

Pursuing to the Trust's 50% joint venture with SunPark Communities, LP., the Trust is in due diligence for the purchase of three new communities representing a total of 170 land lease pads. Two communities are located in Ontario and one in Calgary, Alberta. Should due diligence be waived, closing is anticipated to be the early part of the first quarter of 2023. Anticipated acquisition capitalization rates are in excess of 6.20%. Further details will be provided once due diligence waiver has occurred.

### **SALE UPDATE OF TWO NON-CORE ASSETS**

The Trust has entered into a binding agreement to sell a 11,247 square foot retail property in Pembroke, Ontario for gross proceed of approximately \$2.7 million with the closing expected to occur during the fourth quarter of 2022. The Trust has also entered in a binding agreement to sell the Trust's 39,420 square foot medical office building in Barrie, Ontario for gross proceed of approximately \$10.5 million with the closing expected to occur during the fourth quarter of 2022.

### **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 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.

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)

### **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.

Neither the 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 Trust is available at [www.firmcapital.com](http://www.firmcapital.com) or [www.sedar.com](http://www.sedar.com).

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