



FIRM CAPITAL PROPERTY TRUST

FIRM CAPITAL PROPERTY TRUST COMPLETES \$38.2 MILLION MORTGAGE REFINANCING OF POINTE-CLAIRE MULTI-RESIDENTIAL PROPERTY AND PROVIDES STABILITY AND COMPELLING VALUE

Toronto, Ontario. July 7, 2023. Firm Capital Property Trust (“FCPT” or the “Trust”) (TSX: FCD.UN) is pleased to announce the following:

\$38.2 MILLION, 3.69%, 10-YEAR MORTGAGE REFINANCING

The Trust has closed a \$38.2 million mortgage refinancing of its 100% owned Multi-Residential Property located in Pointe-Claire, QC. The CMHC insured mortgage has a 3.69% fixed interest rate, 40-year amortization and a ten-year term. The previous bridge mortgage had a 7.02% effective interest rate. As a result of the refinancing, the Trust will reduce its annual interest expense by approximately \$1.3 million representing a savings of \$0.035 per unit.

The Trust has now refinanced all 2023 maturities except for one \$2.4 million mortgage.

BALANCE SHEET STABILITY

The Trust is focused on maintaining a strong balance sheet to mitigate risks:

- A conservative 52% debt to gross book value with \$15.5 million of availability under its revolving credit facilities. The Trust has five unencumbered properties to address further capital requirements if needed. This financial flexibility provides the Trust with significant liquidity to fund its operations and capital programs without needing to raise additional equity; and
- Mortgages totaling approximately \$60 million refinanced on the Trust’s industrial properties in December of 2022 and January of 2023 have seven year terms maturing in 2029 and 2030.

COMPELLING VALUE

- The Trust is currently trading at a significant 30% discount to its current \$7.65/Unit NAV. In the second quarter of 2022, the board and management team wrote down the NAV from \$8.27/Unit to \$7.52/Unit, by increasing capitalization rates on its portfolio;
- 9.9% distribution yield is anticipated to be largely a return of capital for 2023;
- Trustees own 9.9% of the Trust’s Units and have a direct ownership interest in over 50% of the Trust’s properties, which demonstrates a strong alignment of interests; and
- The Trust has a portfolio of 75 properties, of which 9 are 100% owned by the Trust with the balance being in partnership with REIT industry leaders and private partnerships with management, Trustees and other partners.

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 or the Trust's website at 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) accepts responsibility for the adequacy or accuracy of this release. Additional information about the Trust is available at www.firmcapital.com or www.sedar.com.

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