



FIRM CAPITAL PROPERTY TRUST
QUARTERLY NEWSLETTER

Q2 2023 | June 30, 2023



Disciplined Investing ● Capital Preservation

www.FirmCapital.com



COMPANY OVERVIEW

Firm Capital Property Trust (the “Trust”) (TSX: FCD.UN) 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 focus is on co-owning a diversified property portfolio. Over 50% of the Trust’s portfolio has a Board Trustee as a direct investor.

The Trust focuses on acquiring the following diversified asset classes (financials as at Q2/2023):

- **Industrial:**
 - Comprised of approximately 1.4 million square feet with 95.4% occupancy and Net Rent of \$8.07 PSF (+19% YoY)
- **Grocery / Service Retail:**
 - Comprised of approximately 1.1 million square feet with 97.2% occupancy and Net Rent of \$19.24 PSF (+4% YoY)
- **Multi-Residential:**
 - Comprised of approximately 599 apartment units with 97.1% occupancy and Monthly Rent of \$1,331 per unit (0% YoY)
- **Manufactured Home Communities (“MHCs”):**
 - Comprised of approximately 536 MHC pads with 99.8% occupancy and Monthly Rent of \$587 per MHC pad (+4% YoY)

In addition, to stand-alone acquisitions, the Trust will make acquisitions on a co-ownership basis with strong financial partners. The Trust will also make joint and partial interest acquisitions from existing ownership groups in a manner that provides liquidity to those selling and professional management for those remaining as partners.

KEY METRICS

TRADING HIGHLIGHTS*

| | |
|-----------------------|-----------------|
| Exchange/Tickers | TSX: FCD.UN |
| Distribution Yield | 9.79% |
| Units Issued | 36,925,197 |
| Market Capitalization | \$196.1 million |
| Current Stock Price | \$5.31/Unit |

*As at August 15, 2023

FINANCIAL HIGHLIGHTS Q2 2023

| | |
|---------------------------|---------------|
| Portfolio Size | \$622 million |
| Monthly Distribution/Unit | \$0.0433 |
| AFFO Payout Ratio | 128% |
| Debt to GBV | 52.0% |

UNIT PRICE PERFORMANCE





DID YOU KNOW:

Investors have benefited from acquisitions through 9 distribution increases totaling \$0.17 per annum in the first nine years - a 49% increase from the initial distribution.



INVESTMENT HIGHLIGHTS

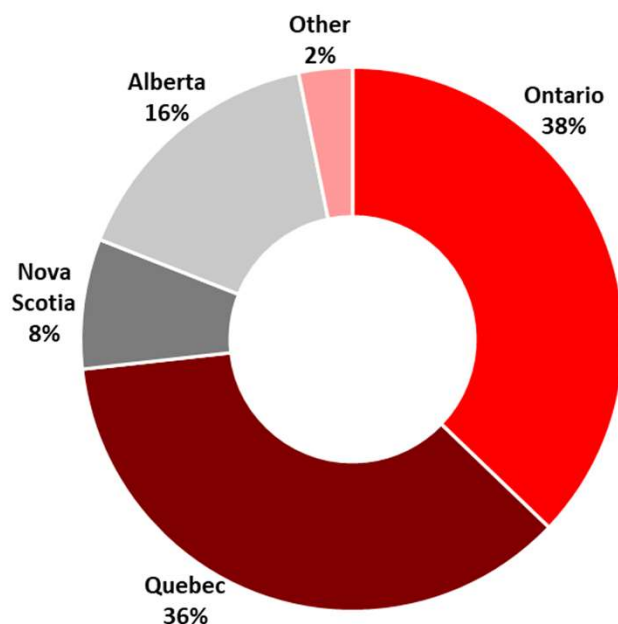
- Attractive & Responsible Leverage
- Experienced Management Team
- Strong alignment of interests
- Accretive acquisitions
- Distribution increases

BENEFITS TO UNITHOLDERS

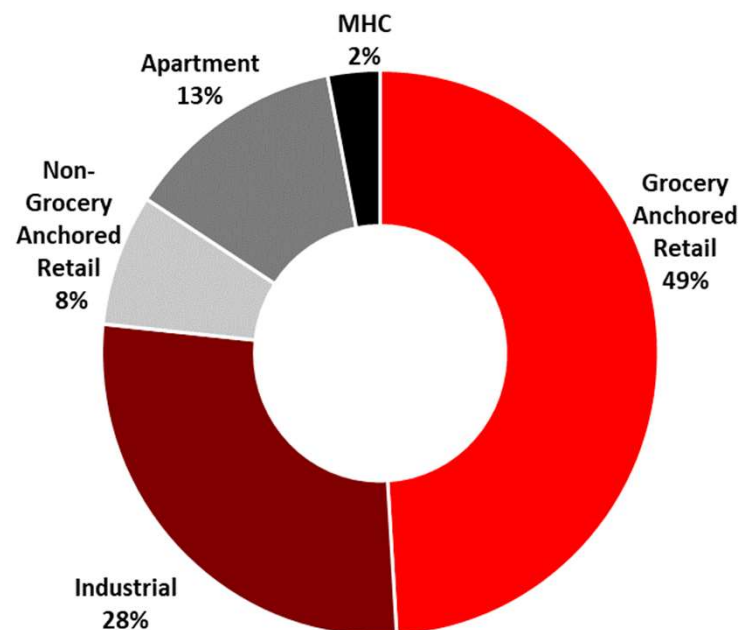
- Liquidity
- Strong balance sheet
- Great tenant quality
- Conservative leverage
- Compensation based on performance

PORTFOLIO OVERVIEW (BY NOI)

Portfolio by Province



Portfolio by Asset Class





INVESTMENT HIGHLIGHTS

| | |
|--|---|
| Attractive Yield & Reasonable Leverage | <ul style="list-style-type: none"> 9.72% Distribution Yield attractive relative to comparable REITs/REOCs 65% LTV target on acquisitions (Max. 75% LTV; Current LTV 52%) |
| Experienced Management Team | <ul style="list-style-type: none"> Partnership with a management team that has extensive experience in real estate acquisitions, management and finance Externally managed – limited operating expense risk |
| Alignment Of Interests | <ul style="list-style-type: none"> FCPT will have the option to acquire up to 50% or more of each new acquisition completed by the Asset Manager Performance-based compensation structure Due diligence risk and purchase deposits funded by the Asset Manager |
| Tax Efficient Vehicle For Vendors | <ul style="list-style-type: none"> FCPT to purchase partial ownership interests for succession planning on a tax efficient basis |
| Accretive Acquisitions | <ul style="list-style-type: none"> Initial acquisition of four properties from Calloway REIT for \$27.4MM 50% acquisition of \$48.8MM, 25 property Montreal Industrial Portfolio 70% acquisition of \$32.4MM, 26 property retail portfolio 50% acquisition of \$11.2MM multi-residential complex 70% acquisition of \$43.3MM, 4 property Waterloo Industrial Portfolio 40% interest in The Whitby Mall and Thicksen Place \$30.0MM 100% interest in Moncton Retail \$4.7MM 100% interest in grocery anchored retail \$26.0MM 50% interest in Montreal Industrial Property \$11.0MM 100% interest in Dartmouth multi-residential complex \$10.9MM 50% interest in Crombie REIT JV \$41.6MM 50% interest in First Capital JV \$159.5 MM 50% interest in 2 Edmonton Industrial Properties \$11.4 MM 50% interest in 2 Edmonton & Leduc Industrial Properties \$10.7 MM 70% acquisition of \$24.96MM, multi-residential complex in Edmonton 70% acquisition of \$18.2MM, multi-residential complex in Lower Sackville 50% interest in Mountview Manufactured Housing Community \$17.3 MM 50% interest in Hidden Creek Manufactured Housing Community \$10.7 MM 100% interest in Woodstock & Stratford 3 Industrial Properties \$15.0 MM 100% interest in Pointe Claire, QC Multi-Residential Property \$55.0 MM 50% interest in Saint Laurent, QC Industrial Property \$6.3 MM 50% interest in 6 building Edmonton, AB Industrial Properties \$36.3 MM 50% interest in 2 building Edmonton, AB Industrial Properties \$6.2 MM 50% interest in Parkhill Manufactured Housing Community \$3.1 MM 50% interest in Skyview Manufactured Housing Community \$2.6 MM |



QUARTERLY FINANCIAL HIGHLIGHTS

| In CAD\$ millions, unless per unit or % amounts | Quarter Ended Jun. 30, 2023 | Quarter Ended Mar. 31, 2023 | Quarter Ended Jun. 30, 2022 |
|---|--------------------------------|--------------------------------|--------------------------------|
| NOI | \$9.1 | \$9.2 | \$9.0 |
| AFFO/Unit | \$0.102 | \$0.108 | \$0.114 |
| NAV/Unit | \$7.62 | \$7.65 | \$7.52 |
| Distributions/Unit | \$0.130 | \$0.130 | \$0.130 |
| AFFO Payout Ratio | 128% | 121% | 114% |
| Leverage | 52% | 52% | 51% |
| Portfolio Size | \$622 | \$621 | \$619 |



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Material factors or assumptions that were applied in drawing a conclusion or making an estimate set out in the forward-looking information may include, but are not limited to: that the general economy remains stable, interest rates are relatively stable, risk of rising interest rates, acquisition/disposition capitalization rates are stable, competition for acquisition or disposition of commercial properties and residential apartments remains intense, and equity and debt markets continue to provide access to capital. These assumptions, although considered reasonable by the proposed investment entity at the time of preparation, may prove to be incorrect.

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Past performance is not a guide to future results and is not indicative of expected realized returns.

All investments are subject to risk, including the loss of the principal amount invested. These risks may include, but not limited to, operating history, uncertain distributions, inconsistent valuation of the portfolio, changing interest rates, leveraging of assets, potential conflicts of interest, payment of fees to the manager, potential illiquidity and liquidation at more or less than the original amount invested. Diversification will not guarantee profitability or protection against loss. Performance may be volatile, and the NAV may fluctuate. There are no guarantees investment objectives will be achieved. The party reading this presentation acknowledges to the terms herein and understand the associated risks.,

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