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FIRM CAPITAL PROPERTY TRUST  
QUARTERLY NEWSLETTER

Q3 2023 | September 30, 2023



Disciplined Investing ● Capital Preservation

[www.FirmCapital.com](http://www.FirmCapital.com)



## Providing Investors with the Unique Opportunity to Own Real Estate in Partnership with Management, Trustees, and Industry Professionals

### 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.

The Trust will make strategic accretive acquisitions as follows:

- **Wholly-Owned acquisitions;**
- **Joint-Venture acquisitions** with strong industry leaders who retain property and asset management; and
- **Co-ownerships partial interest acquisitions** with existing owner groups and strong financial partners in a manner that provides liquidity to those selling and professional management for those remaining as partners.

In fact, only 9 of the Trust's properties are 100% wholly-owned and the remaining 66 properties are co-owned with Senior Management, Trustees, and strategic partners.

The Trust focuses on acquiring the following diversified asset classes (financials as at Q3/2023):

- **Industrial:**
  - Comprised of approximately 1.4 million square feet with 95.2% occupancy and Net Rent of \$8.12 PSF (+10% YoY)
- **Grocery / Service Retail:**
  - Comprised of approximately 1.1 million square feet with 97.4% occupancy and Net Rent of \$18.54 PSF (0% YoY)
- **Multi-Residential:**
  - Comprised of approximately 599 apartment units with 96.0% occupancy and Monthly Rent of \$1,368 per unit (+4% YoY)
- **Manufactured Home Communities ("MHCs"):**
  - Comprised of approximately 537 MHC pads with 99.6% occupancy and Monthly Rent of \$591 per MHC pad (-1% YoY)

### KEY METRICS

#### TRADING HIGHLIGHTS\*

Exchange/Tickers	TSX: FCD.UN
Distribution Yield	10.46%
Units Issued	36,925,431
Market Capitalization	\$183.5 million
Current Stock Price	\$4.97/Unit

\*As at October 31, 2023

#### FINANCIAL HIGHLIGHTS Q3 2023

Portfolio Size	\$616 million
Monthly Distribution/Unit	\$0.0433
AFFO Payout Ratio	114%
Debt to GBV	53.0%

#### 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

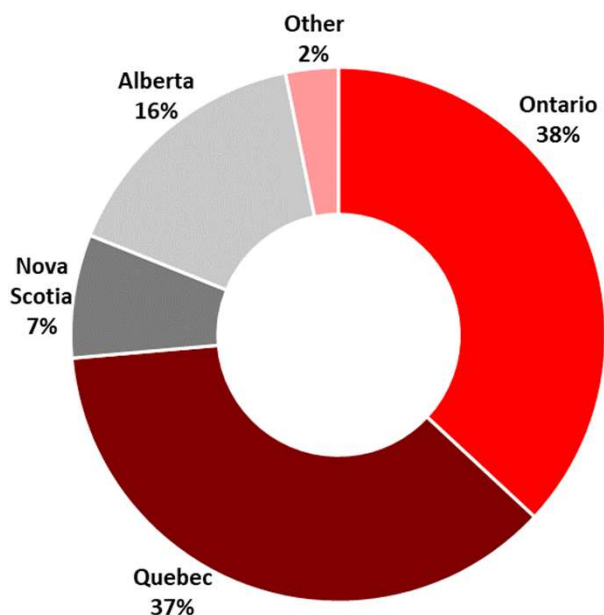
- Attractive & Responsible Leverage
- Experienced Management Team
- Strong alignment of interests
- Accretive acquisitions
- Distribution increases

### BENEFITS TO UNITHOLDERS

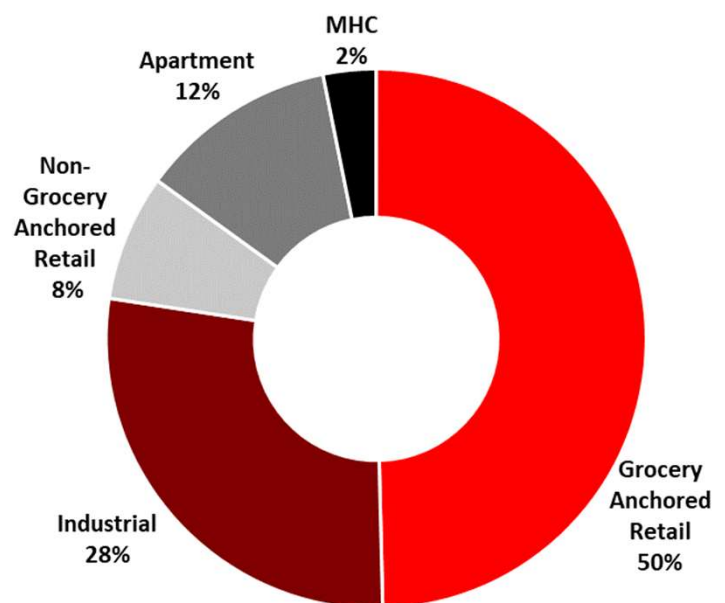
- Liquidity
- Strong balance sheet
- Great tenant quality
- Conservative leverage
- Compensation based on performance

### PORTFOLIO OVERVIEW (BY NOI)

Portfolio by Province



Portfolio by Asset Class







## INVESTMENT HIGHLIGHTS

Attractive Yield & Reasonable Leverage	<ul style="list-style-type: none"> <li>10.46% Distribution Yield attractive relative to comparable REITs/REOCs</li> <li>65% LTV target on acquisitions (Max. 75% LTV; Current LTV 53%)</li> </ul>
Experienced Management Team	<ul style="list-style-type: none"> <li>Partnership with a management team and trustees that have extensive experience in real estate acquisitions, management and finance</li> <li>Externally managed – limited operating expense risk</li> </ul>
Alignment Of Interests	<ul style="list-style-type: none"> <li>FCPT will have the option to acquire up to 50% or more of each new acquisition completed by the Asset Manager</li> <li>Performance-based compensation structure</li> <li>Due diligence risk and purchase deposits funded by the Asset Manager</li> </ul>
Tax Efficient Vehicle For Vendors	<ul style="list-style-type: none"> <li>FCPT to purchase partial ownership interests for succession planning on a tax efficient basis</li> </ul>
Accretive Acquisitions	<ul style="list-style-type: none"> <li>Initial acquisition of four properties from Calloway REIT for \$27.4MM</li> <li>50% acquisition of \$48.8MM, 25 property Montreal Industrial Portfolio</li> <li>70% acquisition of \$32.4MM, 26 property retail portfolio</li> <li>50% acquisition of \$11.2MM multi-residential complex</li> <li>70% acquisition of \$43.3MM, 4 property Waterloo Industrial Portfolio</li> <li>40% interest in The Whitby Mall and Thicksen Place \$30.0MM</li> <li>100% interest in Moncton Retail \$4.7MM</li> <li>100% interest in grocery anchored retail \$26.0MM</li> <li>50% interest in Montreal Industrial Property \$11.0MM</li> <li>100% interest in Dartmouth multi-residential complex \$10.9MM</li> <li>50% interest in Crombie REIT JV \$41.6MM</li> <li>50% interest in First Capital JV \$159.5 MM</li> <li>50% interest in 2 Edmonton Industrial Properties \$11.4 MM</li> <li>50% interest in 2 Edmonton &amp; Leduc Industrial Properties \$10.7 MM</li> <li>70% acquisition of \$24.96MM, multi-residential complex in Edmonton</li> <li>70% acquisition of \$18.2MM, multi-residential complex in Lower Sackville</li> <li>50% interest in Mountview Manufactured Housing Community \$17.3 MM</li> <li>50% interest in Hidden Creek Manufactured Housing Community \$10.7 MM</li> <li>100% interest in Woodstock &amp; Stratford 3 Industrial Properties \$15.0 MM</li> <li>100% interest in Pointe Claire, QC Multi-Residential Property \$55.0 MM</li> <li>50% interest in Saint Laurent, QC Industrial Property \$6.3 MM</li> <li>50% interest in 6 building Edmonton, AB Industrial Properties \$36.3 MM</li> <li>50% interest in 2 building Edmonton, AB Industrial Properties \$6.2 MM</li> <li>50% interest in Parkhill Manufactured Housing Community \$3.1 MM</li> <li>50% interest in Skyview Manufactured Housing Community \$2.6 MM</li> </ul>



## QUARTERLY FINANCIAL HIGHLIGHTS

In CAD\$ millions, unless per unit or % amounts	Quarter Ended Sept. 30, 2023	Quarter Ended Jun. 30, 2023	Quarter Ended Sept. 30, 2022
<b>NOI</b>	<b>\$9.0</b>	<b>\$9.1</b>	<b>\$9.0</b>
<b>AFFO/Unit</b>	<b>\$0.114</b>	<b>\$0.102</b>	<b>\$0.108</b>
<b>NAV/Unit</b>	<b>\$7.46</b>	<b>\$7.62</b>	<b>\$7.51</b>
<b>Distributions/Unit</b>	<b>\$0.130</b>	<b>\$0.130</b>	<b>\$0.130</b>
<b>AFFO Payout Ratio</b>	<b>114%</b>	<b>128%</b>	<b>121%</b>
<b>Leverage</b>	<b>53%</b>	<b>52%</b>	<b>51%</b>
<b>Portfolio Size</b>	<b>\$616</b>	<b>\$622</b>	<b>\$613</b>



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