

This Management Information Circular and the accompanying materials require your immediate attention. If you are in doubt as to how to deal with these documents or the matters to which they refer, please consult a professional advisor.



FIRM CAPITAL PROPERTY TRUST

**NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR
FOR THE
ANNUAL AND SPECIAL MEETING OF UNITHOLDERS**

TO BE HELD ON JUNE 5, 2025

April 23, 2025



FIRM CAPITAL PROPERTY TRUST

NOTICE OF THE ANNUAL AND SPECIAL MEETING OF UNITHOLDERS TO BE HELD ON JUNE 5, 2025

NOTICE IS HEREBY GIVEN THAT the annual and special meeting (the “**Meeting**”) of the holders (“**Unitholders**”) of trust units (“**Units**”) of Firm Capital Property Trust (the “**Trust**”) will be held at 163 Cartwright Avenue, Toronto, Ontario on June 5, 2025 at 10:00 a.m. (Toronto time) for the following purposes:

1. to receive the consolidated audited financial statements of the Trust for the fiscal year ended December 31, 2024, together with the auditor’s report thereon;
2. to elect the trustees of the Trust;
3. to appoint the auditor of the Trust and authorize the board of trustees of the Trust to determine their remuneration;
4. to adopt a resolution approving, for a further period of three years, all unallocated options issuable pursuant to the Trust’s rolling unit option plan, as more particularly described in the accompanying Circular;
5. to adopt a resolution approving, for a further period of three years, all unallocated entitlements which may become issuable pursuant to the Trust’s incentive arrangements, as more particularly described in the accompanying Circular;
6. to transact such further and other business as may properly come before the Meeting or any adjournment thereof.

The board of trustees of the Trust has fixed the close of business on April 23, 2025 as the record date for determining Unitholders of record who are entitled to receive notice of the Meeting and to attend and vote at the Meeting, or at any adjournment(s) thereof. This notice of the Meeting (this “**Notice**”) is accompanied by a management information circular (the “**Circular**”) and, in the case of registered Unitholders, a form of proxy. The specific details of the matters to be put before the Meeting as identified above are set forth in the Circular. This Notice and the Circular have been sent to each trustee of the Trust, each Unitholder of the Trust entitled to notice of the Meeting, and the auditor of the Trust.

This year, as described in the notice and access notification mailed to Unitholders of the Trust, the Trust has decided to deliver the Meeting materials to Unitholders by posting the Meeting materials on the following website: <https://docs.tsxtrust.com/2062> (the “**Website**”). The use of this alternative means of delivery is more environmentally friendly as it will help reduce paper use and it will also reduce the Trust’s printing and mailing costs. The Meeting materials will be available on the Website as of the day of mailing which is currently scheduled for May 5, 2025, and will remain on the Website for one full year thereafter. The Meeting materials will also be available on SEDAR+ at www.sedarplus.ca. Unitholders should review the Meeting materials before voting.

No Unitholders will receive paper copies of the Meeting materials unless they specifically request paper copies. Instead all Unitholders will receive a notice and access notification which will contain information on how to obtain electronic and paper copies of the Meeting materials in advance of the Meeting. If you wish to receive a paper copy of the Meeting materials or have questions about notice-and-access, please call 1-866-600-5869. In order to receive a paper copy in time to vote before the meeting, your request should be received by May 27, 2025.

A Unitholder may attend the Meeting in person or may be represented by proxy. Registered Unitholders who are unable to attend the Meeting or any adjournment(s) thereof in person are requested to complete, date, sign and deposit the enclosed form of proxy with the Trust, c/o TSX Trust Company, at its office at 100 Adelaide Street West, Suite 301 Toronto, Ontario, M5H 4H1 (fax: 1-416-595-9593) (or complete the form of proxy by such other method as is identified, and pursuant to any instructions contained, in the form of proxy), prior to 10:00 a.m. (Toronto time) on June 3, 2025, or, if the Meeting is adjourned, 48 hours (excluding Saturdays, Sundays and holidays) prior to the start of such adjourned meeting. Non-registered Unitholders should complete and return the voting instruction form or other authorization provided to them in accordance with the instructions provided therein. Failure to do so may result in your Units not being voted at the Meeting.

The accompanying Circular provides additional information relating to the matters to be dealt with at the Meeting and should be reviewed carefully by Unitholders. Any adjourned meeting resulting from an adjournment of the Meeting will be held at a time and place to be specified either by the Trust before the Meeting or by the Chair at the Meeting.

DATED at Toronto, Ontario, as of the 23rd day of April, 2025.

BY ORDER OF THE BOARD OF TRUSTEES

“Robert McKee”

Chief Executive Officer



FIRM CAPITAL PROPERTY TRUST

MANAGEMENT INFORMATION CIRCULAR

THE MEETING

Date, Time and Place of the Annual and Special Meeting

The Annual and Special Meeting (the “**Meeting**”) of the holders (“**Unitholders**”) of trust units (“**Units**”) of Firm Capital Property Trust (the “**Trust**”) will be held at 163 Cartwright Avenue, Toronto, Ontario on June 5, 2025 at 10:00 a.m. (Toronto time).

Record Date

The record date for determining persons entitled to receive notice of and vote at the Meeting is April 23, 2025. Unitholders of record as at the close of business on such date will be entitled to attend and vote at the Meeting, or any adjournment or postponement thereof, in the manner and subject to the procedures described in this Management Information Circular (the “**Circular**”).

Information in this Circular

The information contained in this Circular is given as of April 23, 2025 except where otherwise noted and except that, where applicable, information in documents included in this Circular as appendices is given as of the dates noted therein. All dollar amounts in this Circular are in Canadian dollars unless specifically indicated otherwise.

No person is authorized to give any information or to make any representation other than those contained in this Circular and, if given or made, such information or representation should not be relied upon as having been authorized by the Trust. The delivery of this Circular shall not, under any circumstances, create an implication that there has not been any change in the information set forth herein since the date of this Circular.

SOLICITATION OF PROXIES

This Circular is furnished in connection with the solicitation of proxies by and on behalf of the management of the Trust for use at the Meeting to be held at the time and place and for the purposes set forth in the attached notice of meeting (the “Notice”) and any adjournment or postponement thereof for the purposes set forth in the Notice. It is expected that the solicitation will be primarily by mail, but proxies may also be solicited by telephone or other personal contact by the Trust’s employees. The costs of solicitation will be borne by the Trust. The information contained herein is given as at April 23, 2025 except where otherwise indicated.

APPOINTMENT AND REVOCATION OF PROXIES

A form of proxy is enclosed and, if it is not your intention to be present in person at the Meeting, you are asked to complete and return the form of proxy in the envelope provided. The proxy must be executed by a Unitholder or the attorney of such Unitholder, duly authorized in writing. Proxies to be used at the Meeting must be deposited with the Trust’s transfer agent, TSX Trust Company (“**TSX Trust**”), 301-100 Adelaide St W, Toronto, Ontario, M5H 4H1, Fax: (416) 595-9593 Attention: Proxy Department, or with the Trust’s President and Chief Executive Officer at its office at 163 Cartwright Avenue, Toronto, Ontario, not later than 10:00 a.m. (Toronto time) on the second business day preceding the day of the Meeting, or any adjournment or postponement thereof. The persons named in the enclosed form of proxy are trustees and/or officers of the Trust.

A REGISTERED UNITHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (THAT NEED NOT BE A UNITHOLDER) TO ATTEND AND ACT FOR HIM, HER OR IT AND ON HIS, HER OR ITS BEHALF AT THE MEETING OTHER THAN THE PERSONS DESIGNATED IN THE ENCLOSED FORM OF PROXY. SUCH RIGHT MAY BE EXERCISED BY STRIKING OUT THE NAMES OF THE PERSONS DESIGNATED IN THE FORM OF PROXY AND BY INSERTING IN THE BLANK SPACE PROVIDED FOR THAT PURPOSE THE NAME OF THE DESIRED PERSON OR COMPANY, OR BY COMPLETING ANOTHER PROPER FORM OF PROXY AND, IN EITHER CASE, DELIVERING THE COMPLETED AND EXECUTED FORM OF PROXY TO THE TRUST, C/O TSX TRUST COMPANY, 301-100 ADELAIDE ST W, TORONTO, ONTARIO, M5H 4H1, AT ANY TIME PRIOR TO 10:00 A.M. (TORONTO TIME) ON JUNE 3, 2025.

If you have given a proxy pursuant to this solicitation you may revoke it as to any matter on which a vote has not already been cast pursuant to its authority, either (i) by instrument in writing executed by you or by your attorney authorized in writing and deposited either (a) at the Trust's head office on or before the second business day preceding the day of the Meeting or any adjournment thereof at which the proxy is to be used or (b) with the Chairman of the Meeting on the day of the Meeting (but prior to the commencement thereof) or any adjournment or postponement thereof, or (ii) in any other manner permitted by law.

If your Units are held in the name of a nominee (such as a bank, trust company or securities broker), the nominee will seek your instructions as to how to vote the Units and you should follow the voting instructions provided by the nominee.

EXERCISE OF DISCRETION BY PROXIES

The Units represented by any proxy received by management will be voted or withheld from voting by the persons named in the enclosed form of proxy in accordance with the direction of the Unitholder appointing them. If the Unitholder specifies a choice with respect to any matter to be acted upon, the Units represented by such Unitholder's proxy will be voted accordingly. **In the absence of any direction to the contrary, it is intended that the Units represented by proxies received by management will be voted on any ballot "for": (i) the election of the trustees referred to in this Circular; (ii) the appointment of the Trust's auditor with its remuneration to be fixed by the trustees. (iii) the approval of the Unit Option Plan Resolution (as defined herein) and (iv) the approval of the Incentive Arrangement Resolution (as defined herein).**

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to matters not specifically mentioned in the Notice but which may properly come before the Meeting or any adjournment or postponement thereof, and with respect to amendments or variations of matters identified in the Notice. As at the date hereof, management knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice and routine matters incidental to the conduct of the Meeting. If any further or other business is properly brought before the Meeting, it is intended that the persons appointed as proxy will vote on such other business in such other manner as such persons then consider proper.

NOTICE AND ACCESS

This year, as described in the notice and access notification mailed to Unitholders of the Trust, the Trust has decided to deliver the Meeting materials to Unitholders by posting the Meeting materials on the following website: <https://docs.tsxtrust.com/2062> (the "**Website**"). The use of this alternative means of delivery is more environmentally friendly as it will help reduce paper use and it will also reduce the Trust's printing and mailing costs. The Meeting materials will be available on the Website as of the day of mailing which is currently scheduled for May 5, 2025, and will remain on the Website for one full year thereafter. The Meeting materials will also be available on SEDAR+ at www.sedarplus.ca

No Unitholders will receive paper copies of the Meeting materials unless they specifically request paper copies. Instead all Unitholders will receive a notice and access notification which will contain information on how to obtain electronic and paper copies of the Meeting materials in advance of the Meeting. If you wish to receive a paper copy of the Meeting materials or have questions about notice-and-access please call 1-866-600-5869. In order to receive a paper copy in time to vote before the meeting, your request should be received by May 27, 2025.

The Trust will send its proxy-related materials directly to non-objecting beneficial owners under National Instrument 54-101. The Trust does not intend to pay for proximate intermediaries to forward the proxy-related materials and the voting instruction form to objecting beneficial owners under National Instrument 54-101. Objecting beneficial owners will not receive the materials unless the objecting beneficial owner's intermediary assumes the cost of delivery.

VOTING BY BENEFICIAL UNITHOLDERS

The information in this section is significant to Unitholders who do not hold their Units in their own name. Only registered holders of Units or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, Units beneficially owned by a person (a “**Non-Registered Unitholder**”) are registered either (i) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Unitholder deals with in respect of the Units, or (ii) in the name of a depository (a “**Depository**”), of which the Intermediary is a participant, for example The Canadian Depository for Securities Limited. Intermediaries include, for example, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans.

In accordance with the requirements of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Trust distributes copies of the Notice, the Circular and the form of proxy (collectively, the “**Meeting Materials**”) to Depositories and Intermediaries for onward distribution to Non-Registered Unitholders. Intermediaries are required to forward the Meeting Materials to Non-Registered Unitholders unless a Non-Registered Unitholder has waived the right to receive them. The Trust will be sending Meeting Materials using notice-and-access. These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the Trust or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. By choosing to send these materials to you directly, the Trust (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

Intermediaries often use service companies to forward the Meeting Materials to Non-Registered Unitholders. Generally, Non-Registered Unitholders who have not waived the right to receive Meeting Materials will either (i) be given a form of proxy which has already been signed by the Intermediary, which is restricted as to the number of Units beneficially owned by the Non-Registered Unitholder, but which is otherwise uncompleted, or (ii) more typically, be given an unsigned voting instruction form which must be properly completed and signed by the Non-Registered Unitholder and returned to the Intermediary or the Depository.

In the former case, the Non-Registered Unitholder who wishes to submit a proxy should properly complete the form of proxy and submit it to TSX Trust at the address set forth in the Notice. In the latter case, the Non-Registered Unitholder will usually be given a page of instructions which contains a removable label containing a bar-code and other information. In order for the voting instruction form to validly constitute a proxy authorization form, the Non-Registered Unitholder must remove the label from the instructions and affix it to the form, properly complete and sign the form and submit it to the Intermediary or Depository in accordance with the instructions of the Intermediary or Depository.

The purpose of these procedures is to permit Non-Registered Unitholders to direct the voting of the Units they beneficially own. Should a Non-Registered Unitholder wish to attend and vote at the Meeting, or any reconvened meeting following any adjournment thereof, in person (or have another person or company attend and vote on their behalf), the Non-Registered Unitholder should strike out the persons named in the proxy and insert the Non-Registered Unitholder or such other person's name in the blank space provided or, in the case of the proxy authorization form, follow the corresponding instructions on the form. In either case, Non-Registered Unitholders should carefully follow the instructions of their Intermediary or Depository, including those regarding when and where the proxy or proxy authorization form is to be delivered and may be revoked.

AUTHORIZED CAPITAL, VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Trust's Declaration of Trust authorizes the issuance of an unlimited number of two classes of units, namely "Trust Units" and "Special Voting Units". Special Voting Trust Units have no economic entitlement in the Trust or in the distributions or assets of the Trust but entitle the holder to one vote per Special Voting Trust Unit at any meeting of Unitholders. Special Voting Trust Units may only be issued in connection with or in relation to securities exchangeable into Units, including Class B units ("**Class B Partnership Units**") in the capital of Firm Capital Property Limited Partnership, the limited partnership formed under the laws of the Province of Ontario through which the Trust owns its properties ("**FCPLP**"), for the purpose of providing voting rights with respect to the Trust to the holders of such securities. The Special Voting Trust Units are issued in conjunction with the Class B Partnership Units to which they relate and are evidenced only by the certificates representing such Class B Partnership Units.

As at the date hereof, the Trust has no Special Voting Units outstanding and 36,925,682 Units outstanding.

In respect of each matter to be voted upon at the Meeting, Unitholders are entitled to one vote for each Unit registered in their name as at the close of business on April 23, 2025, even if a Unitholder disposes of their Units after that date.

To the knowledge of the Trust's trustees and officers, based upon searches of the public record conducted on April 23, 2025, there is no beneficial owner of, nor any person who exercises control or direction over, Units carrying more than 10% of the votes attached to the Trust's outstanding Units.

QUORUM

The quorum at the Meeting or any adjournment thereof shall consist of at least two individuals present in person, each of whom is a Unitholder or a proxyholder representing a Unitholder and who together hold or represent by proxy not less than 5% of the total number of outstanding Units.

PARTICULARS OF MATTERS TO BE ACTED UPON

Financial Statements and Auditor's Report

The audited financial statements of the Trust for the year ended December 31, 2024 will be placed before the Meeting. No formal action will be taken at the Meeting to approve the annual financial statements.

Election of Trustees

The Trust's declaration of trust provides that there shall be no fewer than three and no more than eleven trustees, with the actual number of trustees within that range to be determined from time to time by the Unitholders or by the trustees. Presently, the Trust has eleven trustees. Each of Eli Dadouch, Jonathan Mair, Robert McKee, Sandy Poklar and Victoria Granovski, are not independent trustees of the Trust (the "**Non-Independent Trustees**"). Two of the Non-Independent Trustees, namely Messrs. Dadouch and Mair are nominated by Firm Capital Realty Partners Inc. ("**FCRPI**"), while the remaining trustees are nominated by management. All trustees elected by the Unitholders serve for a term that expires at the close of the next annual general meeting of Unitholders. The terms of all the current trustees expire at the close of the Meeting.

It is the intention of the persons named in the enclosed form of proxy for use at the Meeting (in the event that authority is not withheld) to vote in favour of the election of Geoffrey Bledin, Eli Dadouch, Stanley Goldfarb, Jonathan Mair, Robert McKee, Sandy Poklar, Lawrence Shulman, Howard Smuschkowitz, Manfred Walt, Victoria Granovski and Jeffrey Goldfarb (collectively, the "**Proposed Trustees**"), as trustees, to hold office until the close of the annual meeting of Unitholders in 2026 or until their successors are duly elected or appointed. Management does not contemplate that the Proposed Trustees will be unable to serve as trustees but, if that should occur for any reason prior to the Meeting, the persons named in the enclosed form of proxy will vote for another nominee as management may recommend unless the Unitholder has specified in the form of proxy that its Units are to be withheld from voting in the election of trustees.

The following table sets forth the names of the Proposed Trustees, their municipality, province or state and country of residence, their respective positions and offices currently held with the Trust, their respective principal occupation or

employment, the year each Proposed Trustee became a trustee of the Trust, and the approximate number of Units beneficially owned, directly or indirectly, or over which control or direction is exercised by each of them at the date of this Circular.

Name and Municipality of Residence	Position with the Trust	Principal Occupation Over the Past Five Years	Year First became a Trustee and/or Officer	Number of Units Beneficially Owned or Over Which Control or Direction is Exercised⁽⁴⁾
Geoffrey Bledin ⁽¹⁾⁽²⁾ Antigua, West Indies	Independent Trustee	Chairman, Firm Capital Apartment REIT; Independent Director, Firm Capital Mortgage Investment Corporation.	2012	876,944
Eli Dadouch Toronto, Ontario, Canada	Vice Chairman and Co-Chief Investment Officer and Trustee	President and CEO of Firm Capital Corporation. President, CEO and Director of Firm Capital Mortgage Investment Corporation. President, Vice Chairmen, Firm Capital Apartment REIT.	2012	1,083,996
Stanley Goldfarb, FCPA, FCA ⁽¹⁾⁽²⁾⁽³⁾ Toronto, Ontario, Canada	Chairman of the Board of Trustees	CEO of Goldfarb Management Services Limited (a private investment management company). Chairman of Firm Capital Mortgage Investment Corporation. President and Director of Consolidated HCI Holdings Corporation.	2012	311,125
Jonathan Mair Vaughan, Ontario, Canada	Co-Chief Investment Officer and Trustee	Vice-President, Mortgage Banking of Firm Capital Corporation. Executive Vice President, Chief Operating Officer and Director of Firm Capital Mortgage Investment Corporation; Trustee Firm Capital Apartment REIT.	2012	194,625
Robert McKee Toronto, Ontario, Canada	CEO and Trustee	Managing Director; FCRPI	2012	146,500
Sandy Poklar Toronto, Ontario, Canada	CFO and Trustee	COO and Managing Director, Capital Markets & Strategic Developments for Firm Capital Corporation. Trustee of True North Commercial Real Estate Investment Trust. President and CEO, Firm Capital Apartment REIT.	2012	143,757

Name and Municipality of Residence	Position with the Trust	Principal Occupation Over the Past Five Years	Year First became a Trustee and/or Officer	Number of Units Beneficially Owned or Over Which Control or Direction is Exercised ⁽⁴⁾
Lawrence Shulman ⁽¹⁾⁽²⁾ Toronto, Ontario, Canada	Independent Trustee	Investment manager, financial advisor. Independent Director, Firm Capital Mortgage Investment Corporation.	2012	112,700
Howard Smuschkowitz ⁽²⁾ Toronto, Ontario, Canada	Independent Trustee	Trustee, Firm Capital Apartment REIT	2012	814,192
Manfred Walt ⁽²⁾ Toronto, Ontario, Canada	Independent Trustee	CEO, Walt & Co. Inc. Trustee, Killam Apartment REIT,	2012	516,611
Victoria Granovski Toronto, Ontario, Canada	Trustee	Senior Vice President Credit & Equity Capital, Firm Capital Corporation.	2018	5,500
Jeffrey Goldfarb ⁽²⁾ Toronto, Ontario, Canada	Independent Trustee	CEO, Martley Holdings Inc.	2018	26,481

Notes:

(1) Member of the Audit Committee.

(2) Independent Trustee.

(3) Chairman of the Audit Committee.

(4) Individual trustees have furnished information as to Units beneficially owned by them, directly or indirectly, or over which they exercise control or direction.

Each nominee has confirmed his/her eligibility and willingness to serve as a trustee if elected and, in the opinion of the board of trustees of the Trust (the "**Board**") and management of the Trust, the Proposed Trustees are qualified to act as trustees of the Trust.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Corporate Cease Trade Orders

To the best of the knowledge of the Trust and based upon information provided to it by each of the Proposed Trustees for election to the Board, no Proposed Trustee of the Trust is, as at the date hereof, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Trust) that:

- (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued while the Proposed Trustee was acting in the capacity as director, chief executive officer or chief financial officer; or
- (ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued after the Proposed Trustee ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcies and Other Proceedings

No Proposed Trustee of the Trust is, as at the date hereof, or has been within 10 years prior to the date hereof, a

director or executive officer of any company (including the Trust) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No Proposed Trustee of the Trust has, within the 10 years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the Proposed Trustee.

Penalties and Sanctions

No Proposed Trustee of the Trust has been subject to:

- (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important in deciding whether to vote for a Proposed Trustee.

UNLESS SUCH AUTHORITY IS WITHHELD, THE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY WILL VOTE FOR THE ABOVE PROPOSED TRUSTEES.

Appointment of Auditor

Prior to August 28, 2024, the Trust's auditors were RSM Canada LLP. On August 28, 2024, RSM Canada LLP resigned at the request of the Board and the Trust appointed MNP LLP, as the Trust's successor auditors. A copy of the change of auditor package that was filed on SEDAR+ is attached hereto as Schedule "C".

At the Meeting, Unitholders will be asked to approve a resolution appointing MNP LLP, as auditor for the Trust to hold office until the close of the next annual meeting of the Unitholders, and to authorize the trustees to fix their remuneration. The ordinary resolution must be passed by at least the majority of the votes cast at the Meeting by all Unitholders who vote in respect thereof in person or by proxy. **The trustees recommend that Unitholders vote in favour of the appointment of MNP LLP, and the authorization of the trustees to fix their remuneration.**

UNLESS SUCH AUTHORITY IS WITHHELD, THE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY WILL VOTE FOR THE APPOINTMENT OF MNP LLP AS AUDITOR OF THE TRUST, AND TO AUTHORIZE THE TRUSTEES TO FIX THEIR REMUNERATION.

Approval of Unallocated Options

The Trust's option plan (the "**Unit Option Plan**") is a 10% rolling unit option plan. The Toronto Stock Exchange (the "**TSX**") requires listed issuers to seek Unitholder approval of all rolling option plans on a three year cycle. Pursuant to TSX requirements, every three years after institution, all unallocated options, rights and other entitlements under any security based compensation arrangement which does not have a fixed maximum number of securities issuable thereunder must be approved by the majority of the issuer's trustees and the issuer's security holders.

Unitholders approved the Option Plan at the unitholder meeting held on June 23, 2022. Unitholders are required to approve all unallocated options issuable pursuant to the Option Plan in order for subsequent grants under the Plan to be valid. The Corporation currently has a total of 36,925,682 Units issued and outstanding.

The number of unallocated options available to be approved at the date of the Meeting will be 3,692,568 (the Option Plan limit, being 10% of the total issued and outstanding Units) less 1,970,000 Units reserved for existing options (representing approximately 5.3% of the issued and outstanding Units) resulting in a new reserve of 1,722,568 Units (representing 4.7% of the issued and outstanding Units) available until the next approval of unallocated options.

Unitholders of the Trust are being asked to pass a resolution at the Meeting approving all unallocated options under the Option Plan. The Board has approved the unallocated options under the Option Plan. A detailed summary of the Option Plan can be found above, under the heading "*Executive and Trustee Compensation – Option Based Awards*".

If the resolution approving all unallocated options under the Option Plan is not approved by the Unitholders at the Meeting, then currently outstanding options will continue in full force and be unaffected, however, no new grants of options will be made pursuant to the Option Plan and currently outstanding options that are subsequently cancelled or terminated will not be available to be re-granted by the Trust. Unitholders will be asked at the Meeting to pass the following resolution (the "**Unit Option Plan Resolution**"), with or without variation, relating to the approval as described above:

IT IS RESOLVED THAT:

1. all unallocated options, rights and other entitlements issuable under the Trust's option plan be approved and authorized until the third anniversary of the adoption of the present resolution by the unitholders of the Trust, that is June 5, 2028; and
2. any one trustee or officer of the Trust is authorized and directed, on behalf of the Trust, to execute or cause to be executed and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as such trustee or officer may deem necessary or desirable in connection with this resolution.

In order to be approved, the Unit Option Plan Resolution must be approved by an ordinary resolution of the Unitholders, being a simple majority of the votes cast by Unitholders present in person or by proxy at the Meeting who voted in respect of the Unit Option Plan Resolution.

The Board recommends that Unitholders vote in favour of the Unit Option Plan Resolution.

UNLESS SUCH AUTHORITY IS WITHHELD, THE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY WILL VOTE FOR THE UNIT OPTION PLAN RESOLUTION.

Approval of Securities Issuable Pursuant to Incentive Arrangements

Each of the Trust's executive officers are employed by FCRPI. FCRPI provides asset management advisory services to the Trust pursuant to an asset management agreement with FCPRI dated November 20, 2012, as most recently amended, and restated on January 1, 2022 (the "**Asset Management Agreement**").

The Asset Management Agreement provides for the payment of various fees as described herein under the heading "*Executive and Trustee Compensation – Compensation Discussion and Analysis*" which fees may be paid, at FCRPI's option, in Units. Where FCRPI exercises the option to receive Units in exchange for some or all of the foregoing fees such Units will be issued at a deemed issue price equal to the closing price of the Units on the last trading day preceding the day on which the applicable fee becomes payable.

In addition, FCRPI is the holder of Class C units of FCPLP, which Class C units of FCPLP ("**Class C Partnership Units**") were issued to FCRPI in exchange for the right to a performance incentive fee that was previously payable pursuant to the Asset Management Agreement. The limited partnership agreement governing FCPLP (the "**Limited Partnership Agreement**") entitles the holder of the Class C Partnership Units to subscribe for Class B Partnership Units with the distributions on the Class C Partnership Units, at a price equal to the closing price of the Units on the last trading day preceding the purchase of the Class B Partnership Units.

The arrangements described in this section pursuant to which Units, or securities exchangeable for Units, may be issued are referred to as the "**Incentive Arrangements**".

The maximum number of Units that may be (i) issued to insiders of the Trust (which includes FCRPI) within any one year period and (ii) issuable to insiders of the Trust, at any time, pursuant to the Asset Management Agreement, the Limited Partnership Agreement or any other security based compensation arrangement of the Trust, cannot exceed 10% of the Trust's total issued and outstanding Units. The maximum number of Units that will be reserved for issuance

pursuant to the Incentive Amendments will be 10% of the Units outstanding at the time of the issuance of the Units or Class B Partnership Units, as applicable. As at April 23, 2025 this would result in a maximum of 3,692,568 Units being reserved for issuance.

The goal of the Incentive Amendments is to allow for the payment of fees to FCRPI through the issuance of Units or Class B Partnership Units (which are economically equivalent to, and exchangeable into, Units). Because the issuance of Units and/or securities exchangeable into Units is considered to be "security based compensation arrangement" for the purposes of the TSX Company Manual, the TSX requires (in accordance with Section 613(a)(ii) of the TSX Company Manual) that the Trust obtain Unitholder approval of the potential issuances every three years. The last approval of Unitholders was obtained at the meeting of Unitholders held on June 23, 2022.

Unitholders will be asked at the Meeting to pass the following resolution (the "**Incentive Arrangement Resolution**"), with or without variation, relating to the approval as described above:

IT IS RESOLVED THAT:

1. all unallocated entitlements issuable under the Trust's Incentive Arrangements (as such term is defined in the Trust's information circular dated April 23, 2025) be approved and authorized until the third anniversary of the adoption of the present resolution by the unitholders of the Trust, that is June 5, 2028; and
2. any one trustee or officer of the Trust is authorized and directed, on behalf of the Trust, to execute or cause to be executed and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as such trustee or officer may deem necessary or desirable in connection with this resolution.

In order to be approved, the Incentive Arrangement Resolution must be approved by an ordinary resolution of the Unitholders, being a simple majority of the votes cast by disinterested Unitholders present in person or by proxy at the Meeting who voted in respect of the Incentive Arrangement Resolution. For this purpose 1,083,996 Units held by FCRPI and Eli Dadouch will be excluded from the vote on this matter.

The Board recommends that Unitholders vote in favour of the Incentive Arrangement Resolution.

UNLESS SUCH AUTHORITY IS WITHHELD, THE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY WILL VOTE FOR THE INCENTIVE ARRANGEMENT RESOLUTION.

EXECUTIVE AND TRUSTEE COMPENSATION

Compensation Discussion and Analysis

Each of the Trust's executive officers are employed by FCRPI. FCRPI provides asset management advisory services to the Trust pursuant to the Asset Management Agreement.

The Trust has no employment agreements with its executive officers and does not pay any direct or indirect compensation to any such individuals. Rather, the Trust's executive officers are compensated by FCRPI. The Trust is only obligated to pay FCRPI a fixed amount pursuant to the terms of the Asset Management Agreement as outlined below. Any variability in compensation paid by FCRPI to the Trust's executive officers has no impact on the Trust's financial obligations. As such, the Board has determined that the Trust does not currently require a compensation committee.

As noted above, as part of the Asset Management Agreement, FCRPI is entitled to receive the following fees:

- (a) Asset Management Fees: The Trust pays the following fees annually:
 - a. 0.75% of the first \$300 million of the Gross Book Value (as defined in the Asset Management Agreement) of the Trust's portfolio of properties from time to time (the "**Properties**"); and

- b. 0.50% of the Gross Book Value of the Properties in excess of \$300 million.
- (b) Acquisition Fees: The Trust pays the following acquisition fees:
- a. 0.75% of the first \$300 million of aggregate Gross Book Value in respect of new Properties acquired in a particular year;
 - b. 0.65% of the next \$200 million of aggregate Gross Book Value in respect of new Properties acquired in such year; and thereafter
 - c. 0.50% of the aggregate Gross Book Value of new Properties acquired in such year.
- (c) Placement Fees: The Trust pays a fee equivalent to 0.25% of the aggregate value of all debt and equity financing arranged by FCRPI or an affiliate thereof.
- (d) Disposition Fees: The Trust pays with respect to a disposition by the Trust at a price that is excess of the average IFRS carrying value of the Property over the four quarters preceding the quarter in which the sale occurred, a fee equal to 0.5% of the sale price to FCRPI.

FCRPI has the option to receive Units in exchange for some or all of the foregoing fees with such Units to be issued at a deemed issue price equal to the closing price of the Units on the last trading day preceding the day on which the applicable fee becomes payable. The number of Units that may be issued under the foregoing right is subject to the limitations on issuances of Units or securities convertible into Units pursuant to unit compensation arrangements applicable to the Trust.

In addition to the foregoing, FCPLP has issued FCRPI Class C Partnership Units which entitle FCRPI to participate in the distributions of FCPLP in an amount equal to 15% of adjusted funds from operations (“**AFFO**”) once AFFO exceeds \$0.40 per Unit (the “**Class C Distributions**”). AFFO means adjusted funds from operations of the Trust calculated as net income before unrealized fair value gains/losses on real estate properties, deferred income taxes less adjustments for non-cash items such as straight-line rent, free rent and non-cash interest expense as well as normalized capital expenditures, tenant inducements, leasing charges, excludes unit based compensation expense (recovery), and includes cash gain/losses on the disposition of real estate as defined as gross proceeds less the actual cost of real estate including capitalized additions. Prior to the creation of the Class C Partnership Units the equivalent amount was paid as a Performance Incentive Fee by the Trust pursuant to the Asset Management Agreement.

The Class C Partnership Units also (i) entitle the holder of the Class C Partnership Units to subscribe for Class B Partnership Units with the distributions on the Class C Partnership Units, at a price equal to the closing price of the Units on the last trading day preceding the purchase of the Class B Partnership Units and (ii) require the redemption of the Class C Partnership Units on termination of the Asset Management Agreement by the Trust (for any reason including a non-renewal of such agreement by the Trust) for an amount equal to 15% of the Appreciated Value (as defined below) multiplied by the number of Units of the Trust then outstanding. For the purposes of this calculation, “**Appreciated Value**” will be calculated forthwith following the date of termination of the Asset Management Agreement and will be equal to the value of the Trust's assets (as determined by an independent valuator retained and paid for by FCPLP) over their cost to the Trust with such amount being divided by the number of Units then outstanding with such quotient being reduced by \$0.40.

In addition to the fees as outlined above, FCRPI is entitled to reimbursement of all actual expenses incurred in performing its responsibilities under the Asset Management Agreement.

For the years ended December 31, 2024 and December 31, 2023, Asset Management Fees were \$3,389,801 and \$3,399,136 ; Acquisition Fees were \$nil and \$21,977; Placement Fees were \$250,944 and \$176,732; Disposition fees were \$11,865 and \$37,910 and Performance Incentive Fees were \$ 887,338 and \$433,689, respectively.

The Trust has entered into a property management agreement (the “**Property Management Agreement**”) with Firm Capital Property Management Corp. (“**FCPMC**”) dated November 20, 2012, as amended on August 12, 2021. The term of the contract is ten (10) years and automatically renews for successive ten (10) year periods. As part of the Property Management Agreement, FCPMC is entitled to receive the following fees:

- (a) Property Management Fees: The Trust pays the following fees annually:
- a. Multi-Unit Residential Properties: For each multi-unit residential property with 120 units or less, a fee equal to 4.0% of Gross Revenues (as defined in the Property Management Agreement) and for each multi-unit residential property with more than 120 units, a fee equal to 3.5% of Gross Revenues.
 - b. Industrial and Commercial Properties: For each industrial or commercial property, a fee equal to 4.25% of Gross Revenues from the property; provided, however, that for such properties with a single tenant, the fee shall be equal to 3.0% of Gross Revenues.
- (b) Commercial Leasing Fees: Where FCPMC leases a rental space on commercial terms, FCPMC is entitled to receive a leasing commission equal to 3.0% of the net rental payments for the first year of the lease, and 1.5% of the net rental payments for each year during the balance of the duration of the lease; provided, however, that where a third party broker arranges for the lease of any such property that is not subject to a long term listing agreement, FCPMC shall be entitled to a reduced commission equal to 50% of the foregoing amounts with respect to such property. No leasing fees are paid for relocating existing tenants, rewriting leases or holding over without a lease unless the area or length of term has increased.
- (c) Commercial Leasing Renewal Fees: Renewals of space leased on commercial terms (including lease renewals at the option of the tenant) which are handled exclusively by FCPMC are subject to a commission payable to FCPMC of 0.50% of the net rental payments for each year of the renewed lease.
- (d) Construction Development Property Management Fees: Where FCPMC is requested by the Trust to construct tenant improvements or to renovate same, or where FCPMC is requested by the Trust to construct, modify, or reconstruct improvements to, or on, the Properties (collectively, “**Capital Expenditures**”), FCPMC is entitled to receive as compensation for its services with respect thereto a fee equal to 5.0% of the cost of such Capital Expenditures, including the cost of all permits, materials, labour, contracts, and subcontracts; provided, however, that no such fee is payable unless the Capital Expenditures are undertaken following a tendering or procurement process where the total cost of Capital Expenditures exceed \$50,000.

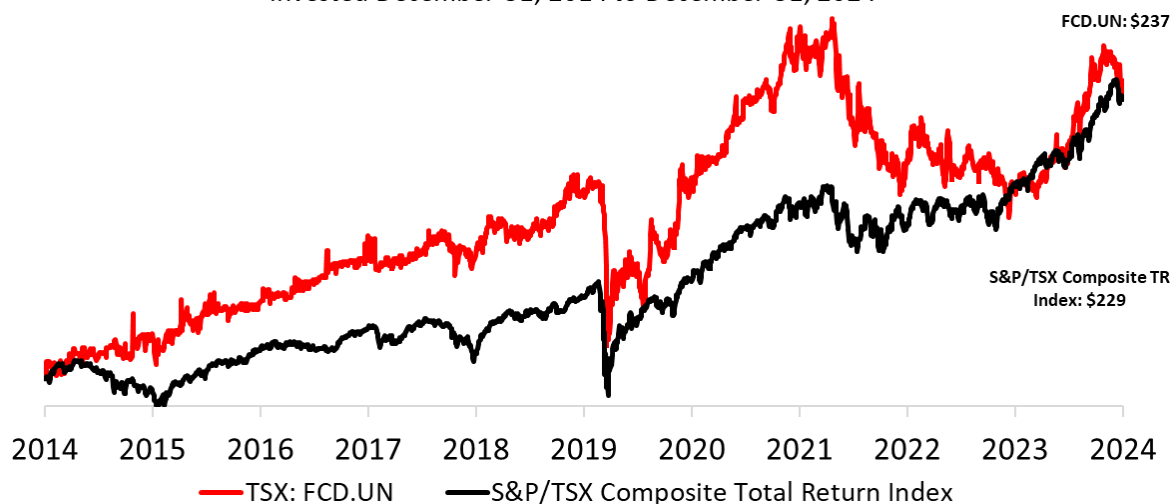
In addition to the fees as outlined above, FCPMC is entitled to reimbursement of all actual expenses incurred in performing its responsibilities under the Property Management Agreement.

For the years ended December 31, 2024 and December 31, 2023, Property Management Fees were \$1,453,624 and \$1,358,408 and Commercial Leasing Fees were \$112,285 and \$82,446, respectively.

Performance Graph

The following graph compares the total cumulative Unitholder return for \$100 invested in Units with the cumulative total return of the S&P/TSX Composite Total Return Index over the period of December 31, 2014 to December 31, 2024. The graph assumes an initial investment of \$100 on December 31, 2013. During the period, the total cumulative Unitholder return for \$100 invested in Units was \$237, as compared to \$229 for the S&P/TSX Composite Total Return Index.

Cumulative Total Return on \$100 Investment Assuming Distributions Are Re-invested December 31, 2014 to December 31, 2024



Option-Based Awards

The Trust has adopted an option plan (the "**Unit Option Plan**"). The purpose of the Unit Option Plan is to attract, retain and motivate trustees, officers, employees and consultants of the Trust in order to promote the growth and development of the Trust by providing them with the opportunity through the issuance of options to acquire an increased proprietary interest in the Trust.

The aggregate number of Units reserved for issuance on exercise of all Options issued under the Unit Option Plan at any given time shall not exceed 10% of the number of outstanding Units at such time, subject to allowable adjustments under the Unit Option Plan. As a result, should the Trust issue additional Units in the future, the number of Units issuable under the Unit Option Plan will increase accordingly. The Unit Option Plan of the Trust is considered an "evergreen" plan, since the Units covered by options which have been exercised shall be available for subsequent grants under the Unit Option Plan and the number of Options available to grant increases as the number of issued and outstanding Units increases. As of December 31, 2024, there were 1,970,000 options issued and outstanding (representing approximately 5.3% of the outstanding Units) and the number of options remaining issuable under the Unit Option Plan is 1,722,568 (representing approximately 4.7% of the outstanding Units).

The annual burn rate of stock options granted under the Unit Option Plan in respect of: (i) fiscal 2024 was 0% (ii) fiscal 2023 was 39.6%, (iii) fiscal 2022 was 3.9%; and (iv) fiscal 2021 was 0.03%. "Annual burn rate" is the number of stock options granted under the Unit Option Plan during the applicable fiscal year divided by the weighted average number of Units outstanding for the applicable fiscal year.

The maximum number of Units reserved for issuance to insiders of the Trust, directly or indirectly, at any time: (i) pursuant to options; and (ii) pursuant to any other entitlements under another unit compensation arrangement of the Trust, may not exceed 10% of the number of outstanding Units; and the maximum number of Units which may be issued to insiders of the Trust, directly or indirectly, within a one year period: (i) pursuant to options; and (ii) pursuant to any other entitlements under another unit compensation arrangement of the Trust, may not exceed 10% of the number of outstanding Units. In addition, the maximum number of Units reserved for issuance on exercise of options granted to any one person under the Unit Option Plan at any given time shall not exceed 10% of the number of outstanding Units at such time, subject to the adjustment as set forth in the Unit Option Plan.

Subject to the policies of the TSX, the exercise price (the "**Exercise Price**") of any option shall be fixed by the trustees when such option is granted, provided that such price shall not be less than the greater of the initial Unit price (being \$5.00 per Unit) and the Market Price of the Units. For this purpose, "**Market Price**" means the closing price of the Units on the TSX (or, if the Units are not then listed on the TSX, on such other stock exchange or automated quotation system on which the Units are then listed or quoted, as the case may be, as may be selected by the trustees for such purpose) on the last trading day on which Units traded prior to the day on which an option is granted, provided if no

Units traded in the five trading days prior to the day on which an option is granted, the Market Price shall be the average of the closing bid and ask prices over the last five trading days prior to the day on which an option is granted.

The trustees in their sole discretion, determine the time during which options shall vest and the method of vesting, acceleration of vesting (including, without limitation, in the case of a takeover bid), or that no vesting restriction shall exist. In the absence of any determination by the trustees as to vesting, vesting shall be as to one-third on each of the first, second and third anniversaries of the date of grant.

The Unit Option Plan contains a provision permitting the holder of an option receive on exercise, the in-the-money amount of an option.

As at December 31, 2024, the Trust has 1,970,000 options issued and outstanding at a fair market value of \$260,307 consisting of the following issuances:

- On December 1, 2020, the Trust granted 400,000 Unit options at a weighted average exercise price of \$6.75 per Unit. 360,000 options fully vested on the date of the grant with the remaining 40,000 vesting at one-third each year for the next three years and expire on December 1, 2025. The balance as at December 31, 2024 was 340,000 options.
- On March 15, 2021, the Trust granted 10,000 Unit options at a weighted average exercise price of \$6.75 per Unit. 3,333 options fully vest on the date of the grant with the remaining 6,667 vesting over the following 2 years and expire on March 15, 2026. The balance as at December 31, 2024 was 10,000 options.
- On June 14, 2022, the Trust granted 1,740,000 options at a weighted average exercise price of \$7.10 per Unit. 1,360,000 options fully vest on the date of the grant with the remaining 380,000 vesting over 3 years and expire on June 14, 2027. The balance as at December 31, 2024 was 1,620,000 options.

Unless limited by the terms of the Unit Option Plan or any regulatory or stock exchange requirement, the Board shall have full and final authority to determine the terms and conditions attached to any option grant to an eligible participant. The period during which an option is exercisable shall, subject to certain provisions of the Unit Option Plan requiring acceleration of rights of exercise, be such period as may be determined by the trustees at the time of grant, provided that no option may be exercised beyond five years from the date of grant. Each option shall, among other things, contain provisions to the effect that the option shall be personal to the participant. In addition, each option shall provide that:

(a) upon the death of the participant, provided the participant was a trustee, employee or consultant of the Trust (collectively, a “**Service Provider**”) for at least one year following the grant of the options (unless otherwise determined by the Board), the option shall terminate on the date determined by the trustees, which shall not be more than one year from the date of death; and

(b) unless the Board determines otherwise, if the participant shall no longer be a Service Provider to the Trust, the option shall terminate on the expiry of the period (the “**Termination Date**”) not in excess of 90 days prescribed by the trustees at the time of grant, following the date that the participant ceases to be a Service Provider to the Trust;

provided that the number of Units that the participant (or his heirs or successors) shall be entitled to purchase until the Termination Date shall be the number of Units which the participant was entitled to purchase on the date of death or the date the participant ceased to be a Service Provider to the Trust (other than if the Service Provider is terminated by the Trust for cause).

An option shall be non-assignable and non-transferable by the participant otherwise than by will or the laws of descent and distribution.

The trustees reserve the right, in their absolute discretion, to amend, suspend or terminate the Unit Option Plan, or any portion thereof, at any time without obtaining the approval of Unitholders, subject to those provisions of applicable

law and regulatory requirements (including the rules, regulations and policies of the TSX), if any, that require the approval of Unitholders. Any amendment to any provision of the Unit Option Plan will be subject to any required regulatory or governmental approvals. Notwithstanding the foregoing, the Trust will be required to obtain the approval of the unitholders of the Trust for any amendment related to:

- (a) an amendment to the amendment provisions of the Unit Option Plan;
- (b) a reduction in the Exercise Price at of options issued under the Unit Option Plan that benefits an insider;
- (c) an extension of the term of an option issued under the Unit Option Plan that benefits an insider;
- (d) any amendment to remove or to exceed the insider participation limits described above; and
- (e) any increase to the maximum number of Units reserved for issuance on exercise of all options issued under the Unit Option Plan, either as a fixed number or a fixed percentage, of the Trust's outstanding Units.

Deferred Unit Plan

The Trust has implemented a deferred unit plan (the “**DU Plan**”) which promotes the interests of the Trust by attracting and retaining qualified persons to serve on the Board and to afford such participants in the DU Plan an opportunity to receive a portion of their compensation for serving as a trustee of the Trust in the form of securities of the Trust. Set out below is a summary of the DU Plan.

The Board or a duly constituted committee thereof administers the DU Plan and determines which members of the Board are eligible to participate (the “**DU Participants**”, each trustee being a “**DU Participant**”) and to whom awards of deferred units (“**DUs**”, each a “**DU**”) are made.

Dividend equivalents are awarded in respect of DUs in a DU Participant’s account on the same basis as if the DU Participant was a Unitholder on the relevant record date, and the dividend equivalents are credited to the DU Participant’s account as additional DUs (or fractions thereof).

The maximum number of DUs which may be awarded under the DU Plan is 1,722,402 (representing approximately 5% of the outstanding Units), or such greater number as may be approved from time to time by ordinary resolution of the Unitholders of the Trust, provided that in no event will the total number of Units reserved for issuance under all the Trust’s unit-based compensation arrangements exceed 20% of the then issued and outstanding Units. The aggregate value of DUs awarded to DU Participants within any one-year period under the DU Plan together with all other security based compensation arrangements of the Trust, if any, shall not exceed \$150,000 in value of equity per DU Participant.

The maximum number of Units reserved for issuance to insiders, directly or indirectly, at any time: (i) pursuant to DUs; and (ii) pursuant to any other entitlements under another unit compensation arrangement of the Trust, may not exceed 10% of the number of Units outstanding. The maximum number of Units which may be issued to insiders, directly or indirectly, within a one year period: (i) pursuant to DUs; and (ii) pursuant to any other entitlements under another unit compensation arrangement of the Trust, may not exceed 10% of the number of Units outstanding.

Upon a DU Participant ceasing to be a member of the Board, he or she may within one (1) business day immediately following the date on which the DU Participant ceases to hold any position as a trustee of the Trust and its subsidiaries (the “**Termination Date**”) and ending on the ninetieth (90th) day following the Termination Date to redeem his or her DUs. The Board shall determine if the award shall settle in cash or Units, net of any applicable withholding taxes, as follows: (i) a cash payment equal to the number of DUs credited to the DU Participant’s account as of the Termination Date, multiplied by the closing price of a Unit on the TSX averaged over the five (5) consecutive trading days immediately preceding the Termination Date; (ii) Units purchased on the DU Participant’s behalf on the open market by a broker; or (iii) a combination thereof. Notwithstanding the foregoing, the Trust has the absolute discretion, subject to any necessary Unitholder and regulatory approvals, to issue to the DU Participant such number of Units from the treasury as is equal to the number of DUs, net of the number of DUs that would equal the applicable withholding taxes recorded in the DU Participant’s account on the Termination Date. In the absence of the giving of a notice of redemption, the DU Participant will be deemed to have elected a cash payment. In the event of death of a

DU Participant, no notice of redemption shall be required and the Trust shall within one (1) calendar year in the case of a non-U.S. DU Participant, make a lump sum cash payment for the benefit of the trustee, administrator or other legal representative of the individual. The lump sum cash payment would be equivalent to the cash payment on the Termination Date.

Under no circumstances shall DUs be considered Units nor shall they entitle any DU Participant to exercise voting rights or any other rights attaching to the ownership of Units of the Trust nor shall any DU Participant be considered a Unitholder by virtue of the award of DUs.

The rights or interests of a DU Participant under the DU Plan are not assignable or transferable, otherwise than by will or the laws governing the devolution of property in the event of death. Further, such rights or interests are not to be encumbered.

The Board may from time to time amend, suspend or terminate the DU Plan in whole or in part without further Unitholder approval, subject to those provisions of applicable law and regulatory requirements (including the rules, regulations and policies of the TSX), if any, that require the approval of Unitholders. Any amendment to any provision of the DU Plan will be subject to any required regulatory or governmental approvals. Notwithstanding the foregoing, the Trust will be required to obtain the approval of the Unitholders for any amendment related to:

- (a) any amendment to the amendment provisions of the DU Plan;
- (b) an extension of the term of a DU issued under the DU Plan that benefits an insider;
- (c) any amendment to remove or to exceed the insider participation limit; and
- (d) any increase to the maximum number of Units reserved for issuance pursuant to DUs issued under the DU Plan, either as a fixed number or a fixed percentage, of the Trust's outstanding Units..

As at December 31, 2024, 176,540 DUs were issued and outstanding (representing approximately 0.05% of the outstanding Units) and 1,545,862 DUs remained available for issuance (representing approximately 5% of the outstanding Units).

The annual burn rate of DUs granted under the DU Plan in respect of: (i) fiscal 2024 was 0.32%, (ii) fiscal 2023 was 2.8%, (iii) fiscal 2022 was 0.03%; and (iv) fiscal 2021 was 0.003%. “Annual burn rate” is the number of DUs granted under the DU Plan during the applicable fiscal year divided by the weighted average number of Units outstanding for the applicable fiscal year.

Distribution Reinvestment Plan and Purchase Plan

On January 31, 2013, the Trust implemented its distribution reinvestment plan (the “**DRIP**”) and a unit purchase plan (the “**Purchase Plan**”). Under the terms of the DRIP, Unitholders may elect to automatically reinvest all or a portion of their regular monthly distributions in additional Units. Units purchased through the DRIP are acquired at the weighted average closing price of Units in the five (5) trading days immediately prior to the distribution payment date. Units purchased through the DRIP are acquired either in the open market or issued directly from treasury based on a floor price to be set at the discretion of the Board.

Unitholders who elect to receive Units under the DRIP may also enroll in the Purchase Plan. The Purchase Plan gives each Unitholder resident in Canada the right to purchase additional Units on a monthly basis. Under the terms of the Purchase Plan, Unitholders may purchase a minimum of \$1,000 of Units on each monthly purchase date and maximum purchases of up to \$12,000 per annum. The aggregate number of Units that may be issued under the Purchase Plan may not exceed 2% of the issued and outstanding Units per annum.

For the year ended December 31, 2023, 485 Units were issued from treasury for gross proceeds of \$2,500. For the year end December 31, 2024, no units were issued from treasury under the DRIP.

Summary Compensation Table

The following discussion is intended to supplement the information concerning executive compensation that appears in the table that follows. The executive officers of the Trust are employed by FCRPI and the Trust does not determine the amounts payable to such executive officers or, directly or indirectly, pay any compensation to them. The disclosure below is provided to comply with applicable Canadian securities laws.

The following table provides a summary of compensation earned during the years ended December 31, 2024, December 31, 2023 and December 31, 2022 by the Chief Executive Officer and the Chief Financial Officer (collectively, the “**Named Executive Officers**”). The information below sets out information concerning compensation paid by FCRPI to the Named Executive Officers that was attributable to the services the Named Executive Officers provided to the Trust.

Name and Principal Position	Fiscal Year	Salary (\$)	Unit-based Awards ⁽³⁾ (\$)	Option-based Awards ⁽²⁾ (\$)	Non-equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Bonus/Annual Incentive Plan (\$)	Long-term Incentive Plans (\$)			
ROBERT MCKEE, Chief Executive Officer and Trustee ⁽¹⁾	2024	\$411,289	\$19,139	N/A	N/A	N/A	N/A	N/A	\$430,428
	2023	\$512,630	N/A	N/A	N/A	N/A	N/A	N/A	\$512,630
	2022	\$487,406	N/A	\$24,461	N/A	N/A	N/A	N/A	\$511,867
SANDY POKLAR, Chief Financial Officer and Trustee ⁽¹⁾	2024	\$230,000	\$19,139	N/A	N/A	N/A	N/A	N/A	\$249,139
	2023	\$272,300	N/A	N/A	N/A	N/A	N/A	N/A	\$272,300
	2022	\$230,000	N/A	\$48,922	N/A	N/A	N/A	N/A	\$278,922

Notes:

- (1) The Named Executive Officers do not receive any compensation for acting as Non-Independent Trustees. See “Trustee Compensation”.
- (2) Option Based Awards valuation is based on the Black-Scholes option pricing model for their respective years. For 2024, no Option Based Awards were issued.
- (3) Unit Based Awards are based on the DUs issued through the Deferred Unit Plan as outlined above.

Incentive Plan Awards

The table below sets forth information related to options held by the Named Executive Officers and Non-Independent Trustees as at the end of the Trust’s most recently completed financial year.

Name	Option-based Awards				Unit-based Awards	
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiry Date	Value of Unexercised In-the-Money Options (\$)	Number of Units that have not Vested (\$)	Market or Payout Value of Unit-based Awards that have not Vested (\$)
Robert McKee	40,000	\$6.75	December 1, 2025	\$5,280	N/A	N/A
	100,000	\$7.10	June 14, 2027	\$13,121		
Sandy Poklar	40,000	\$6.75	December 1, 2025	\$5,280	N/A	N/A
	200,000	\$7.10	June 14, 2027	\$26,242		
Eli Dadouch	80,000	\$6.75	December 1, 2025	\$10,560	N/A	N/A
	260,000	\$7.10	June 14, 2027	\$34,320		
Jonathan Mair	20,000	\$6.75	December 1, 2025	\$2,640	N/A	N/A
	100,000	\$7.10	June 14, 2027	\$13,121		
Victoria Granovski	20,000	\$6.75	December 1, 2025	\$2,640	N/A	N/A
	100,000	\$7.10	June 14, 2027	\$13,121		

Note:

- (1) Option Based Awards valuation is based on the Black-Scholes option pricing model. For the year ended December 31, 2024, the following are the assumptions used to value the options: 9.39% distribution yield; 22.38% expected volatility; 2.85% risk free interest rate. On December 31, 2024, the closing price of the Units traded on the TSX under the trading symbol "FCD.UN" was \$5.54.

The following table provides a summary of the value vested or earned for incentive plan awards for each Named Executive Officer and Non-Independent Trustee during the Trust's most recently completed financial year.

Name	Option-Based Awards - Value Vested During Year (\$)	Unit-Based Awards – Value Vested During Year (\$)	Non-Equity Incentive Plan Compensation – Value Vested During the Year (\$)
Robert McKee	Nil	\$19,139	Nil
Sandy Poklar	Nil	\$19,139	Nil
Eli Dadouch	Nil	\$76,555	Nil
Jonathan Mair	Nil	\$16,239	Nil
Victoria Granovski	Nil	\$14,499	Nil

Although the Trust has no formal compensation arrangements in place with the Trust's officers and, in particular, the Named Executive Officers, the Trust may provide a long-term incentive by granting options pursuant to the Unit Option Plan. The options granted permit certain key individuals, including the Trust's trustees and the Named Executive Officers, to acquire Units at an exercise price as outlined above. The objective of granting options is to encourage trustees and executives to acquire an ownership interest in the Trust over a period of time, which acts as a financial incentive for such persons to consider the Trust's long-term interests and those of the Unitholders.

Hedging and Compensation Risk

The Named Executive Officers and trustees of the Trust are not formally prohibited from purchasing financial instruments designed to hedge or offset a decrease in the market value of Units, including Units granted as or underlying Unit-based compensation or otherwise held directly or indirectly by a Named Executive Officer or a trustee.

In light of the Trust's arrangements with FCRPI, the Board does not believe it to be necessary to formally consider the implications of the risks associated with the Trust's compensation policies and practices.

Termination Benefits

The Trust may terminate the Asset Management Agreement on or at any time after November 29, 2032 other than for cause, upon (i) approval of two-thirds of the votes cast by Unitholders and (ii) upon 24 months' prior written notice to FCRPI subsequent to approval of two-thirds of the votes cast by Unitholders.

Upon the termination of the Asset Management Agreement by the Trust other than for cause or upon a breach of the Asset Management Agreement by the Trust, and following receipt of a notice of termination, the Trust shall pay the following to FCRPI:

(A) a fee equal to the greater of:

(i) 2% of the Gross Book Value of the Properties and the Trust's other assets, as reflected in the Trust's most recent financial statements immediately preceding the date that is twelve months prior to the receipt by FCRPI of notice of termination or non-renewal; and

(ii) 2% of the Gross Book Value of the Properties and the Trust's other assets, as reflected on the Trust's most recent financial statements immediately preceding the date on which FCRPI receives the notice of termination or non-renewal; and

(B)

(i) subject to approval of the disinterested Unitholders at a meeting of the Unitholders which may be called for such purpose at the option of the FCRPI, any amounts which would have been earned by FCRPI under the Asset Management Agreement in respect of the uncompleted portion of the term of the Asset Management Agreement which includes the notice period; or

(ii) in the event that approval of the disinterested Unitholders referenced in B(i) is not obtained, any amounts which would have been earned by FCRPI under the Asset Management Agreement for a period of five (5) years from the date of termination, which, in the case of (A) or (B), shall be satisfied by the payment of cash. For greater certainty, in calculating the foregoing amounts, the amounts payable to FCRPI in each year (or part thereof) during the balance of the term of the Asset Management Agreement or five (5) year period, as applicable, are to be based on the greater of (i) those amounts which were payable to FCRPI in the immediately preceding fully operational four quarters prior to the termination or breach or (ii) those amounts which would be payable to FCRPI for the immediately following fully operational four quarters following termination or breach had the Asset Management Agreement remained in place.

If the Asset Management Agreement was terminated by the Trust other than for cause as of December 31, 2024, it is estimated that the Trust would be required to pay FCRPI approximately \$41.6 million.

The Trust may terminate the Property Management Agreement on or at any time after November 29, 2032 other than for cause, upon (i) approval of two-thirds of the votes cast by Unitholders and (ii) upon 24 months' prior written notice to FCPMC subsequent to approval of two-thirds of the votes cast by Unitholders.

Upon the termination of the Property Management Agreement by the Trust not for cause or upon a breach by the Trust, the Trust shall pay to FCPMC (i) subject to approval of the disinterested Unitholders at a meeting of Unitholders, which may be called for such purpose at the option of FCPMC, any amounts which would have been earned by FCPMC under the Property Management Agreement in respect of the uncompleted portion of the term of the Property Management Agreement, which includes the notice period or (ii) in the event that approval of the disinterested Unitholders referenced in (i) is not obtained, any amounts which would have been earned by FCPMC under the Property Management Agreement for a period of five (5) years from the date of termination. The amounts owing in (i) or (ii) during the balance of the term or five (5) year period, as applicable, shall be based on the greater of (i) those amounts which were payable to FCPMC in the immediately preceding fully operational four quarters prior to the termination or breach or (ii) those amounts which would be payable to FCPMC for the immediately following fully operational four quarters following termination or breach had the Property Management Agreement remained in place. In lieu of termination of the Property Management Agreement, as aforesaid, FCPMC may cause the Trust to acquire the Property Management Agreement for a purchase price equal to the amount that FCPMC would have received had the Property Management Agreement been terminated other than for cause.

If the Property Management Agreement was terminated by the Trust other than for cause as of December 31, 2024, it is estimated that the Trust would be required to pay FCPMC approximately \$12.4 million.

Trustee Compensation

The following table shows the fee amounts earned by non-employee and non-executive trustees (the “**Independent Trustees**”) in respect of their membership on the Board and its committees for the fiscal year ended December 31, 2024.

Name	Annual Fee (\$)	Share-Based Award (\$)	Deferred Trust Units (\$)	Pension Value (\$)	Total Fees Earned (\$)
Stanley Goldfarb	\$42,500	Nil	\$42,500	Nil	\$85,000
Lawrence Shulman	\$36,250	Nil	\$36,250	Nil	\$72,500
Geoffrey Bledin	Nil	Nil	\$72,500	Nil	\$72,500
Howard Smuschkowitz	Nil	Nil	\$72,500	Nil	\$72,500
Manfred Walt	Nil	Nil	\$72,500	Nil	\$72,500
Jeffrey Goldfarb	\$36,250	Nil	\$36,250	Nil	\$72,500
TOTAL	\$115,000	Nil	\$332,500	Nil	\$447,500

For the fiscal year ended December 31, 2024, the Chairman of the Board and each trustee that is independent (as such term is defined in National Instrument 52-110 – *Audit Committees*) received remuneration as outlined above. The trustees’ compensation is subject to such amendments as the Independent Trustees may determine from time to time, and the trustees are entitled to reimbursement of their out-of-pocket expenses incurred in acting as trustees. The Trust’s trustees are entitled to participate in the Unit Option Plan.

Incentive Plan Awards – Independent Trustees

The following table provides a summary of all outstanding options granted to the Independent Trustees to purchase or acquire securities of the Trust, as at December 31, 2024.

Name	Option-Based Awards				Unit-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiry Date	Value of Unexercised in-the-money Options ⁽¹⁾ (\$)	Number of Units that have not Vested (\$)	Market or Payout Value of Unit-based Awards that have not Vested (\$)	Market or payout value of vested Unit-based awards not paid out or distributed \$(2)
Geoffrey Bledin	20,000	\$6.75	December 1, 2025	\$2,640	N/A	N/A	\$153,621
	100,000	\$7.10	June 14, 2027	\$13,121			
Stanley Goldfarb	20,000	\$6.75	December 1, 2025	\$2,640	N/A	N/A	\$93,062
	100,000	\$7.10	June 14, 2027	\$13,121			
Lawrence Shulman	20,000	\$6.75	December 1, 2025	\$2,640	N/A	N/A	\$84,060
	100,000	\$7.10	June 14, 2027	\$13,121			
Howard Smuschkowitz	20,000	\$6.75	December 1, 2025	\$2,640	N/A	N/A	\$208,828
	100,000	\$7.10	June 14, 2027	\$13,121			
Manfred Walt	20,000	\$6.75	December 1, 2025	\$2,640	N/A	N/A	\$208,828
	100,000	\$7.10	June 14, 2027	\$13,121			
Jeffrey Goldfarb	20,000	\$6.75	December 1, 2025	\$2,640	N/A	N/A	\$84,060
	100,000	\$7.10	June 14, 2027	\$13,121			

Note:

- (1) Option Based Awards valuation is based on the Black-Scholes option pricing model. For the year ended December 31, 2024, the following are the assumptions used to value the options: 9.39% distribution yield; 22.38% expected volatility; 2.85% risk free interest rate. On December 31, 2024, the closing price of the Units traded on the TSX under the trading symbol "FCD.UN" was \$5.54.
- (2) Represents Unit Based Awards that are based on the DUs issued through the Deferred Unit Plan as outlined above.

The following table provides a summary of the value vested or earned for incentive plan awards for each of the Independent Trustees during the fiscal year ended December 31, 2024.

Name	Option-Based Awards - Value Vested During Year (\$)	Unit-Based Awards – Value Vested During Year (\$)	Non-Equity Incentive Plan Compensation – Value Vested During the Year (\$)
Geoffrey Bledin	Nil	\$72,500	Nil
Stanley Goldfarb	Nil	\$42,500	Nil
Lawrence Shulman	Nil	\$36,250	Nil
Howard Smuschkowitz	Nil	\$72,500	Nil
Manfred Walt	Nil	\$72,500	Nil
Jeffrey Goldfarb	Nil	\$36,250	Nil

Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets forth details of the Trust’s equity compensation plans as of December 31, 2024:

Plan Category	Number of securities to be issued upon exercise of outstanding options/warrants and rights (a)	Weighted average exercise price of outstanding options, warrants and rights (b)	Number of Units remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) ⁽²⁾ (c)
Equity compensation plans approved by Unitholders	1,970,000 options 176,540 DUs	\$7.04 (options) Nil (DUs)	1,722,568 ⁽¹⁾ options 1,545,862 DUs
Equity compensation plans not approved by Unitholders	N/A	N/A	N/A
Total	1,970,000 options 176,540 DUs	\$6.79 (options) Nil (DUs)	1,722,568 ⁽¹⁾ options 1,545,862 DUs

Notes

- (1) Represents the number of Units available for issuance upon exercise of outstanding stock options and redemption of DUs as at December 31, 2024.
- (2) Based on the maximum number of Units reserved for issuance as at December 31, 2024, upon exercise of stock options and redemption of DUs under the Unit Option Plan and DU Plan, respectively.

STATEMENT OF GOVERNANCE PRACTICES

General

The Trust's trustees believe that sound governance practices are essential to the well-being of the Trust and its subsidiaries and the promotion and protection of Unitholders' interests, and that these practices must be reviewed regularly to ensure that they are appropriate. The following describes the Trust's governance practices with reference to National Policy 58-201 *Corporate Governance Guidelines* and National Instrument 58-101 *Disclosure of Corporate Governance Practices* (collectively, the "**Governance Guidelines**"), which are initiatives of the Canadian Securities Administrators.

The Board and management of the Trust recognize that effective corporate governance practices are fundamental to the long-term success of the Trust. Sound corporate governance contributes to Unitholder value through increased market confidence. In light of the Governance Guidelines and best practice standards in Canada, the Board and management have implemented a sophisticated set of governance policies and procedures and are committed to maintaining a high standard of corporate governance.

Board of Trustees

- (a) Six of the eleven trustees of the Trust are "independent" as such term is defined in the Governance Guidelines. The "independent" trustees are Messrs. Stanley Goldfarb, Jeffrey Goldfarb, Shulman, Bledin, Smuschkowitz, and Walt.
- (b) The Non-Independent Trustees are Mr. McKee, the Chief Executive Officer of the Trust; Mr. Poklar, the Chief Financial Officer of the Trust; Mr. Dadouch, the Co-Chief Investment Officer of the Trust; Mr. Mair, the Co-Chief Investment Officer of the Trust; and Mrs. Granovski the Senior Vice President, Credit & Equity Capital at Firm Capital Corporation.
- (c) Pursuant to the terms of the declaration of trust of the Trust, a majority of the trustees shall be "independent".
- (d) The following table sets out the trustees of the Trust that are directors or trustees of other reporting issuers.

Name	Name of Reporting Issuer	Name of Trading Market
Geoffrey Bledin	Firm Capital Apartment REIT	TSX Venture Exchange
	Firm Capital Mortgage Investment Corporation	Toronto Stock Exchange
Eli Dadouch	Firm Capital Apartment REIT	TSX Venture Exchange
	Firm Capital Mortgage Investment Corporation	Toronto Stock Exchange
Stanley Goldfarb	Firm Capital Mortgage Investment Corporation	Toronto Stock Exchange
Jonathan Mair	Firm Capital Mortgage Investment Corporation	Toronto Stock Exchange
	Firm Capital Apartment REIT	TSX Venture Exchange
Sandy Poklar	True North Commercial REIT	Toronto Stock Exchange
	Firm Capital Apartment REIT	TSX Venture Exchange
Lawrence Shulman	Firm Capital Mortgage Investment Corporation	Toronto Stock Exchange

Name	Name of Reporting Issuer	Name of Trading Market
Howard Smuschkowitz	Firm Capital Apartment REIT	TSX Venture Exchange
Manfred Walt	Killam Apartment REIT	Toronto Stock Exchange
Victoria Granovski	Firm Capital Mortgage Investment Corporation	Toronto Stock Exchange

- (e) The Trust has five Non-Independent Trustees who are related to the Trust, the Board believes that it is sufficiently independent from the management of the Trust. The Board facilitates its exercise of independent judgment by appointing an Independent Trustee as the Chairman of the Board. In addition, the Board and its committees meet annually without management present and have the ability to ask the Non-Independent Trustees to leave any meeting in order to facilitate an open and candid discussion among the Independent Trustees. During the year ended December 31, 2024 the Independent Trustees held four meetings.
- (f) The Chairman of the Board, Mr. Stanley Goldfarb, is an “independent” trustee. Mr. Goldfarb’s responsibilities include:
- (i) attending and chairing meetings of the Board and Unitholders;
 - (ii) providing direction with respect to the dates and frequencies of Board meetings and related committee meetings and liaising with the Chief Executive Officer of the Trust to prepare Board meeting agendas;
 - (iii) ensuring that the Board understands the boundaries between Board and management responsibilities; and
 - (iv) ensuring that the Board carries out its responsibilities effectively, which involve the Board meeting on a regular basis without management present and may involve assigning responsibility for administering the Board’s relationship with management to a committee of the Board.

The following table sets forth, for the period ended December 31, 2024, the number of Board meetings, Audit Committee meetings and Investment Committee meetings held and attendance by the Proposed Trustees:

Trustee	Trustee Meetings Attended	Audit Committee Meetings Attended	Investment Committee Meetings Attended
Geoffrey Bledin	4 of 4	4 of 4	4 of 4
Eli Dadouch	4 of 4	N/A	4 of 4
Stanley Goldfarb	4 of 4	4 of 4	4 of 4
Jonathan Mair	4 of 4	N/A	4 of 4
Robert McKee	4 of 4	N/A	4 of 4
Sandy Poklar	4 of 4	N/A	4 of 4
Lawrence Shulman	4 of 4	4 of 4	4 of 4
Howard Smuschkowitz	3 of 4	N/A	3 of 4
Manfred Walt	4 of 4	N/A	4 of 4
Victoria Granovski	4 of 4	N/A	4 of 4
Jeffrey Goldfarb	4 of 4	N/A	4 of 4

Board Mandate

The Board has adopted a written mandate (the “**Mandate of the Board of Trustees**”) to confirm and enhance the Board’s ongoing duties and responsibility for stewardship of the Trust. A copy of the Mandate of the Board of Trustees is attached to this Circular as Schedule “A”. The trustees have assumed responsibility for the stewardship of the Trust and have been granted the necessary powers to carry out their responsibilities. The trustees’ responsibilities include: (a) the development and adoption of the Trust’s strategic planning process; (b) the identification of the principal risks associated with the business, and the implementation of appropriate systems to manage these risks; and (c) the appointment and evaluation of senior management.

Position Descriptions

The Board, together with the Chief Executive Officer, has developed position descriptions for the Chairman of the Board, the Chairman of each of the Investment Committee and the Audit Committee, and the Chief Executive Officer of the Trust. These position descriptions are disclosed in the Mandate of the Board of Trustees, which is attached to this Circular as Schedule “A”.

Orientation and Continuing Education

New Board members are provided with materials to educate them on the Trust and its business, as well as their responsibilities as trustees. This practice is consistent with the Governance Guidelines and enables new trustees to better understand the Trust and his or her role and responsibilities. The Trust requires that at least two-thirds of the Trustees voting on an investment in, or acquisition of, a mortgage, must have had at least ten (10) years of substantial experience in the mortgage or real estate industries. Currently, each of the trustees has over ten (10) years of substantial experience in the real estate industry. Such experience and continued involvement in the real estate industry allows the trustees to make meaningful contributions to the Trust. The trustees do not believe that a formalized education program is required at this time, given the continuing extensive industry experience of each of the trustees.

Code of Business Conduct and Ethics

The Trust has adopted a Code of Business Conduct and Ethics (the “**Code**”), which is available under the Trust’s profile on the SEDAR+ website at www.sedarplus.ca, that sets out the basic principles to guide the behaviour of trustees, officers and employees of the Trust. The Code addresses the following issues:

- (a) compliance with laws, rules and regulations;
- (b) conflicts of interest;
- (c) confidential information;
- (d) personal opportunities discovered through the use of corporate property, information or positions without the consent of the Board;
- (e) protection and proper use of the Trust’s assets;
- (f) accuracy of records and reporting;
- (g) waivers of the Code;
- (h) reporting of any illegal or unethical behavior; and
- (i) compliance procedures.

Monitoring of accounting, internal controls and auditing matters, as well as violations of the law, the Code and other policies or directives, occurs through the reporting of complaints and concerns using the reporting methods provided for in the Code. The Board monitors compliance with its Code by making enquiries of the appropriate parties at each

meeting. Any person can report complaints or concerns, on an anonymous basis if desired, by reporting to the Chairman of the Audit Committee by email, phone or fax.

The Board (or a committee of the Board to whom that authority has been delegated) can grant waivers of compliance with the Code for the benefit of trustees or executive officers in appropriate circumstances. No such waiver has been granted since the adoption of the Code and consequently, the Trust filed no material change report during the last fiscal year pertaining to any conduct of a trustee or executive officer that constituted a departure from the Code.

To ensure that trustees or executive officers exercise independent judgment in considering transactions and agreements in respect of which a trustee or officer has a material interest, the trustee or officer of the Trust, as the case may be, is required to disclose in writing to the trustees or request to have entered into the minutes of meetings of the trustees or the Investment Committee, as the case may be, the nature and extent of such interest, as follows:

- (a) The disclosure required in the case of a trustee must be made:
 - (i) at the meeting of trustees or the Investment Committee, as the case may be, at which a proposed contract or transaction is first considered;
 - (ii) if the trustee was not then interested in a proposed contract or transaction, at the first such meeting after he or she becomes so interested;
 - (iii) if the trustee becomes interested after a contract is made or a transaction is entered into, at the first meeting after he or she becomes so interested; or
 - (iv) if a person who is interested in a contract or transaction later becomes a trustee, at the first such meeting after he or she becomes a trustee.
- (b) The disclosure required in the case of an officer of the Trust who is not a trustee must be made:
 - (i) forthwith after such person becomes aware that the contract or transaction or proposed contract or transaction is to be considered or has been considered at a meeting of the trustees or the Investment Committee;
 - (ii) if such person becomes interested after a contract is made or transaction entered into, forthwith after such person becomes aware that he has become so interested; or
 - (iii) if a person who is interested in a contract or a transaction later becomes an officer of the Trust, forthwith after he becomes an officer of the Trust.

A trustee may not vote on any resolution to approve the said contract or transaction in which he or she is interested unless the contract or transaction is one relating primarily to his remuneration as a trustee, or one for indemnity or the purchase of liability insurance.

Nomination of Trustees

The Trust does not currently have a nominating committee. The declaration of trust of the Trust currently provides that there shall be a minimum of three (3) and a maximum of eleven (11) trustees appointed to the Board. Pursuant to the Trust's declaration of trust, FCRPI is entitled to nominate two (2) trustees to the Board.

Compensation

The Trust does not currently have a compensation committee. As a result of the Trust's arrangements with FCRPI, the Trust does not employ any individuals and thus the trustees have determined that there is no need for a separate compensation committee. The compensation of FCRPI is determined based on the FCRPI's holdings of Class C units of FCPLP and on the provisions of the Asset Management Agreement, which may only be amended with the approval of the Independent Trustees.

The trustees are responsible for implementing a process for reviewing the adequacy and form of compensation of trustees and ensuring that compensation realistically reflects the responsibilities and risk involved in being a trustee. The Trust requires that remuneration be at a level that will attract and motivate competent trustees. Compensation is also based on the compensation of trustees of similarly situated issuers. In order to ensure an objective process for determining compensation, the trustees, through FCRPI, review compensation paid to trustees of various real estate investment trusts and other publicly traded companies.

Audit Committee

Information concerning, among other things, the composition of the Audit Committee and the Audit Committee's Charter, can be found in the "Management and Operations, Trustees and Officers – Audit Committee" section of the Trust's most recently filed Annual Information Form, available under the Trust's profile on the SEDAR+ website at www.sedarplus.ca. A copy of the Audit Committee's Charter is attached hereto as Schedule "B".

Investment Committee

The Trust's Investment Committee is composed of each of the members of the Board. The Chair of the Investment Committee is Stanley Goldfarb. The Investment Committee is responsible for the following:

- (a) reviewing all of the Trust's investments on at least an annual basis;
- (b) adjudicating and advising on transactions involving potential conflicts of interest or any other transactions which may be detrimental to the interests of the Unitholders;
- (c) the approval or rejection of investments and acquisitions of investments; and
- (d) dealing with such other matters as may be referred to the Investment Committee by the trustees.

The Trust has adopted a policy surrounding acquisitions. All potential acquisitions by the Trust must be approved by a majority of trustees. Any and all acquisitions at or below \$10.0 million are approved by the trustees via email or written resolution, by circulating to all the trustees an acquisition summary report prepared by FCRPI. Any and all acquisitions above \$10.0 million and portfolio acquisitions are approved by the trustees via email subsequent to a formal Board meeting (either by conference call or in person), trustees are provided with an acquisition summary report prepared by FCRPI, The Board resolution and any and all necessary due diligence materials are circulated prior to approval.

Assessments

The Board is responsible for implementing a process for assessing the effectiveness of the Board as a whole, the committees of the Board and the contributions of individual trustees. In carrying out its responsibilities, the Board is required to periodically review the mandates of the trustees and the Board's committees and to make an assessment of the effectiveness of the trustees. The trustees have determined that the present number of trustees is appropriate for the Board to function at this time and that the Board is properly constituted to reflect the investment of all Unitholders in the Trust. On an ongoing basis, the trustees review the size and composition of the Board.

Unitholder Communication

The Trust has adopted a written Disclosure Policy. The Disclosure Policy reflects the basic principle of securities regulation that all persons investing in securities should have equal access to information that may affect their investment decisions. The Disclosure Policy establishes the Trust's procedure for determining how material information is to be disclosed or disseminated and promotes consistent disclosure practices aimed at informative, timely and broadly disseminated disclosure of material information to the market in accordance with all applicable legal, regulatory and stock exchange requirements.

The Disclosure Policy also deals with how the Trust and its trustees and employees handle material undisclosed information about the Trust. It addresses the Trust's formal disclosure requirements such as annual and quarterly reports, prospectuses and news releases, and information that the Trust posts on its website. It also extends to oral

communications, such as speeches by senior management, responses to media inquiries and statements made in meetings with analysts and investors, all of which must comply with the Disclosure Policy.

Board's Expectations of Management

The Board expects management to operate the Trust in accordance with the investment restrictions and operating policies, and to enhance Unitholder value while managing the Trust in a prudent manner. Management is expected to provide regular financial and operating reports to the Board and to make the Board aware of all important issues and major developments, particularly those which may not have been previously anticipated. Management is also expected to find opportunities for acquisitions and dispositions and to make appropriate recommendations to the Board.

Trustee Term Limits and Other Mechanisms of Board Renewal

The Board believes that the need to have highly experienced trustees who: (i) are familiar with the business of the Trust; (ii) possess highly developed specialized skill sets in the areas of real estate, finance, taxation, real estate underwriting analysis and accounting; and (iii) are knowledgeable about the Trust as a whole takes precedent when assessing management and its recommendations. As such, the Board has not adopted trustee term limits or other mechanisms of board renewal for the following reasons:

- (a) after considering the trustee profile at the Trust, the Board determined that a term limit was not appropriate in the context of the Trust. The Trust invests in commercial, residential and MHC real estate subject to compliance with the Trust's investment policies. As such, this form of investment activity requires highly developed and specialized skill sets in real estate, finance, taxation, real estate underwriting analysis and accounting requiring years of experience. The Trust considers such experience to be a major asset of the Trust and a contributing factor to the Trust's success, and not taint independence;
- (b) the Trust has found that having long standing trustees on its Board does not negatively impact its effectiveness, and instead positively contributes to boardroom dynamics. As such, the Trust has for many years enjoyed a consistently engaged Board. This is reflective in the consistent returns the Trust has delivered to Unitholders since its inception in 2012 in the form of distributions and capital appreciation. See "Share Performance Graph";
- (c) the imposition of trustee term limits on a board of trustees implicitly discounts the value of experience and continuity amongst members of the board of trustees and runs the risk of excluding experienced and potentially valuable members of the Board as a result of an arbitrary determination;
- (d) that trustees with the level of understanding of the Trust's business, history and culture acquired through long service on the Board provide additional value to the Trust and its Unitholders;
- (e) that term limits run the risk of acting as a substitute for proper board self-assessment and renewal and undermines Unitholders' voting rights to select their board of trustees; and
- (f) there is little empirical evidence that a trustee's ability to act independently of management declines after any specific period of service.

Policies Regarding the Representation of Members of Designated Groups on the Board of Trustees

The Trust has not adopted a written policy relating to the identification and nomination of women, Aboriginal peoples, persons with disabilities and members of visible minorities (together, "**Designated Groups**") for trustees to the Trust. The Trust has not adopted such a policy, written or otherwise, because the Board does not consider diversity of race, ethnicity, gender, age, abilities/disabilities and cultural background as requirements to be a trustee of the Trust. When vacancies on the board of trustees arise, the Trust focuses on nominating trustees with highly developed and specialized skill sets in real estate, finance and accounting, regardless of whether they are a member of a Designated Group. These requirements are necessary to ensure that the Trust continues to deliver consistent returns to Unitholders, and no written policy relating to the identification and nomination of members of Designated Groups for trustees to the Trust will ensure this outcome. As at April 23, 2025, the Trust had one female board member.

Consideration of the Representation of Members of Designated Groups in the Trustee Identification and Selection Process

In identifying and nominating candidates for election or re-election to the Board, the trustees of the Trust do not consider the level of representation of members of Designated Groups on the Board. The Trust does not consider the level of representation of members of Designated Groups on the Board because in considering individuals as potential trustees, the Trust at all times seeks the most qualified persons, regardless of their race, ethnicity, gender, age, abilities/disabilities and cultural background. The Trust believes that this approach enables it to make decisions regarding the composition of the board of trustees based on what is in the best interests of the Trust and its Unitholders. During the year ending December 31, 2024, the Trust had one female board member.

Consideration of the Representation of Members of Designated Groups in Senior Management Appointments

In appointing individuals to the senior management team, the Trust does not consider the level of representation of members of Designated Groups in senior management positions. The Trust does not consider the level of representation of members of Designated Groups in senior management positions because, in considering individuals as members of senior management, the Trust at all times seeks the most qualified persons, regardless of their race, ethnicity, gender, age, abilities/disabilities and cultural background. The Trust believes that this approach enables it to make decisions regarding the composition of the senior management team based on what is in the best interests of the Trust and its Unitholders. As at December 31, 2024, the Trust (and its manager FCRPI) had two women in senior management positions.

Targets Regarding the Representation of Members of Designated Groups on the Board and in Senior Management Positions

The Trust has not adopted a target or percentage, or a range of target numbers or percentages, regarding the members of each group comprising the Designated Groups on the Board. The Trust has not adopted a target or percentage, or a range of target numbers or percentages, for members of each group comprising the Designated Groups on the Board because the Trust does not believe that any trustee nominee should be chosen nor excluded solely because of their race, ethnicity, gender, age, abilities/disabilities and cultural background. When vacancies on the Board arise, the Trust focuses on nominating trustees with highly developed specialized skill sets in real estate, finance and accounting, regardless of their race, ethnicity, gender, age, abilities/disabilities and cultural background. These requirements are necessary to ensure that the Trust continues to deliver consistent returns to Unitholders, and no adoption of a target or percentage, or a range of target numbers or percentages, relating to the representation of members of each group comprising the Designated Groups on the board of trustees of the Trust will ensure this outcome.

The Trust has not adopted a target or percentage, or a range of target numbers or percentages, regarding the members of each group comprising the Designated Groups in senior management positions. The Trust has not adopted a target or percentage, or a range of target numbers or percentages, for members of each group comprising the Designated Groups in senior management positions because the Trust does not believe that any candidate for a senior management position should be chosen nor excluded having any regard to their race, ethnicity, gender, age, abilities/disabilities and cultural background. In selecting senior management candidates, the Trust considers the skills, expertise and background that would complement the existing management team. As at December 31, 2024, the Trust (and its manager FCRPI) had two women in senior management positions. In general, senior management personnel are recruited solely based on their ability to contribute to the Trust having regard to the relevant senior management position.

Number of Members of Designated Groups on the Board and in Senior Management Positions

As of the date of this Circular, one woman is a member of the Board (9% of the Board) and two women serve in a senior management position with the Trust, FCRPI and FCPMC (33% of the collective senior management personnel of the Trust, FCRPI and the FCPMC). No members of each group comprising the Designated Groups, other than women, are represented on the Board or serve in a senior management position with the Trust, FCRPI and FCPMC.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS AND INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

The Trust has entered into the Asset Management Agreement with FCRPI and the Property Management Agreement with FCPMC, entities related to certain Trustees and Management of the Trust, as outlined above. In addition, FCRPI holds Class C Units of FCPLP. The Trustees and Officers may co-invest in property acquisitions and investments alongside the Trust. In addition, the Trustees and Officers of the Trust may from time-to-time deal with parties with whom the Trust may be dealing or may be seeking investments similar to those desired by the Trust. Certain Trustees and Officers of the Trust are also employed by entities directly or indirectly related to the Trust's asset manager and property manager and are involved in varying real estate related activities including, but not limited to acquisitions, divestitures and management of real estate and real estate-related debt and equities.

Except as disclosed elsewhere in this Circular or in the financial statements of the Trust for the year-ended December 31, 2024 (see note 12 - Related Party Transactions), the management of the Trust is not aware of any material interest, direct or indirect, of any informed person of the Trust, any proposed trustee or any officer of the Trust or any of their associates or affiliates in any transaction since the commencement of the Trust's most recently completed financial year, or in any proposed transaction, that has materially affected or will materially affect the Trust.

No (a) trustee or executive officer of the Trust who has held such position at any time since January 1, 2024; (b) Proposed Trustee; or (c) associate or affiliate of a person in (a) or (b) has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of trustees of the Board.

MANAGEMENT CONTRACTS

The details of the Asset Management Agreement and Property Management Agreement are outlined above in the "Compensation Discussion and Analysis" section of this Circular.

INDEBTEDNESS OF TRUSTEES AND EXECUTIVE OFFICERS

No trustee or officer of the Trust or any person proposed to be a trustee or officer of the Trust or person who was a trustee or officer of the Trust in the most recently completed financial year, or any affiliate or associate of any such individual, is indebted to the Trust or has any indebtedness to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Trust.

NORMAL COURSE ISSUER BID

On July 13, 2023, the Trust announced its intention to make a Normal Course Issuer Bid with respect to its outstanding Units. During the 12 month period commencing July 18, 2023 and ending no later than July 17, 2024, the Trust was authorized to purchase through the facilities of the TSX and/or alternative Canadian Trading Systems up to 3,324,528 Units in total, being 10% of the "public float" of Units as of July 4, 2023. As of July 17, 2024, being the expiry of the NCIB, the Trust did not purchase any Units.

On July 15, 2024, the Trust announced its intention to make a Normal Course Issuer Bid with respect to its outstanding Units. During the 12-month period commencing July 18, 2024 and ending no later than July 17, 2025, the Trust may purchase through the facilities of the TSX and/or alternative Canadian Trading Systems up to 3,281,995 Units in total, being 10% of the "public float" of Units as of July 5, 2024. As of April 23, 2025, the Trust has not purchased any Units under this Normal Course Issuer Bid.

TRUSTEES' AND OFFICERS' LIABILITY INSURANCE

The Trust indemnifies the trustees and officers against certain losses arising from claims against them for their acts, errors or omissions as such. The Trust maintains liability insurance for its trustees and officers. The policy provides insurance for the Trust's trustees and officers in respect of certain losses arising from claims against them for their acts, errors or omissions in their capacity as trustees or officers. The Trust is also insured against any loss arising out of any payment that the Trust may be required or permitted by law to make to its trustees and officers, the coverage being the same for both groups. The policy limit for such insurance coverage is \$5 million per occurrence in each

policy year, with no deductible for individual trustees or officers and a deductible of \$25,000 payable by the Trust per occurrence. The annual premium paid by the Trust in the 2024 fiscal year was \$25,000.

RECEIPT OF FINANCIAL STATEMENTS

The audited financial statements of the Trust for the year ended December 31, 2024 and the report of the auditors thereon will be presented to the Meeting. No vote by the Unitholders with respect thereto is required. If any Unitholders have questions regarding such financial statements, the questions may be brought forward at the Meeting.

ADDITIONAL INFORMATION

Additional information relating to the Trust is available on SEDAR+ at www.sedarplus.ca. Financial information is being provided in the Corporation's comparative financial statements for the year ended December 31, 2024 and the related management's discussion and analysis. A copy of the following documents may be obtained, without charge, upon request to the Secretary of the Corporation at 163 Cartwright Avenue, Toronto, Ontario M6A 1V5, Phone 416-635-0221, Fax: 416-635-1713: (a) the latest Annual Information Form of the Corporation together with any document, or the pertinent pages of any document, incorporated by reference therein; (b) the comparative financial statements of the Corporation for the year ended December 31, 2024 together with the accompanying report of the auditors thereon, any interim financial statements of the Corporation for periods subsequent to December 31, 2024 and the related management's discussion and analysis therefor; and (c) this Circular.

CERTIFICATE

The contents and the sending of this Circular have been approved by the Trust's trustees.

DATED as of April 23, 2025.

BY ORDER OF THE BOARD OF TRUSTEES

"Robert McKee"

Chief Executive Officer and Trustee

SCHEDULE “A”

FIRM CAPITAL PROPERTY TRUST

MANDATE OF THE BOARD OF TRUSTEES

The Trustees have full, absolute and exclusive power, control and authority over the assets of the Trust and over the affairs of the Trust, subject to the Declaration of Trust. The responsibilities of the board of Trustees described herein do not impose any additional responsibilities or liabilities on the Trustees at law or otherwise.

RESPONSIBILITIES OF THE BOARD OF TRUSTEES

The Trustees have full, absolute and exclusive power, control and authority over the assets of the Trust and over the affairs of the Trust and in that regard shall be specifically responsible for:

- (i) the adoption of a strategic planning process and approval, on at least an annual basis, of a strategic plan which takes into account, among other things, the opportunities and risks of the Trust’s business and investments and ensures the Trust’s strategic plan is aligned with the long-term interests of unitholders of the Trust;
- (ii) to the extent feasible, satisfying itself as to the integrity of the Chief Executive Officer and senior officers of the Trust and that the Chief Executive Officer and other senior officers create a culture of integrity throughout the organization;
- (iii) the identification of the principal risks for the Trust and ensuring the implementation of appropriate risk management systems;
- (iv) ensuring that the Trust complies with all applicable laws and legal requirements;
- (v) succession planning;
- (vi) adopting a policy which enables the Trust to communicate effectively and addresses how the Trust interacts with all of its stakeholders, including analysts and the public, contains measures for the Trust to avoid selective disclosure and is reviewed at such intervals or times as the board deems appropriate;
- (vii) establishing and maintaining a standing audit committee of the board of Trustees (the **“Audit Committee”**);
- (viii) reviewing and reassessing the adequacy of the terms of reference of the Audit Committee at such intervals or times as the board deems appropriate;
- (ix) receiving recommendations of the Audit Committee respecting, and reviewing and approving, the audited, interim and any other publicly announced financial information of the Trust;
- (x) developing the Trust’s approach to governance;
- (xi) implementing a process for assessing the effectiveness of the board as a whole, the committees of the board and the contribution of individual Trustees;
- (xii) implementing a process for examining the size of the board of Trustees and undertaking, where appropriate, a program to establish a board size which facilitates effective decision-making;

- (xiii) implementing a process for reviewing the adequacy and form of compensation of Trustees and ensuring that compensation realistically reflects the responsibilities and risk involved in being a Trustee;
- (xiv) meeting regularly with management of the Trust, including the Asset and Property Managers (currently Firm Capital Realty Partners Inc., and Firm Capital Property Management Corp., respectively), to receive reports respecting the performance of the Trust, new and proposed initiatives, the Trust's business and investments, management concerns and any areas of concern involving the Trust; and
- (xv) meeting regularly without management.

While the board of Trustees is called upon to "manage" the business of the Trust, this is done by proxy through the appointed executives of the Trust. The board of Trustees is responsible for the on-going strategic planning process of the Trust, approves the goals of the business and the strategies and policies within which it is managed, and then steps back and evaluates management performance. Reciprocally, management (which includes the Asset and Property Managers, currently Firm Capital Realty Partners Inc., and Firm Capital Property Management Corp., respectively) keeps the board of Trustees fully informed of the progress of the Trust and its subsidiaries towards the achievement of their established goals and of all material deviations from the goals or objectives and policies established by the board of Trustees in a timely and candid manner.

It is recognized that every Trustee in exercising powers and discharging duties must act honestly and in good faith with a view to the best interest of the Trust. Trustees must exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In this regard, they will comply with their duties of honesty, loyalty, care, diligence, skill and prudence.

In addition, Trustees are expected to carry out their duties in accordance with policies adopted by the board of Trustees from time to time, the current policy being annexed hereto as Appendix "A".

It is expected that management will co-operate in all ways to facilitate compliance by the board of Trustees with its legal duties by causing the Trust and its subsidiaries to take such actions as may be necessary in that regard and by promptly reporting any data or information to the board of Trustees that may affect such compliance.

RESPONSIBILITIES OF CHAIR

The role and responsibilities of the Chair of the board of Trustees are set out below:

- (i) the Chair shall be expected to attend and chair meetings of the board of Trustees of the Trust and unitholders of the Trust;
- (ii) the Chair shall not be a member of management;
- (iii) the Chair shall not be expected to and shall not perform policy making functions other than in his or her capacity as a Trustee of the Trust. The Chair shall not have the right or entitlement to bind the Trust in his or her capacity as Chair;
- (iv) the Chair shall provide direction with respect to the dates and frequencies of board meetings and related committee meetings and the Chief Executive Officer of the Trust and the Chair shall liaise to prepare board meeting agendas;
- (v) the Chair shall ensure that the board understands the boundaries between board and management responsibilities; and
- (vi) the Chair shall ensure that the board of Trustees carries out its responsibilities effectively, which will involve the board meeting on a regular basis without management present and

may involve assigning responsibility for administering the board's relationship with management to a committee of the board.

RESPONSIBILITIES OF THE AUDIT COMMITTEE CHAIR

The role and responsibilities of the Chair of the Audit Committee include:

- (i) acting as a liaison between the Audit Committee and the board of Trustees of the Trust;
- (ii) acting as a liaison between the Audit Committee and senior management of the Trust;
- (iii) acting as a liaison between the Audit Committee and the Trust's internal and external auditors;
- (iv) reporting to the board of Trustees on the activities of the Audit Committee;
- (v) recommending procedures to enhance the activities of the Audit Committee; and
- (vi) chairing meetings of the Audit Committee.

RESPONSIBILITIES OF THE INVESTMENT COMMITTEE CHAIR

The role and responsibilities of the Chair of the Investment Committee include:

- (i) acting as a liaison between the Investment Committee and the board of Trustees of the Trust;
- (ii) acting as a liaison between the Investment Committee and senior management of the Trust;
- (iii) reporting to the board of Trustees on the activities of the Investment Committee;
- (iv) recommending procedures to enhance the activities of the Investment Committee; and
- (v) chairing meetings of the Investment Committee.

RESPONSIBILITIES OF THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer of the Trust will:

- (i) manage and supervise the affairs of the Trust;
- (ii) initiate and co-ordinate the strategic planning process for the Trust and recommend to the board of Trustees goals for the business of the Trust and, when approved by the board of Trustees, implement the corresponding strategic, operational and profit plans;
- (iii) report to, and meet regularly and as required with, the board of Trustees and all formally appointed committees of the board of Trustees to review the board of Trustees' and committee issues and provide the board of Trustees or the relevant committee with all

information and access to management necessary to permit the board of Trustees or the relevant committee to fulfil its statutory and other legal obligations on a timely basis;

- (iv) assist in the development of policies of the board of Trustees regarding the public disclosures of the Trust;
- (v) develop and seek the board of Trustees' concurrence for plans for management development and succession in all key positions and then implement such plans;
- (vi) review, with the assistance of the Chief Financial Officer, the financial reporting and public disclosure of the Trust, satisfy himself or herself concerning the processes followed in their preparation and provide the certifications required under applicable securities laws concerning such reporting and disclosure; and
- (vii) assume such other appropriate responsibilities as are delegated to him or her by the board of Trustees.

DECISIONS REQUIRING PRIOR APPROVAL OF THE BOARD OF TRUSTEES

Approval of the board of Trustees shall be required for:

- (i) distributions;
- (ii) all acquisitions/dispositions;
- (iii) related party transactions;
- (iv) the release of any financial information to be publicly disseminated;
- (v) the issuance or repurchase of Trust units or other securities of the Trust;
- (vi) the terms of reference of committees of the board; and
- (vii) any other matter that would give rise to a "material change" to the Trust.

The foregoing list is intended to specify particular matters requiring board approval and is not intended to be an exhaustive list.

MEASURES FOR RECEIVING UNITHOLDER FEEDBACK

All publicly disseminated materials of the Trust shall provide for a mechanism for feedback of unitholders. Persons designated to receive such information shall be required to provide a summary of the feedback to the Trustees on a semi-annual basis or at such other more frequent intervals as they see fit.

MEETINGS

The board of Trustees will meet not less than four times per year to review quarterly results. A quorum for the meetings shall be at least two-fifths of the Trustees, at least one of whom shall, and, one of whom shall not be, an Independent Trustee.

MEETING GUIDELINES

Trustees will be expected to have read and considered the materials sent to them in advance of each meeting, and to be prepared to discuss the matters contained in such materials at the meeting. The notice of meeting will highlight significant matters to be dealt with at each meeting so that Trustees can focus on reviewing the related materials. Senior management will be made accessible to Trustees at board meetings and committee meetings to fulfill their obligations.

REMUNERATION

Remuneration shall be at a level that will attract and motivate competent members.

TELEPHONE BOARD MEETINGS

Trustees may participate in a meeting of the Trustees or in a committee meeting by means of telephone or such other communications facilities as permit all persons participating in the meeting to hear each other and a Trustee participating in such a meeting by such means is deemed to be present at the meeting.

While it is the intent of the board of Trustees to follow an agreed meeting schedule as closely as possible, it is felt that, from time to time, with respect to time sensitive matters telephone board meetings may be required to be called in order for Trustees to be in a position to better fulfill their legal obligations. Alternatively, management may request the Trustees to approve certain matters by unanimous consent.

EXPECTATIONS OF MANAGEMENT

Management shall be required to report to the board of Trustees at the request of the board on the performance of the Trust, new and proposed initiatives, the Trust's business and investments, management concerns and any other matter the board or its Chair may deem appropriate. In addition, the board expects management to promptly report to the Chair of the board any significant developments, changes, transactions or proposals respecting the Trust or its subsidiaries.

APPENDIX “A” TO SCHEDULE “A”
POLICY OF PRACTICES FOR TRUSTEES

ATTENDANCE AT MEETINGS

Each Trustee is expected to have a very high record of attendance at meetings of the board of Trustees, and at meetings of each committee on which the Trustee sits. A Trustee is expected to:

- (i) advise the Chair as to planned attendance at board and committee meetings shortly after meeting schedules for the year have distributed;
- (ii) advise the Chair as soon as possible after becoming aware that he or she will not be able to attend a meeting; and
- (iii) attend a meeting by conference telephone if unable to attend in person.

PREPARATION FOR MEETINGS

Trustees are expected to carefully review and consider the materials distributed in advance of a meeting of the board of Trustees or a committee of the board of Trustees. Trustees are also encouraged to contact the Chair, the Chief Executive and any other appropriate officers to ask questions and discuss agenda items prior to meetings.

CONDUCT AT MEETINGS

Trustees are expected to ask questions and participate in discussions at meetings, and to contribute relevant insights and experience. In discussions at meetings, a Trustee should:

- (i) be candid and forthright;
- (ii) not be reluctant to express views contrary to those of the majority;
- (iii) be concise and, in most circumstances, respect the time constraints of a meeting; and
- (iv) be courteous to and respectful of other Trustees and guests in attendance.

KNOWLEDGE OF THE TRUST’S BUSINESS

Trustees are expected to be knowledgeable with respect to the various fields and divisions of business. Trustees should:

- (i) ask questions of management and other Trustees, at meetings and otherwise, to increase their knowledge of the business of the Trust;
- (ii) familiarize themselves with the risks and challenges facing the business of the Trust;
- (iii) read all internal memoranda and other documents circulated to the Trustees, and all reports and other documents issued by the Trust for external purposes;
- (iv) insist on receiving adequate information from management with respect to a proposal before board approval is requested;
- (v) familiarize themselves with the Trust’s competitors by, among other things, reading relevant news, magazine and trade journal articles; and

- (vi) familiarize themselves with the legal and regulatory framework within which the Trust carries on its business.

PERSONAL CONDUCT

Trustees are expected to:

- (i) exhibit high standards of personal integrity, honesty and loyalty to the Trust;
- (ii) project a positive image of the Trust to news media, the financial community, governments and their agencies, unitholders and employees;
- (iii) be willing to contribute extra efforts, from time to time as may be necessary including, among other things, being willing to serve on committees of the board; and
- (iv) disclose any potential conflict of interest that may arise with the business or affairs of the Trust and, generally, avoid entering into situations where such conflicts could arise or could reasonably be perceived to arise.

SCHEDULE “B”

CHARTER OF THE AUDIT COMMITTEE

FIRM CAPITAL PROPERTY TRUST

(the “Trust”)

1. PURPOSE

The purpose of the Audit Committee (the “Committee”) is to assist the board of trustees of the Trust (the “Board”) in fulfilling its oversight responsibilities by reviewing the financial information which will be provided to unitholders of the Trust and others, the systems of corporate financial controls which management and the Board have established and the audit process.

More specifically the purpose of the Committee is to satisfy itself that:

- A. The Trust’s annual financial statements are fairly presented in accordance with Canadian IFRS reporting standards and to recommend to the Board whether the annual financial statements should be approved.
- B. The information contained in the Trust’s quarterly financial statements, annual report to unitholders and other financial publications, such as management’s discussion and analysis, is complete and accurate in all material respects and to recommend to the Board whether these materials should be approved.
- C. The Trust has appropriate systems of internal control over the safeguarding of assets and financial reporting to ensure compliance with legal and regulatory requirements.
- D. The external audit functions have been effectively carried out and that any matter which the independent auditors wish to bring to the attention of the Board has been addressed. The Committee will also recommend to the Board the re-appointment or appointment of auditors and their remuneration and will be responsible for overseeing the work of the auditors, including the resolution of disagreements between management and the auditors regarding financial reporting.

2. COMPOSITION AND TERMS OF OFFICE

- A. Following each annual meeting of unitholders of the Trust, the Board shall appoint not less than three trustees to serve on the Committee, all three of whom shall be Independent Trustees (as such term is defined in Multilateral Instrument 52-110 – *Audit Committees*), and Financially Literate (defined as having the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Trust’s financial statements).
- B. The chair of the Committee shall be appointed by the Board and shall be an Independent Trustee.
- C. Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member upon ceasing to be a trustee of the Trust. Each member of the Committee shall hold office until the close of the next annual meeting of unitholders of the Trust or until the member resigns or is replaced, whichever first occurs.
- D. The Committee will meet at least four times per year. The meetings will be scheduled to permit timely review of the interim and annual financial statements. Additional meetings may be held as deemed necessary by the chair of the Committee or as requested by any member of the Committee or by the internal or external auditors. At least 48 hours’ notice shall be given in advance of any

meeting of the Committee, subject to waiver of such notice period by all the members of the Committee.

- E. A member or members of the Committee may participate in a meeting of the Committee by means of such telephonic, electronic or other communication facilities as permit all persons participating in the meeting to communicate adequately with each other, and a member participating in such a meeting by any such means is deemed to be present at that meeting.
- F. A quorum for the transaction of business at all meetings of the Committee shall be a majority of the members of the Committee. Questions arising at any meeting shall be determined by a majority of votes of the members of the Committee present, and in case of an equality of votes, the Chair of the Committee shall have a second casting vote.
- G. The Committee may invite such Trustees, Officers and employees of the Trust as it may see fit from time to time to attend meetings of the Committee and assist in the discussion and consideration of the business of the Committee, but without voting rights.
- H. The Committee shall keep regular minutes of proceedings and shall cause them to be recorded in books kept for that purpose, and shall report the same to the Board at such times as the Board may, from time to time, require.
- I. Supporting schedules and information reviewed by the Committee will be available for examination by any trustee upon request to the Secretary of the Committee.
- J. The Committee shall choose as its secretary such person as it deems appropriate.
- K. The external auditors shall be given notice of, and have the right to appear before and to be heard at, every meeting of the Committee, and shall appear before the Committee when requested to do so by the Committee.

3. DUTIES AND RESPONSIBILITIES

Subject to the powers and duties of the Board and the ability of the Board to re-assume such delegated powers and duties, the Board hereby delegates to the Committee the following powers and duties to be performed by the Committee on behalf of and for the Board:

A. Financial Reporting Control Systems

The Committee shall:

- i. review reports from senior officers of the Trust outlining any significant changes in financial risks facing the Trust;
- ii. accept reports directly from the external auditors;
- iii. review the management letter of the external auditors and the Trust's responses to suggestions made;
- iv. annually review the terms of reference of the Committee;
- v. review any new appointments to senior positions of the Trust with financial reporting responsibilities; and
- vi. obtain assurance from the external auditors regarding the overall control environment and the adequacy of accounting system controls.

B. Interim Financial Statements

The Committee shall:

- i. review interim financial statements with Officers of the Trust prior to their release and provide to the Board a recommendation as to whether such interim financial statements should be approved; this will include a detailed review of quarterly and year-to-date results;
- ii. review narrative comment accompanying interim financial statements; and
- iii. review earnings press releases.

C. Annual Financial Statements and Other Financial Information

The Committee shall:

- i. review any changes in accounting policies or financial reporting requirements that may affect the current year's financial statements;
- ii. obtain summaries of significant transactions, and other potentially difficult matters whose treatment in the annual financial statements merits advance consideration;
- iii. obtain draft annual financial statements in advance of the Committee meeting and assess, on a preliminary basis, the reasonableness of the financial statements in light of the analyses provided by Officers of the Trust;
- iv. review a summary provided by the Trust's legal counsel of the status of any material pending or threatened litigation, claims and assessments;
- v. discuss the annual financial statements and the auditors' report thereon in detail with Officers of the Trust and the auditors;
- vi. review the annual report and other annual financial reporting documents including management's discussion and analysis and press releases;
- vii. provide to the Board a recommendation as to whether the annual financial statements should be approved;
- viii. review insurance coverage including trustees' and officers' liability coverage;
- ix. review payments to the Asset and Property Managers (currently Firm Capital Realty Partners Inc. and Firm Capital Property Management Corp., respectively) pursuant to the Asset and Property Management Agreements and report thereon to the Board; and
- x. approve and implement procedures for reviewing financial information extracted or derived from the financial statements and periodically assess the adequacy of those procedures.

D. External Audit Terms of Reference, Reports, Planning and Appointment

The Committee shall:

- i. review the audit plan with the external auditors;

- ii. discuss in private with the external auditors matters affecting the conduct of their audit and other corporate matters;
- iii. establish procedures for the receipt, retention and treatment of complaints regarding accounting or auditing matters and the confidential, anonymous submissions by employees of concerns regarding questionable accounting or auditing matters;
- iv. pre-approve all non-audit services provided by the independent auditors;
- v. approve the hiring of employees who were employed with the independent auditors or former auditors;
- vi. recommend to the Board each year the retention or replacement of the external auditors; if there is a plan to change auditors, review all issues related to the change and the steps planned for an orderly transition;
- vii. annually review and recommend for approval to the Board the terms of engagement and the remuneration of the external auditor;
- viii. receive confirmation from external auditors as to their independence;
- ix. request and review any correspondence from the Ontario Securities Commission and Toronto Stock Exchange; and
- x. have the authority to set and pay the compensation for any advisors employed by the Committee.

4. ACCOUNTABILITY

- A. The Committee shall report to the Board at its next regular meeting all such action it has taken since the previous report.
- B. The Committee is empowered to investigate any activity of the Trust and all employees are to co-operate as requested by the Committee. The Committee may retain persons having special expertise to assist it in fulfilling its responsibilities.
- C. The Committee is authorized to request the presence at any meeting, but without voting rights, of a representative from the external auditors, senior management, legal counsel or anyone else who could contribute substantively to the subject of the meeting and assist in the discussion and consideration of the business of the Committee, including Trustees, Officers and employees of the Trust.

SCHEDULE "C"

CHANGE OF AUDITOR PACKAGE

FIRM CAPITAL PROPERTY TRUST

CHANGE OF AUDITOR NOTICE

TO: RSM Canada LLP (the “**Predecessor Auditor**”)

AND TO: MNP LLP (the “**Successor Auditor**”)

DATED: August 28, 2024

NOTICE IS HEREBY GIVEN that, on the advice of the Audit Committee of Firm Capital Property Trust (the “**Trust**”), the Board of Trustees of the Trust resolved as of August 28, 2024, that: (i) the resignation of the Predecessor Auditor, with effect from August 28, 2024, as auditor of the Trust be accepted, and (b) the Successor Auditor be appointed as auditor of the Trust effective as of August 28, 2024, to hold office until the next annual meeting of the unitholders of the Trust at a remuneration to be fixed by the Board of Trustees of the Trust.

In accordance with National Instrument 51-102 – *Continuous Disclosure Obligations* of the Canadian Securities Administrators (“**NI 51-102**”), please be advised as follows:

- (a) the Predecessor Auditor resigned as auditor of the Trust at the request of the Board of Trustees of the Trust;
- (b) the Predecessor Auditor has not expressed a modified opinion in its reports for the two most recently completed fiscal years of the Trust, nor for the period from the most recently completed period for which the Predecessor Auditor issued an audit report in respect of the Trust and the date of this Notice;
- (c) the resignation of the Predecessor Auditor, and the appointment of the Successor Auditor, as auditor of the Trust were considered by the Audit Committee and approved by the Board of Trustees of the Trust; and
- (d) in the opinion of the Board of Trustees of the Trust, no “reportable event” (as defined in NI 51-102) has occurred in connection with the audits of the two most recently completed fiscal years of the Trust, nor any period from the most recently completed period for which the Predecessor Auditor issued an audit report in respect of the Trust and the date of this Notice.

FIRM CAPITAL PROPERTY TRUST

Per: "Robert McKee" (signed)
Robert McKee
Chief Executive Officer



RSM Canada LLP

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Toronto, ON M5H 4C7

T +1 416 480 0160
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rsmcanada.com

September 6, 2024

Ontario Securities Commission
Alberta Securities Commission
British Columbia Securities Commission
Manitoba Securities Commission
Financial and Consumer Services Commission of New Brunswick
Office of the Superintendent of Securities Service, Newfoundland & Labrador
Nova Scotia Securities Commission
Financial and Consumer Services Division, Prince Edward Island
Autorité des marchés financiers
Financial and Consumer Affairs Authority of Saskatchewan
Superintendent of Securities, Northwest Territories
Superintendent of Securities, Yukon
Superintendent of Securities, Nunavut

Dear Sirs/Mesdames:

Re: Firm Capital Property Trust (the "Trust")
Notice of Change of Auditor Pursuant to National Instrument NI 51-102

In accordance with National Instrument 51-102, we have read the Trust's Change of Auditor Notice (the "Notice") dated August 28, 2024, and based upon our knowledge of the information at this date, we agree with the information contained therein pertaining to our firm. We have no basis to agree or disagree with the comments in the Notice relating to MNP LLP.

Yours truly,

RSM Canada LLP

Chartered Professional Accountants
Licensed Public Accountants
Toronto, Ontario

THE POWER OF BEING UNDERSTOOD
ASSURANCE | TAX | CONSULTING

RSM Canada LLP is a limited liability partnership that provides public accounting services and is the Canadian member firm of RSM International, a global network of independent assurance, tax and consulting firms. Visit rsmcanada.com/about-us for more information regarding RSM Canada LLP and RSM International.



September 6, 2024

TO: Ontario Securities Commission
Alberta Securities Commission
British Columbia Securities Commission
Manitoba Securities Commission
Financial and Consumer Services Commission, New Brunswick
Office of the Superintendent of Securities Service Newfoundland & Labrador
Nova Scotia Securities Commission
Financial and Consumer Services Division, Prince Edward Island
Autorité des marchés financiers
Financial and Consumer Affairs Authority of Saskatchewan
Superintendent of Securities, Northwest Territories
Superintendent of Securities, Yukon
Superintendent of Securities, Nunavut

Dear Sirs/Madams:

Re: Firm Capital Property Trust (the “Trust”)

Notice of Change of Auditor Pursuant to National Instrument NI 51-102

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations*, we have reviewed the information contained in the Notice of Change of Auditor of the Trust dated August 28, 2024 (“the **Notice**”) and, based on our knowledge of such information at this time, we agree with the statements made in the Notice pertaining to our firm. We advise that we have no basis to agree or disagree with the comments in the Notice relating to RSM Canada LLP.

Yours very truly,



Chartered Professional Accountants
Licensed Public Accountants