

PRESS RELEASE



FIRM CAPITAL APARTMENT REIT PROVIDES STRATEGIC REVIEW UPDATE, Q4/2024 AND 2024 RESULTS

All figures in \$USD unless otherwise noted.

Toronto, Ontario, April 30, 2025. Firm Capital Apartment Real Estate Investment Trust (“the **Trust**”), (TSXV: FCA.U), (TSXV: FCA.UN) is pleased to report its financial results for the three and twelve months ended December 31, 2024 and provide a Strategic Review update:

STRATEGIC REVIEW UPDATE

The board continues to work to dispose of its remaining Wholly Owned Assets and evaluate uses for the Trust. Senior management has had multiple discussions with a number of third parties as to the best path forward for the entity. Senior management and the board will report back to unitholders in due course.

The Board will continue to assess matters on a quarterly basis and determine if the Trust should: (i) distribute excess income; (ii) distribute net proceeds from asset sales, after debt repayment; (iii) reinvest net proceeds into other investments; (iv) distribute proceeds as a return of capital or special distribution; and/or (v) use excess proceeds to repurchase Trust units in the marketplace. It is the Trust’s current intention not to disclose developments with respect to the Strategic Review unless and until it is determined that disclosure is necessary or appropriate, or as required under applicable securities laws

NET ASSET VALUE (“NAV”) \$6.57 PER TRUST UNIT (CAD \$9.36): Including disposition costs of assets held for sale, the Trust reported NAV of \$6.57 per Trust Unit (CAD \$9.36).

EARNINGS

- Excluding non-cash fair value adjustments, net income for the three months ended December 31, 2024 was approximately \$0.1 million, in comparison to the \$0.1 million net income reported for the three months ended September 30, 2024, and the \$0.3 million net loss reported for the three months ended December 31, 2023. Excluding non-cash fair value adjustments, for the twelve months ended December 31, 2024, net loss was approximately \$0.15 million, in comparison to the \$0.8 million net loss reported for the twelve months ended December 31, 2023; and
- AFFO for the three months ended December 31, 2024 was approximately \$0.16 million, in comparison to the \$0.16 million reported for the three months ended September 30, 2024, and the \$0.3 million net loss reported for the three months ended December 31, 2023. AFFO for the twelve months ended December 31, 2024,

was approximately \$0.08 million net loss, in comparison to the \$0.7 million net loss reported for the twelve months ended December 31, 2023.

	Three Months Ended			Twelve Months Ended	
	Dec 31, 2024	Sep 30, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023
Net Income (Loss)	\$ (126,074)	\$ 807,897	\$ (469,539)	\$ (3,428,678)	\$ (8,709,932)
Net Income (Loss) Before Fair Value Adjustments					
FFO	\$ 202,009	\$ 252,334	\$ (869,210)	\$ (1,063,301)	\$ (2,181,527)
AFFO	\$ 156,015	\$ 158,924	\$ (317,857)	\$ (83,288)	\$ (678,871)

STRATEGIC REVIEW PROGRESS

- \$71.6 MILLION OF WHOLLY OWNED ASSET DISPOSITIONS AND \$60.7 MILLION OF DEBT REPAYMENT:** The Trust has sold four of six wholly owned assets for gross proceeds of approximately \$71.6 million. Net of associated mortgage debt and closing costs, the net sale proceeds of approximately \$28 million were used to redeem additional debt including, but not limited to the: (i) \$13.7 million (CAD \$18.8 million), 6.25% convertible unsecured subordinated debentures due June 30, 2026 (the “**Convertible Debentures**”); (ii) \$5.1 million (CAD\$6.9 million) Bridge Loan; (iii) \$1.0 million Credit Facility with a Canadian Chartered Bank; and (iv) \$3.0 million partial repayment of one of the mortgages secured by a property located in Houston, Texas, resulting in the interest rate on this mortgage being reduced to 8.25% per annum from 9% per annum and the term extended to February 4, 2026. In addition, as part of the transaction to sell the Trust’s only property located in Florida, the Trust agreed to provide seller financing of \$4.0 million that generates a minimum 9% return for unitholders. The Trust has two remaining wholly owned assets located in Houston, Texas comprising of 485 apartment units that are actively being marketed.

- JOINT VENTURE ASSET DISPOSITIONS AND INVESTMENT UPDATES:** The Trust has an interest in four joint venture investment properties and is working with the various Joint Venture sponsors in either various sale processes or to hold for longer periods of time until unitholder value is realized.

On January 31, 2024, the Trust completed the sale of one of its joint venture properties located in Maryland for \$15.9 million (100% of the property). Net of associated mortgage debt and closing costs, the net sale proceeds were approximately \$4.1 million, of which the Trust received approximately \$1.1 million given its 25% ownership in the property.

On October 1, 2024, one of the Trust’s joint venture investments located in Hartford, Connecticut refinanced its existing first mortgage in excess of the original principal balance, resulting in net proceeds of \$2.2 million available to the joint venture. From the net proceeds, the joint venture repaid the preferred investment owing to the Trust of \$1.7 million and made a partial return of common equity of approximately \$0.1 million to the Trust.

- PREFERRED CAPITAL INVESTMENTS:** As at December 31, 2024, the Trust had three Preferred Capital Investments located in Texas, South Dakota and Florida that aggregate approximately \$9.5 million, gross principal balance. The Trust continues to hold these investments and earns income at 10% on the Texas portfolio, 12% on

the South Dakota portfolio, and 9% on the Florida portfolio. All preferred capital investments are current in terms of their interest payments.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS:

Certain information in this news release constitutes forward-looking statements under applicable securities law. Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as "may", "should", "anticipate", "expect", "intend" and similar expressions.

Forward-looking statements necessarily involve known and unknown risks, including, without limitation, risks associated with general economic conditions; adverse factors affecting the U.S. real estate market generally or those specific markets in which the Trust holds properties; volatility of real estate prices; inability to access sufficient capital from internal and external sources, the completion of the Strategic Review; and/or inability to access sufficient capital on favourable terms; industry and government regulation; changes in legislation, income tax and regulatory matters; the ability of the Trust to implement its business strategies; competition; currency and interest rate fluctuations and other risks. Additional risk factors that may impact the Trust or cause actual results and performance to differ from the forward looking statements contained herein are set forth in the Trust's Annual Information form under the heading Risk Factors (a copy of which can be obtained under the Trust's profile on www.sedar.com).

Readers are cautioned that the foregoing list is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. Except as required by applicable law, the Trust undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Certain financial information presented in this press release reflect certain non-International Financial Reporting Standards ("IFRS") financial measures, which include, but not limited to NOI, FFO and AFFO. These measures are commonly used by real estate investment companies as useful metrics for measuring performance, however, they do not have standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other real estate investment companies. These terms are defined in the Trust's Management Discussion and Analysis for the three and twelve months ended December 31, 2024, filed on www.sedar.com.

Neither the Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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