

A black and white photograph of modern skyscrapers at night. The buildings have many lit windows, and their curved, glass-facaded structures are prominent against a dark sky. A red horizontal band is overlaid on the lower part of this image.

**FIRM CAPITAL PROPERTY TRUST**

**CAPITAL PRESERVATION • DISCIPLINED INVESTING**

# **REPORT TO UNITHOLDERS**

THIRD QUARTER 2025  
SEPTEMBER 30, 2025





**FIRM CAPITAL PROPERTY TRUST**

**FIRM CAPITAL PROPERTY TRUST REPORTS Q3/2025 AND YTD RESULTS**

***\$38MM MORTGAGE REFINANCING  
DECLINING AFFO PAYOUT RATIO***

Toronto, Ontario, November 6, 2025. Firm Capital Property Trust ("**FCPT**" or the "**Trust**"), (TSX: FCD.UN) is pleased to report its financial results for the three and nine months ended June 30, 2025.

**PROPERTY PORTFOLIO HIGHLIGHTS**

The portfolio consists of 62 commercial properties with a total gross leasable area ("**GLA**") of 2,427,366 square feet, five multi-residential complexes comprised of 599 units and four Manufactured Home Communities comprised of 537 units. The portfolio is well diversified and defensive in terms of geographies and property asset types, with 48% of NOI (44% of asset value) comprised of grocery anchored retail followed by industrial at 27% of NOI (29% of asset value). In addition, the portfolio is well diversified in terms of geographies with 38% of NOI (41% of asset value) comprised of assets located in Ontario, followed by Quebec at 36% of NOI (31% of asset value).

**TENANT DIVERSIFICATION**

The portfolio is well diversified by tenant profile with no tenant currently accounting for more than 13.1% of total net rent. Further, the top 10 tenants are comprised of large national tenants and account for 32.2% of total net rent.

**Q3/2025 HIGHLIGHTS**

Key highlights for the three months ended September 30, 2025 are as follows:

- Adjusted Funds From Operations ("**AFFO**") was approximately \$4.6 million;
- AFFO per Unit for Q3/2025 was \$0.124.
- AFFO Payout Ratio improved to 104% for Q3/2025, compared to the 106% for Q2/2025.
- \$7.83 Net Asset Value ("**NAV**") per Unit.
- Net Operating Income ("**NOI**") was approximately \$9.6 million, largely in line with Q3/2024;
- Commercial occupancy was 94.6%, Multi-Residential occupancy was 93.6% while Manufactured Homes Communities occupancy was 99.8%;
- Conservative leverage profile with Debt / Gross Book Value ("**GBV**") at 50.0%;
- The Trust closed on the refinancing of a first mortgage with a Canadian Chartered Bank on a property located in Whitby Ontario for \$38 million. Terms of the mortgage are a fixed interest rate at 4.51%, 5 year term with a 30 year amortization. The Trust has a 40% interest in the mortgage.
- The Trust declared and approved monthly distributions in the amount of \$0.04333 per Trust Unit for Unitholders of record on January 30, 2026, February 27, 2026 and March 31, 2026, payable on or about February 13, 2026, March 13, 2026, and April 15, 2026, respectively.

See chart below for additional information:

	Three Months			Nine Months Ended		
	Sep 30, 2025	Sep 30, 2024	Change	Sep 30, 2025	Sep 30, 2024	Change
	\$	\$				
<b>Rental Revenue</b>	15,085,120	14,889,830	1%	\$ 45,935,181	\$ 44,989,658	2%
<b>NOI - IFRS Basis</b>	9,637,533	9,689,972	(1%)	28,634,173	28,619,139	0%
<b>NOI - Cash Basis</b>	9,618,918	9,716,062	(1%)	28,809,376	28,835,025	(0%)
<b>Same-Property NOI</b>	9,572,840	9,731,919	(2%)	28,927,982	28,726,634	1%
<b>Net Income (loss)</b>	4,349,610	9,363,069	(54%)	13,184,002	28,132,790	(53%)
<b>FFO</b>	4,623,684	4,776,493	(3%)	13,709,595	14,048,308	(2%)
<b>AFFO</b>	4,594,576	4,794,328	(4%)	13,455,220	13,831,039	(3%)
<b>Total Assets</b>				\$637,041,043	\$652,698,147	(2%)
<b>Total Mortgages</b>				304,155,214	318,201,702	(4%)
<b>Credit Facility</b>				14,450,000	16,700,000	(13%)
<b>Unitholders' Equity</b>				305,163,991	305,425,668	(0%)
<b>Units Outstanding (000s)</b>				36,926	36,926	(0%)
<b>FFO Per Unit</b>	\$0.125	\$0.129	(3%)	\$0.371	\$0.380	(2%)
<b>AFFO Per Unit</b>	\$0.124	\$0.130	(4%)	\$0.364	\$0.375	(3%)
<b>Distributions Per Unit</b>	\$0.130	\$0.130	0%	\$0.390	\$0.390	(0%)
<b>FFO Payout Ratio</b>	104%	100%	382 bps	105%	103%	204 bps
<b>AFFO Payout Ratio</b>	104%	100%	448 bps	107%	104%	302 bps
<b>Wtd. Avg. Int. Rate - Mort.</b>						
<b>Debt</b>				4.3%	4.2%	10 bps
<b>Debt to GBV</b>				50%	51%	(99) bps
<b>GLA - Commercial, SF</b>				2,427,366	2,512,862	(3%)
<b>Units - Multi-Res</b>				599	599	0%
<b>Units - MHCs</b>				537	537	0%
<b>Occupancy - Commercial</b>				94.6%	94.8%	(20) bps
<b>Occupancy - Multi-Res</b>				93.6%	97.7%	(410) bps
<b>Occupancy MHCs</b>				99.8%	100.0%	(20) bps
<b>Rent PSF - Retail</b>				\$19.19	\$19.35	(1%)
<b>Rent PSF - Industrial</b>				\$9.03	\$9.00	0%
<b>Rent per month - Multi-Res</b>				\$1,654	\$1,527	8%
<b>Rent per month - MHCs</b>				\$706	\$643	10%

For the complete financial statements, Management's Discussion & Analysis and supplementary information, please visit [www.sedarplus.ca](http://www.sedarplus.ca) or the Trust's website at [www.firmcapital.com](http://www.firmcapital.com)

## **DISTRIBUTION REINVESTMENT PLAN & UNIT PURCHASE PLAN**

The Trust has in place a Distribution Reinvestment Plan (“**DRIP**”) and Unit Purchase Plan (the “**UPP**”). Under the terms of the DRIP, FCPT’s Unitholders may elect to automatically reinvest all or a portion of their regular monthly distributions in additional Units, without incurring brokerage fees or commissions and may acquire units up to a 3% discount (conditions apply). Under the terms of the UPP, FCPT’s Unitholders may purchase a minimum of \$1,000 of Units per month and maximum purchases of up to \$12,000 per annum. Management and trustees have not participated in the DRIP or UPP to date and own or control approximately 10% of the issued and outstanding trust units of the Trust.

## **ABOUT FIRM CAPITAL PROPERTY TRUST (TSX : FCD.UN)**

Firm Capital Property Trust is focused on creating long-term value for Unitholders, through capital preservation and disciplined investing to achieve stable distributable income. In partnership with management and industry leaders. The Trust’s plan is to own as well as to co-own a diversified property portfolio of multi-residential, flex industrial, and net lease convenience retail. In addition to stand alone accretive acquisitions, the Trust will make joint acquisitions with strong financial partners and acquisitions of partial interests from existing ownership groups, in a manner that provides liquidity to those selling owners and professional management for those remaining as partners. Firm Capital Realty Partners Inc., through a structure focused on an alignment of interests with the Trust sources, syndicates and property and asset manages investments on behalf of the Trust.

## **FORWARD LOOKING INFORMATION**

This press release may contain forward-looking statements. In some cases, forward-looking statements can be identified by the use of words such as “may”, “will”, “should”, “expect”, “plan”, “anticipate”, “believe”, “estimate”, “predict”, “potential”, “continue”, and by discussions of strategies that involve risks and uncertainties. The forward-looking statements are based on certain key expectations and assumptions made by the Trust. By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. Although management of the Trust believes that the expectations reflected in the forward-looking statements are reasonable, there can be no assurance that future results, levels of activity, performance or achievements will occur as anticipated. Neither the Trust nor any other person assumes responsibility for the accuracy and completeness of any forward-looking statements, and no one has any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or such other factors which affect this information, except as required by law.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, which may be made only by means of a prospectus, nor shall there be any sale of the Units in any state, province or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under securities laws of any such state, province or other jurisdiction. The Units of the Firm Capital Property Trust have not been, and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered, sold or delivered in the United States absent registration or an application for exemption from the registration requirements of U.S. securities laws.

Certain financial information presented in this press release reflect certain non- International Financial Reporting Standards (“**IFRS**”) financial measures, which include NOI, Same Store NOI, FFO and

AFFO. These measures are commonly used by real estate investment entities as useful metrics for measuring performance and cash flows, however, they do not have standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other real estate investment entities. These terms are defined in the Trust's Management Discussion and Analysis ("MD&A") for the year ended December 31, 2024 as filed on [www.sedarplus.ca](http://www.sedarplus.ca).

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A black and white photograph of modern skyscrapers at night. The buildings have many lit windows, and their curved, glass facades reflect the city lights. The sky is dark.

FIRM CAPITAL PROPERTY TRUST

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CAPITAL PRESERVATION • DISCIPLINED INVESTING

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# MD&A

MANAGEMENT  
DISCUSSION  
AND ANALYSIS

THIRD QUARTER 2025  
SEPTEMBER 30, 2025



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## PART I

The following management's discussion and analysis ("**MD&A**") of the financial condition and results of operations of Firm Capital Property Trust ("**FCPT**" or the "**Trust**") should be read in conjunction with the Trust's unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2025 and September 30, 2024 and audited consolidated financial statements for the years ended December 31, 2024 and December 31, 2023. This MD&A has been prepared taking into account material transactions and events up to and including November 6, 2025. Additional information about the Trust has been filed with applicable Canadian securities regulatory authorities and is available at [www.sedarplus.ca](http://www.sedarplus.ca) or on our web site at [www.firmcapital.com](http://www.firmcapital.com).

### FORWARD-LOOKING DISCLAIMER

Certain information included in this MD&A contains forward-looking statements within the meaning of applicable securities laws including, among others, statements concerning our 2025 objectives and our strategies to achieve those objectives, as well as statements with respect to management's beliefs, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "expect", "intent", "estimate", "anticipate", "believe", "should", "plans" or "continue" or similar expressions suggesting future outcomes or events. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management.

These statements are not guarantees of future performance and are based on our estimates and assumptions that are subject to risks and uncertainties, including those described below in this MD&A under Risks and Uncertainties, which could cause our actual results to differ materially from the forward-looking statements contained in this MD&A. Such risk factors include, but are not limited to, risks associated with real property ownership, availability of cash flow, general uninsured losses, future property acquisitions, environmental matters, tax related matters, debt financing, unitholder liability, potential conflicts of interest, potential dilution, reliance on key personnel, changes in legislation and changes in the tax treatment of trusts. The Trust cannot assure investors that actual results will be consistent with any forward-looking statements and the Trust assumes no obligation to update or revise such forward-looking statements to reflect actual events or new circumstances. All forward-looking statements contained in this MD&A are qualified by this cautionary statement. Although the forward-looking information contained in this MD&A is based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements.

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.

### BASIS OF PRESENTATION

FCPT has adopted International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board as its basis of financial reporting. The Trust's reporting currency is the Canadian dollar.

Certain financial information presented in this MD&A reflects certain non-IFRS financial measures, which include Net Operating Income ("**NOI**"), Earnings Before Interest, Taxes, Depreciation & Amortization ("**EBITDA**"), Funds From Operations ("**FFO**") and Adjusted Funds From Operations ("**AFFO**"), AFFO Payout Ratio, Net Operating Income on a cash basis ("**Cash NOI**"), Same-Property Net Operating Income ("**SP-NOI**") and Debt/Gross Book Value ("**GBV**") (each as defined below). These measures are commonly used by real estate investment trusts as useful metrics for measuring performance and/or cash flows, however, they do not have any standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures



presented by other real estate investment trusts. The Trust believes that FFO is an important measure to evaluate operating performance, AFFO is an important measure of cash available for distribution and, NOI is an important measure of operating performance. "GAAP" means generally accepted accounting principles described by the Chartered Professional Accountants Canada ("CPA") Handbook - Accounting, which are applicable as at the date on which any calculation using GAAP is to be made. As a public entity, the Trust applies IFRS as described in Part I of the CPA Handbook - Accounting.

Occupancy rate represents the total square footage leased as a percentage of the total amount of square footage owned. Leased properties consist solely of those units that are occupied by a tenant at the given date.

NOI is a term used by industry analysts, investors, trusts, and management to measure operating performance of Canadian real estate investment trusts. NOI represents rental revenue from properties less repairs and maintenance, insurance, utilities, property management, property taxes, bad debt, and other property operating costs. NOI excludes certain expenses included in the determination of net income such as interest, amortization, corporate overhead and taxes.

Same-Property NOI is a term used by industry analysts, investors, trusts, and management to measure operating performance of Canadian real estate investment trusts. Same-Property NOI represents rental revenue from properties less repairs and maintenance, insurance, utilities, property management, property taxes, bad debt, and other property operating costs on properties owned for at least one full year. Same-Property NOI excludes certain expenses included in the determination of net income such as interest, amortization, corporate overhead and taxes.

Net income (loss) before other income (expenses) is a measure that the Trust uses in order to present the key operations and administration of the Trust, excluding special items. Items that are excluded from this total and are presented in other income include transaction costs, fair value adjustments of investment properties, and gain (loss) on dispositions.

Funds From Operations ("**FFO**") is a term used to evaluate operating performance, but is not indicative of funds available to meet the Trust's cash requirements. The Trust calculates FFO in accordance with the guidelines set out by the Real Property Association of Canada ("**RealPAC**"), as issued in January 2022 for entities adopting IFRS. FFO is defined as net income before fair value gains/losses on real estate properties, gains/losses on the disposition of real estate properties, deferred income taxes, performance fee attributed to gains and certain other non-cash adjustments.

Adjusted Funds from Operations ("**AFFO**") is a term used as a non-IFRS financial measure by most Canadian real estate investment trusts but should not be considered as an alternative to net income, cash flows from operations, or any other measure prescribed under IFRS. Unlike RealPac, who considers AFFO to be a useful measure of net income, the Trust considers AFFO to be a useful measure of cash available for distributions. AFFO is calculated largely in accordance with the guidelines set out by RealPAC and is defined as FFO less adjustments for non-cash items such as straight-line rent, free rent and noncash interest expense as well as normalized capital expenditures, tenant inducements and leasing charges. However, under RealPAC guidance, unit-based compensation expense (recovery) is included as part of AFFO, but the Trust excludes this amount and the Trust includes gains and losses on the sale of real estate properties calculated as gross proceeds less the actual cost of real estate including capitalized additions ("**Gain on Sales**").

FFO Payout Ratio is defined as Distributions Declared divided by FFO. AFFO Payout Ratio is defined as Distributions Declared divided by AFFO.

NOI, EBITDA, FFO, AFFO, FFO Payout Ratio, AFFO Payout Ratio and Debt/GBV should not be construed as alternatives to net income or cash flows from operating activities determined in accordance with IFRS. NOI, FFO and AFFO are not intended to represent operating profits for the period, or from a property, nor should any of these measures be viewed as an alternative to net income, cash flow from operating activities or other measures of financial performance calculated in accordance with IFRS. Readers should be further cautioned

*that NOI, EBITDA, FFO, AFFO, FFO Payout Ratio, AFFO Payout Ratio and Debt/GBV as calculated by the Trust may not be comparable to similar measures presented by other issuers.*

*(“**TIs/LCs**”) are defined as Tenant Inducements, Leasing Charges and Capital Expenditures. The Trust bases its calculation of TIs/LCs reserve at an estimated 2.5% of Net Operating Income or NOI, which is senior managements’ best estimate in operating real estate of the type that the Trust owns and operates.*

## PART II

### THIRD QUARTER HIGHLIGHTS

The following table outlines the changes in a few key operating and financial metrics on a three and nine month basis.

	Three Months			Nine Months Ended		
	Sep 30, 2025	Sep 30, 2024	Change	Sep 30, 2025	Sep 30, 2024	Change
Rental Revenue	\$ 15,085,120	\$ 14,889,830	1%	\$ 45,935,181	\$ 44,989,658	2%
NOI - IFRS Basis	9,637,533	9,689,972	(1%)	28,634,173	28,619,139	0%
NOI - Cash Basis	9,618,918	9,716,062	(1%)	28,809,376	28,835,025	(0%)
Same-Property NOI	9,572,840	9,731,919	(2%)	28,927,982	28,726,634	1%
Net Income (loss)	4,349,610	9,363,069	(54%)	13,184,002	28,132,790	(53%)
FFO	4,623,684	4,776,493	(3%)	13,709,595	14,048,308	(2%)
AFFO	4,594,576	4,794,328	(4%)	13,455,220	13,831,039	(3%)
Total Assets				\$637,041,043	\$652,698,147	(2%)
Total Mortgages				304,155,214	318,201,702	(4%)
Credit Facility				14,450,000	16,700,000	(13%)
Unitholders' Equity				305,163,991	305,425,668	(0%)
Units Outstanding (000s)				36,926	36,926	(0%)
FFO Per Unit	\$0.125	\$0.129	(3%)	\$0.371	\$0.380	(2%)
AFFO Per Unit	\$0.124	\$0.130	(4%)	\$0.364	\$0.375	(3%)
Distributions Per Unit	\$0.130	\$0.130	0%	\$0.390	\$0.390	(0%)
FFO Payout Ratio	104%	100%	382 bps	105%	103%	204 bps
AFFO Payout Ratio	104%	100%	448 bps	107%	104%	302 bps
Wtd. Avg. Int. Rate - Mort. Debt				4.3%	4.2%	10 bps
Debt to GBV				50%	51%	(99) bps
GLA - Commercial, SF				2,427,366	2,512,862	(3%)
Units - Multi-Res				599	599	0%
Units - MHCs				537	537	0%
Occupancy - Commercial				94.6%	94.8%	(20) bps
Occupancy - Multi-Res				93.6%	97.7%	(410) bps
Occupancy MHCs				99.8%	100.0%	(20) bps
Rent PSF - Retail				\$19.19	\$19.35	(1%)
Rent PSF - Industrial				\$9.03	\$9.00	0%
Rent per month - Multi-Res				\$1,654	\$1,527	8%
Rent per month - MHCs				\$706	\$643	10%

Significant highlights for the third quarter include:

- Net income for the three months ended September 30, 2025 and 2024 was \$4.3 million and \$9.4 million respectively. Income before fair value adjustments for the three months ended September 30, 2025 and 2024 was \$4.6 million and \$5.0 million respectively.
- \$7.83 NAV/unit, which is in line with the value reported at Q3/2024.
- NOI for the three months ended September 30, 2025 was \$9.6 million, inline with Q3/2024. NOI on a cash basis decreased 1.0% YoY.
- AFFO for Q3/2025 was \$4.6 million.
- AFFO per Unit for Q3/2025 was \$0.124.
- AFFO Payout Ratio improved to 104% for Q3/2025, compared to the 106% for Q2/2025.
- Commercial occupancy was 94.6%, Multi-Residential occupancy was 93.6%, while Manufactured Homes Communities occupancy was 99.8% at September 30, 2025.
- Conservative leverage profile with Debt / GBV at 50% at September 30, 2025.
- The Trust closed on the refinancing of a first mortgage with a Canadian Chartered Bank on a property located in Whitby Ontario for \$38 million. Terms of the mortgage are fixed at 4.51%, 5 year term and a 30 year amortization. The Trust has a 40% interest in the mortgage.
- Subsequent to quarter end, the Trust finalized the extension of its revolving operating facility to October 31, 2027 and increased the availability from \$19.0 million to \$35.0 million.
- Trust declared and approved monthly distributions in the amount of \$0.04333 per Trust Unit for Unitholders of record on January 30, 2026, February 27, 2026 and March 31, 2026, payable on or about February 13, 2026, March 13, 2026, and April 15, 2026, respectively.

## Same-Property Performance

Same-Property NOI remained consistent over the three and nine months ended September 30, 2025 over the three and nine months ended September 30, 2024.

	Three Months			Nine Months Ended		
	Sep 30, 2025	Sep 30, 2024	Change	Sep 30, 2025	Sep 30, 2024	Change
Rental Revenue	\$ 15,044,641	\$ 4,601,398	3%	\$ 45,740,350	\$ 44,458,185	3%
Property Operating Expenses	(5,471,801)	(4,869,479)	12%	(16,812,368)	(15,731,551)	7%
<b>NOI - IFRS Basis</b>	<b>\$ 9,572,840</b>	<b>\$ 9,731,919</b>	<b>(2%)</b>	<b>\$ 28,927,982</b>	<b>\$ 28,726,634</b>	<b>1%</b>

## Portfolio Occupancy

The Trust portfolio continues to maintain high occupancy across all asset classes.

Period ended	Occupancy			
	Retail	Industrial	Mult-Res	MHCs
September 30, 2024	97.6%	92.6%	97.7%	100.0%
June 30, 2025	97.5%	89.7%	94.4%	100.0%
September 30, 2025	97.4%	92.3%	93.6%	99.8%



## Distributions Declared

On November 6, 2025, the Trust declared and approved monthly distributions in the amount of \$0.04333 per Trust Unit for Unitholders of record on January 30, 2026, February 27, 2026 and March 31, 2026, payable on or about February 13, 2026, March 13, 2026, and April 15, 2026, respectively.

## OUTLOOK & CURRENT BUSINESS ENVIRONMENT

Going forward, the segments of the economy that influence the Trust's performance will continue to be monitored and evaluated. Recent economic indicators suggest that inflationary pressures may be subsiding.

Changes in U.S. trade policy, tariffs involving Canada and other countries, and increased geopolitical tensions have significantly influenced both the Canadian and global economic outlook during 2025.

Canada's real GDP contracted by 0.4% in Q2 2025 (annualized -1.6%), following a strong Q1 driven by early exports to the US before tariffs took effect. The contraction was primarily due to a sharp decline in exports (down 7.5% in Q2), especially to the US, as new tariffs came into force. Business investment in machinery and equipment also fell, while household spending and government expenditures provided some offsetting support.

Canadian CPI advanced to 2.1% in September, up from 1.9% in June. Core CPI, which excludes food and energy, remained steady at 2.6%. Inflation continues to broaden, with 57% of CPI components showing three-month annualized gains above 3%, marking the widest spread so far in 2025. The Bank of Canada remains concerned that the implementation of new tariffs could further accelerate these figures.

Canada's unemployment rate in September was 6.8%, showing a slight improvement from June's 6.9% and May's 7.0%. However, concerns over tariffs continue to weigh on hiring, especially in sectors such as manufacturing, transportation, and warehousing. Given ongoing pressures from trade-related uncertainties, the unemployment rate may still increase in the coming months.

Since June 2024, the Bank of Canada has cut rates by a total of 275 basis points, including four cuts amounting to 100 basis points in 2025. The Governing Council will continue to evaluate how economic weakness and trade-related inflation pressures impact future decisions.

Although previous interest rate hikes impacted on our cash flow, increased rental rates across most of our portfolio have offset this effect. Canadian industrial markets have cooled, but demand and renewal rates remain strong in our Ontario and Quebec properties, with existing rents still well below market levels. Demand in our convenience retail portfolio continues to rise, boosting cash flow. Despite the current environment, our mortgage interest rates remain highly competitive and consistent with portfolio averages.

Over the past several quarters, inflationary pressures have eased, but the ongoing interest rate hikes since 2022 continue to impact the Trust. This has led to lower IFRS real estate valuations, down from a peak Net Asset Value (NAV) of \$8.24 per unit in Q4 2021. In response to changing market conditions in 2023, the Trust increased capitalization rates across its retail and industrial properties. Nonetheless, growth in net operating income (NOI) has helped counterbalance these changes. For example, NAV increased slightly, from \$7.82 per unit in Q1 2025 to \$7.83 per unit by the end of Q3 2025.

In 2024 and 2025, the Trust improved liquidity through increased mortgage refinancing. It has sufficient capital for operations and new projects through 2025. At Q3/2025, leverage stood at 50.0%, below the target range of 55–65%. The Trust has completed its 2025 refinancings, with ongoing focus on managing finance costs.

Management regularly reviews its portfolio and adjusts to maintain long-term stability. The Trust plans to prioritize acquisitions in the Canadian industrial and multi-residential sectors, while gradually decreasing its

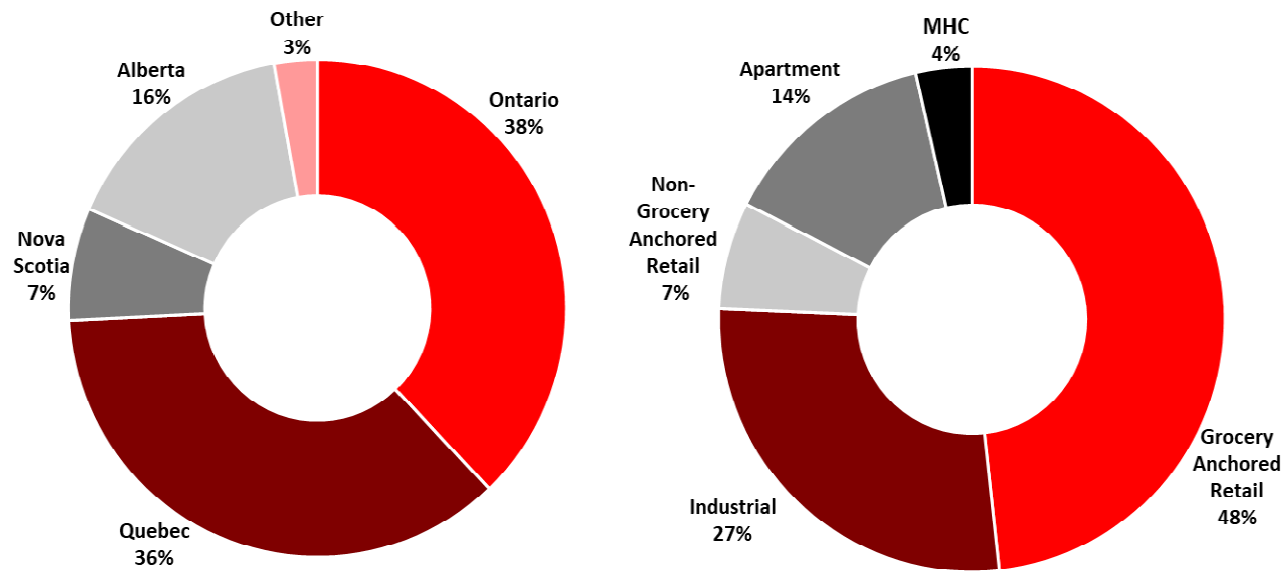
holdings in non-core retail assets when market conditions allow, as shown by transactions in 2023 and 2024. The Trust anticipates expanding its asset base primarily through acquisitions in 2025, though the pace of acquisitions is expected to be slower than in previous years.

PART III

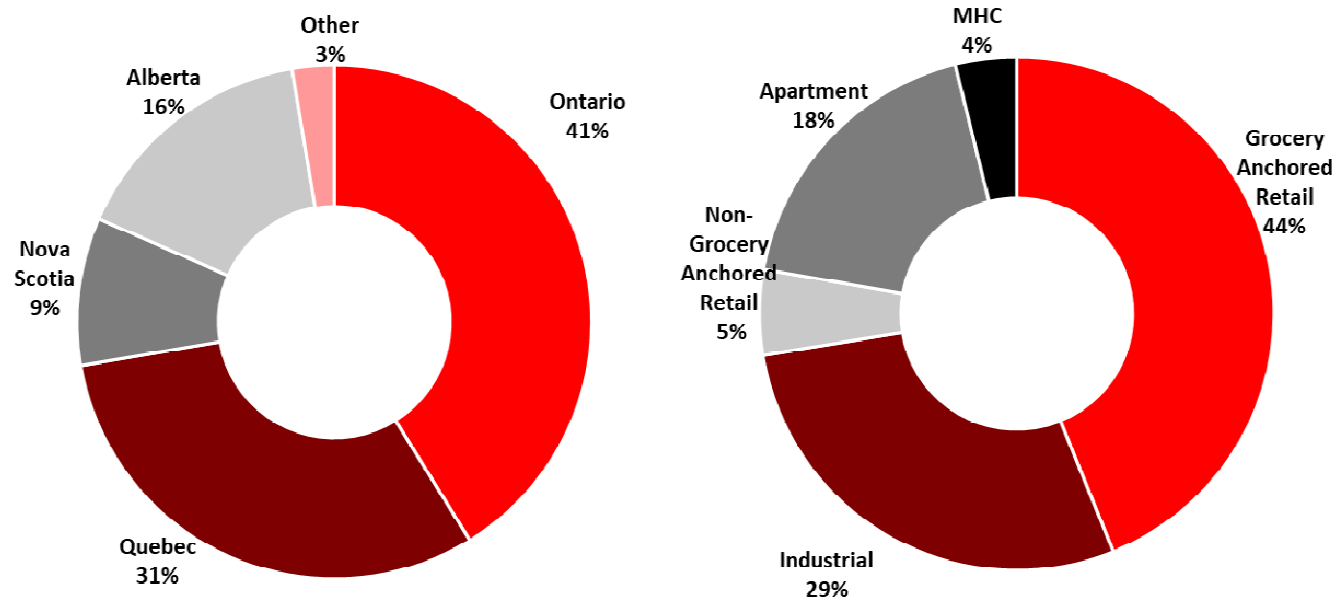
OVERVIEW OF FCPT

As at September 30, 2025, FCPT’s portfolio consists of 62 commercial properties with a total GLA of 2,427,366 square feet, five Multi-Residential complexes comprised of 599 units and four Manufactured Homes Communities comprised of 537 units.

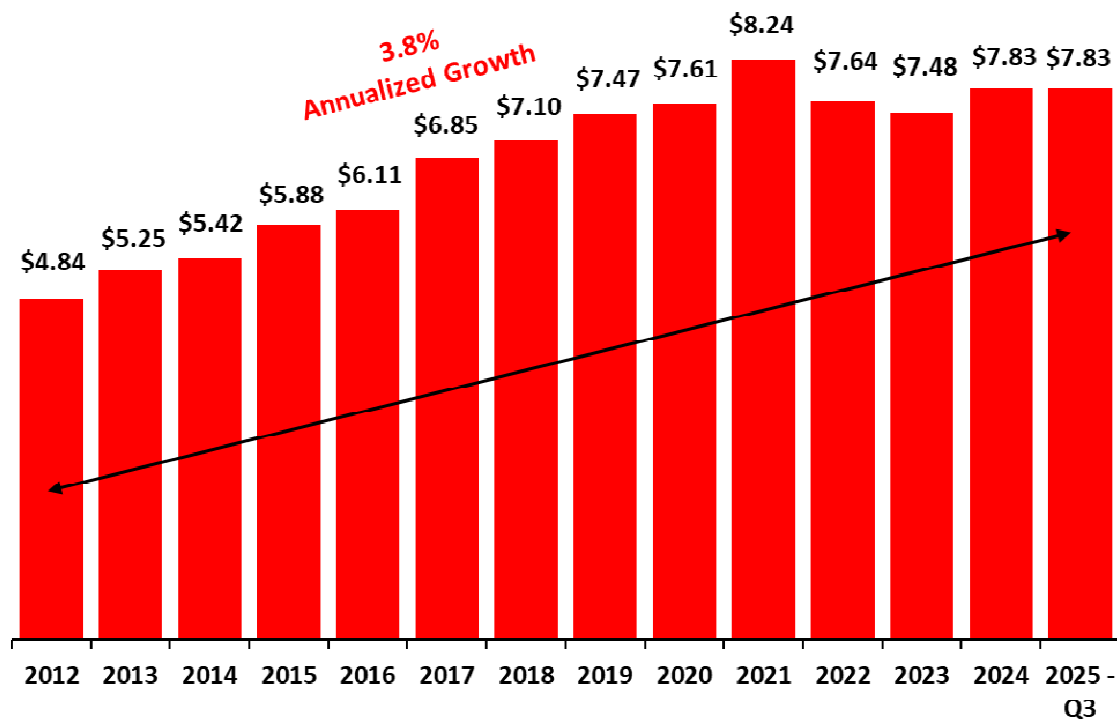
Geographical and Asset Class Portfolio Diversification based on NOI



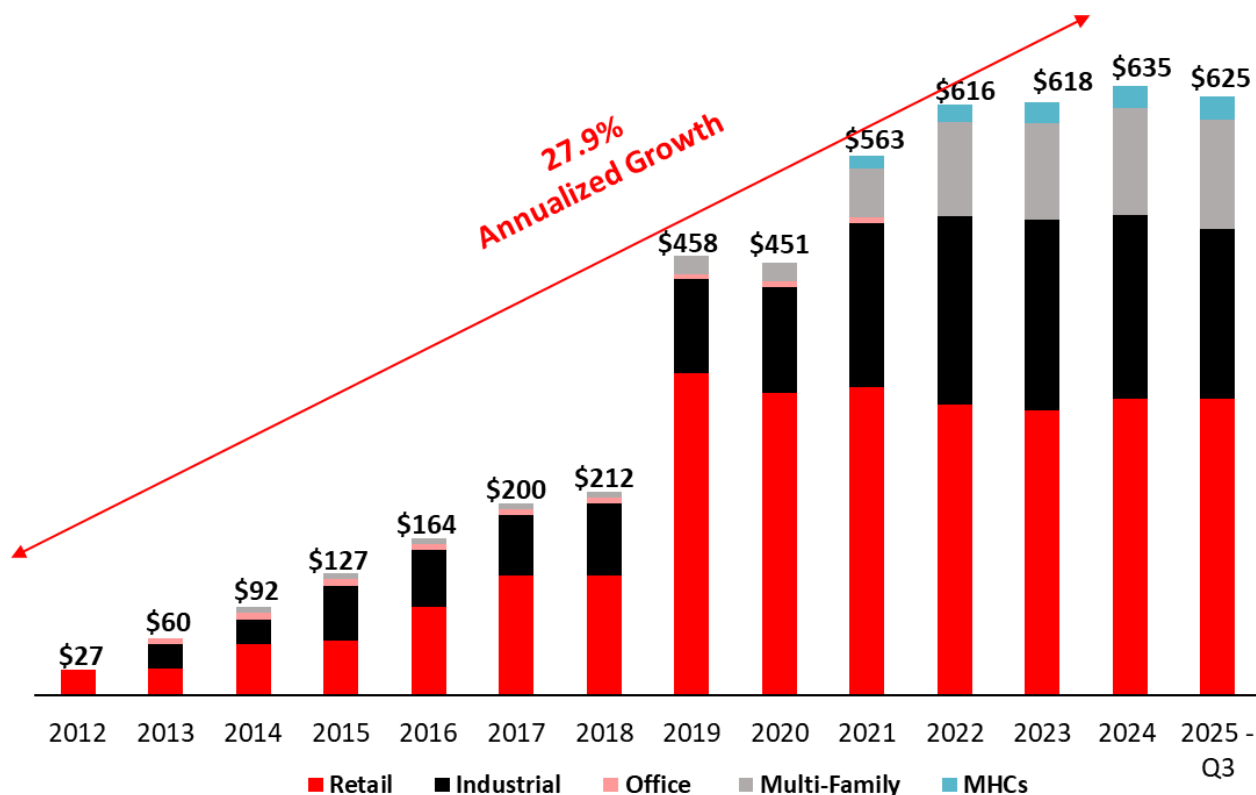
Geographical and Asset Class Portfolio Diversification based on Investment Property Value



## Net Asset Value Growth



## Real Estate Portfolio Growth



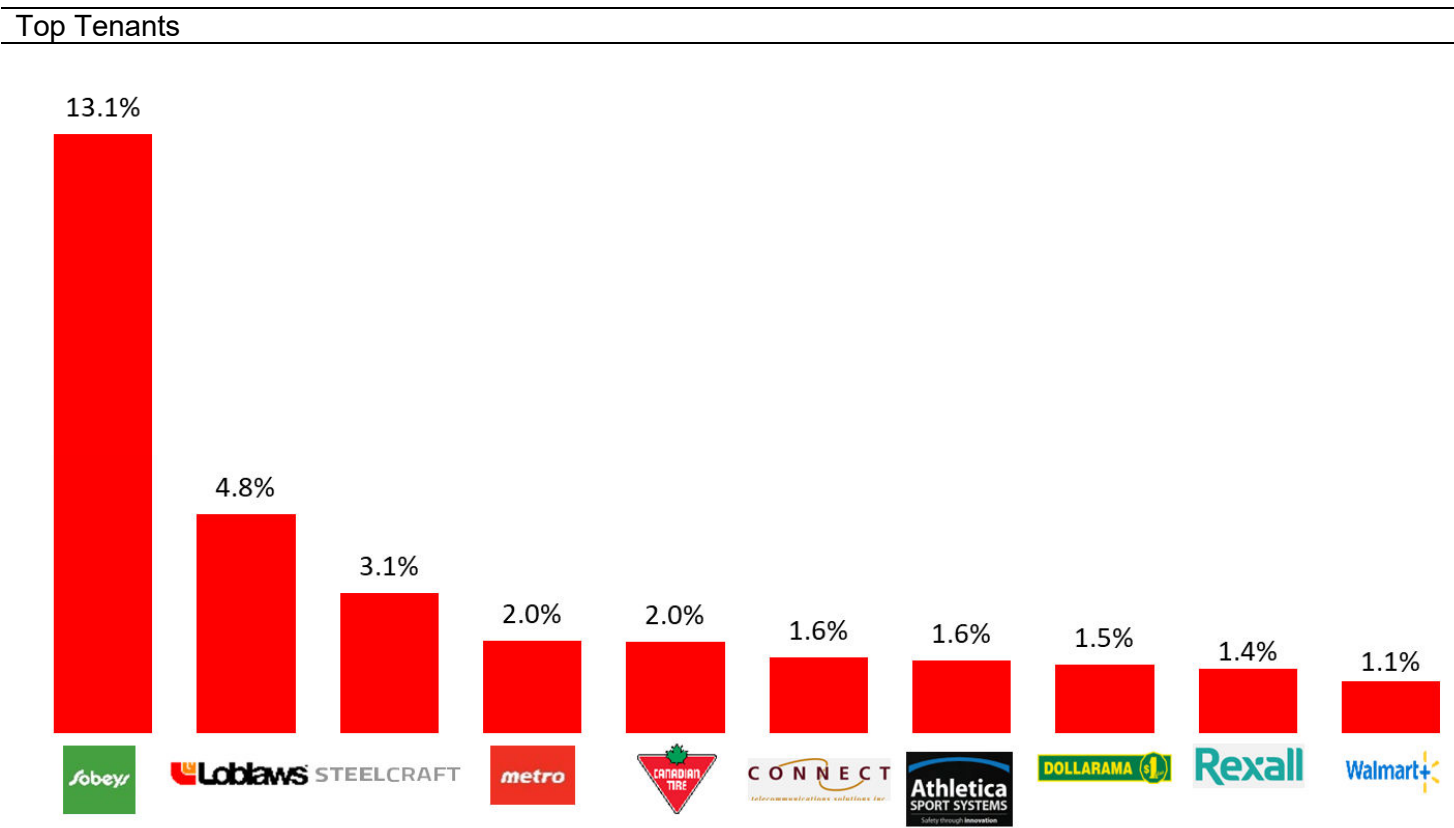
\*Includes Assets Held for Sale



Top 10 Tenants

FCPT's tenant base includes a diverse and established group of companies that represent many of Canada's established businesses. The Trust strives for stability in its revenue stream, while diversifying its revenue sources and avoiding dependence on any single tenant. The portfolio is well diversified by tenant profile with no tenant currently accounting for more than 13.1% of total net rent.

Further, the top 10 tenants account for 32.2% of total net rent.



Strategy

Firm Capital Property Trust is focused on creating long-term value for Unitholders, through capital preservation and disciplined investing to achieve stable distributable income. In partnership with management and industry leaders, the Trust's plan is to own as well as co-own a diversified property portfolio of multi-residential, flex industrial, net lease convenience retail and manufactured home communities.

In addition to stand alone accretive acquisitions, the Trust will make joint acquisitions with strong financial partners. Firm Capital Realty Partners Inc., through a structure focused on an alignment of interests with the Trust sources, syndicates and also property and asset managed investments on behalf of the Trust.

## PROPERTY PORTFOLIO

Property	Gross Leasable Area	Occupancy			
		Q3/2025	Q2/2025	Q1/2025	Q4/2024
Retail					
Bridgewater, Nova Scotia	46,903	98.1%	100.0%	100.0%	100.0%
Brampton, Ontario	36,137	100.0%	100.0%	96.5%	90.4%
Moncton, New Brunswick	16,382	100.0%	100.0%	100.0%	87.4%
Guelph, Ontario	115,742	100.0%	100.0%	100.0%	100.0%
Centre Ice Retail Portfolio	5,058	100.0%	66.4%	82.6%	82.6%
Crombie Joint Venture Properties					
8118 - 188 Ave NE, Edmonton, Alberta	22,154	100.0%	100.0%	100.0%	100.0%
Forest Hills, Cole Harbour, Dartmouth, Nova Scotia	21,793	100.0%	100.0%	100.0%	100.0%
Russell Lake, Dartmouth, Nova Scotia	33,725	100.0%	100.0%	100.0%	100.0%
2915 - 13th Ave, Regina, Saskatchewan	20,359	100.0%	100.0%	100.0%	100.0%
University Park, Regina, Saskatchewan	18,610	100.0%	100.0%	100.0%	100.0%
409 Bayfield Street, Barrie, Ontario	23,871	100.0%	100.0%	100.0%	100.0%
1 Westminster Ave N, Montreal, Quebec	5,240	100.0%	100.0%	100.0%	100.0%
First Capital Joint Venture Properties					
The Whitby Mall, Whitby, Ontario	126,054	87.7%	87.3%	88.8%	89.9%
Thickson Place, Whitby, Ontario	41,926	100.0%	100.0%	100.0%	100.0%
901 Eglinton Ave, Toronto, Ontario	4,502	100.0%	100.0%	100.0%	100.0%
Gloucester City Centre, Ottawa, Ontario	181,765	96.3%	97.6%	97.6%	97.6%
Merivale Mall, Ottawa, Ontario	107,909	95.7%	95.1%	95.1%	95.1%
Galleries de Repentigny, Repentigny, Quebec	65,364	100.0%	100.0%	100.0%	100.0%
Galleries Brien East, Repentigny, Quebec	4,435	100.0%	100.0%	100.0%	100.0%
Galleries Brien West, Repentigny, Quebec	26,166	100.0%	100.0%	100.0%	100.0%
Carrefour du Plateau, Gatineau, Quebec	120,384	100.0%	100.0%	100.0%	100.0%
Gateway Village, St. Albert, Alberta	52,762	99.4%	100.0%	100.0%	99.0%
Total / Weighted Average	1,097,239	97.4%	97.5%	97.6%	97.3%
Industrial					
Montreal, Quebec	532,400	93.2%	88.3%	87.8%	90.9%
Waterloo, Ontario	360,232	82.2%	88.6%	88.6%	89.6%
Edmonton, Alberta	245,623	94.0%	93.8%	91.0%	91.5%
Woodstock, Ontario	66,381	100.0%	100.0%	100.0%	100.0%
Stratford, Ontario	125,493	100.0%	100.0%	100.0%	100.0%
Total / Weighted Average	1,330,128	92.3%	90.7%	90.1%	92.3%
Commercial Total / Weighted Average	2,427,366	94.6%	93.8%	93.4%	94.5%
Multi-Residential	Units				
Ottawa, Ontario	135	94.8%	97.0%	97.8%	99.3%
Dartmouth, Nova Scotia	69	85.5%	87.0%	91.3%	92.7%
Lower Sackville, Nova Scotia	132	90.9%	94.0%	92.4%	93.9%
Edmonton, Alberta	128	98.4%	99.2%	97.7%	93.0%
Pointe-Claire, Quebec	135	95.6%	94.0%	99.2%	97.1%
Total / Weighted Average	599	93.6%	94.4%	96.1%	95.3%
Manufactured Homes Communities					
Calgary, Alberta	181	100.0%	100.0%	100.0%	100.0%
McGregor, Ontario	242	100.0%	100.0%	100.0%	100.0%
Peterborough, Ontario	56	100.0%	100.0%	100.0%	100.0%
Trenton, Ontario	58	98.3%	100.0%	98.3%	100.0%
Total / Weighted Average	537	99.8%	100.0%	99.8%	100.0%

**Commercial:** As at September 30, 2025 commercial occupancy was 94.6% or 80bps higher than Q2/2025. The increase is primarily related to occupancy changes within our industrial portfolio.

**Multi-Residential:** As at September 30, 2025 multi-residential occupancy was 93.6% or 80bps lower than Q2/2025. The decrease was largely due to a change in occupancy across the portfolio.

**MHCs:** The occupancy rate of the MHC portfolio remained strong with 99.8% occupancy as at September 30, 2025.

## SUMMARY OF SELECTED QUARTERLY INFORMATION

This table highlights the changes in various operating and financial metrics over the most recently completed eight quarters, and is reflective of the timing of acquisitions, divestitures, re-development, leasing and maintenance expenditures and the effect of measuring investment properties at fair value under IFRS. Similarly, mortgages, debentures, construction loans and bank debt reflect financing activities relating to asset additions and debt retirement using surplus cash, which serve to increase FFO in the future. Property rental revenue, FFO, and AFFO are reflective of changes in the underlying income-producing asset base and changing leverage. These measures demonstrate sequential volatility from time to time due to non-recurring items, lease termination income, and expense reimbursement or recovery limitations for anchor or major tenants in the retail portfolio.

Selected quarterly information	Q3/25	Q2/25	Q1/25	Q4/24	Q3/24	Q2/24	Q1/24	Q4/23
Property rental revenue	\$15,085,120	\$15,316,411	\$15,533,650	\$15,587,337	\$14,889,830	\$15,086,655	\$15,013,173	\$14,544,449
Net operating income	9,637,533	9,588,294	9,408,346	9,957,731	9,689,972	9,657,575	9,271,592	9,451,214
Net income	4,349,610	4,421,910	4,412,482	5,754,200	9,363,069	8,884,882	9,884,839	6,809,718
Funds from operations	4,623,684	4,737,651	4,348,260	5,272,271	4,776,493	4,719,175	4,552,640	5,253,312
Adjusted funds from operations	4,594,576	4,534,938	4,325,706	4,805,695	4,794,328	4,592,570	4,444,140	4,739,112
Total assets	637,041,043	637,178,557	646,292,657	651,949,269	652,698,147	645,870,632	639,407,795	637,378,171
Total mortgages	304,155,214	302,251,793	303,520,810	304,819,251	318,201,702	314,222,880	307,886,051	303,792,112
Unitholders' equity (net book value)	305,163,991	305,614,352	305,992,410	306,379,896	305,425,668	300,862,566	296,777,652	291,692,787
Units o/s at period end (000s)	36,926	36,926	36,926	36,926	36,926	36,926	36,926	36,926
<b>Per unit amounts</b>								
Funds from operations	\$0.125	\$0.128	\$0.118	\$0.143	\$0.129	\$0.128	\$0.123	\$0.142
Adjusted funds from operations	\$0.124	\$0.123	\$0.117	\$0.130	\$0.130	\$0.124	\$0.120	\$0.128
<b>Financial ratios</b>								
FFO Payout Ratio	104%	101%	110%	91%	100%	102%	105%	91%
AFFO Payout Ratio	104%	106%	111%	100%	100%	105%	108%	101%
Wtd. avg. interest rate - mortgage debt	4.3%	4.2%	4.2%	4.2%	4.2%	4.2%	3.9%	3.7%
Debt to GBV	50%	50%	51%	51%	51%	52%	52%	53%
<b>Operating stats</b>								
GLA - commercial, SF	2,427,366	2,427,383	2,513,445	2,514,727	2,512,862	2,545,843	2,545,858	2,553,184
Units - Multi-Res	599	599	599	599	599	599	599	599
Units - MHCs	537	537	537	537	537	537	537	537
Occupancy - commercial (period-end)	94.6%	93.8%	93.4%	94.5%	94.8%	95.8%	95.2%	96.5%
Occupancy - Multi-Res (period-end)	93.6%	94.4%	96.1%	95.3%	97.7%	99.7%	99.1%	96.9%
Occupancy - MHCs (period-end)	99.8%	100.0%	99.8%	100.0%	100.0%	100.0%	100.0%	100.0%
Rent PSF - Retail	\$19.19	\$19.11	\$19.01	\$18.84	\$18.76	\$19.10	\$18.96	\$18.81
Rent PSF - Industrial	\$9.03	\$9.23	\$9.27	\$9.12	\$9.00	\$8.50	\$8.33	\$8.16
Rent per month - Multi-Res	\$1,654	\$1,628	\$1,626	\$1,604	\$1,527	\$1,453	\$1,448	\$1,405
Rent per month - MHCs	\$706	\$691	\$678	\$671	\$643	\$633	\$624	\$612



## PART IV

### RESULTS OF OPERATIONS

Included in the following sections is a discussion of the various components of net income, followed by discussions and reconciliations of FFO and AFFO from comparable IFRS measures.

	For the Three Months Ended September 30, 2025			
	Trust Wholly Owned	Co-Owned at Proportionate Ownership	Total	Co-Owned at 100%
Net Operating Income				
Rental Revenue	\$ 3,017,572	\$ 12,067,548	\$ 15,085,120	\$ 26,471,901
Property Operating Expenses	(1,104,993)	(4,342,594)	(5,447,587)	(9,541,480)
	1,912,579	7,724,954	9,637,533	16,930,421
Interest and Other Income	16,869	44,583	61,452	101,330
Expenses:				
Finance Costs	712,768	2,939,499	3,652,267	6,447,736
General and Administrative	323,026	1,165,773	1,488,799	2,182,875
	1,035,794	4,105,272	5,141,066	8,630,611
Income Before Fair Value Adjustments	893,654	3,664,265	4,557,919	8,401,140
Fair Value Adjustments:				
Investment Properties	554,630	(922,204)	(367,574)	(911,969)
Fair Value Gain on Sale of Investment Properties	110,000	-	110,000	110,000
Unit-based Compensation Recovery	49,265	-	49,265	49,265
<b>Net Income and Comprehensive Income</b>	<b>\$ 1,607,549</b>	<b>\$ 2,742,061</b>	<b>\$ 4,349,610</b>	<b>\$ 7,648,436</b>

	Three Months Ended September 30, 2024			
	Trust Wholly Owned	Co-Owned at Proportionate Ownership	Total	Co-Owned at 100%
Net Operating Income				
Rental Revenue	\$ 2,679,677	\$ 12,210,153	\$ 14,889,830	\$ 26,243,234
Property Operating Expenses	(901,712)	(4,298,146)	(5,199,858)	(9,133,569)
	1,777,965	7,912,007	9,689,972	17,109,665
Interest and Other Income	163,685	62,145	225,830	288,694
Expenses:				
Finance Costs	717,610	2,719,550	3,437,160	5,847,665
General and Administrative	311,161	1,133,806	1,444,967	1,850,313
	1,028,771	3,853,356	4,882,127	7,697,978
Income Before Fair Value Adjustments	912,879	4,120,796	5,033,675	9,700,381
Fair Value Adjustments:				
Investment Properties	3,425,182	1,161,394	4,586,576	3,550,459
Unit-based Compensation Recovery	(257,182)	-	(257,182)	(257,182)
<b>Net Income and Comprehensive Income</b>	<b>\$ 4,080,879</b>	<b>\$ 5,282,190</b>	<b>\$ 9,363,069</b>	<b>\$ 12,993,658</b>

**Nine Months Ended September 30, 2025**

	<b>Trust Wholly Owned</b>	<b>Co-Owned at Proportionate Ownership</b>	<b>Total</b>	<b>Co-Owned at 100%</b>
Net Operating Income				
Rental Revenue	\$ 9,299,073	\$ 36,636,108	\$ 45,935,181	\$ 80,309,573
Property Operating Expenses	(3,140,618)	(14,160,390)	(17,301,008)	(30,573,519)
	6,158,455	22,475,718	28,634,173	49,736,054
Interest and Other Income	75,988	112,912	188,900	340,447
Expenses:				
Finance Costs	2,266,382	8,830,979	11,097,361	19,336,545
General and Administrative	1,162,702	4,124,048	5,286,750	7,708,058
	3,429,084	12,955,027	16,384,111	27,044,603
Income Before Fair Value Adjustments	2,805,359	9,633,603	12,438,962	23,031,898
Fair Value Adjustments:				
Investment Properties	636,789	(1,828,961)	(1,192,172)	(2,265,990)
Fair Value Gain(Loss) on Sale of Investment Properties	110,000	1,859,581	1,969,581	3,795,452
Unit-based Compensation Recovery	(32,369)	-	(32,369)	(32,369)
<b>Net Income and Comprehensive Income</b>	<b>\$ 3,519,779</b>	<b>\$ 9,664,223</b>	<b>\$ 13,184,002</b>	<b>\$ 24,528,991</b>

**Nine Months Ended September 30, 2024**

	<b>Trust Wholly Owned</b>	<b>Co-Owned at Proportionate Ownership</b>	<b>Total</b>	<b>Co-Owned at 100%</b>
Net Operating Income				
Rental Revenue	\$ 8,727,586	\$ 36,262,072	\$ 44,989,658	\$ 78,663,459
Property Operating Expenses	(2,970,388)	(13,400,131)	(16,370,519)	(28,840,788)
	5,757,198	22,861,941	28,619,139	49,822,671
Interest and Other Income	393,526	191,554	585,080	829,957
Expenses:				
Finance Costs	2,403,963	8,150,026	10,553,989	17,322,355
General and Administrative	928,018	3,520,161	4,448,179	6,558,277
	3,331,981	11,670,187	15,002,168	23,880,632
Income Before Fair Value Adjustments	2,818,743	11,383,308	14,202,051	26,771,996
Fair Value Adjustments:				
Investment Properties	(2,159,944)	16,232,358	14,072,414	23,802,615
Fair Value Gain on Sale of Investment Properties	-	217,088	217,088	310,126
Unit-based Compensation Recovery	(358,763)	-	(358,763)	(358,763)
<b>Net Income and Comprehensive Income</b>	<b>\$ 300,036</b>	<b>\$ 27,832,754</b>	<b>\$ 28,132,790</b>	<b>\$ 50,525,974</b>

## Rental Revenue

Property rental revenue includes rent paid by tenants for their leased premises plus reimbursements or recoveries from tenants for property operating costs, realty taxes and other recoverable costs ("recoveries") relating to their leased premises and the common property areas. For the three and nine months ended September 30, 2025 and September 30, 2024, property rental revenue increased primarily due to the impact of same-property growth across most asset classes.

Many of FCPT's expenses are recoverable from tenants in accordance with their respective lease agreements, with the Trust absorbing these expenses to the extent of vacancies.

Three Months Ended				Nine Months Ended			
	Sep 30, 2025	Sep 30, 2024	Change	Sep 30, 2025	Sep 30, 2024	Change	
Base Rent	\$ 10,748,391	\$ 10,737,278	0%	\$ 32,463,678	\$ 32,178,753	1%	
Operating Cost Recoveries	1,804,520	1,713,071	5%	6,331,445	5,915,029	7%	
Tax Recoveries	2,513,594	2,465,571	2%	7,315,261	7,111,762	3%	
Straight Line Rent	32,985	19,311	71%	(122,450)	2,714	(4612%)	
Free Rent	(14,370)	(45,401)	(68%)	(52,753)	(218,600)	(76%)	
<b>Rental Revenue</b>	<b>\$ 15,085,120</b>	<b>\$ 14,889,830</b>	<b>1%</b>	<b>\$ 45,935,181</b>	<b>\$ 44,989,658</b>	<b>2%</b>	

Free rent relates to rent free periods provided to certain new and renewal tenants at the Trust's properties. Under IFRS, the Trust is required to adjust rental revenue by the value of the rent free period and amortize this adjustment over the life of the individual lease as a reduction to income.

## Property Operating Expenses

Property operating expenses include realty taxes as well as other costs related to maintenance, HVAC, insurance, utilities and property management fees. Property operating expenses consist of the following:

Three Months Ended				Nine Months Ended			
	Sep 30, 2025	Sep 30, 2024	Change	Sep 30, 2025	Sep 30, 2024	Change	
Realty Taxes	\$ 2,753,135	\$ 2,739,752	0%	\$ 8,350,309	\$ 7,979,514	5%	
Property Management	615,358	518,191	19%	1,783,016	1,772,293	1%	
Operating Expenses	2,079,094	1,941,915	7%	7,167,683	6,618,712	8%	
<b>Property Operating Expenses</b>	<b>\$ 5,447,587</b>	<b>\$ 5,199,858</b>	<b>5%</b>	<b>\$ 17,301,008</b>	<b>\$ 16,370,519</b>	<b>6%</b>	

The variance in comparing the three and nine months ended September 30, 2025 over the three and nine months ended September 30, 2024 is primarily due to inflationary cost increases.

## Net Operating Income ("NOI")

NOI on a cash basis excludes non-cash items such as straight-line and free rent.

Three Months Ended				Nine Months Ended			
	Sep 30, 2025	Sep 30, 2024	Change	Sep 30, 2025	Sep 30, 2024	Change	
<b>Rental Revenue</b>	<b>\$ 15,085,120</b>	<b>\$ 14,889,830</b>	<b>1%</b>	<b>\$ 45,935,181</b>	<b>\$ 44,989,658</b>	<b>2%</b>	
Property Operating Expenses	(5,447,587)	(5,199,858)	5%	(17,301,008)	(16,370,519)	6%	
<b>NOI - IFRS Basis</b>	<b>\$ 9,637,533</b>	<b>\$ 9,689,972</b>	<b>(1%)</b>	<b>\$ 28,634,173</b>	<b>\$ 28,619,139</b>	<b>0%</b>	
Less: Straight-Line Rent	(32,985)	(19,311)	71%	122,450	(2,714)	(4612%)	
Less: Free Rent	14,370	45,401	(68%)	52,753	218,600	(76%)	
<b>NOI - Cash Basis</b>	<b>\$ 9,618,918</b>	<b>\$ 9,716,062</b>	<b>(1%)</b>	<b>\$ 28,809,376</b>	<b>\$ 28,835,025</b>	<b>(0%)</b>	

The variance in comparing the three and nine months ended September 30, 2025 over the three and nine months ended September 30, 2024 are primarily due to net rental rate increases, offset by higher property operating costs.

### Same-Property NOI Analysis

The following tables summarize FCPT's same-property performance segmented by asset class.

Q3/2025 versus Q3/2024 for same-property NOI changed across various asset classes are as follows:

- **Retail:** Property Rental Revenue increased by 4% which was offset by a 9% increase in Property Operating Expenses resulting in a slightly higher NOI YoY by 2%.
- **Industrial:** Industrial NOI is down primarily due to increased vacancy within the Waterloo Industrial Portfolio and rising operating costs when compared YOY.
- **Multi-Residential:** Decreased by 5% due to rising in property operating expenses.
- **MHCs:** Increased by 10% primarily due to increased rental rates offset by increased operating costs.

RETAIL	Three Months			Nine Months Ended		
	Sep 30, 2025	Sep 30, 2024	Change	Sep 30, 2025	Sep 30, 2024	Change
Rental Revenue	\$ 8,131,205	\$ 7,785,963	4%	\$ 24,917,599	\$ 23,851,962	4%
Property Operating Expenses	(2,904,135)	(2,663,733)	9%	(9,188,448)	(8,597,883)	7%
<b>NOI - IFRS Basis</b>	<b>\$ 5,227,070</b>	<b>\$ 5,122,230</b>	<b>2%</b>	<b>\$ 15,729,151</b>	<b>\$ 15,254,079</b>	<b>3%</b>

INDUSTRIAL	Three Months			Nine Months Ended		
	Sep 30, 2025	Sep 30, 2024	Change	Sep 30, 2025	Sep 30, 2024	Change
Rental Revenue	\$ 4,159,535	\$ 4,169,220	(0%)	\$ 12,571,002	\$ 12,747,432	(1%)
Property Operating Expenses	(1,500,657)	(1,275,419)	18%	(4,642,666)	(4,088,070)	14%
<b>NOI - IFRS Basis</b>	<b>\$ 2,658,878</b>	<b>\$ 2,893,801</b>	<b>(8%)</b>	<b>\$ 7,928,336</b>	<b>\$ 8,659,362</b>	<b>(8%)</b>

MULTI-RESIDENTIAL	Three Months			Nine Months Ended		
	Sep 30, 2025	Sep 30, 2024	Change	Sep 30, 2025	Sep 30, 2024	Change
Rental Revenue	\$ 2,182,263	\$ 2,130,492	2%	\$ 6,568,225	\$ 6,320,685	4%
Property Operating Expenses	(855,052)	(740,270)	16%	(2,374,543)	(2,482,891)	(4%)
<b>NOI - IFRS Basis</b>	<b>\$ 1,327,211</b>	<b>\$ 1,390,222</b>	<b>(5%)</b>	<b>\$ 4,193,682</b>	<b>\$ 3,837,794</b>	<b>9%</b>

MHCs	Three Months			Nine Months Ended		
	Sep 30, 2025	Sep 30, 2024	Change	Sep 30, 2025	Sep 30, 2024	Change
Rental Revenue	\$ 571,638	\$ 515,723	11%	\$ 1,683,524	\$ 1,538,106	9%
Property Operating Expenses	(211,957)	(190,057)	12%	(606,711)	(562,707)	8%
<b>NOI - IFRS Basis</b>	<b>\$ 359,681</b>	<b>\$ 325,666</b>	<b>10%</b>	<b>\$ 1,076,813</b>	<b>\$ 975,399</b>	<b>10%</b>



## Finance Costs

Finance fee amortization relates to fees paid on securing the Facility as defined below on the FCPT's various mortgages. Non-cash interest expense relates to the fair value adjustment to interest expense required under IFRS as a result of the assumed mortgages from the FCPT's various acquisitions.

Three Months Ended				Nine Months Ended			
	Sep 30, 2025	Sep 30, 2024	Change	Sep 30, 2025	Sep 30, 2024	Change	
Mortgage Interest	\$ 3,331,451	\$ 2,654,369	26%	\$ 9,715,885	\$ 8,758,670	11%	
Credit facility Interest	219,108	378,017	(42%)	938,657	1,333,823	(30%)	
Finance Fee Amortization	101,708	427,962	(76%)	442,819	537,936	(18%)	
Non-cash Interest Expense	-	(23,188)	(100%)	-	(76,440)	(100%)	
<b>Finance Costs</b>	<b>\$ 3,652,267</b>	<b>\$ 3,437,160</b>	<b>6%</b>	<b>\$ 11,097,361</b>	<b>\$ 10,553,989</b>	<b>5%</b>	

Finance costs for the three and nine months ended September 30, 2025 and September 30, 2024 are higher due to an increase in mortgage interest expense and finance fee amortization offset by lower borrowing costs on the Trust's credit facility.

## General and Administrative Expenses

Three Months Ended				Nine Months Ended			
	Sep 30, 2025	Sep 30, 2024	Change	Sep 30, 2025	Sep 30, 2024	Change	
Asset Management Fees	\$ 839,284	\$ 846,268	(1%)	\$ 2,526,576	\$ 2,531,659	(0%)	
Performance Incentive Fees	181,087	194,428	(7%)	1,732,526	690,904	151%	
Public Company Expenses	373,411	184,077	103%	737,035	669,183	10%	
Office & General	95,017	220,194	(57%)	290,613	556,433	(48%)	
<b>General &amp; Administrative</b>	<b>\$ 1,488,799</b>	<b>\$ 1,444,967</b>	<b>3%</b>	<b>\$ 5,286,750</b>	<b>\$ 4,448,179</b>	<b>19%</b>	

The YoY quarterly variance is largely due to an increase in public company expenses relative to what occurred in Q2 of 2024. The change over the nine months ended September 30, 2025 versus the nine months ended September 30, 2024, was primarily related to the increase in the performance incentive fees from the two investment properties sales that occurred in 2025.

## Fair Value Gains

Three Months Ended				Nine Months Ended			
	Sep 30, 2025	Sep 30, 2024	Change	Sep 30, 2025	Sep 30, 2024	Change	
Investment Properties	\$ (367,574)	\$ 4,586,576	(108%)	\$ (1,192,172)	\$ 14,072,414	(108%)	
Sale of Investment Properties	110,000	-	-	1,969,581	217,088	100%	
Unit-based Compensation	49,265	(257,182)	(119%)	(32,369)	(358,763)	(91%)	
<b>Fair Value Gains (Losses)</b>	<b>\$ (208,309)</b>	<b>\$ 4,329,394</b>	<b>(105%)</b>	<b>\$ 745,040</b>	<b>\$ 13,930,739</b>	<b>(95%)</b>	

## Sequential Quarterly Results

The following table shows the sequential changes from June 30, 2025 for a few key metrics:

	Three Months Ended		
	Sep 30, 2025	June 30, 2025	Sequential Change
Rental Revenue	\$ 15,085,120	\$ 15,316,411	(2%)
Property Operating Expenses	5,447,587	5,728,117	(5%)
NOI - IFRS Basis	9,637,533	9,588,294	1%
Finance Costs	3,652,267	3,644,735	0%
General & Admin Costs	1,488,799	2,539,174	(41%)

For the three months ended September 30, 2025, General & Admin Costs decreased 41% from the three months ended June 30, 2025, due to a decrease in the performance incentive fee that was associated to the gain on sales recorded from the sale of 2 investment properties.

## Co-Ownership Interests

The Trust's Properties has the following property interests and includes its proportionate share of the related assets, liabilities, revenue and expenses of these properties:

	As at September 30, 2025			
	Trust Wholly Owned	Co-Owned at Proportionate Ownership	Total	Co-Owned at 100%
Current Assets	\$ 5,778,277	\$ 7,827,679	\$ 13,605,956	\$ 25,955,094
Non-Current Assets	137,110,525	486,324,562	623,435,087	1,086,327,758
<b>Total Assets</b>	<b>\$ 142,888,802</b>	<b>\$ 494,152,241</b>	<b>\$ 637,041,043</b>	<b>\$ 1,112,282,852</b>
Current Liabilities	9,662,346	52,777,166	62,439,512	95,397,462
Non-Current Liabilities	56,916,308	212,521,232	269,437,540	394,297,508
<b>Total Liabilities</b>	<b>\$ 66,578,654</b>	<b>\$ 265,298,398</b>	<b>\$ 331,877,052</b>	<b>\$ 489,694,970</b>
<b>Total Owners' Equity</b>	<b>\$ 76,310,148</b>	<b>\$ 228,853,843</b>	<b>\$ 305,163,991</b>	<b>\$ 622,587,882</b>

	As at December 31, 2024			
	Trust Wholly Owned	Co-Owned at Proportionate Ownership	Total	Co-Owned at 100%
Current Assets	\$ 7,402,257	\$ 11,036,232	\$ 18,438,489	\$ 29,614,923
Non-Current Assets	137,747,314	495,763,466	633,510,780	1,105,868,298
<b>Total Assets</b>	<b>\$ 145,149,571</b>	<b>\$ 506,799,698</b>	<b>\$ 651,949,269</b>	<b>\$ 1,135,483,221</b>
Current Liabilities	10,987,472	45,483,813	56,471,285	68,771,249
Non-Current Liabilities	57,320,591	231,777,497	289,098,088	494,814,518
<b>Total Liabilities</b>	<b>\$ 68,308,063</b>	<b>\$ 277,261,310</b>	<b>\$ 345,569,373</b>	<b>\$ 563,585,767</b>
<b>Total Owners' Equity</b>	<b>\$ 76,841,508</b>	<b>\$ 229,538,388</b>	<b>\$ 306,379,896</b>	<b>\$ 571,897,454</b>

## FFO and AFFO

	Three Months Ended			Nine Months Ended	
	Sep 30, 2025	Jun 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024
<b>Cash Flows from Operating Activities</b>	<b>\$ 9,488,162</b>	<b>\$ 8,072,177</b>	<b>\$ 10,160,161</b>	<b>\$ 23,902,919</b>	<b>\$ 25,576,520</b>
Add (deduct):					
Tenant Rental Deposits	(158,190)	82,279	(227,488)	(41,409)	(240,150)
Accounts Payable and Accrued Liabilities	297,343	(1,703,349)	(764,018)	(141,203)	(1,298,803)
Restricted Cash	(19,696)	16,934	(6,392)	30,841	24,405
Prepaid Expenses, Deposits & Other Assets	(1,028,863)	999,444	(444,884)	374,644	1,021,195
Accounts Receivable	(483,194)	(391,887)	(443,972)	(715,261)	(744,339)
Finance Fee Amortization	(101,708)	(99,203)	(427,962)	(442,819)	(537,936)
Land Lease Amortization	(1,586)	(1,586)	(2,311)	50,150	48,018
Finance Costs, Net of Interest & Dividends	(3,490,616)	(3,486,665)	(2,806,557)	(10,467,151)	(9,507,413)
Unit Based Compensation Expense/ (Recovery)	49,265	(12,104)	(257,182)	(32,369)	(358,763)
Straight-Line and Free Rent Adjustments	56,267	(24,891)	(26,090)	(111,749)	(215,886)
Non-Cash Interest Expense	-	-	23,188	-	76,440
Add Performance Fee Attributed to Gain	16,500	1,286,502	-	1,303,002	205,020
<b>FFO</b>	<b>\$ 4,623,684</b>	<b>\$ 4,737,651</b>	<b>\$ 4,776,493</b>	<b>\$ 13,709,595</b>	<b>\$ 14,048,308</b>
Straight Line Rent and Free Rent Adjustments	(56,267)	24,891	26,090	111,749	215,886
Tenant Inducements, Leasing Costs & Capex	(240,938)	(239,708)	(242,249)	(715,854)	(715,478)
Non-Cash Interest Expense	-	-	(23,188)	-	(76,440)
Unit Based Compensation Expense/(Recovery) <sup>1</sup>	268,097	12,104	257,182	349,731	358,763
<b>AFFO</b>	<b>\$ 4,594,576</b>	<b>\$ 4,534,938</b>	<b>\$ 4,794,328</b>	<b>\$ 13,455,220</b>	<b>\$ 13,831,039</b>
Gain on Sale of Investment Properties	110,000	8,576,678	-	8,686,678	1,366,801
Performance Fee Attributable To Gain	(16,500)	(1,286,502)	-	(1,303,002)	(205,020)
<b>FFO including Gain on Sale of Assets</b>	<b>\$ 4,717,184</b>	<b>\$ 12,027,827</b>	<b>\$ 4,776,493</b>	<b>\$ 21,093,271</b>	<b>\$ 15,210,089</b>
<b>AFFO including Gain on Sale of Assets</b>	<b>\$ 4,688,076</b>	<b>\$ 11,825,114</b>	<b>\$ 4,794,328</b>	<b>\$ 20,838,897</b>	<b>\$ 14,992,820</b>
<b>FFO Per Unit</b>	<b>\$ 0.125</b>	<b>\$ 0.128</b>	<b>\$ 0.129</b>	<b>\$ 0.371</b>	<b>\$ 0.380</b>
<b>AFFO Per Unit</b>	<b>\$ 0.124</b>	<b>\$ 0.123</b>	<b>\$ 0.130</b>	<b>\$ 0.364</b>	<b>\$ 0.375</b>
<b>FFO including Gain on Sale of Assets</b>	<b>\$ 0.128</b>	<b>\$ 0.326</b>	<b>\$ 0.129</b>	<b>\$ 0.571</b>	<b>\$ 0.412</b>
<b>AFFO including Gain on Sale of Assets</b>	<b>\$ 0.127</b>	<b>\$ 0.320</b>	<b>\$ 0.130</b>	<b>\$ 0.564</b>	<b>\$ 0.406</b>
<b>Distributions Per Unit</b>	<b>\$ 0.130</b>	<b>\$ 0.130</b>	<b>\$ 0.130</b>	<b>\$ 0.390</b>	<b>\$ 0.390</b>
<b>FFO Payout Ratio</b>	<b>104%</b>	<b>101%</b>	<b>100%</b>	<b>105%</b>	<b>103%</b>
<b>AFFO Payout Ratio</b>	<b>104%</b>	<b>106%</b>	<b>100%</b>	<b>107%</b>	<b>104%</b>

<sup>1</sup> Includes DTUs issued to Trustees during the period.

The differences between the add back of FFO and AFFO is the deduction for straight-line rent, free rent, reserves for TI/LCs, capital expenditures and the non-cash interest expense component for all assumed mortgages, offset by the deduction for unit-based compensation expense. Under RealPAC and the Trust, unit-based compensation expense is deducted for reporting FFO. However, the Trust adds back this expense for the purpose of calculating AFFO.

The decrease in AFFO from the three months ended September 30, 2025 over the three months ended September 30, 2024 is largely due to increased finance costs. The increase over June 30, 2025 is due to higher rent offset by higher operating costs.

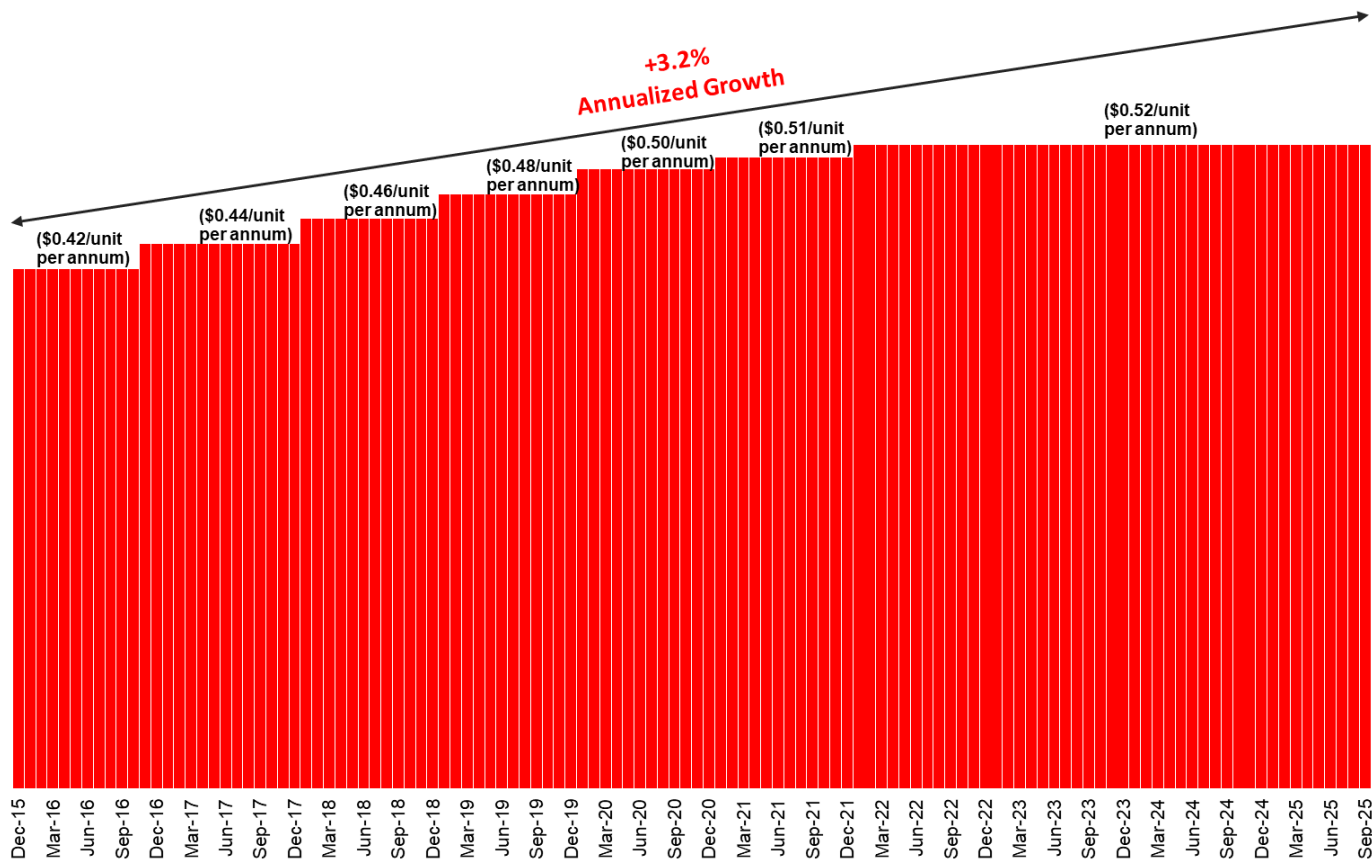
AFFO is calculated largely in accordance with the guidelines set out by RealPAC and is defined as FFO less adjustments for non-cash items such as straight-line rent, free rent and noncash interest expense as well as normalized capital expenditures, tenant inducements and leasing charges. However, under RealPAC, unit-based compensation expense is deducted for reporting AFFO, but the Trust adds back this expense and includes cash gains on the sale of real estate properties calculated as gross proceeds less the actual cost of real estate including capitalized additions.

PART V

CASH DISTRIBUTION

Since FCPT’s inception in Q4/2012, distributions have been raised nine times in thirteen years and represents a cumulative increase of 48.6% or 3.2% on an annualized basis. For 2024, distributions were approximately 85% Return of Capital with the remaining being taxable capital gains (2023 – 89% Return of Capital with the remaining being taxable capital gains).

Historical Cash Distributions



For the nine months ended September 30, 2025, distributions of \$0.04333 per unit were declared each month commencing in January 2025 through to September 2025.

The policy of the Trust is to pay cash distributions on or about the 15th day of each month to Unitholders of record on the last business day of the preceding month. Distributions paid to Unitholders who are non-residents of Canada will be subject to Canadian withholding tax.

## PAYOUT RATIO

The excess/(shortfall) of cash flow from operating activities over distributions and net income and comprehensive income over distributions for the three months ended September 30, 2025, June 30, 2025 and September 30, 2024 and nine months ended September 30, 2025 and September 30, 2024 are outlined below:

	Three Months Ended			Nine Months Ended	
	Sep 30, 2025	Jun 30, 2025	Sept 30, 2024	Sep 30, 2025	Sept 30, 2024
<b>Cash Flow From Operating Activities (A)</b>	<b>\$ 9,488,162</b>	<b>\$ 8,072,177</b>	<b>\$ 10,160,161</b>	<b>\$ 23,902,919</b>	<b>\$ 25,576,520</b>
<b>Net Cash Interest Expense</b>					
Less: Mortgage Interest	\$ (3,331,451)	\$ (3,233,348)	\$ (2,654,369)	\$ (9,715,885)	\$ (8,758,670)
Less: Credit facility Interest	(219,108)	(312,184)	(378,017)	(938,657)	(1,333,823)
Add: Interest and Other Income	61,452	58,868	225,830	188,900	585,080
<b>Net Cash Interest Expense (B)</b>	<b>\$ (3,489,107)</b>	<b>\$ (3,486,664)</b>	<b>\$ (2,806,556)</b>	<b>\$ (10,465,642)</b>	<b>\$ (9,507,413)</b>
<b>Net Cash Flows from Operating Activities (A-B) = (C)</b>	<b>\$ 5,999,055</b>	<b>\$ 4,585,513</b>	<b>\$ 7,353,605</b>	<b>\$ 13,437,277</b>	<b>\$ 16,069,107</b>
<b>Net Income &amp; Comprehensive Income (D)</b>	<b>\$ 4,349,610</b>	<b>\$ 4,421,910</b>	<b>\$ 9,363,069</b>	<b>\$ 13,184,002</b>	<b>\$ 28,132,790</b>
<b>Distributions (E)</b>	<b>\$ 4,799,971</b>	<b>\$ 4,799,968</b>	<b>\$ 4,799,967</b>	<b>\$ 14,399,907</b>	<b>\$ 14,399,909</b>
<b>Excess / (Shortfall) of Net Cash Flow From Operating Activities Over Distributions (C-E)</b>	<b>\$ 1,199,084</b>	<b>\$ (214,455)</b>	<b>\$ 2,553,637</b>	<b>\$ (962,630)</b>	<b>\$ 1,669,198</b>
<b>Excess / (Shortfall) of Net Income &amp; Comprehensive Income Over Distributions (D-E)</b>	<b>\$ (450,361)</b>	<b>\$ (378,058)</b>	<b>\$ 4,563,102</b>	<b>\$ (1,215,905)</b>	<b>\$ 13,732,881</b>

For the three months ended June 30, 2025 and nine months ended September 30, 2025, the Trust had a shortfall of net cash flow from operating activities versus distributions. In addition, the Trust also had a shortfall of income versus distributions for the three months ended September 30, 2025, June 30, 2025 and the nine months ended September 30, 2025. The shortfall was largely due to the distributions being in excess of the net cash flow and was covered from existing cash resources and the Credit Facility.

## DISTRIBUTION REINVESTMENT PLAN (DRIP)

Under the terms of the DRIP, FCPT's Unitholders may elect to automatically reinvest all or a portion of their regular monthly distributions in additional Trust Units, without incurring brokerage fees or commissions. Units purchased through the DRIP are acquired at the weighted average closing price of the Trust Units in the five trading days immediately prior to the distribution payment date, either in the open market or be issued directly from FCPT's treasury based on a floor price to be set at the discretion of the board of trustees. Currently, there are 257,075 units reserved under the DRIP.

For the three and nine months ended September 30, 2025 and September 30, 2024, no units were issued from the DRIP.

## PART VI

### BALANCE SHEET

Included in the following section is a discussion of the various components of the balance sheet.

#### Investment Properties

As at September 30, 2025, the Trust's property portfolio consisted of 71 properties (including Assets Held for Sale) with a fair value of \$624.5 million, in comparison to the \$635.5 million reported as at December 31, 2024. The investment portfolio valuation (excluding Assets Held for Sale) is allocated by property type as follows:

	Retail and Commercial	Industrial	Multi-residential	Manufactured Housing Communities	Total
<b>December 31, 2023</b>	\$ 292,761,260	\$ 199,341,275	\$ 100,332,368	\$ 21,724,410	\$ 614,159,313
Dispositions	-	-	-	(67,685)	(67,685)
Capital Expenditures	558,672	2,025,408	545,357	-	3,129,437
Straight-line Rents	(71,780)	74,493	-	-	2,713
Fair Value Adjustment	14,047,902	(4,697,254)	4,408,858	67,046	13,826,552
<b>September 30, 2024</b>	307,296,054	196,743,922	105,286,583	21,723,771	631,050,330
Capital Expenditures	309,971	974,903	223,928	78,008	1,586,810
Straight-line Rents	44,472	70,356	-	-	114,828
Fair Value Adjustment	(334,161)	(5,974,943)	5,519,382	1,548,534	758,812
<b>December 31, 2024</b>	\$ 307,316,336	\$ 191,814,238	\$ 111,029,893	\$ 23,350,313	\$ 633,510,780
Acquisitions	-	-	-	220,500	220,500
Dispositions	-	(12,054,563)	-	(91,500)	(12,146,063)
Capital Expenditures	1,451,820	1,408,131	469,685	(57,107)	3,272,529
Straight-line Rents	78,001	(200,451)	-	-	(122,450)
Fair Value Adjustment	(724,405)	(3,905,465)	2,048,183	1,281,478	(1,300,209)
<b>September 30, 2025</b>	\$ 308,121,752	\$ 177,061,890	\$ 113,547,761	\$ 24,703,684	\$ 623,435,087

For the three and nine months ended September 30, 2025, senior management of the Trust valued the Investment Properties using the overall capitalization method. Investment properties are valued on a highest and best use basis. For all of the Trust's investment properties, the current use is considered the best use. Fair value was determined by applying a capitalization rate to stabilized net operating income ("Stabilized NOI"). Stabilized NOI incorporates allowances for vacancy, management fees and structural reserves for tenant inducements and capital expenditures to which a capitalization rate is applied that is deemed appropriate for investment property. Capitalization rates are based on many factors, including but not limited to the asset location, type, size and quality of the asset and taking into account any available market data at the valuation date.

Capitalization rates used in the valuation of investment properties as of September 30, 2025 are based on current market data.

The Trust continues to review its cash flow projections, liquidity and the estimated fair value of its real estate portfolio in these challenging times. Capitalization rates could change materially as additional market data becomes available.

Investment Properties measured at fair value are categorized by level according to the inputs used. The Trust has classified these inputs as Level 3. With the exception of the acquisition and dispositions of investment properties as further described in note 3 of the condensed consolidated interim financial statements, there have been no transfers into or out of Level 3 in the current year. Significant unobservable inputs in Level 3 valuations are as follows:



<b>September 30, 2025</b>	<b>Retail &amp; Commercial</b>	<b>Industrial</b>	<b>Multi-Residential</b>	<b>Manufactured Housing Communities</b>	<b>Weighted Average</b>
Capitalization Rate Range	5.00% - 8.00%	6.00% - 7.00%	5.25% - 5.50%	6.00% - 6.25%	6.33%
Weighted Average Capitalization Rate	6.71%	6.36%	5.28%	6.12%	6.33%

<b>December 31, 2024</b>	<b>Retail &amp; Commercial</b>	<b>Industrial</b>	<b>Multi-Residential</b>	<b>Manufactured Housing Communities</b>	<b>Weighted Average</b>
Capitalization Rate Range	5.00% - 8.00%	6.00% - 7.00%	5.25% - 5.50%	6.00% - 6.25%	6.31%
Weighted Average Capitalization Rate	6.71%	6.27%	5.28%	6.11%	6.31%

### **Sale of Investment Properties**

On January 30, 2024, the Trust completed the sale of a retail property from the Centre Ice Retail Portfolio, for gross proceeds of approximately \$3.0 million. The Trust's pro-rata share of the gross proceeds was \$2.1 million. The Trust recognized a gain on sale of \$0.2 million.

On April 2, 2025, the Trust completed the sale of a retail property from the Centre Ice Retail Portfolio, for gross proceeds of approximately \$1.4 million. The Trust's pro-rata share of the gross proceeds was \$1.0 million. The Trust recognized a gain on sale of \$59,000.

On May 9, 2025, the Trust completed the sale of an industrial property within the Montreal Portfolio, for gross proceeds of \$27.9 million. The Trust's pro-rata share of the gross proceeds was \$14.0 million. The Trust recognized a gain on sale of \$1.8 million.

### **Mortgages Receivable**

Two mortgage take backs occurred as the result of the sale of an office property in Barrie, Ontario for \$8.4 million on December 29, 2022. In December of 2023, the vendor take back mortgage was renewed that required the borrower to repay the \$1.6 million due on the 5 year term structure as well as to make a principal payment of \$1.8 million towards the \$6.8 million that was otherwise due by the end of 2023. The renegotiated agreement now requires the borrower to repay the remaining \$5.0 million by January 1, 2025, interest only and at the greater of the floating rate of 10% per annum or Bank Prime plus 2.8%. On December 31, 2024, the outstanding \$5.0 million was paid in full.

On June 13, 2024, the Trust invested \$0.5 million in a \$2.5 million second mortgage secured by a property located in Pointe Claire Quebec with a term of 12 months. Effective June 1, 2025, the term was extended for 6 months to mature on December 1, 2025 with interest at the greater of 13% per annum or the TD Canada posted bank prime rate of interest plus 8.05%.

### **Assets Held for Sale**

As at September 30, 2025, the Trust has listed for sale one retail property within the Center Ice Retail Portfolio. The property has been classified as Assets Held for Sale at their fair value of approximately \$1.1 million. No debt remained on this property and as a result no liabilities are associated with the assets held for sale.

## Current Assets

Current assets as at September 30, 2025, June 30, 2025 and September 30, 2024 consisted of the following:

	Sep 30, 2025	Jun 30, 2025	Sept 30, 2024
Accounts Receivable	\$ 1,858,330	\$ 2,341,524	\$ 1,667,835
Prepaid Expenses, Deposits & Other Assets	4,210,131	5,201,077	4,764,316
Cash & Cash Equivalents	5,884,132	5,326,643	7,307,824
Restricted Cash	53,243	72,939	165,499
Mortgages Receivable	500,000	500,000	5,500,000
Assets Held for Sale	1,100,120	1,060,798	2,242,343
	<b>\$ 13,605,956</b>	<b>\$ 14,502,981</b>	<b>\$ 21,647,817</b>

Accounts receivable consist mainly of tenant receivables, and Harmonized Sales Tax ("HST") and Quebec Sales Tax ("QST") recoveries from the Canada Revenue Agency and Revenue Quebec, respectively. Prepaid expenses, deposits and other assets consist mainly of prepaid property taxes, insurance, utility deposits, deferred financing costs related to the Facility, acquisition deposits and the capitalization of free rent provided to tenants as required under IFRS. Restricted Cash represents realty tax escrows requested by the lender on the Guelph Retail Portfolio mortgage. Mortgages Receivable consists of mortgages taken back from the sale of investment properties.

## CONTRACTUAL OBLIGATIONS

The Trust's contractual obligations over the next few years are as follows:

	Less than 1 Year	1 - 2 Years	>2 Years	Total
Mortgages	\$ 37,135,488	\$ 32,153,296	\$ 234,866,430	\$ 304,155,214
Credit facility	14,450,000	-	-	14,450,000
Tenant Rental Deposits	757,132	363,029	2,000,931	3,121,092
Distribution Payable	1,599,990	-	-	1,599,990
Land Lease Liability	50,828	53,854	-	104,682
Accounts Payable and Accrued Liabilities	8,446,074	-	-	8,446,074
	<b>\$ 62,439,512</b>	<b>\$ 32,570,179</b>	<b>\$ 236,867,361</b>	<b>\$ 331,877,052</b>

## DEBT STRATEGY

FCPT's objectives when managing capital are to safeguard its ability to continue as a going concern and to generate sufficient returns to provide unitholders with stable cash distributions. The Trust's capital currently consists of bank indebtedness, mortgages and unitholders' equity.

FCPT's Declaration of Trust permits the Trust to incur or assume indebtedness, provided that after giving effect to incurring or assuming any indebtedness (as defined in the Declaration of Trust), the amount of such indebtedness of the Trust is not more than 75% of the gross book value of FCPT's total assets. Gross Book Value ("GBV") is defined in the Declaration of Trust as "at any time, the book value of the assets of the Trust and its consolidated subsidiaries, as shown on its then most recent consolidated balance sheet, plus the amount of accumulated depreciation and amortization in respect of such assets (and related intangible assets) shown thereon or in the notes thereto plus the amount of future income tax liability arising out of indirect acquisitions and excluding the amount of any receivable reflecting interest rate subsidies on any debt assumed by the Trust shown thereon or in the notes thereto, or if approved by a majority of the Trustees at any time, the appraised value of the assets of the Trust and its consolidated subsidiaries may be used instead of book value." As at September 30, 2025 and September 30, 2024, the ratio of such indebtedness to gross book value was 50.0% and 51.3% respectively, which complies with the requirement in the Declaration of Trust and is consistent with the Trust's objectives.

With respect to the bank indebtedness, the Trust must maintain ratios including minimum Unitholders' equity, maximum debt/GBV, minimum interest service and debt service coverage ratios. The Trust monitors these ratios and was in compliance with these requirements throughout the three and nine months ended September 30, 2025 and September 30, 2024.

In addition to the above key ratios, FCPT's mortgages has various covenants calculated as defined within these agreements. The Trust monitors these covenants and was in compliance as at September 30, 2025 and September 30, 2024.

## DEBT STRUCTURE

### Mortgages

The following tables show the scheduled principal and interest payments of the FCPT's mortgages outstanding. The weighted average interest rate at the end of September 30, 2025 is 4.3% (4.2% as at December 31, 2024) and weighted average repayment term of approximately 5.0 years (5.5 years as at December 31, 2024).

	Scheduled Principal Repayments	Debt Maturing During The Period	Total Mortgages Payable	Scheduled Interest Payments
2025	1,211,140	1,090,666	2,301,806	2,533,975
2026	4,792,108	41,935,043	46,727,151	12,572,383
2027	4,177,301	17,153,909	21,331,210	11,137,757
2028	4,215,768	26,144,754	30,360,522	10,392,922
2029	3,917,671	36,479,481	40,397,152	9,126,138
Thereafter	9,481,416	153,555,957	163,037,373	20,671,184
	\$ 27,795,404	\$ 276,359,810	\$ 304,155,214	\$ 66,434,359
<b>Total Mortgages</b>			<b>\$ 304,155,214</b>	

	September 30, 2025	December 31, 2024
Current:		
Mortgages	\$ 37,135,488	\$ 18,161,040
	37,135,488	18,161,040
Non-Current:		
Mortgages	267,019,726	286,658,211
	267,019,726	286,658,211
<b>Total Mortgages</b>	<b>\$ 304,155,214</b>	<b>\$ 304,819,251</b>

On March 8, 2024, the Trust refinanced seven retail properties that are part of the joint arrangement within the Crombie Retail Portfolio for approximately \$55.5 million, excluding transaction costs. The Trust's portion of the mortgages are approximately \$27.8 million. The mortgages have a 5.34% interest rate, 30 year amortization and 4.5 year term. The Trust has a 50% interest in the mortgages.

On May 9, 2024, the Trust closed on the refinancing of a first mortgage with a Canadian Chartered Bank on properties within the FCR Retail Portfolio for \$110 million. Terms of the mortgage are fixed at 5.43%, 10 year term, and a 30 year amortization with a maturity date of May 9, 2034. The Trust has a 50% interest in the mortgage.

On September 10, 2024, the Trust closed on the financing of a first mortgage with a Canadian Chartered Bank on a property located in Dartmouth Nova Scotia for \$11.2 million. Terms of the mortgage are fixed at 3.88%, 10 year term, and a 35 year amortization with a maturity date of December 1, 2034. The Trust has a 100% interest in the mortgage.

On October 2, 2024, the Trust repaid a \$12 million maturing mortgage on a property located in Guelph, Ontario with existing cash resources and the Trust's Credit Facility.

On July 7, 2025, the Trust closed on the refinancing of a first mortgage with a Canadian Chartered Bank on a property located in Whiby Ontario for \$38 million. Terms of the mortgage are fixed at 4.51%, 5 year term, and a 30 year amortization with a maturity date of July 7, 2030. The Trust has a 40% interest in the mortgage.

## Revolving Operating Facility

The Trust has entered into a Revolving Operating Facility (the "Facility") with a Canadian Chartered Bank (the "Bank") fully secured by first charges against certain investment properties. On September 30, 2025, the total amount available under the Facility was \$19.0 million. Interest on the credit facility is predominantly charged at a rate that varies with bank prime and may have a component with a fixed interest rate established based on a formula linked to the Canadian Overnight Repo Rate Averages ("CORRA"). Amounts drawn under the Facility are due to be repaid at the maturity date on October 31, 2025. At September 30, 2025, \$11.5 million was drawn under the Facility (December 31, 2024 – \$9,100,000). On October 30, 2025, the Trust extended the Facility to October 31, 2027 and increased the available limit with the Bank to \$35 million.

## Line of Credit

The Trust has entered into a Line of Credit (the "LOC") with a Canadian Chartered Bank (the "Bank") fully secured by first charges against the Merivale Mall Property. On September 30, 2025, the total amount available under the LOC was \$22.0 million. The interest rate is based on a calculated formula using the Bank's prime lending rate or a formula linked to CORRA rates. Amounts drawn under the LOC are due to be repaid at the maturity date on December 1, 2027. Amounts drawn under the LOC as at September 30, 2025 was \$3,000,000 (December 31, 2024 – \$18,600,000).

Within the Montreal Industrial Portfolio, where the Trust is a 50% co-owner of the joint arrangement, a co-terminus \$1 million LOC with a Bank was established with the existing mortgage on the industrial portfolio that has a maturity date in December of 2029. The interest rate is based on a calculated formula using the Bank's prime lending rate. At September 30, 2025, no amount was drawn on this facility (December 31, 2024 – \$nil).

## Land Lease Liability

On May 9, 2019, as part of the FCR Retail Portfolio the joint arrangement assumed a land lease on a retail property located in Ottawa, Ontario. Rent is subject to adjustment every 5 years based on inflationary adjustment by the lessor. From May 9, 2019 until April 1, 2023, the terms of the land lease were gross annual payments of \$101,040 per annum. Subsequently the terms of the land lease were increased to \$111,265 per annum up to the maturity date on April 1, 2027. The land lease liability is calculated in accordance with IFRS 16, using a present value of the remaining lease payments, discounted using the incremental borrowing rate of 6.25% for the term of the lease. The Trust's pro-rata portion of the lease liability is as follows:

Lease Liability				
	Opening Balance	Lease Payment	Imputed Interest Expense	Ending Balance
2025	104,682	-	1,586	106,268
2026	106,268	(55,633)	4,034	54,669
2027	54,669	(55,633)	964	-
				<b>September 30, 2025</b>
Current			\$	50,828
Non-Current				53,854
Total			\$	104,682

## **UNITHOLDERS' EQUITY**

Unitholders' equity as at September 30, 2025 was \$305,163,991 (December 31, 2024 – \$306,379,896).

There have been no changes in outstanding Trust units since December 30, 2024.

### **Unit Purchase Plan (UPP)**

Unitholders who elect to receive Trust Units under the DRIP may also enroll in FCPT's Unit Purchase Plan. The UPP gives each Unitholder who is resident in Canada the right to purchase additional units of the Trust monthly. Under the terms of the UPP, FCPT's 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 may not exceed 2% of the Units of the Trust per annum.

Registered Unitholders may enroll in the DRIP and the UPP by completing a form and submitting to Equity Financial Trust Company at the address set out in the form, or contact the Trust for copies of the forms. Beneficial Unitholders are encouraged to see their broker or other intermediary for enrolment information. The expected level of insider participation by management and trustees of the Trust under the DRIP and the UPP is currently not known. The DRIP and the UPP are subject to certain limitations and restrictions; interested participants are encouraged to review the full text of the DRIP and UPP at [www.firmcapital.com](http://www.firmcapital.com).

## **UNIT BASED LIABILITIES**

### **Option Plan**

Under the Trust's unit option plan, the aggregate number of unit options reserved for issuance at any given time shall not exceed 10% of the number of outstanding Trust Units. As at September 30, 2025, the Trust has 1,970,000 Trust Unit options issued and outstanding at a fair market value of \$208,017 consisting of the following issuances:

On December 1, 2020, the Trust granted 400,000 Trust Unit options at a weighted average exercise price of \$6.75 per Trust Unit. 360,000 unit 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 September 30, 2025 was 340,000 Trust unit options.

On March 15, 2021, the Trust granted 10,000 Trust Unit options at a weighted average exercise price of \$6.75 per Trust Unit. 3,333 unit 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 September 30, 2025 was 10,000 Trust unit options.

On June 14, 2022, the Trust granted 1,740,000 Trust Unit options at a weighted average exercise price of \$7.10 per Trust Unit. 1,360,000 unit 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 September 30, 2025 was 1,620,000.

Unit-based compensation related to the aforementioned unit options was a recovery of \$55,978 for the three months ended September 30, 2025 and \$52,290 recovery for the nine months ended September 30, 2025 (three months ended September 30, 2025 expense of \$182,479 and an expense of \$213,542 for the nine months ended September 30, 2024). Unit-based compensation was determined using the Black-Scholes

option pricing model and based on the following assumptions:

	As at September 30, 2025	As at December 31, 2024
Expected Option Life (Years)	1.67	2.3
Risk Free Interest Rate	2.44%	2.87%
Distribution Yield	8.67%	9.39%
Expected Volatility	19.24%	22.38%

Expected volatility is based in part on the historical volatility of the Trust Units consistent with the expected life of the option. The risk free interest rate of return is the yield on zero-coupon Government of Canada bonds of a term consistent with the expected option life.

The estimated fair value of an option under the Trust's unit option plan at the date of grants were \$0.16 and \$0.43 per unit option for December 1, 2020 and June 14, 2022 issuances, respectively.

### Deferred Trust Units

On August 1, 2018, the Trust adopted a Deferred Trust Unit ("DTU") plan. Under the terms of the plan, any units issued must be issued at a unit price which is at the volume weighted average trading price of the units on the TSX for the five days trading immediately preceding the date on which DTUs are granted. Distributions equivalents are awarded in respect of the DTU holders on the same basis as unitholders and credited to the DTU holders account as additional DTUs. As at September 30, 2025, the outstanding liability was \$1,593,827 (December 31, 2024 – \$978,030).

### RELATED PARTY TRANSACTIONS

Transactions with related parties are in the normal course of business and are recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties, and are measured at fair value.

#### Asset Management Agreement

FCPT has entered into an Asset Management Agreement with FCRPI and Firm Capital Property Limited Partnership has entered into a Performance Incentive agreement, entities indirectly related to certain trustees and management of FCPT. The term of the contract is initially ten years and automatically renews for successive five year periods. Details of the Asset Management Agreement are posted on SEDAR+ website ([www.sedarplus.ca](http://www.sedarplus.ca)) and in the notes to the financial statements.

For the nine months ended September 30, 2025 and September 30, 2024, Asset Management Fees were \$2,526,576 and \$2,531,659; Acquisition Fees were \$nil; Placement fees were \$38,000 and \$219,444; Performance Incentive Fees were \$1,732,526 and \$690,903; and Disposition Fees were \$74,711 and \$11,865, respectively.

Asset Management, Performance Incentive Fees and Disposition fees are recorded in General and Administrative expenses while Acquisition and Placement Fees are capitalized to Investment Properties, Mortgages and Unitholders' Equity on the consolidated balance sheet.

Unrealized Performance Incentive Fees, pursuant to the Asset Management Agreement with the Asset Manager, are a contingent liability of the Trust in the event of contract termination or asset disposition and represent approximately \$14.8 million as being contingently payable to the Asset Manager. The respective Net Asset Value of the assets of the Trust has been reduced accordingly due to the treatment of the contingent liability.

## **Property Management Agreement**

FCPT has entered into a Property Management Agreement with FCPMC, an entity indirectly related to certain trustees and management of FCPT. The term of the contract is initially ten years and automatically renews for successive five year periods. Details of the Property Management Agreement are posted on SEDAR+ website ([www.sedarplus.ca](http://www.sedarplus.ca)) and in the notes to the financial statements.

For the nine months ended September 30, 2025 and September 30, 2024, Property Management Fees were \$1,095,884 and \$1,075,404 and Commercial Leasing Fees were \$49,010 and \$79,093, respectively.

Property Management Fees are charged monthly. Commercial leasing and renewal fees are charged on a per lease basis.

## **PART VII**

### **RESPONSIBILITY OF MANAGEMENT AND THE BOARD OF TRUSTEES**

Management is responsible for the information disclosed in this MD&A, and has in place the appropriate information systems, procedures and controls to ensure that the information used internally by management and disclosed externally is materially complete and reliable. In addition, FCPT's Audit Committee and Board of Trustees provide an oversight role with respect to all public financial disclosures by FCPT, and have reviewed and approved this MD&A and the condensed consolidated interim financial statements as at September 30, 2025 and September 30, 2024.

#### **Controls And Procedures**

FCPT maintains appropriate information systems, procedures and controls to ensure that information disclosed externally is complete, reliable, and timely. The Trust's Chief Executive Officer and Chief Financial Officer evaluated, or caused an evaluation under their direct supervision of, the design and operating effectiveness of FCPT's disclosure controls and procedures (as defined in National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings as at September 30, 2025 and have concluded that such disclosure controls and procedures were appropriately designed and were operating effectively.

FCPT has also established adequate internal controls over financial reporting to provide reasonable assurance regarding the reliability of FCPT's financial reporting and the preparation of the financial statements for external purposes in accordance with IFRS. The Trust's Chief Executive Officer and the Chief Financial Officer assessed, or caused an assessment under their direct supervision, of the design and operating effectiveness of FCPT's internal controls over financial reporting (as defined in National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings) as at September 30, 2025. Based on that assessment, it was determined that FCPT's internal controls over financial reporting were appropriately designed and were operating effectively. In addition, the Trust did not make any changes to the design of FCPT's internal controls over financial reporting during the three and nine months ended September 30, 2025 and September 30, 2024 that would have materially affected or would be reasonably likely to materially affect FCPT's internal controls over financial reporting.

It should be noted that a control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, including instances of fraud, if any, have been detected. These inherent limitations include, among other items: (i) that management's assumptions and judgments could ultimately prove to be incorrect under varying conditions and circumstances; (ii) the impact of any undetected errors; and (iii) controls may be circumvented by the unauthorized acts of individuals, by collusion of two or more people, or by management override. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

### **SIGNIFICANT ACCOUNTING POLICIES**

Significant accounting policies applied by the Trust are described in note 2 of FCPT's consolidated financial statements for the year ended December 31, 2024 and accordingly should be read in conjunction with them.

#### **Estimates**

The critical accounting estimates have been set out in FCPT's consolidated financial statements for the year ended December 31, 2024 and accordingly should be read in conjunction with them.



## **Critical Judgement**

Critical judgments have been set out in the consolidated financial statements for the year ended December 31, 2024 and accordingly should be read in conjunction with them.

## **RISKS AND UNCERTAINTIES**

FCPT is faced with the following ongoing risk factors, among others, that would affect Unitholders' equity and FCPT's ability to generate returns. All real property investments are subject to elements of risk. General economic conditions, local real estate markets, supply and demand for leased premises, competition from other available premises and various other factors affect such investments. The Trust's properties are located across Canada. As a result, our properties are impacted by factors specifically affecting their respective real estate markets. These factors may differ from those affecting the real estate markets in other regions of Canada.

### ***LIQUIDITY & GENERAL MARKET CONDITIONS***

FCPT faces the risk associated with general market conditions and their potential consequent effects. Current general market conditions may include, among other things, the insolvency of market participants, tightening lending standards and decreased availability of cash, and changes in unemployment levels, retail sales levels, and real estate values along with access to capital. These market conditions may affect occupancy levels and FCPT's ability to obtain credit on favorable terms or to conduct financings through the public market.

### ***REAL PROPERTY OWNERSHIP AND TENANT RISKS***

Real property investments are relatively illiquid. This illiquidity will tend to limit the ability of the Trust to respond to changing economic or investment conditions. If the Trust were to be required to liquidate assets quickly, there is a risk the proceeds realized from such sale would be less than the book value of the assets or less than what could be expected to be realized under normal circumstances. By specializing in certain types of real estate, the Trust is exposed to adverse effects on that segment of the real estate market and does not benefit from a broader diversification of its portfolio by property class.

All real property investments are subject to elements of risk. The value of real property and any improvements thereto depend on the credit and financial stability of tenants and upon the vacancy rates of the properties. The properties generate revenue through rental payments made by the tenants thereof. The ability to rent unleased space in properties will be affected by many factors, including changes in general economic conditions (such as the availability and cost of mortgage funds), local conditions (such as an oversupply of space or a reduction in demand for real estate in the area), government regulations, changing demographics, competition from other available properties, and various other factors. Cash available for distribution will be adversely affected if a significant number of tenants are unable to meet their obligations under their leases or if a significant amount of available space in the properties becomes vacant and cannot be leased on economically favorable lease terms. If properties do not generate revenues sufficient to meet operating expenses, including debt service and capital expenditures, this could have a material adverse effect on FCPT's business, cash flows, financial condition and results of operations and ability to make distributions to holders of Trust Units.

Historical occupancy rates and revenues are not necessarily an accurate prediction of the future occupancy rates for FCPT's properties or revenues to be derived therefrom. Reported estimates of market rent can be seasonal and the significance of any variations from quarter to quarter would materially affect FCPT's annualized estimated gain-to-lease amount. There can be no assurance that upon the expiry or termination of existing leases, the average occupancy rates and revenues will be higher than historical occupancy rates and revenues and it may take a significant amount of time for market rents to be recognized by the Trust due to internal and external limitations on its ability to charge these new market-based rents in the short term.

## **COMPETITION**

Many of the sectors in which the Trust operates are highly competitive. The Trust faces competition from many sources, including from other buildings in the immediate vicinity of the properties and the broader geographic areas where FCPT's properties are and will be located. In addition, overbuilding in the geographic areas where FCPT's properties are located may increase the supply of competing properties and may reduce occupancy rates and rental revenues of the Trust and could have a material adverse effect on FCPT's business, cash flows, financial condition and results of operations and ability to make distributions to holders of Trust Units.

FCPT's ability to make real estate investments in accordance with FCPT's objectives and investment policies depends upon the availability of suitable investments and the general economy and marketplace. Increased competition for acquisitions in the geographies in which the Trust operates from other acquirers of real estate may impact the availability of suitable investments and achievable investment yields for FCPT.

## **CHANGES IN APPLICABLE LAWS**

FCPT's operations will have to comply with numerous federal, provincial and local laws and regulations, some of which may conflict with one another or be subject to limited judicial or regulatory interpretations. These laws and regulations may include zoning laws, building codes, landlord tenant laws and other laws generally applicable to business operations. Non-compliance with laws could expose the Trust to liability.

Lower revenue growth or significant unanticipated expenditures may result from FCPT's need to comply with changes in applicable laws, including (i) laws imposing environmental remedial requirements and the potential liability for environmental conditions existing on properties or the restrictions on discharges or other conditions, (ii) rent control or rent stabilization laws or other landlord/tenant laws, or (iii) other governmental rules and regulations or enforcement policies affecting the development, use and operation of FCPT's properties, including changes to building codes and fire and life-safety codes.

## **UNEXPECTED COSTS OR LIABILITIES RELATED TO ACQUISITIONS**

Risks associated with real property acquisitions are that there may be an undisclosed or unknown liability concerning the acquired properties, and the Trust may not be indemnified for some or all of these liabilities. Following an acquisition, the Trust may discover that it has acquired undisclosed liabilities, which may be material. The Trust conducts what it believes to be an appropriate level of investigation in connection with its acquisition of properties and seeks through contract to ensure that risks lie with the appropriate party.

## **ACCESS TO CAPITAL**

The real estate industry is highly capital intensive. The Trust will require access to capital to maintain its properties, as well as to fund its growth strategy and significant capital expenditures from time to time. There can be no assurance that the Trust will have access to sufficient capital or access to capital on terms favorable to the Trust for future property acquisitions, financing or refinancing of properties, funding operating expenses or other purposes. Further, in certain circumstances, the Trust may not be able to borrow funds due to the limitations set forth in the Declaration of Trust.

In addition, global financial markets have experienced a sharp increase in volatility during recent years. This has been, in part, the result of the re-valuation of assets on the balance sheets of international financial institutions and related securities. This has contributed to a reduction in liquidity among financial institutions and has reduced the availability of credit to those institutions and to the issuers who borrow from them. While central banks as well as governments continue attempts to restore liquidity to the global economy, no assurance can be given that the combined impact of the significant re-valuations and constraints on the availability of credit will not continue to materially and adversely affect economies around the world in the near to medium term. These market conditions and unexpected volatility or illiquidity in financial markets may inhibit FCPT's access to long-term financing in the Canadian capital markets. As a result, it is possible that financing which the Trust may require in order to grow and expand its operations, upon the expiry of the term of financing, on refinancing any particular property owned by the Trust or otherwise, may not be available or, if it is available, may not be available on favorable terms to FCPT. Failure by the Trust to access required capital

could have a material adverse effect on FCPT's business, cash flows, financial condition and results of operations and ability to make distributions to holders of Trust Units.

#### ***INTEREST RATE & DEBT FINANCING RISK***

FCPT will be subject to the risks associated with debt financing. There can be no assurance that the Trust will be able to refinance its existing indebtedness on terms that are as or more favorable to the Trust as the terms of existing indebtedness. The inability to replace financing of debt on maturity would have an adverse impact on the financial condition and results of FCPT.

#### ***ENVIRONMENTAL RISK***

Environmental and ecological related policies have become increasingly important in recent periods. Under various federal, provincial and municipal laws, an owner or operator of real property could become liable for the cost of removal or remediation of certain hazardous or toxic substances released on or in its properties or disposed of at other locations. The existence of such a liability can have a negative impact on the value of the underlying real property.

It is our policy to obtain a Phase I environmental audit conducted by a qualified environmental consultant prior to acquiring any additional property, who has the appropriate insurance coverage. In addition, where appropriate, tenant leases generally specify that the tenant will conduct its business in accordance with environmental regulations and be responsible for any liabilities arising out of infractions to such regulations.

#### ***LEGAL RISK***

In the normal course of FCPT's operations, whether directly or indirectly, it may become involved in, named as a party to or the subject of, various legal proceedings, including regulatory proceedings, tax proceedings and legal actions relating to personal injuries, property damage, property taxes, land rights, the environment and contract disputes. The outcome with respect to outstanding, pending or future proceedings cannot be predicted with certainty and may be determined in a manner adverse to the Trust and as a result, could have a material adverse effect on FCPT's assets, liabilities, business, financial condition and results of operations. Even if the Trust prevails in any such legal proceeding, the proceedings could be costly and time-consuming and may divert the attention of management and key personnel from FCPT's business operations, which could have a material adverse effect on FCPT's business, cash flows, financial condition and results of operations and ability to make distributions to holders of Trust Units.

#### ***LEASE ROLLOVER RISK***

The value of investment properties and the stability of cash flows derived from those properties are dependent upon the level of occupancy and lease rates in those properties. Upon expiry of any lease, there is no assurance that a lease will be renewed on favorable terms, or at all; nor is there any assurance that a tenant can be replaced. A contraction in the Canadian economy would negatively impact demand for space in our properties, consequently increasing the risk that leases expiring in the near term will not be renewed.

#### ***INCOME TAX RISK***

On December 22, 2007, the SIFT Rules were enacted. Under the SIFT Rules, certain distributions from a SIFT will no longer be deductible in computing a SIFT's taxable income, and a SIFT will be subject to tax on such distributions at a rate that is substantially equivalent to the general tax rate applicable to a Canadian corporation. However, distributions paid by a SIFT as returns of capital should generally not be subject to the tax.

The SIFT Rules do not apply to a "real estate investment trust" that meets prescribed conditions relating to the nature of its assets and revenue (the "REIT Conditions"). The Trust has reviewed the REIT Conditions and has assessed their interpretation and application to FCPT's assets and liabilities. The Trust believes that it has met the REIT Conditions throughout the relevant periods ended. There can be no assurances, however, that the Trust will continue to be able to satisfy the REIT Conditions in the future such that the Trust will not be subject to the tax imposed by the SIFT Rules.

### ***FIXED COSTS AND INCREASED EXPENSES***

The failure to maintain stable or increasing average monthly rental rates combined with acceptable occupancy levels would likely have a material adverse effect on FCPT's business, cash flows, financial condition and results of operations and ability to make distributions to holders of Trust Units. Certain significant expenditures, including property taxes, maintenance costs, mortgage payments, insurance costs and related charges, must be made throughout the period of ownership of real property regardless of whether a property is producing any income. If the Trust is unable to meet mortgage payments on any property, losses could be sustained as a result of the mortgagee's exercise of its rights of foreclosure or sale.

FCPT is also subject to utility and property tax risk relating to increased costs that the Trust may experience as a result of higher resource prices as well as its exposure to significant increases in property taxes. There is a risk that property taxes may be raised as a result of re-valuations of properties and their adherent tax rates. In some instances, enhancements to properties may result in significant increases in property assessments following a re-valuation. Additionally, utility expenses, mainly consisting of natural gas and electricity service charges, have been subject to considerable price fluctuations over the past several years. Any significant increase in these resource costs that the Trust cannot charge back to the tenant may have a material adverse effect on FCPT's business, cash flows, financial condition and results of operations and ability to make distributions to holders of Trust Units.

The timing and amount of capital expenditures by the Trust will affect the amount of cash available for distributions to holders of Trust Units. Distributions may be reduced, or even eliminated, at times when the Trust deems it necessary to make significant capital or other expenditures.

### ***UNITHOLDER RISK***

There is a risk that FCPT's Unitholders could become subject to liability. The Declaration of Trust provides that no Unitholder or annuitant under a plan of which a Unitholder acts as Trustee or carrier shall be held to have any personal liability as such, and no resort shall be had to, nor shall recourse or satisfaction be sought from, the private property of any Unitholder or annuitant for any liability whatsoever, in tort, contract or otherwise, to any person in connection with the Trust property or the affairs of the Trust, including, without limitation, for satisfaction of any obligation or claim arising out of or in connection with any contract or obligation of the Trust or of the Trustees or any obligation which a Unitholder or annuitant would otherwise have to indemnify a Trustee for any personal liability incurred by the Trustee as such, but rather the assets of the Trust only are intended to be liable and subject to levy or execution for satisfaction of such liability. Each Unitholder and annuitant under a plan of which a Unitholder acts as Trustee or carrier shall be entitled to be reimbursed out of the assets of the Trust in respect of any payment of a Trust obligation made by such Unitholder or annuitant. The Declaration of Trust further provides that, whenever possible, any written instrument creating an obligation which is or includes the granting by the Trust of a mortgage, and to the extent management of the Trust determines to be practicable, any written instrument which is, in the judgment of management of the Trust, a material obligation, shall contain a provision or be subject to an acknowledgement to the effect that the obligation being created is not personally binding upon, and that resort shall not be had to, nor shall recourse or satisfaction be sought from, the private property of any of the Trustees, Unitholders, annuitants under a plan of which a Unitholder acts as a Trustee or carrier, or Officers, employees or agents of the Trust, but that only property of the Trust or a specific portion thereof shall be bound; the Trust, however, is not required, but shall use all reasonable efforts, to comply with this requirement in respect of obligations assumed by the Trust upon the acquisition of real property.

Certain provinces have legislation relating to Unitholder liability protection, including British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Québec. To FCPT's knowledge, certain of these statutes have not yet been judicially considered and it is possible that reliance on such statute by a Unitholder could be successfully challenged on jurisdictional or other grounds.

#### ***DEPENDENCE ON FCRPI AND FCPMC***

The Trust's earnings and operations are impacted by FCRPI's ability to source appropriate real estate investments that provide sufficient yields for investors and FCPMC to maintain these real estate investments. The Trust has also entered into long-term contracts with FCRPI and FCPMC, as more particularly described in the "Asset Management Agreement" and "Property Management Agreement" both dated November 20, 2012 and updated on August 12, 2021 as posted on SEDAR+ website ([www.sedarplus.ca](http://www.sedarplus.ca)). The "Asset Management Agreement" has been subsequently updated on January 1, 2022. The Trust is exposed to adverse developments in the business and affairs of FCRPI and FCPMC, since the day-to-day activities of the Trust are run by FCRPI and FCPMC and since all of the Trust's real estate investments are originated by FCRPI.

#### ***RETURN RISK***

There is no guarantee as to the return an investment in Trust Units of the Trust will generate.

#### ***POTENTIAL CONFLICTS OF INTEREST***

FCPT is subject to various potential conflicts of interest because the Asset Manager and Property Manager are entities indirectly related to certain trustees and management of the Trust. Further, 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 with, 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 and/or indirectly related to the 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 equity.

The Declaration of Trust does not restrict Trustees or Officers of the Trust, the Asset Manager, the Property Manager and/or its affiliates from being engaged (directly or indirectly) in real estate and business transactions in which their individual interests are actually, or are perceived to be, in conflict with the interests of the Trust. Accordingly, there can be no guarantee that the Trustees and Officers of the Trust, when acting in a capacity other than a Trustee or Officer of the Trust will act in the best interests of the Trust.

#### ***RELIANCE ON KEY PERSONNEL AND TRUSTEES***

In assessing the risk of an investment in the Trust Units, potential investors should be aware that they will be relying on the good faith, experience and judgment of the Trustees. Although investments made by the Trust are carefully chosen by the Trustees, there can be no assurance that such investments will earn a positive return in the short or long-term or that losses may not be suffered by the Trust from such investments.

#### ***DILUTION***

The number of Trust Units the Trust is authorized to issue is unlimited. The Trustees have the discretion to issue additional Trust Units in other circumstances, including under the Unit Option Plan. Any issuance of Trust Units may have a dilutive effect to existing Unitholders.

#### ***OPERATIONAL RISKS***

Operational risk is the risk that a direct or indirect loss may result from an inadequate or failed technology, from a human process or from external events. The impact of this loss may be financial loss, loss of reputation or legal and regulatory proceedings. Management endeavors to minimize losses in this area by ensuring that effective infrastructure and controls exist. These controls are reviewed and if deemed necessary improvements are implemented.

#### ***RISK RELATED TO INSURANCE RENEWALS***

Certain events could make it more difficult and expensive to obtain property and casualty insurance, including coverage for catastrophic risks. When the Trust's current and future insurance policies expire, the Trust may encounter difficulty in obtaining or renewing property or casualty insurance on its properties at the same levels of coverage and under similar terms. Such insurance may be more limited and, for catastrophic risks (e.g., earthquake, hurricane, flood and terrorism), may not be generally available to fully cover potential losses. Even if the Trust is able to renew its policies at levels and with limitations consistent with its current policies, the

Trust cannot be sure that it will be able to obtain such insurance at premiums that are reasonable. If the Trust is unable to obtain adequate insurance on its properties for certain risks, it could cause the Trust to be in default under specific covenants on certain of its indebtedness or other contractual commitments that it has which require the Trust to maintain adequate insurance on its properties to protect against the risk of loss. If this were to occur, or if the Trust were unable to obtain adequate insurance, and its properties experienced damages that would otherwise have been covered by insurance, it could have a material adverse effect on the Trust's business, cash flows, financial condition and results of operations and ability to make distributions to holders of Trust Units.

#### *CO-OWNERSHIP INTEREST IN PROPERTIES*

In certain situations, the Trust may be adversely affected by a default by a co-owner of a property under the terms of a mortgage, lease or other agreement. Although all co-owners' agreements entered into by Trust provide for remedies to Trust in such circumstances, such remedies may not be exercisable in all circumstances, or may be insufficient or delayed, and may not cure a default in the event that such default by a co-owner is deemed to be a default of Trust.



A black and white photograph of modern skyscrapers at night. The buildings have many lit windows, creating a grid of light against the dark sky. The architecture is contemporary with curved and angular forms.

**FIRM CAPITAL PROPERTY TRUST**

**CAPITAL PRESERVATION • DISCIPLINED INVESTING**

# **CONSOLIDATED FINANCIAL STATEMENTS**

THIRD QUARTER 2025  
SEPTEMBER 30, 2025



## **FIRM CAPITAL PROPERTY TRUST**

For the Three and Nine Months Ended September 30, 2025 and September 30, 2024

(Unaudited)

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The accompanying unaudited condensed consolidated interim financial statements of Firm Capital Property Trust for the three and nine months ended September 30, 2025, have been prepared by and are the responsibility of management. These unaudited condensed consolidated interim financial statements, together with the accompanying notes, have been reviewed and approved by members of Firm Capital Property Trust's audit committee. In accordance with National Instrument 51-102, Firm Capital Property Trust discloses that these unaudited condensed consolidated interim financial statements have not been reviewed by Firm Capital Property Trust's auditors.



# FIRM CAPITAL PROPERTY TRUST

## Condensed Consolidated Interim Balance Sheets

	Notes	September 30, 2025	December 31, 2024
<b>Assets</b>			
Non-current Assets:			
Investment Properties	3	\$ 623,435,087	\$ 633,510,780
Total Non-Current Assets		623,435,087	633,510,780
Current Assets:			
Cash and Cash Equivalents		5,884,132	9,180,430
Accounts Receivable		1,858,330	2,573,591
Prepaid Expenses, Deposits and Other Assets		4,210,131	4,196,606
Restricted Cash		53,243	22,402
Mortgages Receivable	3	500,000	500,000
Assets Held For Sale	3	1,100,120	1,965,460
Total Current Assets		13,605,956	18,438,489
Total Assets		\$ 637,041,043	\$ 651,949,269
<b>Liabilities and Unitholders' Equity</b>			
Current Liabilities:			
Mortgages	6(a)	\$ 37,135,488	\$ 18,161,040
Credit Facilities	5	14,450,000	27,700,000
Accounts Payable and Accrued Liabilities	4	8,446,074	8,215,617
Land Lease Liability	6(b)	50,828	48,563
Distribution Payable		1,599,990	1,599,990
Tenant Rental Deposits		757,132	746,075
Total Current Liabilities		62,439,512	56,471,285
Non-current Liabilities:			
Mortgages	6(a)	267,019,726	286,658,211
Land Lease Liability	6(b)	53,854	106,269
Tenant Rental Deposits		2,363,960	2,333,608
Total Non-current Liabilities		269,437,540	289,098,088
Total Liabilities		331,877,052	345,569,373
Unitholders' Equity	7	305,163,991	306,379,896
Total Liabilities and Unitholders' Equity		\$ 637,041,043	\$ 651,949,269

Commitments and Contingencies

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Subsequent Events

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See accompanying Notes to the Condensed Consolidated Interim Financial Statements.

Approved by the Board of Trustees

(signed) "Robert McKee"

Robert McKee  
CEO & Trustee

(signed) "Sandy Poklar"

Sandy Poklar  
CFO & Trustee

# FIRM CAPITAL PROPERTY TRUST

Condensed Consolidated Interim Statements of Income and Comprehensive Income

For the Three and Nine Months Ended September 30, 2025 and September 30, 2024

		Three Months Ended		Nine Months Ended	
	Notes	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Net Operating Income:					
Rental Revenue	8	\$ 15,085,120	\$ 14,889,830	\$ 45,935,181	\$ 44,989,658
Property Operating Expenses	10	(5,447,587)	(5,199,858)	(17,301,008)	(16,370,519)
		\$ 9,637,533	9,689,972	28,634,173	28,619,139
Interest and Other Income		61,452	225,830	188,900	585,080
Expenses:					
Finance Costs	9	3,652,267	3,437,160	11,097,361	10,553,989
General and Administrative	11	1,488,799	1,444,967	5,286,750	4,448,179
		5,141,066	4,882,127	16,384,111	15,002,168
Income Before Fair Value Adjustments		\$ 4,557,919	5,033,675	12,438,962	14,202,051
Fair Value Adjustments - (Loss)/Gain:					
Investment Properties	3	(367,574)	4,586,576	(1,192,172)	14,072,414
Sale of Investment Properties	3	110,000	-	1,969,581	217,088
Unit-based Compensation	7(c)	49,265	(257,182)	(32,369)	(358,763)
Net Income and Comprehensive Income		\$ 4,349,610	\$ 9,363,069	\$ 13,184,002	\$ 28,132,790

See accompanying Notes to the Condensed Consolidated Interim Financial Statements.

# FIRM CAPITAL PROPERTY TRUST

Condensed Consolidated Interim Statements of Changes in Unitholders' Equity

For the Three and Nine Months Ended September 30, 2025 and September 30, 2024

	Notes	Trust Units (Note 7)	Retained Earnings	Unitholders' Equity
<b>Unitholders' Equity, December 31, 2023</b>		\$ 217,744,121	\$ 73,948,666	\$ 291,692,787
Net Income and Comprehensive Income		-	28,132,790	28,132,790
Distributions	7(e)		(14,399,909)	(14,399,909)
<b>Unitholders' Equity, September 30, 2024</b>		\$ 217,744,121	\$ 87,681,547	\$ 305,425,668
Net Income and Comprehensive Income		-	5,754,200	5,754,200
Distributions	7(e)	-	(4,799,972)	(4,799,972)
<b>Unitholders' Equity, December 31, 2024</b>		\$ 217,744,121	\$ 88,635,775	\$ 306,379,896
Net Income and Comprehensive Income		-	13,184,002	13,184,002
Distributions	7(e)	-	(14,399,907)	(14,399,907)
<b>Unitholders' Equity, September 30, 2025</b>		\$ 217,744,121	\$ 87,419,870	\$ 305,163,991
<b>Trust Units Outstanding</b>	7(a)			36,925,682

See accompanying Notes to the Condensed Consolidated Interim Financial Statements.

# FIRM CAPITAL PROPERTY TRUST

## Condensed Consolidated Interim Statements of Cash Flows

For the Three and Nine Months Ended September 30, 2025 and September 30, 2024

		Three Months Ended		Nine Months Ended	
		September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Cash Flows from Operating Activities					
Net Income and Comprehensive Income		\$ 4,349,610	\$ 9,363,069	\$ 13,184,002	\$ 28,132,790
Fair Value Adjustments:					
Investment Properties	3	367,574	(4,586,576)	1,192,172	(14,072,414)
Sale of Investment Properties	3	(110,000)	-	(1,969,581)	(217,088)
Unit-Based Compensation	7(c)	(49,265)	257,182	32,369	358,763
Finance Costs, Net of Interest and Other Income	9	3,490,616	2,806,557	10,467,151	9,507,413
Finance Fee Amortization	9	101,708	427,962	442,819	537,936
Non-cash Interest Expense	9	-	(23,188)	-	(76,440)
Land Lease Amortization	6(b)	1,586	2,311	(50,150)	(48,018)
Straight-line and Free Rent Adjustment (net)	3, 8	(56,267)	26,090	111,749	215,886
Change in Non-Cash Operating Working Capital:					
Accounts Receivable		483,194	443,972	715,261	744,339
Prepaid Expenses, Deposits and Other Assets		1,028,863	444,884	(374,644)	(1,021,195)
Restricted Cash		19,696	6,392	(30,841)	(24,405)
Accounts Payable and Accrued Liabilities	4	(297,343)	764,018	141,203	1,298,803
Tenant Rental Deposits		158,190	227,488	41,409	240,150
		9,488,162	10,160,161	23,902,919	25,576,520
Cash Flows used in Financing Activities:					
Mortgages, Repayments	6(a)	(13,296,579)	(12,576,257)	(15,864,037)	(84,979,711)
Mortgages, Issuances	6(a)	15,200,000	16,150,305	15,200,000	98,927,805
Credit Facilities, Repayment	5	(12,900,000)	(8,800,000)	(24,800,000)	(20,800,000)
Credit Facilities, Issuances	5	11,450,000	5,900,000	11,550,000	6,200,000
Finance Costs Paid		(116,343)	-	(70,999)	(516,507)
Cash Interest Paid, Net of Other Income		(3,444,357)	(2,871,965)	(10,410,266)	(9,579,606)
Cash Distributions Paid	7(e)	(4,799,971)	(4,799,967)	(14,399,907)	(14,399,909)
		(7,907,250)	(6,997,884)	(38,795,209)	(25,147,928)
Cash Flows from (used) in Investing Activities:					
Net Proceeds From Sale of Investment Properties	3	90,495	-	15,069,517	2,174,773
Mortgage Receivable, Issuance		-	-	-	(500,000)
Acquisitions and Capital Expenditures	3	(1,113,918)	(1,237,229)	(3,473,525)	(3,129,436)
		(1,023,423)	(1,237,229)	11,595,992	(1,454,663)
Increase (Decrease) in Cash and Cash Equivalents		557,489	1,925,048	(3,296,298)	(1,026,071)
Cash and Cash Equivalents, Beginning of Period		5,326,643	5,382,776	9,180,430	8,333,895
Cash and Cash Equivalents, End of Period		\$ 5,884,132	\$ 7,307,824	\$ 5,884,132	\$ 7,307,824

See accompanying Notes to the Condensed Interim Financial Statements.

# FIRM CAPITAL PROPERTY TRUST

## Notes to Condensed Consolidated Interim Financial Statements

For the Three and Nine Months Ended September 30, 2025 and September 30, 2024  
(Unaudited)

### 1. The Trust

Firm Capital Property Trust (the “Trust”) is an unincorporated open-ended real estate investment trust established on August 30, 2012 under the laws of the Province of Ontario pursuant to an amended and restated Declaration of Trust dated November 20, 2012. The Trust is a “mutual fund trust” as defined in the Income Tax Act (Canada), but is not a “mutual fund” within the meaning of applicable Canadian securities legislation. The head office and registered office of the Trust is located at 163 Cartwright Avenue, Toronto, Ontario M6A 1V5. These condensed consolidated interim financial statements were approved by the Board of Trustees on November 6, 2025.

The Trust owns 100% of the outstanding Class A Limited Partnership Units of Firm Capital Property Limited Partnership (“FCPLP”), a limited partnership created under the laws of the Province of Ontario. FCPLP ultimately owns the investment properties through various subsidiaries. The Trust is the reporting issuer trading on the TSX under the ticker symbol FCD.UN.

### 2. Summary of Significant Accounting Policies

#### (a) Statement of Compliance

These condensed consolidated interim financial statements have been prepared in accordance with IFRS® Accounting Standards (“IFRS”) 34 – Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain information and note disclosures normally included in the consolidated annual financial statements prepared in accordance with IFRS have been omitted or condensed and accordingly, these condensed consolidated interim financial statements should be read in conjunction with the annual financial statements of the Trust as at and for the year ended December 31, 2024. These condensed consolidated interim financial statements have been prepared using the same accounting policies and methods as those used in the audited consolidated annual financial statements for the year ended December 31, 2024, except as outlined below.

#### (b) Basis of Consolidation

The condensed consolidated interim financial statements comprise the financial statements of the Trust and its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting periods as the Trust, using consistent accounting policies. All intercompany balances, transactions and unrealized gains and losses arising from intercompany transactions are eliminated on consolidation.

#### (c) Basis of Presentation, Measurement and Significant Accounting Policies

The condensed consolidated interim financial statements are prepared on a going concern basis and have been presented in Canadian dollars, which is the Trust’s functional currency. The condensed consolidated interim financial statements are prepared on the historical cost basis with the exception of investment properties, cash and cash equivalents and the liabilities related to unit-based compensation expense, which are measured at fair value. The accounting policies set out below have been applied consistently to all periods as presented in the audited consolidated financial statements for the year ended December 31, 2024.

#### (d) Co-Ownership Arrangement

The Trust currently is a co-owner in seventeen joint arrangements. These arrangements are classified as joint operations because the parties involved have joint control of the assets and joint responsibility of the liabilities relating to the arrangement. As a result, the Trust includes its pro rata share of its assets, liabilities, revenues, expenses and cash flows in these consolidated financial statements. Management believes the assets of these joint arrangements are sufficient for the purpose of satisfying the associated obligations. The co-ownership interests as at September 30, 2025 and December 31, 2024 are outlined below:

Investment Properties	Joint Arrangement Interest	
	September 30, 2025	December 31, 2024
Centre Ice Retail Portfolio <sup>(1)</sup>	70%	70%
Waterloo Industrial Portfolio <sup>(1)</sup>	70%	70%
Edmonton Apartment Complex <sup>(1)</sup>	70%	70%
Lower Sackville Apartment Complex <sup>(1)</sup>	70%	70%
Montreal Industrial Portfolio <sup>(1)</sup>	50%	50%
Edmonton Industrial Portfolio <sup>(1)</sup>	50%	50%
Ottawa Apartment Complex <sup>(1)</sup>	50%	50%
Crombie Retail Portfolio	50%	50%
FCR Retail Portfolio	50%	50%
Gateway Retail Property <sup>(1)</sup>	50%	50%
Mountview Manufactured Home Communities <sup>(1)</sup>	50%	50%
Hidden Creek Manufactured Home Communities <sup>(1)</sup>	50%	50%
The Whitby Mall <sup>(1)</sup>	40%	40%

**FIRM CAPITAL PROPERTY TRUST**  
**Notes to Condensed Consolidated Interim Financial Statements**

For the Three and Nine Months Ended September 30, 2025 and September 30, 2024  
(Unaudited)

Thickson Place <sup>(1)</sup>	40%	40%
Eglinton Ave West Commercial <sup>(1)</sup>	40%	40%
Parkhill Manufactured Home Communities <sup>(1)</sup>	50%	50%
Skyview Manufactured Home Communities <sup>(1)</sup>	50%	50%

- (1) Pursuant to the Declaration of Trust, the asset manager (see note 11(a)) is only obligated to request the Trust to participate in up to 50% of a property acquisition. The above list the Trust's ownership interest in the respective properties. Entities that are related to and associated with the asset manager and Property Manager and Members of the Board of Trustees are invested along-side the Trust in those properties on the same terms as those applicable to the Trust.

Certain Trustees and Officers of the Trust directly and/or indirectly have interests in certain of these Joint Arrangements.

**(e) Estimates**

The preparation of condensed consolidated interim financial statements requires management to make estimates that affect the reported amounts of certain assets and liabilities, the disclosure of contingent assets and liabilities at the date of the condensed consolidated interim financial statements, and certain reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The critical accounting estimates have been set out in the Trust's audited consolidated financial statements for the year ended December 31, 2024.

**(f) Critical Judgments**

Critical judgments have been set out in the Trust's audited consolidated financial statements for the year ended December 31, 2024. The Trust has not identified critical judgements that are new to the interim period.

**3. Investment Properties**

	Retail and Commercial	Industrial	Multi-residential	Manufactured Housing Communities	Total
<b>December 31, 2023</b>	\$ 292,761,260	\$ 199,341,275	\$ 100,332,368	\$ 21,724,410	\$ 614,159,313
Dispositions	-	-	-	(67,685)	(67,685)
Capital Expenditures	558,672	2,025,408	545,357	-	3,129,437
Straight-line Rents	(71,780)	74,493	-	-	2,713
Fair Value Adjustment	14,047,902	(4,697,254)	4,408,858	67,046	13,826,552
<b>September 30, 2024</b>	307,296,054	196,743,922	105,286,583	21,723,771	631,050,330
Capital Expenditures	309,971	974,903	223,928	78,008	1,586,810
Straight-line Rents	44,472	70,356	-	-	114,828
Fair Value Adjustment	(334,161)	(5,974,943)	5,519,382	1,548,534	758,812
<b>December 31, 2024</b>	\$ 307,316,336	\$ 191,814,238	\$ 111,029,893	\$ 23,350,313	\$ 633,510,780
Acquisitions	-	-	-	220,500	220,500
Dispositions	-	(12,054,563)	-	(91,500)	(12,146,063)
Capital Expenditures	1,451,820	1,408,131	469,685	(57,107)	3,272,529
Straight-line Rents	78,001	(200,451)	-	-	(122,450)
Fair Value Adjustment	(724,405)	(3,905,465)	2,048,183	1,281,478	(1,300,209)
<b>September 30, 2025</b>	\$ 308,121,752	\$ 177,061,890	\$ 113,547,761	\$ 24,703,684	\$ 623,435,087

For the period ended September 30, 2025, senior management of the Trust valued the Investment Properties using the overall capitalization method. Investment properties are valued on a highest and best use basis. For all of the Trust's investment properties, the current use is considered the best use. Fair value was determined by applying a capitalization rate to stabilized net operating income ("Stabilized NOI"). Stabilized NOI incorporates allowances for vacancy, management fees and structural reserves for tenant inducements and capital expenditures to which a capitalization rate is applied that is deemed appropriate for the investment property. Capitalization rates are based on many factors, including but not limited to the asset location, type, size and quality of the asset and taking into account any available market data at the valuation date.

Capitalization rates used in the valuation of investment properties as of September 30, 2025 and September 30, 2024 are based on current market data.

The Trust continues to review its cash flow projections, liquidity and the estimated fair value of its real estate portfolio in these challenging times. Capitalization rates could change materially as additional market data becomes available.

**FIRM CAPITAL PROPERTY TRUST**  
**Notes to Condensed Consolidated Interim Financial Statements**

For the Three and Nine Months Ended September 30, 2025 and September 30, 2024  
(Unaudited)

Investment Properties measured at fair value are categorized by level according to the inputs used. The Trust has classified these inputs as Level 3. With the exception of the acquisition and dispositions of investment properties as well as transfers into assets held for sale as further described in note 3 of these condensed consolidated interim financial statements, there have been no transfers into or out of Level 3 in the current year. Significant unobservable inputs in Level 3 valuations are as follows:

<b>September 30, 2025</b>	<b>Retail &amp; Commercial</b>	<b>Industrial</b>	<b>Multi-Residential</b>	<b>Manufactured Housing Communities</b>	<b>Weighted Average</b>
Capitalization Rate Range	5.00% - 8.00%	6.00% - 7.00%	5.25% - 5.50%	6.00% - 6.25%	6.33%
Weighted Average Capitalization Rate	6.71%	6.36%	5.28%	6.12%	6.33%

<b>December 31, 2024</b>	<b>Retail &amp; Commercial</b>	<b>Industrial</b>	<b>Multi-Residential</b>	<b>Manufactured Housing Communities</b>	<b>Weighted Average</b>
Capitalization Rate Range	5.00% - 8.00%	6.00% - 7.00%	5.25% - 5.50%	6.00% - 6.25%	6.31%
Weighted Average Capitalization Rate	6.71%	6.27%	5.28%	6.11%	6.31%

The fair value of the Trust's investment properties is sensitive to changes in the significant unobservable inputs. Changes in certain inputs would result in a change to the fair value of the Trust's investment properties as set out in the following table:

<b>Weighted Average</b>	<b>Change in Investment Valuation</b>
Capitalization Rate 25 basis point increase	\$ (24,009,000)
Capitalization Rate 25 basis point decrease	26,041,000

Generally, an increase in stabilized NOI will result in an increase to the fair value of an investment property. An increase in the capitalization rate will result in a decrease to the fair value of an investment property. The capitalization rate magnifies the effect of a change in stabilized NOI.

**Sale of Investment Properties:**

On January 30, 2024, the Trust completed the sale of a retail property from the Centre Ice Retail Portfolio, for gross proceeds of approximately \$3.0 million. The Trust's pro-rata share of the gross proceeds was \$2.1 million. The Trust recognized a gain on sale of \$0.2 million.

On April 2, 2025, the Trust completed the sale of a retail property from the Centre Ice Retail Portfolio, for gross proceeds of approximately \$1.4 million. The Trust's pro-rata share of the gross proceeds was \$1.0 million. The Trust recognized a gain on sale of \$59,000.

On May 9, 2025, the Trust completed the sale of an industrial property within the Montreal Portfolio, for gross proceeds of \$27.9 million. The Trust's pro-rata share of the gross proceeds was \$14.0 million. The Trust recognized a gain on sale of \$1.8 million.

**Mortgages Receivable:**

Two mortgage take backs occurred as the result of the sale of an office property in Barrie, Ontario for \$8.4 million on December 29, 2022. In December of 2023, the vendor take back mortgage was renewed requiring the borrower to repay the \$1.6 million due on the 5 year term structure as well as to make a principal payment of \$1.8 million towards the \$6.8 million that was otherwise due by the end of 2023. The renegotiated agreement required the borrower to repay the remaining \$5.0 million by January 1, 2025, interest only and at the greater of the floating rate of 10% per annum or Bank Prime plus 2.8%. On December 31, 2024, the outstanding \$5.0 million was paid in full.

On June 13, 2024, the Trust invested \$0.5 million in a \$2.5 million second mortgage secured by a property located in Pointe Claire Quebec with a term of 12 months. Effective June 1, 2025, the term was extended for 6 months to mature on December 1, 2025 with interest at the greater of 13% per annum or the TD Canada posted bank prime rate of interest plus 8.05%.

## FIRM CAPITAL PROPERTY TRUST

### Notes to Condensed Consolidated Interim Financial Statements

For the Three and Nine Months Ended September 30, 2025 and September 30, 2024  
(Unaudited)

#### Assets Held for Sale:

As at September 30, 2025, the Trust has listed for sale one retail property within the Center Ice Retail Portfolio. The property has been classified as Assets Held for Sale at their fair value of approximately \$1.1 million. No debt remained on this property and as a result no liabilities are associated with the assets held for sale.

#### 4. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities as at September 30, 2025 and as at December 31, 2024 were \$8,446,074 and \$8,215,617, respectively, and consist of the following:

	September 30, 2025	December 31, 2024
Utilities, Repairs and Maintenance, Other	\$ 4,385,287	\$ 5,617,552
Due to Asset Manager (notes 11(a) and 11(b))	1,732,526	887,337
Due to Property Manager (note 11(c))	114,131	116,989
Accrued Interest Expense	412,286	355,402
Option Liabilities (note 7(c))	208,017	260,307
Deferred Trust Units (note 7(c))	1,593,827	978,030
Accounts Payable and Accrued Liabilities	\$ 8,446,074	\$ 8,215,617

#### 5. Credit Facility

##### (a) Revolving Operating Facility

The Trust has entered into a Revolving Operating Facility (the "Facility") with a Canadian Chartered Bank (the "Bank") fully secured by first charges against certain investment properties. On September 30, 2025, the total amount available under the Facility was \$19.0 million. Interest on the credit facility is predominantly charged at a rate that varies with bank prime and may have a component with a fixed interest rate established based on a formula linked to the Canadian Overnight Repo Rate Averages ("CORRA"). Amounts drawn under the Facility are due to be repaid at the maturity date on October 31, 2025. At September 30, 2025, \$11,450,000 was drawn under the Facility (December 31, 2024 – \$9,100,000). Refer to note 18 for further details over the extension of the Facility.

##### (b) Lines of Credit

- i. The Trust has entered into a Line of Credit (the "LOC") with a Canadian Chartered Bank (the "Bank") fully secured by first charges against the Merivale Mall Property. On September 30, 2025, the total amount available under the LOC was \$22.0 million. The interest rate is based on a calculated formula using the Bank's prime lending rate or a formula linked to CORRA rates. Amounts drawn under the LOC are due to be repaid at the maturity date on December 1, 2027. Amounts drawn under the LOC at September 30, 2025 was \$3,000,000 (December 31, 2024 – \$18,600,000).
- ii. Within the Montreal Industrial Portfolio, where the Trust is a 50% co-owner of the joint arrangement, a co-terminus \$1 million LOC with a Bank was established with the existing mortgage on the industrial portfolio that has a maturity date in December of 2029. The interest rate is based on a calculated formula using the Bank's prime lending rate. At September 30, 2025, no amount was drawn on this facility (December 31, 2024 – \$nil).

#### 6. Non-current Liabilities

##### (a) Mortgages

As at September 30, 2025, total outstanding mortgages were \$304,155,214 (December 31, 2024 – \$304,819,251) with a weighted average interest rate of approximately 4.3% (4.2% as at December 31, 2024) and weighted average repayment term of approximately 5.0 years (5.5 years as at December 31, 2024).



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The mortgages are repayable as follows:

	Scheduled Principal Repayments	Debt Maturing During The Period	Total Mortgages Payable	Scheduled Interest Payments
2025	1,211,140	1,090,666	2,301,806	2,533,975
2026	4,792,108	41,935,043	46,727,151	12,572,383
2027	4,177,301	17,153,909	21,331,210	11,137,757
2028	4,215,768	26,144,754	30,360,522	10,392,922
2029	3,917,671	36,479,481	40,397,152	9,126,138
Thereafter	9,481,416	153,555,957	163,037,373	20,671,184
	\$ 27,795,404	\$ 276,359,810	\$ 304,155,214	\$ 66,434,359
<b>Total Mortgages</b>			<b>\$ 304,155,214</b>	

	September 30, 2025	December 31, 2024
Current:		
Mortgages	\$ 37,135,488	\$ 18,161,040
	37,135,488	18,161,040
Non-Current:		
Mortgages	267,019,726	286,658,211
	267,019,726	286,658,211
<b>Total Mortgages</b>	<b>\$ 304,155,214</b>	<b>\$ 304,819,251</b>

The following table sets out an analysis of net debt and the movements in net debt for the period ended September 30, 2025:

	Cash and Cash Equivalents	Credit Facility	Mortgages	Net Debt
<b>As at December 31, 2024</b>	\$ 9,180,430	\$ (27,700,000)	\$ (304,819,251)	\$ (323,338,821)
Cash Flows	(3,788,686)	13,250,000	664,037	10,125,351
Changes in Non-Cash Operating Working Capital	492,388	-	-	492,388
<b>As at September 30, 2025</b>	\$ 5,884,132	\$ (14,450,000)	\$ (304,155,214)	\$ (312,721,082)

**(b) Land Lease Liability**

On May 9, 2019, as part of the FCR Retail Portfolio the joint arrangement assumed a land lease on a retail property located in Ottawa, Ontario. Rent is subject to adjustment every 5 years based on inflationary adjustment by the lessor. From May 9, 2019 until April 1, 2023, the terms of the land lease were gross annual payments of \$101,040 per annum. Subsequently the terms of the land lease were increased to \$111,265 per annum up to the maturity date on April 1, 2027. The land lease liability is calculated in accordance with IFRS 16, using the present value of the remaining lease payments, discounted using the incremental borrowing rate of 6.25% for the term of the lease. The Trust's pro-rata portion of the lease liability is as follows:

Lease Liability				
	Opening Balance	Lease Payment	Imputed Interest Expense	Ending Balance
2025	104,682	-	1,586	106,268
2026	106,268	(55,633)	4,034	54,669
2027	54,669	(55,633)	964	-
				<b>September 30, 2025</b>
Current			\$	50,828
Non-Current				53,854
<b>Total</b>			\$	104,682

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**7. Unitholders' Equity**

**(a) Issued and Outstanding**

	<b>Number of Units</b>	<b>Amount</b>
<b>Balance, September 30, 2025 and December 31, 2024</b>	36,925,682	\$ 217,744,121

**(b) Authorized**

In accordance with the Declaration of Trust, the Trust may issue an unlimited number of units (the "Trust Units"). The Board of Trustees of the Trust has discretion with respect to the timing and amount of distributions. Each Unitholder is entitled on demand to redeem all or any part of the Trust Units registered in the name of the Unitholder at prices determined and payable in accordance with the conditions provided for in the Declaration of Trust.

Trust Units are redeemable at any time, in whole or in part, on demand by the Unitholders. On receipt of the redemption notice by the Trust, all rights to and under the Trust Units tendered for redemption shall be surrendered and the Unitholders shall be entitled to receive a price per Trust Unit equal to the lesser of:

- i. 90% of the "market price" of the Trust Units on the exchange or market on which the Units are listed or quoted for trading during the ten consecutive trading days ending immediately prior to the date on which the Trust Units were surrendered for redemption; and
- ii. 100% of the "closing market price" on the exchange or market on which the Trust Units are listed or quoted for trading on the redemption date.

The total amount payable by the Trust, in respect of any Trust Units surrendered for redemption during any calendar month, shall not exceed \$50,000 unless waived at the discretion of the Trustees and be satisfied by way of a cash payment in Canadian dollars within 30 days after the end of the calendar month in which the Trust Units were tendered for redemption. To the extent the redemption price payable in respect of Trust Units surrendered for redemption exceeds \$50,000 in any given month, such excess will be redeemed for cash, and by a distribution in specie of assets held by the Trust on a pro rata basis.

**(c) Unit-Based Liabilities**

**Option Plan**

Under the Trust's unit option plan, the aggregate number of unit options reserved for issuance at any given time shall not exceed 10% of the number of outstanding Trust Units. As at September 30, 2025, the Trust has 1,970,000 Trust Unit options issued and outstanding at a fair market value of \$208,017 consisting of the following issuances:

On December 1, 2020, the Trust granted 400,000 Trust Unit options at a weighted average exercise price of \$6.75 per Trust Unit. 360,000 unit 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 September 30, 2025 was 340,000 Trust unit options.

On March 15, 2021, the Trust granted 10,000 Trust Unit options at a weighted average exercise price of \$6.75 per Trust Unit. 3,333 unit 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 September 30, 2025 was 10,000 Trust unit options.

On June 14, 2022, the Trust granted 1,740,000 Trust Unit options at a weighted average exercise price of \$7.10 per Trust Unit. 1,360,000 unit 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 September 30, 2025 was 1,620,000.

Unit-based compensation related to the aforementioned unit options was a recovery of \$55,978 for the three months ended September 30, 2025 and \$52,290 recovery for the nine months ended September 30, 2025 (three months ended September 30, 2024 expense of \$182,479 and an expense of \$213,542 for the nine months ended September 30, 2024). Unit-based compensation was determined using the Black-Scholes option pricing model and based on the following assumptions:

	<b>As at September 30, 2025</b>	<b>As at December 31, 2024</b>
Expected Option Life (Years)	1.67	2.3
Risk Free Interest Rate	2.44%	2.87%
Distribution Yield	8.67%	9.39%
Expected Volatility	19.24%	22.38%

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Expected volatility is based in part on the historical volatility of the Trust Units consistent with the expected life of the option. The risk free interest rate of return is the yield on zero-coupon Government of Canada bonds of a term consistent with the expected option life.

The estimated fair value of an option under the Trust's unit option plan at the date of grants were \$0.16 and \$0.43 per unit option for December 1, 2020 and June 14, 2022 issuances, respectively.

#### **Deferred Trust Units**

On August 1, 2018, the Trust adopted a Deferred Trust Unit ("DTU") plan. Under the terms of the plan, any units issued must be issued at a unit price which is at the volume weighted average trading price of the units on the TSX for the five days trading immediately preceding the date on which DTUs are granted. Distributions equivalents are awarded in respect of the DTU holders on the same basis as unitholders and credited to the DTU holders account as additional DTUs. As at September 30, 2025, the outstanding liability was \$1,593,827 (December 31, 2024 – \$978,030).

#### **(d) Distribution Reinvestment Plan ("DRIP") and Unit Purchase Plan ("UPP")**

The Trust has both a DRIP and UPP currently in place. Under the terms of the DRIP, Unitholders may elect to automatically reinvest all or a portion of their regular monthly distributions in additional Trust Units, without incurring brokerage fees or commissions. Trust Units purchased through the DRIP are acquired at the weighted average closing price of Trust Units in the five trading days immediately prior to the distribution payment date. Trust Units purchased through the DRIP will be acquired either in the open market or be issued directly from the Trust's treasury based on a floor price to be set at the discretion of the Board of Trustees.

The UPP gives each Unitholder resident in Canada the right to purchase additional Trust Units. Unitholders who elect to receive Trust Units under the DRIP may also enroll in the Trust's UPP. Under the terms of the UPP, Trust 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 Trust Units that may be issued may not exceed 2% of the Trust Units of the Trust per annum.

For the three and nine months ended September 30, 2025 and September 30, 2024 no shares were issued from treasury as a result of the DRIP and UPP.

#### **(e) Distributions**

For the nine months ended September 30, 2025, distributions of \$0.0433 per unit were declared each month commencing in January 2025 through to September 2025, resulting in total distributions declared of \$14,399,907. For the nine months ended September 30, 2024, distributions of \$0.0433 per unit were declared each month commencing in January 2024 through to September 2024 resulting in total distributions declared of \$14,399,909.

#### **(f) 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 Trust Units. During the 12 month period commencing July 18, 2023 and ending no later than July 17, 2024, the Trust may purchase through the facilities of the TSX and/or alternative Canadian Trading Systems up to 3,324,528 Trust Units in total, being 10% of the "public float" of trust units as of July 4, 2023. During the term of this 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 Trust 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 Trust Units in total, being 10% of the "public float" of trust units as of July 5, 2024. As of the date of maturity on July 17, 2025, the Trust has not purchased any units under this NCIB.

On July 30, 2025, the Trust announced its renewal of its NCIB for a twelve month period commencing August 5, 2025 and ending August 4, 2026. Over that period the Trust may purchase through the facilities of the TSX and/or alternative Canadian Trading Systems up to 3,266,775 Trust Units in total, being 10% of the "public float". As of September 30, 2025, the Trust has not purchased any units under this NCIB.

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**8. Rental Revenue**

The Trust currently leases real estate to tenants under operating leases. Future minimum rental income on tenant operating leases over their remaining lease terms excluding renewal options (subject to collection) is as follows:

<b>Revenue</b>	
Within one year	\$ 35,631,389
Later than one year and not longer than five years	72,696,067
Thereafter	18,868,912
	<b>\$ 127,196,368</b>

Revenue for the period is comprised of the following:

	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>Sep 30, 2025</b>	<b>Sep 30, 2024</b>	<b>Sep 30, 2025</b>	<b>Sep 30, 2024</b>
Base Rent	\$ 10,748,391	\$ 10,737,278	\$ 32,463,678	\$ 32,178,753
Operating Costs Recoveries	1,804,520	1,713,071	6,331,445	5,915,029
Tax Recoveries	2,513,594	2,465,571	7,315,261	7,111,762
Straight Line Rent	32,985	19,311	(122,450)	2,714
Free Rent	(14,370)	(45,401)	(52,753)	(218,600)
	<b>\$ 15,085,120</b>	<b>\$ 14,889,830</b>	<b>\$ 45,935,181</b>	<b>\$ 44,989,658</b>

**9. Finance Costs**

Finance costs for the period ended September 30, 2025 and September 30, 2024 are as follows:

	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>Sep 30, 2025</b>	<b>Sep 30, 2024</b>	<b>Sep 30, 2025</b>	<b>Sep 30, 2024</b>
Mortgage Interest	\$ 3,331,451	\$ 2,654,369	\$ 9,715,885	\$ 8,758,670
Credit facility Interest	219,108	378,017	938,657	1,333,823
Finance Fee Amortization	101,708	427,962	442,819	537,936
Non-cash Interest Expense	-	(23,188)	-	(76,440)
Finance Costs	<b>\$ 3,652,267</b>	<b>\$ 3,437,160</b>	<b>\$11,097,361</b>	<b>\$ 10,553,989</b>

Finance fee amortization relates to fees paid on securing the Facility, the LOC and the Trust's various mortgages accounted for under the amortized cost method. Non-cash interest expense relates to the amortization of mark-to-market adjustment relating to the assumed mortgages from the Trust's various acquisitions.

**10. Property Operating and General and Administrative Expenses**

Property operating expenses include realty taxes as well as other costs related to maintenance, HVAC, insurance, utilities and property management fees. General and administrative expenses include professional fees, public company expenses, office and general, insurance and asset management fees.

Property operating and general and administrative expenses for the period ended September 30, 2025 and September 30, 2024 are as follows:

	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>Sep 30, 2025</b>	<b>Sep 30, 2024</b>	<b>Sep 30, 2025</b>	<b>Sep 30, 2024</b>
Realty Taxes	\$ 2,753,135	\$ 2,739,752	\$ 8,350,309	\$ 7,979,514
Property Management Fees (note 11(c))	615,358	518,191	1,783,016	1,772,293
Operating Expenses	2,079,094	1,941,915	7,167,683	6,618,712
Property Operating Expenses	<b>\$ 5,447,587</b>	<b>\$ 5,199,858</b>	<b>\$17,301,008</b>	<b>\$ 16,370,519</b>

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	Three Months Ended		Nine Months Ended	
	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024
Asset Management Fees (note 11(a))	\$ 839,284	\$ 846,268	\$ 2,526,576	\$ 2,531,659
Performance Incentive Fees (note 11(a))	181,087	194,428	1,732,526	690,904
Public Company Expenses	373,411	184,077	737,035	669,183
Office and General	95,017	220,194	290,613	556,433
General and Administrative	\$ 1,488,799	\$ 1,444,967	\$ 5,286,750	\$ 4,448,179

## 11. Related Party Transactions

Transactions with related parties are in the normal course of business and are recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

### (a) Asset Management Agreement

The Trust has entered into an Asset Management Agreement with Firm Capital Realty Partners Inc. ("FCRPI"), an entity indirectly related to certain trustees and management of the Trust. The term of the contract is initially ten years and automatically renews for successive five-year periods. On August 12, 2021, the contract was extended for a further ten year term with successive five year renewal periods.

As part of the Agreement, FCRPI agrees to provide the following services, which include but are not limited to the following: (i) arrange financing, refinancing and structuring of financings for the Trust's investment properties and future acquisitions; (ii) identify, recommend and negotiate the purchase price for acquisitions and dispositions; (iii) prepare budgets and financial forecasts for the Trust and future acquisitions; (iv) provider of services of senior management including the CEO and CFO; (v) assist in investor relations for the Trust; (vi) assist the Trust with regulatory and financial reporting requirements (other than services provided by the CFO of the Trust); (vii) assist the Trust with the preparation of all documents, report data and analysis required by the Trust for its filings and documents necessary for its continuous disclosure requirements pursuant to applicable stock exchange rules and securities laws; (viii) attend meetings of Trustees or applicable committees, as requested by the Trust, to present financing opportunities, acquisition opportunities and disposition opportunities; and (ix) arrange and coordinate advertising, promotional, marketing and related activities on behalf of the Trust.

As compensation for the services, FCRPI is paid the following fees:

#### i. Asset Management Fees: The Trust pays the following fees annually:

- I. 0.75% of the first \$300 million of the Gross Book Value of the Properties; and
- II. 0.50% of the Gross Book Value of the investment properties in excess of \$300 million.

#### ii. Acquisition Fees: The Trust pays the following acquisition fees:

- I. 0.75% of the first \$300 million of aggregate Gross Book Value in respect of new properties acquired in a particular year;
- II. 0.65% of the next \$200 million of aggregate Gross Book Value in respect of new properties acquired in such year; and thereafter
- III. 0.50% of the aggregate Gross Book Value of new properties acquired in such year.

#### iii. Placement Fees: The Trust pays a fee equivalent to 0.25% of the aggregate value of all debt and equity financing arranged by FCRPI.

#### iv. 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 preceding four quarters in which the sale occurred, a fee (the "Disposition Fee") equal to 0.5% of the sale price to FCRPI.

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(b) Incentive Fee Agreement

FCPLP has entered into an Incentive Fee Agreement with FCRPI to pay a Performance Incentive Fee. FCPLP pays a fee equivalent to 15% of Adjusted Funds From Operations ("AFFO") as defined in the Limited Partnership Agreement once AFFO exceeds \$0.40 per Unit (including any gains and losses on the disposition of real estate properties calculated as gross proceeds less the actual cost of real estate including capitalized additions).

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

For the nine months ended September 30, 2025 and September 30, 2024, Asset Management Fees were \$2,526,576 and \$2,531,659; Acquisition Fees were \$nil; Placement fees were \$38,000 and \$219,444; Performance Incentive Fees were \$1,732,526 and \$690,903; and Disposition Fees were \$74,711 and \$11,865, respectively.

Asset Management, Performance Incentive Fees and Disposition fees are recorded in General and Administrative expenses while Acquisition and Placement Fees are capitalized to Investment Properties, Mortgages and Unitholders' Equity on the consolidated balance sheet.

As at September 30, 2025, \$1,732,526 (\$877,337 as at December 31, 2024) was due on demand to FCRPI and has been accounted for in accounts payable and accrued liabilities.

(c) Property Management Agreement

The Trust has entered into a Property Management Agreement with Firm Capital Property Management Corp. ("FCPMC"), formerly Firm Capital Properties Inc., an entity indirectly related to certain trustees and management of the Trust. The term of the contract is initially ten years and automatically renews for successive five-year periods.

As part of the Agreement, FCPMC agrees to provide the following services which include but are not limited to, the following: (i) lease the Properties and to obtain tenants from time to time as vacancies occur; (ii) to establish the rent, the duration, the terms and conditions of all leases and renewals thereof; (iii) to enter into agreements to lease and offers to lease in respect of the properties; (iv) collect all rents, including parking revenues, tenant recoveries, leasehold recoveries and any other revenues or monies accruing to the properties, or sums which may be receipts due and payable in connection with or incidental to the properties; (v) maintain the properties in reasonable operating condition and repair, (vi) arrange for and supervise the making or installation of such maintenance, repairs, improvements (including tenant improvements) and alterations as may be required; (vii) maintain all licenses and permits as required; (viii) recover all operating costs as required under various tenant lease arrangements; (ix) prepare all property operating and capital expenditure budgets; and (x) undertake, supervise and budget all tenant improvements, construction projects and alterations.

As compensation for the services, FCPMC is paid the following fees:

(a) Property Management Fees: The Trust pays the following fees annually:

- I. Multi-unit Residential Properties: For each multi-unit residential property with 120 units or less, a fee equal to four percent (4.0%) of Gross Revenues and for each multi-unit residential property with more than 120 units, a fee equal to three and one-half percent (3.5%) of Gross Revenues.
- II. Industrial and Commercial Properties: Fee equal to four and one-quarter percent (4.25%) of Gross Revenues from the property; provided, however, that for such properties with a single tenant, the fee shall be equal to three percent (3.0%) of Gross Revenues.

(b) Commercial Leasing Fees: Where FCPMC leases a rental space on commercial terms, FCPMC shall be entitled to receive a leasing commission equal to three percent (3.0%) of the net rental payments for the first year of the lease, and one and one-half percent (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 will be paid for relocating existing tenants, rewriting leases or expenditures, including the cost of all permits, materials, labour, contracts, and holding over without a lease unless the area or length of term has increased.

**FIRM CAPITAL PROPERTY TRUST**  
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- (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 FCRPI shall be subject to a commission payable to FCPMC of one-half of one percent (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 shall receive as compensation for its services with respect thereto a fee equal to five percent (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 shall be payable unless the Capital Expenditures are undertaken following a tendering or procurement process where the total cost of Capital Expenditures exceeds \$50,000.

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

For the nine months ended September 30, 2025 and September 30, 2024, Property Management Fees were \$1,095,884 and \$1,075,404 and Commercial Leasing Fees were \$49,010 and \$79,093, respectively.

As at September 30, 2025, \$114,131 (\$116,989 as at December 31, 2024) was due to FCPMC and has been accounted for in accounts payable and accrued liabilities.

(d) Lease Agreement

On August 1, 2013, FCPMC entered into a lease agreement with the entity that owns the Montreal Industrial Portfolio which the Trust accounts for as a joint control arrangement, to lease office space on commercially available terms. For the three and nine months ended September 30, 2025, \$10,320 and \$30,960 (\$10,320 and \$30,960 for the three and nine months ended September 30, 2024) of base rent was paid on this lease.

(e) Co-Ownership Arrangement

The Trust currently is a co-owner in seventeen joint arrangements. These arrangements are classified as joint operations because the parties involved have joint control of the assets and joint responsibility of the liabilities relating to the arrangement. As a result, the Trust includes its pro rata share of its assets, liabilities, revenues, expenses and cash flows in these consolidated financial statements. Management believes the assets of these joint arrangements are sufficient for the purpose of satisfying the associated obligations. Please refer to Note 2(d) - Summary of Significant Accounting Policies for details over the co-ownership schedule.

Certain Trustees and Officers of the Trust directly and/or indirectly have interests in certain of these Joint Arrangements.

(f) Key management compensation:

For the nine months ended September 30, 2025, total trustee's fee expenses were \$621,139 (2024 – \$568,092) and included in general and administrative expenses (office and general). Certain key management personnel are also trustees of the Trust and receive compensation from FCRPI.

The trustees and officers participate in the Trust's unit based compensation plans and are disclosed in note 7(c).

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**12. Co-Ownership Property Interests**

The Trust includes its proportionate share of the related assets, liabilities, revenue and expenses of the co-owned properties in the consolidated financial statements.

	<b>As at September 30, 2025</b>			
	<b>Trust Wholly Owned</b>	<b>Co-Owned at Proportionate Ownership</b>	<b>Total</b>	<b>Co-Owned at 100%</b>
Current Assets	\$ 5,778,277	\$ 7,827,679	\$ 13,605,956	\$ 25,955,094
Non-Current Assets	137,110,525	486,324,562	623,435,087	1,086,327,758
<b>Total Assets</b>	<b>\$ 142,888,802</b>	<b>\$ 494,152,241</b>	<b>\$ 637,041,043</b>	<b>\$ 1,112,282,852</b>
Current Liabilities	9,662,346	52,777,166	62,439,512	95,397,462
Non-Current Liabilities	56,916,308	212,521,232	269,437,540	394,297,508
<b>Total Liabilities</b>	<b>\$ 66,578,654</b>	<b>\$ 265,298,398</b>	<b>\$ 331,877,052</b>	<b>\$ 489,694,970</b>
<b>Total Owners' Equity</b>	<b>\$ 76,310,148</b>	<b>\$ 228,853,843</b>	<b>\$ 305,163,991</b>	<b>\$ 622,587,882</b>

	<b>As at December 31, 2024</b>			
	<b>Trust Wholly Owned</b>	<b>Co-Owned at Proportionate Ownership</b>	<b>Total</b>	<b>Co-Owned at 100%</b>
Current Assets	\$ 7,402,257	\$ 11,036,232	\$ 18,438,489	\$ 29,614,923
Non-Current Assets	137,747,314	495,763,466	633,510,780	1,105,868,298
<b>Total Assets</b>	<b>\$ 145,149,571</b>	<b>\$ 506,799,698</b>	<b>\$ 651,949,269</b>	<b>\$ 1,135,483,221</b>
Current Liabilities	10,987,472	45,483,813	56,471,285	68,771,249
Non-Current Liabilities	57,320,591	231,777,497	289,098,088	494,814,518
<b>Total Liabilities</b>	<b>\$ 68,308,063</b>	<b>\$ 277,261,310</b>	<b>\$ 345,569,373</b>	<b>\$ 563,585,767</b>
<b>Total Owners' Equity</b>	<b>\$ 76,841,508</b>	<b>\$ 229,538,388</b>	<b>\$ 306,379,896</b>	<b>\$ 571,897,454</b>

	<b>For the Three Months Ended September 30, 2025</b>			
	<b>Trust Wholly Owned</b>	<b>Co-Owned at Proportionate Ownership</b>	<b>Total</b>	<b>Co-Owned at 100%</b>
Net Operating Income				
Rental Revenue	\$ 3,017,572	\$ 12,067,548	\$ 15,085,120	\$ 26,471,901
Property Operating Expenses	(1,104,993)	(4,342,594)	(5,447,587)	(9,541,480)
	1,912,579	7,724,954	9,637,533	16,930,421
Interest and Other Income	16,869	44,583	61,452	101,330
Expenses:				
Finance Costs	712,768	2,939,499	3,652,267	6,447,736
General and Administrative	323,026	1,165,773	1,488,799	2,182,875
	1,035,794	4,105,272	5,141,066	8,630,611
Income Before Fair Value Adjustments	893,654	3,664,265	4,557,919	8,401,140
Fair Value Adjustments:				
Investment Properties	554,630	(922,204)	(367,574)	(911,969)
Fair Value Gain on Sale of Investment Properties	110,000	-	110,000	110,000
Unit-based Compensation Recovery	49,265	-	49,265	49,265
<b>Net Income and Comprehensive Income</b>	<b>\$ 1,607,549</b>	<b>\$ 2,742,061</b>	<b>\$ 4,349,610</b>	<b>\$ 7,648,436</b>



**FIRM CAPITAL PROPERTY TRUST**  
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(Unaudited)

	<b>Three Months Ended September 30, 2024</b>			
	<b>Trust Wholly Owned</b>	<b>Co-Owned at Proportionate Ownership</b>	<b>Total</b>	<b>Co-Owned at 100%</b>
Net Operating Income				
Rental Revenue	\$ 2,679,677	\$ 12,210,153	\$ 14,889,830	\$ 26,243,234
Property Operating Expenses	(901,712)	(4,298,146)	(5,199,858)	(9,133,569)
	1,777,965	7,912,007	9,689,972	17,109,665
Interest and Other Income	163,685	62,145	225,830	288,694
Expenses:				
Finance Costs	717,610	2,719,550	3,437,160	5,847,665
General and Administrative	311,161	1,133,806	1,444,967	1,850,313
	1,028,771	3,853,356	4,882,127	7,697,978
Income Before Fair Value Adjustments	912,879	4,120,796	5,033,675	9,700,381
Fair Value Adjustments:				
Investment Properties	3,425,182	1,161,394	4,586,576	3,550,459
Unit-based Compensation Recovery	(257,182)	-	(257,182)	(257,182)
<b>Net Income and Comprehensive Income</b>	<b>\$ 4,080,879</b>	<b>\$ 5,282,190</b>	<b>\$ 9,363,069</b>	<b>\$ 12,993,658</b>

	<b>Nine Months Ended September 30, 2025</b>			
	<b>Trust Wholly Owned</b>	<b>Co-Owned at Proportionate Ownership</b>	<b>Total</b>	<b>Co-Owned at 100%</b>
Net Operating Income				
Rental Revenue	\$ 9,299,073	\$ 36,636,108	\$ 45,935,181	\$ 80,309,573
Property Operating Expenses	(3,140,618)	(14,160,390)	(17,301,008)	(30,573,519)
	6,158,455	22,475,718	28,634,173	49,736,054
Interest and Other Income	75,988	112,912	188,900	340,447
Expenses:				
Finance Costs	2,266,382	8,830,979	11,097,361	19,336,545
General and Administrative	1,162,702	4,124,048	5,286,750	7,708,058
	3,429,084	12,955,027	16,384,111	27,044,603
Income Before Fair Value Adjustments	2,805,359	9,633,603	12,438,962	23,031,898
Fair Value Adjustments:				
Investment Properties	636,789	(1,828,961)	(1,192,172)	(2,265,990)
Fair Value Gain(Loss) on Sale of Investment Properties	110,000	1,859,581	1,969,581	3,795,452
Unit-based Compensation Recovery	(32,369)	-	(32,369)	(32,369)
<b>Net Income and Comprehensive Income</b>	<b>\$ 3,519,779</b>	<b>\$ 9,664,223</b>	<b>\$ 13,184,002</b>	<b>\$ 24,528,991</b>

**FIRM CAPITAL PROPERTY TRUST**  
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For the Three and Nine Months Ended September 30, 2025 and September 30, 2024  
(Unaudited)

	Nine Months Ended September 30, 2024			
	Trust Wholly Owned	Co-Owned at Proportionate Ownership	Total	Co-Owned at 100%
Net Operating Income				
Rental Revenue	\$ 8,727,586	\$ 36,262,072	\$ 44,989,658	\$ 78,663,459
Property Operating Expenses	(2,970,388)	(13,400,131)	(16,370,519)	(28,840,788)
	5,757,198	22,861,941	28,619,139	49,822,671
Interest and Other Income	393,526	191,554	585,080	829,957
Expenses:				
Finance Costs	2,403,963	8,150,026	10,553,989	17,322,355
General and Administrative	928,018	3,520,161	4,448,179	6,558,277
	3,331,981	11,670,187	15,002,168	23,880,632
Income Before Fair Value Adjustments	2,818,743	11,383,308	14,202,051	26,771,996
Fair Value Adjustments:				
Investment Properties	(2,159,944)	16,232,358	14,072,414	23,802,615
Fair Value Gain on Sale of Investment Properties	-	217,088	217,088	310,126
Unit-based Compensation Recovery	(358,763)	-	(358,763)	(358,763)
<b>Net Income and Comprehensive Income</b>	<b>\$ 300,036</b>	<b>\$ 27,832,754</b>	<b>\$ 28,132,790</b>	<b>\$ 50,525,974</b>

### 13. Income Taxes

The Trust currently qualifies as a mutual fund trust and a real estate investment trust ("REIT") for Canadian income tax purposes. Under current tax legislation, income distributed annually by the Trust to unitholders is a deduction in the calculation of its taxable income. As the Trust intends to distribute all of its taxable income to its unitholders, the Trust does not record a provision for current Canadian income taxes.

The Tax Act contains legislation affecting the tax treatment of a specified investment flow-through ("SIFT") trust or partnership (the "SIFT Rules"). A SIFT includes a publicly listed or traded partnership or trust, such as an income trust.

Under the SIFT Rules, certain distributions from a SIFT are not deductible in computing a SIFT's taxable income, and a SIFT is subject to tax on such distributions at a rate that is substantially equivalent to the general tax rate applicable to a Canadian corporation. However, distributions paid by a SIFT as returns of capital should generally not be subject to tax.

The SIFT Rules do not apply to a REIT that meets prescribed conditions relating to the nature of its assets and revenue (the "REIT Conditions"). The REIT has reviewed the REIT Conditions and has assessed their interpretation and application to the REIT's assets and revenues. The REIT believes it has met the REIT Conditions throughout the periods ended September 30, 2025 and September 30, 2024. As a result, the REIT does not recognize any deferred income tax assets or liabilities for income tax purposes.

### 14. Commitments and Contingencies

The Trust is subject to legal and other claims in the normal course of business. Although such matters cannot be predicted with certainty, management believes that any liability from such claims would not have a significant effect on the Trust's consolidated financial statements.

For the three and nine months ended September 30, 2025 and September 30, 2024, the Trust had no material commitments and contingencies other than those outlined above and in notes 11.

## FIRM CAPITAL PROPERTY TRUST

### Notes to Condensed Consolidated Interim Financial Statements

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#### 15. Capital Management

The Trust's objectives when managing capital are to safeguard its ability to continue as a going concern and to generate sufficient returns to provide unitholders with stable cash distributions. The Trust's capital currently consists of bank indebtedness, mortgages and unitholders' equity.

The Trust's Declaration of Trust permits the Trust to incur or assume indebtedness, provided that after giving effect to incurring or assuming any indebtedness (as defined in the Declaration of Trust), the amount of such indebtedness of the Trust is not more than 75% of the gross book value of the Trust's total assets. Gross Book Value ("GBV") is defined in the Declaration of Trust as "at any time, the book value of the assets of the Trust and its consolidated subsidiaries, as shown on its then most recent consolidated balance sheet, plus the amount of accumulated depreciation and amortization in respect of such assets (and related intangible assets) shown thereon or in the notes thereto plus the amount of future income tax liability arising out of indirect acquisitions and excluding the amount of any receivable reflecting interest rate subsidies on any debt assumed by the Trust shown thereon or in the notes thereto, or if approved by a majority of the Trustees at any time, the appraised value of the assets of the Trust and its consolidated subsidiaries may be used instead of book value." As at September 30, 2025 and September 30, 2024, the ratio of such indebtedness to gross book value was 50.0% and 51.3% respectively, which complies with the requirement in the Declaration of Trust and is consistent with the Trust's objectives.

With respect to the bank indebtedness, the Trust must maintain ratios including minimum Unitholders' equity, maximum debt/GBV, minimum interest service and debt service coverage ratios. The Trust monitors these ratios and was in compliance with these requirements throughout the periods ended September 30, 2025 and September 30, 2024.

In addition to the above key ratios, the Trust's mortgages has various covenants calculated as defined within these agreements. The Trust monitors these covenants and was in compliance as at September 30, 2025 and September 30, 2024.

#### 16. Risk Management and Fair Value of Financial Instruments

##### A. Risk Management:

In the normal course of business, the Trust is exposed to a number of risks that can affect its operating performance. These risks, and the actions taken to manage them, are as follows:

##### I. Market Risk

The Trust is exposed to interest rate risk on its borrowings. It minimizes the risk by restricting debt to 75% of the GBV of the Trust's assets. The Trust has its bank indebtedness under variable rate terms.

The following table outlines the impact on interest expense of a 100 basis point increase or decrease in interest rates on the Trust's variable rate debt:

Impact on Interest Expense	September 30, 2025	December 31, 2024
Credit facility	\$ 144,500	\$ 277,000

##### II. Credit Risk

The Trust's maximum exposure to credit risk is equivalent to the carrying value of accounts receivable.

The Trust is exposed to credit risk as an owner of real estate in that tenants may become unable to pay the contracted rents. Management mitigates this risk by carrying out appropriate credit checks and related due diligence on the significant tenants. The Trust's properties are diversified across a number of Canadian provinces and numerous tenants. The receivable balance consists largely of tenant receivables and Harmonized Sales Tax and Quebec Sales Tax receivables.

In determining the expected credit losses, the Trust takes into account the payment history and future expectations of likely default events (i.e. asking for rental concessions, applications for rental relief through government programs such as the CECRA program, or stating they will not be making rental payments on the due date) based on actual or expected insolvency filings or voluntary arrangements. These assessments are made on a tenant-by-tenant basis.

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Accounts receivable balance is net of expected credit losses of \$910,067 (December 31, 2024 – \$522,893).

As at September 30, 2025, the Trust had one tenant comprising 13.1% of rental revenues (10.8% as at September 30, 2024).

**III. Liquidity Risk**

Liquidity risk is the risk the Trust will not be able to meet its financial obligations as they come due. The Trust manages liquidity by maintaining adequate cash and by having appropriate credit facilities available. The Trust currently has the ability to access the debt capital markets and is able to receive debt capital as and when required. In addition, the Trust continuously monitors and reviews both actual and forecasted cash flows.

The following are the maturities of the Trust's financial liabilities as at September 30, 2025 including bank indebtedness, mortgages, tenant rental deposits, distribution payable and accounts payable and accrued liabilities:

	Less than 1 Year	1 - 2 Years	>2 Years	Total
Mortgages (note 6a)	\$ 37,135,488	\$ 32,153,296	\$ 234,866,430	\$ 304,155,214
Credit facility (note 5)	14,450,000	-	-	14,450,000
Tenant Rental Deposits	757,132	363,029	2,000,931	3,121,092
Distribution Payable	1,599,990	-	-	1,599,990
Land Lease Liability (note 6b)	50,828	53,854	-	104,682
Accounts Payable and Accrued Liabilities (note 4)	8,446,074	-	-	8,446,074
	\$ 62,439,512	\$ 32,570,179	\$ 236,867,361	\$ 331,877,052

**B. Fair Value of Financial Instruments:**

The Trust uses a three-level hierarchy that reflects the significance of the inputs used in making fair value measurements of financial instruments carried at fair value. Level 1 of the fair value hierarchy uses quoted market prices in active markets for identical assets or liabilities to determine the fair value of assets and liabilities. Level 2 includes valuations using inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. Level 3 valuations are based on input for the asset or liability that are not based on observable market data.

The fair value of the Trust's cash and cash equivalents, restricted cash, accounts receivable, deposits and other assets, distribution payable, tenant rental deposits, land lease liability and accounts payable and accrued liabilities approximates their carrying amounts due to the relatively short periods to maturity of these financial instruments. The carrying value of the Trust's financial instruments is summarized in the following table:

	September 30, 2025		December 31, 2024	
	Amortized Cost	FVTPL	FVTPL	
<b>Financial Assets</b>				
Mortgages Receivable	\$ 500,000	\$ 500,000	\$ 500,000	
Accounts Receivable	1,858,330	1,858,330	2,573,591	
Deposits and Other Assets	2,679,838	2,679,838	3,396,361	
Restricted Cash	53,243	53,243	22,402	
Cash and Cash Equivalents	5,884,132	5,884,132	9,180,430	
<b>Financial Liabilities</b>				
Distribution Payable	\$ 1,599,990	\$ 1,599,990	\$ 1,599,990	
Accounts Payable and Accrued Liabilities (except Option and DSU Liabilities)	6,644,230	6,644,230	6,977,280	
Land Lease Liability	104,682	104,682	154,832	
Credit facility	14,450,000	14,450,000	27,700,000	
Tenant Rental Deposits	3,121,092	3,121,092	3,079,683	
Mortgages	304,155,214	297,639,024	294,920,509	
Option Liabilities	-	208,017	260,307	
DTU	-	1,593,827	978,030	

**FIRM CAPITAL PROPERTY TRUST**  
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(Unaudited)

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I. Fair Value Hierarchy

The fair value of the mortgages is estimated based on the present value of future payments, discounted at a yield on a Government of Canada bond with the nearest maturity date to the underlying mortgage, plus an estimated credit spread at the reporting date for a comparable mortgage (Level 2). The estimated fair value of the mortgages is approximately \$297.6 million (December 31, 2024 – \$294.9 million).

The fair value of unit-based compensation relates to unit options granted which are carried at fair value, estimated using the Black-Scholes option pricing model for option valuation (Level 3) as outlined in note 7(c).

**FIRM CAPITAL PROPERTY TRUST**  
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**17. Segmented Information**

The Trust operates in five reportable segments: grocery anchored retail, non-grocery anchored retail, industrial, multi-residential and core service office provider and evaluates performance based on net income and comprehensive income which is presented by segment as outlined below:

	Grocery Anchored Retail	Non-Grocery Anchored Retail	Industrial	Multi-Residential	Manufactured Homes Communities	Corporate	Three Months Ended Sept 30, 2025
Net Operating Income							
Rental Revenue	\$ 6,250,594	\$ 1,071,093	\$ 5,146,996	\$ 2,044,798	571,639	\$ -	\$ 15,085,120
Property Operating Expenses	(2,004,320)	(448,602)	(2,039,759)	(685,843)	(269,063)	-	(5,447,587)
	4,246,274	622,491	3,107,237	1,358,955	302,576	-	9,637,533
Interest and Other Income	45,517	425	11,143	4,367	-	-	61,452
Expenses:							
Finance Costs	1,547,099	53,622	1,025,271	777,183	130,342	118,750	3,652,267
General and Administrative	494,022	43,847	209,560	266,214	39,631	435,525	1,488,799
	2,041,121	97,469	1,234,831	1,043,397	169,973	554,275	5,141,066
Income Before Fair Value Adjustments	2,250,670	525,447	1,883,549	319,925	132,603	(554,275)	4,557,919
Fair Value Adjustments:							
Investment Properties	520,728	91,696	(1,140,586)	(377,515)	538,103	-	(367,574)
Gain on Sale of Investment Properties	110,000	-	-	-	-	-	110,000
Unit-based Compensation Recovery	-	-	-	-	-	49,265	49,265
Net Income/(Loss) and Comprehensive Income/(Loss)	\$ 2,881,398	\$ 617,143	\$ 742,963	\$ (57,590)	\$ 670,706	\$ (505,010)	\$ 4,349,610

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	Grocery Anchored Retail	Non-Grocery Anchored Retail	Industrial	Multi-Residential	Manufactured Homes Communities	Corporate	Three Months Ended Sept 30, 2024
Net Operating Income							
Rental Revenue	\$ 7,294,402	\$ 1,020,881	\$ 4,018,045	\$ 2,041,524	\$ 514,978	\$ -	\$ 14,889,830
Property Operating Expenses	(2,553,033)	(372,825)	(1,416,607)	(668,343)	(189,050)	-	(5,199,858)
	4,741,369	648,056	2,601,438	1,373,181	325,928	-	9,689,972
Interest and Other Income	69,355	905	5,858	-	-	149,712	225,830
Expenses:							
Finance Costs	1,823,922	56,568	782,034	530,083	77,618	166,935	3,437,160
General and Administrative	747,839	73,120	256,961	297,549	39,132	30,366	1,444,967
	2,571,761	129,688	1,038,995	827,632	116,750	197,301	4,882,127
Income Before Fair Value Adjustments	2,238,963	519,273	1,568,301	545,549	209,178	(47,589)	5,033,675
Fair Value Adjustments:							
Investment Properties	(4,688,140)	(892,979)	3,485,324	4,804,762	1,877,609	-	4,586,576
Unit-based Compensation Recovery	-	-	-	-	-	(257,182)	(257,182)
Net Income/(Loss) and Comprehensive Income/(Loss)	\$ (2,449,177)	\$ (373,706)	\$ 5,053,625	\$ 5,350,311	\$ 2,086,787	\$ (304,771)	\$ 9,363,069

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	Grocery Anchored Retail	Non-Grocery Anchored Retail	Industrial	Multi-Residential	Manufactured Homes Communities	Corporate	Nine months Ended Sept 30, 2025
Net Operating Income							
Rental Revenue	\$ 21,917,175	\$ 3,114,277	\$ 12,855,843	\$ 6,364,362	\$ 1,683,524	\$ -	\$ 45,935,181
Property Operating Expenses	(8,093,499)	(1,157,696)	(5,011,453)	(2,374,543)	(663,817)	-	(17,301,008)
	13,823,676	1,956,581	7,844,390	3,989,819	1,019,707	-	28,634,173
Interest and Other Income	142,073	2,092	37,217	5,052	-	2,466	188,900
Expenses:							
Finance Costs	5,362,693	165,125	2,672,997	2,173,275	391,604	331,667	11,097,361
General and Administrative	2,174,563	220,910	1,020,501	823,697	166,033	881,046	5,286,750
	7,537,256	386,035	3,693,498	2,996,972	557,637	1,212,713	16,384,111
Income Before Fair Value Adjustments	6,428,493	1,572,638	4,188,109	997,899	462,070	(1,210,247)	12,438,962
Fair Value Adjustments:							
Investment Properties	(500,463)	(115,905)	(3,905,465)	2,048,183	1,281,478	-	(1,192,172)
Gain on Sale of Investment Properties	110,000	58,992	1,800,589		-	-	1,969,581
Unit-based Compensation Expense	-	-	-	-		(32,369)	(32,369)
Net Income/(Loss) and Comprehensive Income/(Loss)	\$ 6,038,030	\$ 1,515,725	\$ 2,083,233	\$ 3,046,082	\$ 1,743,548	\$ (1,242,616)	\$ 13,184,002



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	Grocery Anchored Retail	Non-Grocery Anchored Retail	Industrial	Multi- Residential	Manufactured Homes Communities	Corporate	Nine Months Ended Sept 30, 2024
Net Operating Income							
Rental Revenue	\$ 22,229,951	\$ 3,006,829	\$ 12,011,097	\$ 6,204,425	\$ 1,537,356	\$ -	\$ 44,989,658
Property Operating Expenses	(8,224,562)	(1,066,883)	(4,190,063)	(2,323,595)	(565,416)	-	(16,370,519)
	14,005,389	1,939,946	7,821,034	3,880,830	971,940	-	28,619,139
Interest and Other Income	168,352	2,049	24,268	10,856	-	379,555	585,080
Expenses:							
Finance Costs	5,269,021	172,239	2,437,597	1,561,571	322,486	791,075	10,553,989
General and Administrative	1,996,900	231,327	739,549	744,827	119,816	615,760	4,448,179
	7,265,921	403,566	3,177,146	2,306,398	442,302	1,406,835	15,002,168
Income Before Fair Value Adjustments	6,907,820	1,538,429	4,668,156	1,585,288	529,638	(1,027,280)	14,202,051
Fair Value Adjustments:							
Investment Properties	12,046,100	2,247,664	(4,697,254)	4,408,858	67,046	-	14,072,414
Gain on Sale of Investment Properties	-	196,839			20,249	-	217,088
Unit-based Compensation Expense	-	-	-	-		(358,763)	(358,763)
Net Income/(Loss) and Comprehensive Income/(Loss)	\$ 18,953,920	\$ 3,982,932	\$ (29,098)	\$ 5,994,146	\$ 616,933	\$ (1,386,043)	\$ 28,132,790

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**18. Subsequent Events**

- a) On October 30, 2025, the Trust extended the maturity date of the Facility to October 31, 2027 and increased the availability with the Bank to \$35.0 million.
- b) On November 6, 2025, the Trust declared and approved monthly distributions in the amount of \$0.04333 per Trust Unit for Unitholders of record on January 30, 2026, February 27, 2026 and March 31, 2026, payable on or about February 13, 2026, March 13, 2026, and April 15, 2026, respectively.