



Q4 2019

# Investor Presentation

# FORWARD-LOOKING STATEMENTS AND NON-IFRS FINANCIAL MEASURES

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This material may contain forward-looking statements, including those identified by the expressions “anticipate”, “believe”, “plan”, “estimate”, “expect”, “intend” and similar expressions to the extent they relate to First Capital REIT (“First Capital”) or its management. The forward-looking statements are not historical facts but reflect First Capital’s current beliefs and are based on information currently available to management. Certain material factors and assumptions were applied in providing these forward-looking statements, many of which are beyond our control.

Management believes that the forward-looking statements are based upon reasonable assumptions; however, management can give no assurance that actual results will be consistent with those expressed or implied in these forward-looking statements. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from those expressed or implied in these forward-looking statements. Additional information about the risks and uncertainties that could cause actual results to differ materially, and the material factors or assumptions that were applied in providing these forward-looking statements, are contained in our various securities filings, including our fourth quarter and 2019 annual results press release dated February 11, 2020, our Management’s Discussion and Analysis for the year ended December 31, 2019 (the “MD&A”) and our current Annual Information Form, all of which are available on SEDAR at [www.sedar.com](http://www.sedar.com) and on our website at [www.fcr.ca](http://www.fcr.ca).

You should not place undue reliance on any such forward-looking statements. Further, a forward-looking statement speaks only as of the date on which such statement is made. These forward-looking statements are made as of February 11, 2020. Except as required by securities law, First Capital undertakes no obligation to publicly update or revise any such statements whether to reflect new information, the occurrence of future events or circumstances, or otherwise.

This material references certain non-IFRS financial measures, including but not limited to FFO, FFO per share, NOI and NAV. These non-IFRS measures are further defined and discussed in the MD&A, which should be read in conjunction with this material and the conference call. Since these non-IFRS measures do not have standardized meanings prescribed by IFRS, they may not be comparable to similar measures reported by other issuers. First Capital uses and presents the above non-IFRS measures as management believes they are commonly accepted and meaningful financial measures of operating performance.

Reconciliations of certain non-IFRS measures to their nearest IFRS measures are included in the MD&A. These non-IFRS measures should not be construed as alternatives to net income or cash flow from operating activities determined in accordance with IFRS as measures of First Capital’s operating performance.

All figures in this presentation are as of December 31, 2019 unless otherwise noted.

# COMPANY SNAPSHOT (TSX: FCR.UN)

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One of Canada’s leading, developers, owners and operators of mixed-used urban real estate in Canada’s most densely populated centres

158

Properties

Super

urban

Market focus across Canada

23.5m sf

of gross leasable area  
(20.9m sf at FCR share)

\$9.3b

Total enterprise value

25.0m sf

of future incremental density

As of December 31, 2019

# SUPER URBAN INVESTMENT STRATEGY

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Creating thriving super urban neighbourhoods that drive sustainable growth in cash flow and capital appreciation of our best in class portfolio

- Investing in high-quality, mixed-use properties to build large positions in targeted high growth areas
- Fully integrating retail with other uses to create thriving urban neighbourhoods
- Optimizing the portfolio through active asset management and by concentrating capital in dense, high growth neighbourhoods
- Surfacing substantial unrecognized value in our 25.0m sf of density pipeline through development
- Completing strategic dispositions to fund our investment program and reduce leverage post the April 2019 share repurchase transaction
- Actively managing our balance sheet to maintain financial strength and flexibility and a competitive cost of capital



## SUPER URBAN NEIGHBOURHOODS

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We define a super urban property based on its proximity to transit, its “Walkability Score”, and most importantly its population density and expect to continue to improve these metrics over time through our investment and disposition activity.

>99%

Public Transit

Of portfolio within 5-minute walk of public transit

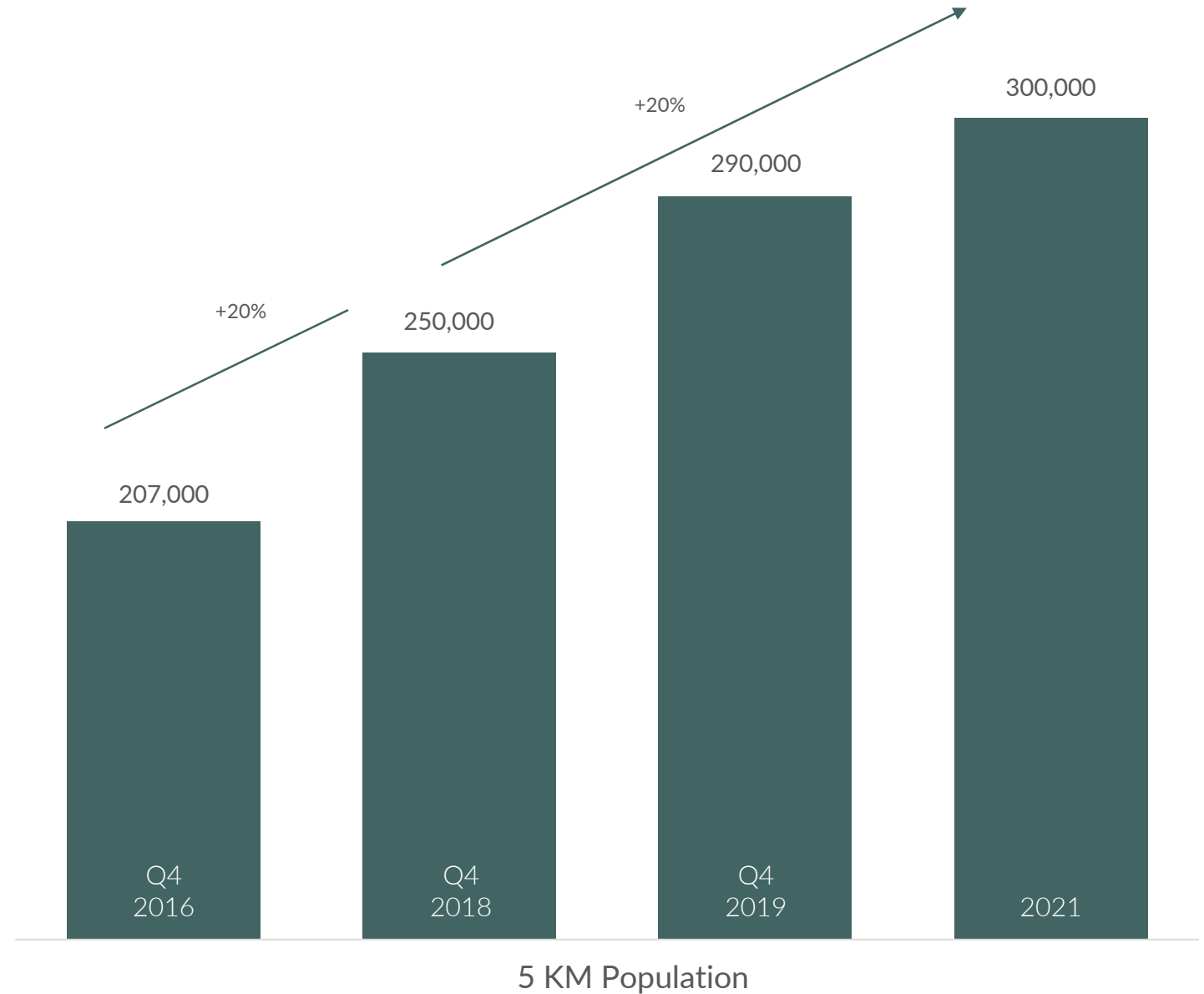
78

Walk Score

Average walk score for our portfolio = ‘Very Walkable’

## SUPER URBAN NEIGHBOURHOODS

- Q4 2019 5km population of 290,000 people
  - Up 85,000 or 40% from December 2016
  - Making us a leader amongst our North American peer group
- Targeting 300,000 people by 2021

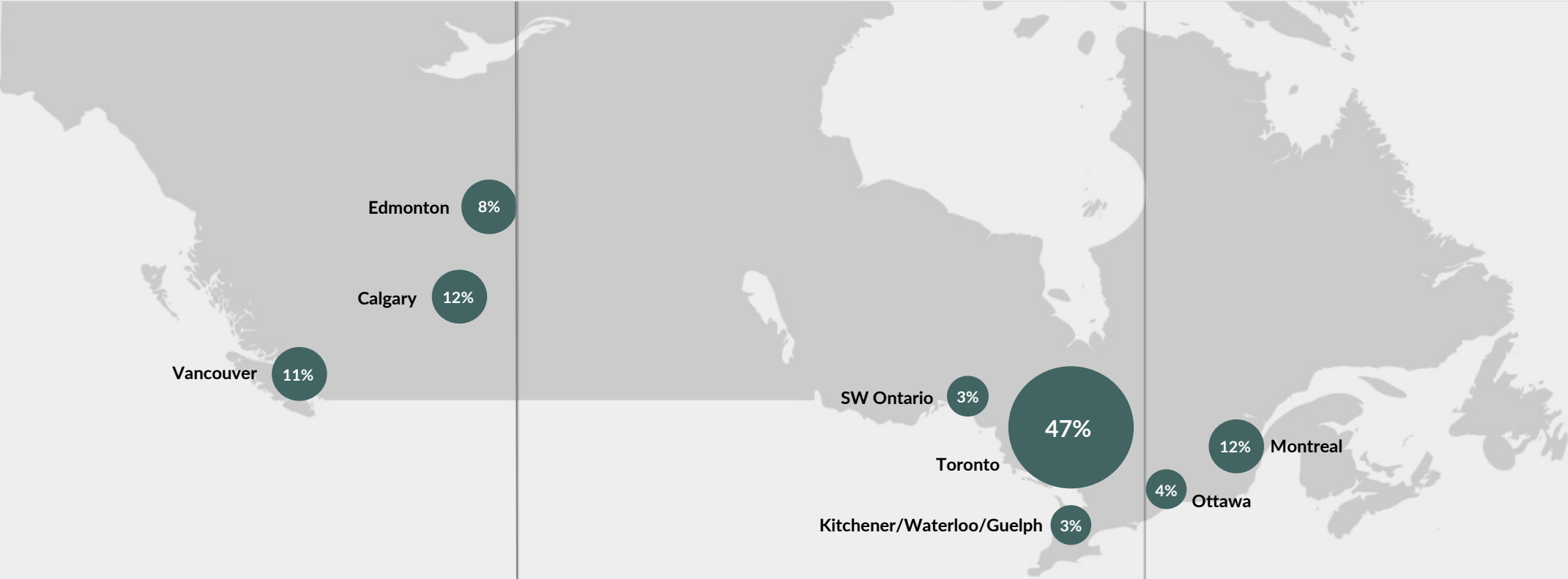




# Canada's Super Urban Portfolio

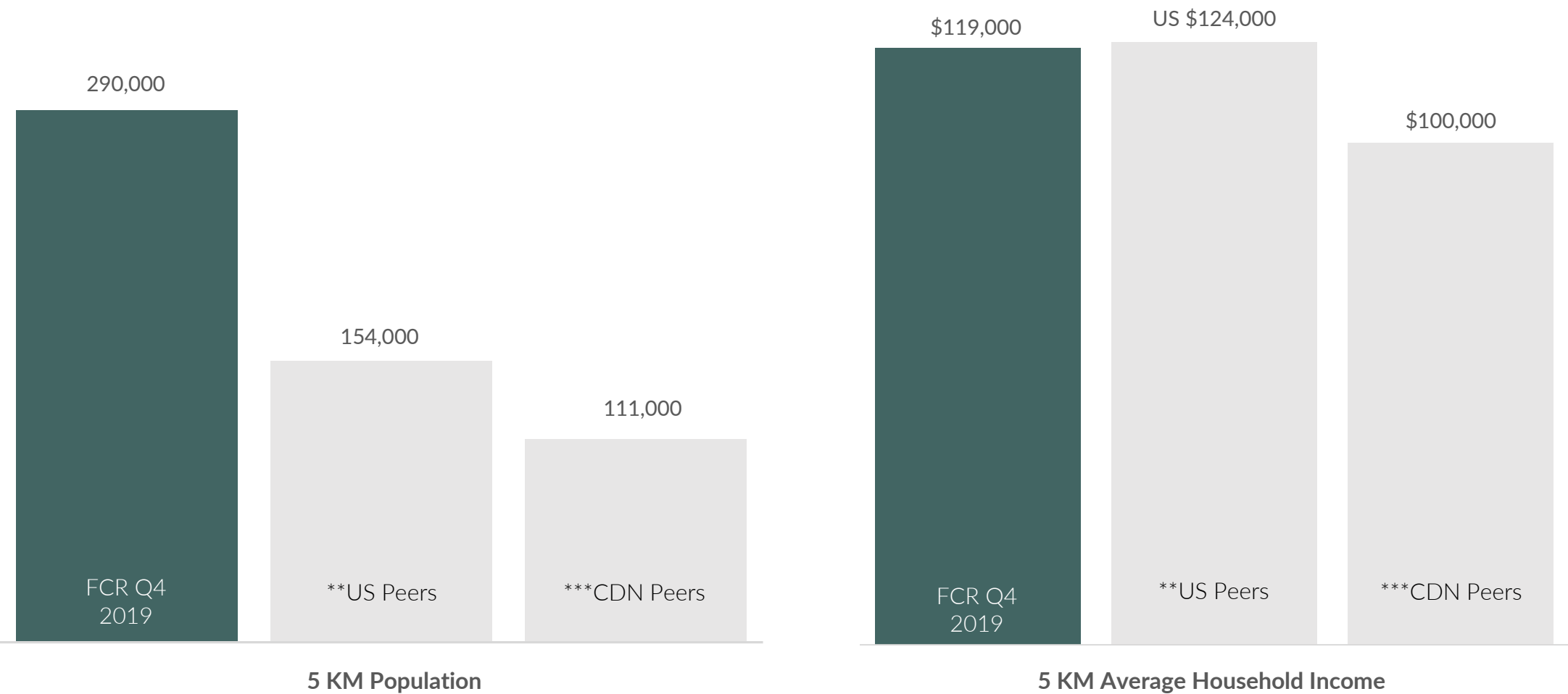
# SUPER URBAN NEIGHBOURHOODS IN CANADA’S LARGEST CITIES

Western Canada	Vancouver, Calgary, Edmonton	Central Canada	Toronto	Eastern Canada	Montreal, Ottawa
Properties	46	Properties	66	Properties	46
GLA	6.8m	GLA	8.9m	GLA	5.2m
Fair Value %	31%	Fair Value %	53%	Fair Value %	16%



# NORTH AMERICAN LEADER IN POPULATION DENSITY

FCR Portfolio Demographic Metrics vs. its Peer Group: Q4 2019 \*



As of December 31, 2019

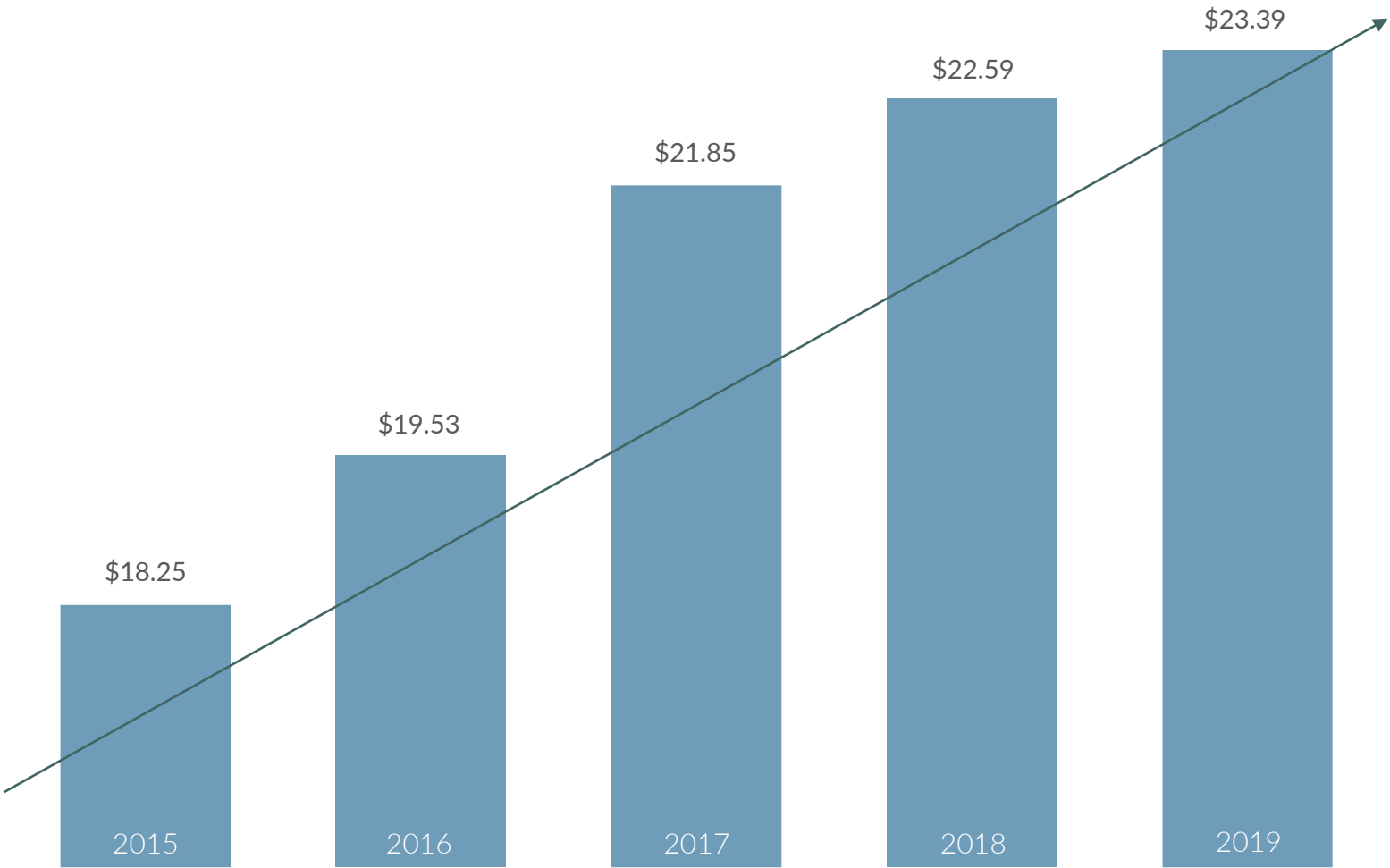
\* Source: Sitewise, Environics Analytics (2019 estimates)  
\*\* US Peers include: Federal Realty and Regency Centers – Source: Company Reports  
\*\*\* Canadian Peers include: Riocan, SmartCentres, Choice Properties (Retail only), CT Reit, Crombie  
Property portfolio based on 2019 AIF, Source: Company Reports, Sitewise, Environics Analytics



STRONG GROWTH IN NAV PER SHARE

+6.4%

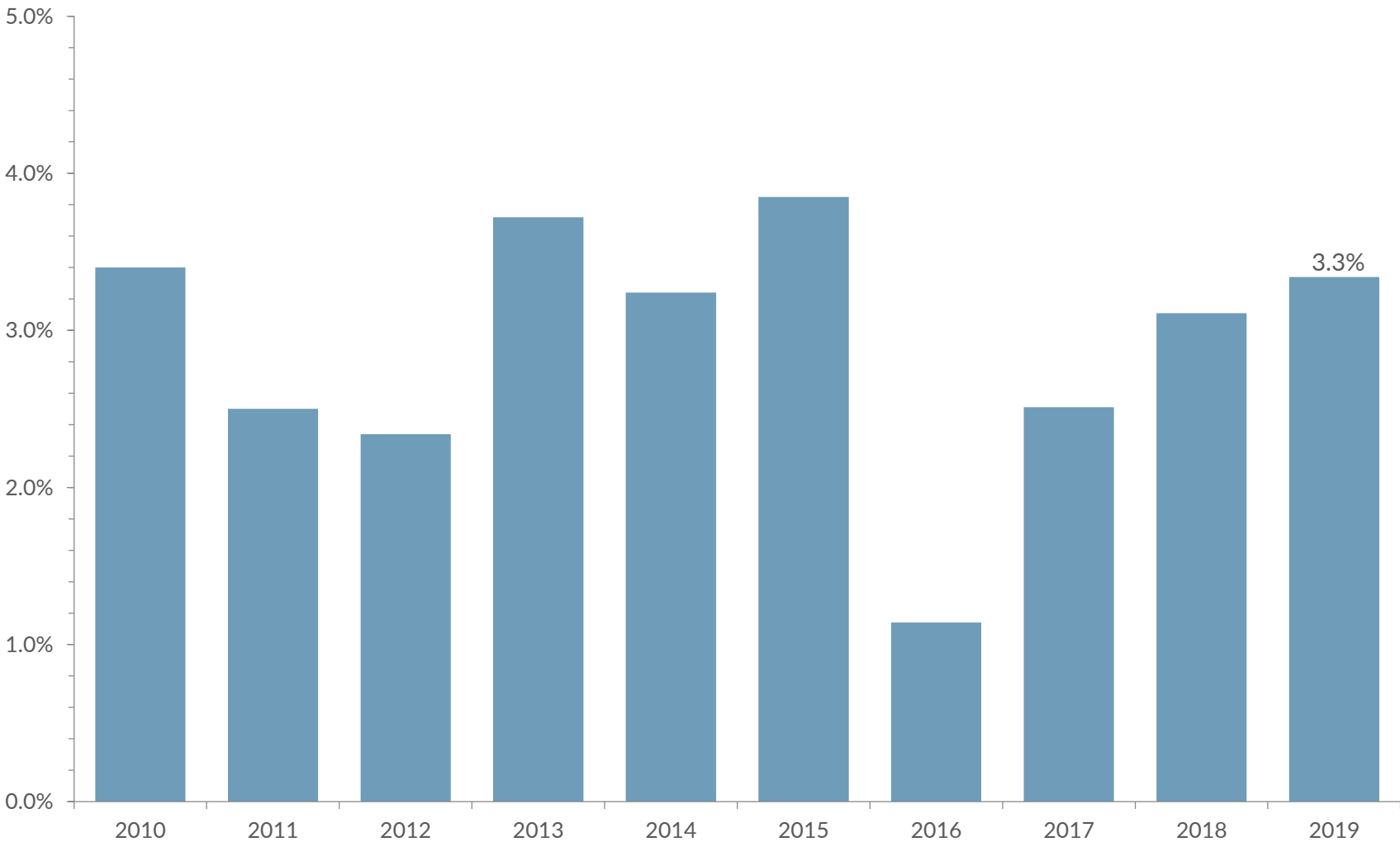
CAGR since Dec 31, 2015



CONSISTENTLY HIGH PERFORMANCE

Total Same Property NOI Growth

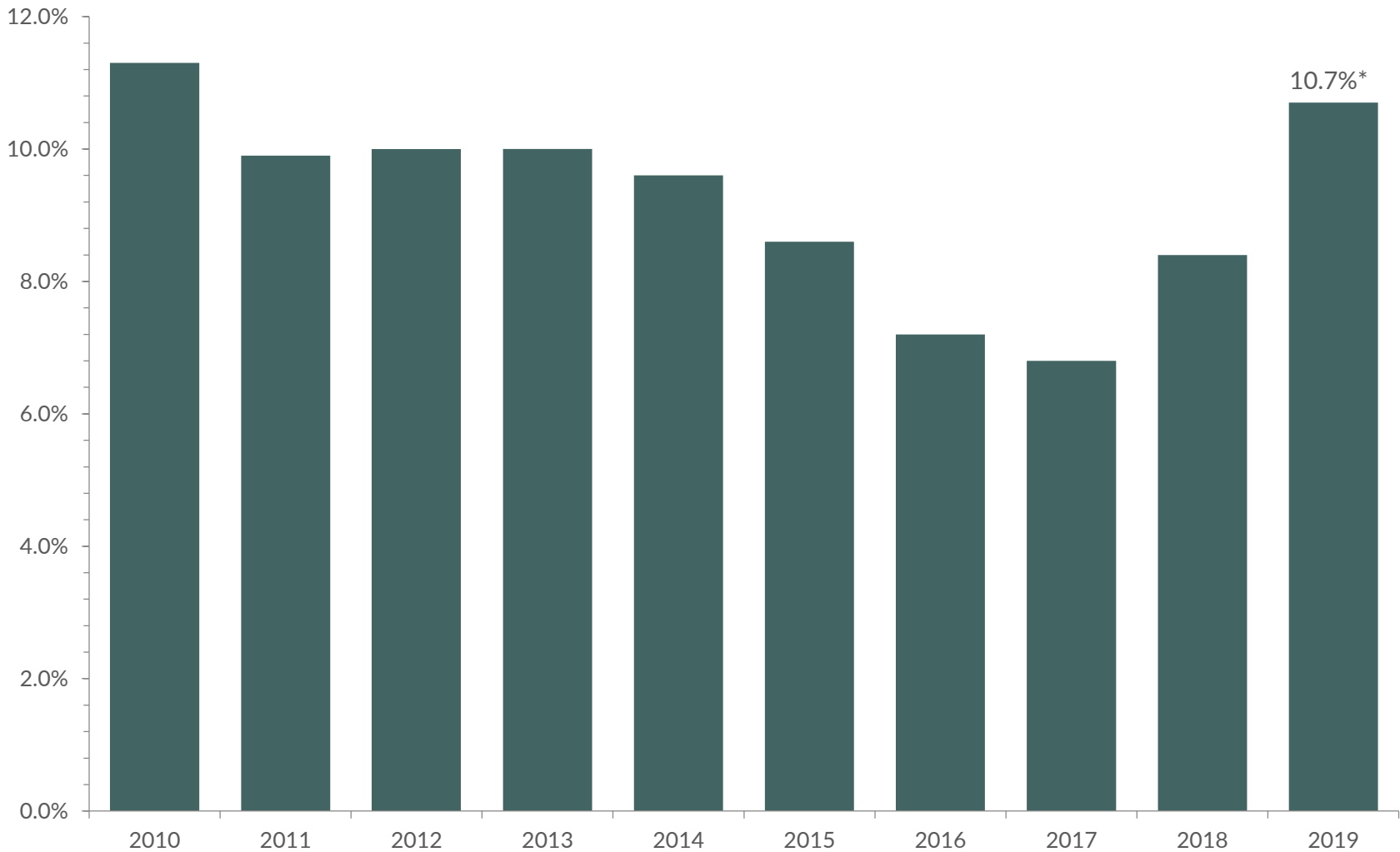
2.9%  
10 Year Average



CONSISTENTLY HIGH PERFORMANCE

Lease Renewal Rate Increases

9.3%  
10 Year Average



Represents increase on total portfolio basis. Includes all renewals and contractual fixed rate renewals.

\* The Trust achieved a 11.6% lease renewal rate increase when comparing the net rental rate in the last year of the expiring term to the average net rental rate over the renewal term.

PREMIER PORTFOLIO  
HIGHEST RENTS IN SECTOR

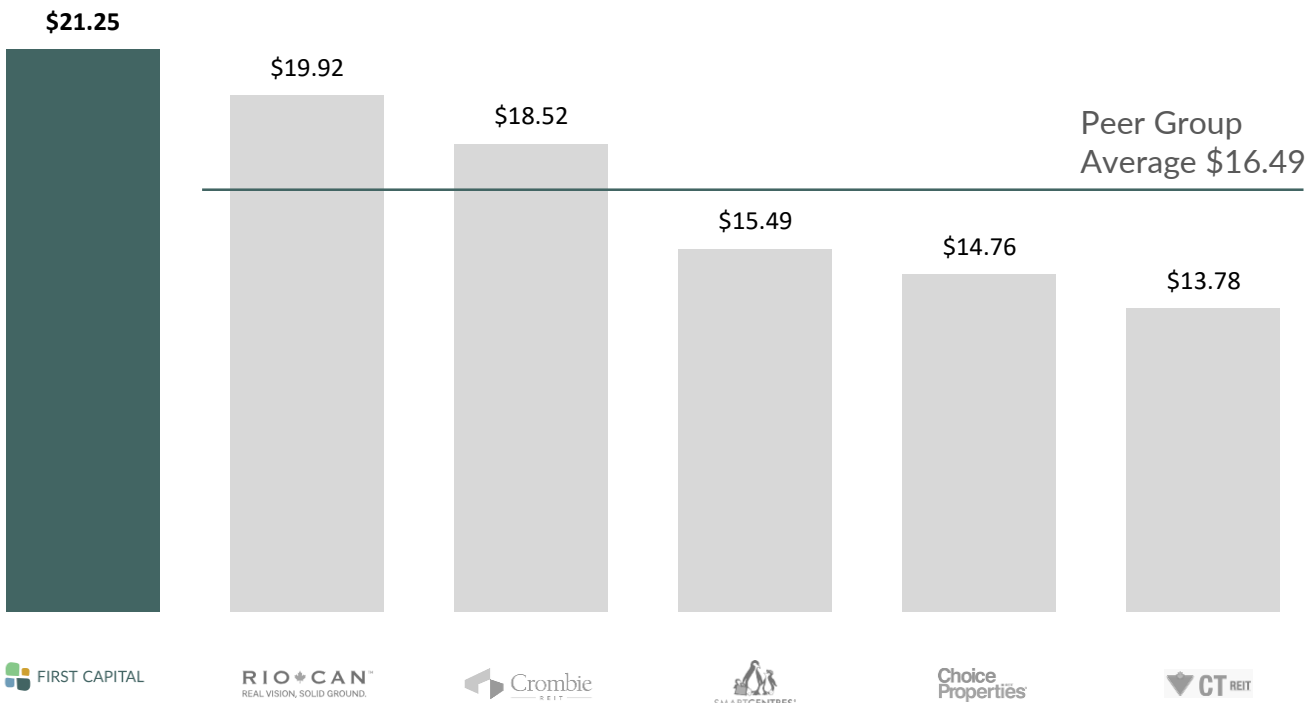
FCR rents are 29% higher than peer group average

2.9%

FCR Average rent growth 5 year CAGR

1.5%






























































Peer Average rent growth 5 year CAGR



Q4 2019 Base Rent

\*Crombie and Choice are both average expiring rent, because average in-place rent is not disclosed.











# STRATEGIC AND DIVERSIFIED RETAIL TENANT MIX











	# of Stores	% of Rent							
Grocery Stores	124	17.0%							
Medical, Professional & Personal Services	1,416	15.4%							
Restaurants & Cafes	975	14.4%							
Pharmacies	125	9.1%							
Banks & Credit Unions	201	8.3%							
Fitness Facilities	82	3.6%							
Liquor Stores	95	3.3%							
Daycare & Learning Centres	102	1.4%							
Other Necessity-Based Retailers	529	18.4%							
Other Tenants	557	9.1%							



# TOP 20 RETAIL TENANTS

Contribute 45% of annualized minimum rent (AMR)

Rank #	Tenant	AMR	Investment Grade
1.		10.2% *	✓
2.		5.8%	✓
3.		3.0%	✓
4.		2.7%	✓
5.		2.5%	✓
6.		2.0%	✓
7.		1.9%	✓
8.		1.8%	-
9.		1.7%	✓
10.		1.7%	-

Rank #	Tenant	AMR	Investment Grade
11.		1.4%	✓
12.		1.3%	✓
13.		1.3%	✓
14.		1.2%**	✓
15.		1.1%	✓
16.		1.1%***	-
17.		1.1%	-
18.		1.0%	✓
19.		1.0%	-
20.		0.9%	✓

\* Includes Shoppers Drug Mart

\*\*\*Includes Tim Hortons, Burger King and Popeyes

\*\* Includes Rexall, Rexall Pharma Plus and Remedy's Rx

# SIGNIFICANTLY IMPROVING PORTFOLIO QUALITY THROUGH \$1.4B OF INVESTMENT ACTIVITY

Activities in 2019

	\$ Amount	5km Average Population	5km Average Household Income
Acquisitions	\$392M	535,000	\$132,000
Development Spend	\$166M	389,000	\$117,000
Investment Total	\$558M	484,000	\$127,000
Dispositions	\$835M	138,000	\$101,000

# ENTITLEMENTS PROGRAM

- 2019 entitlement applications of 9.0m sf surpassed our goal of 7.5m sf
- Once approved, FCR expects to recognize a meaningful increase to the current IFRS value (based on current market conditions)
- In 2020, FCR expects to submit entitlement applications for 4.3m sf
- Total entitlement applications are 16m sf of incremental density, representing 64% of FCR's 25.0m sf density pipeline

<i>sf in '000s</i>	Residential	Commercial	Total	Incremental
Pre-2019 Entitlement Applications	3,000	700	3,700	3,500
2019 Entitlement Applications	8,000	1,000	9,000	8,500
2020 Entitlement Applications	3,900	400	4,300	4,000
Total Entitlement Applications	14,900	2,100	17,000	16,000

# SIGNIFICANT FUTURE DENSITY PIPELINE

## Density Pipeline = 25m sf

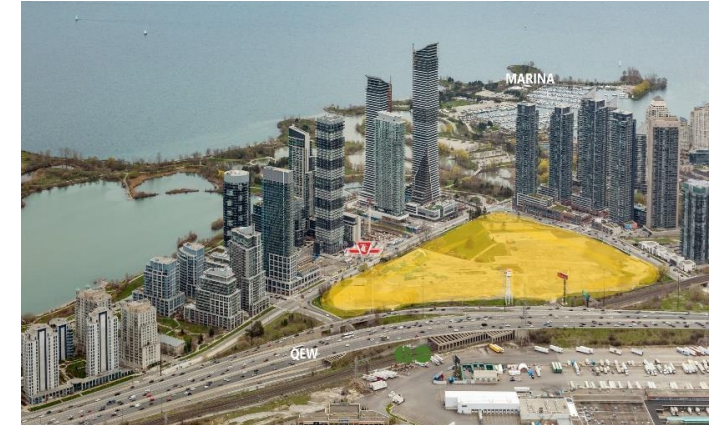
- 7.1m sf (28%) in IFRS NAV
- 0.6m sf in active development, 6.5m sf at \$506m or \$78 per sf

9.0m sf of entitlement submissions in 2019



Yonge & Roselawn

Toronto, ON



Christie Cookie Site

Toronto, ON



1071 King St West

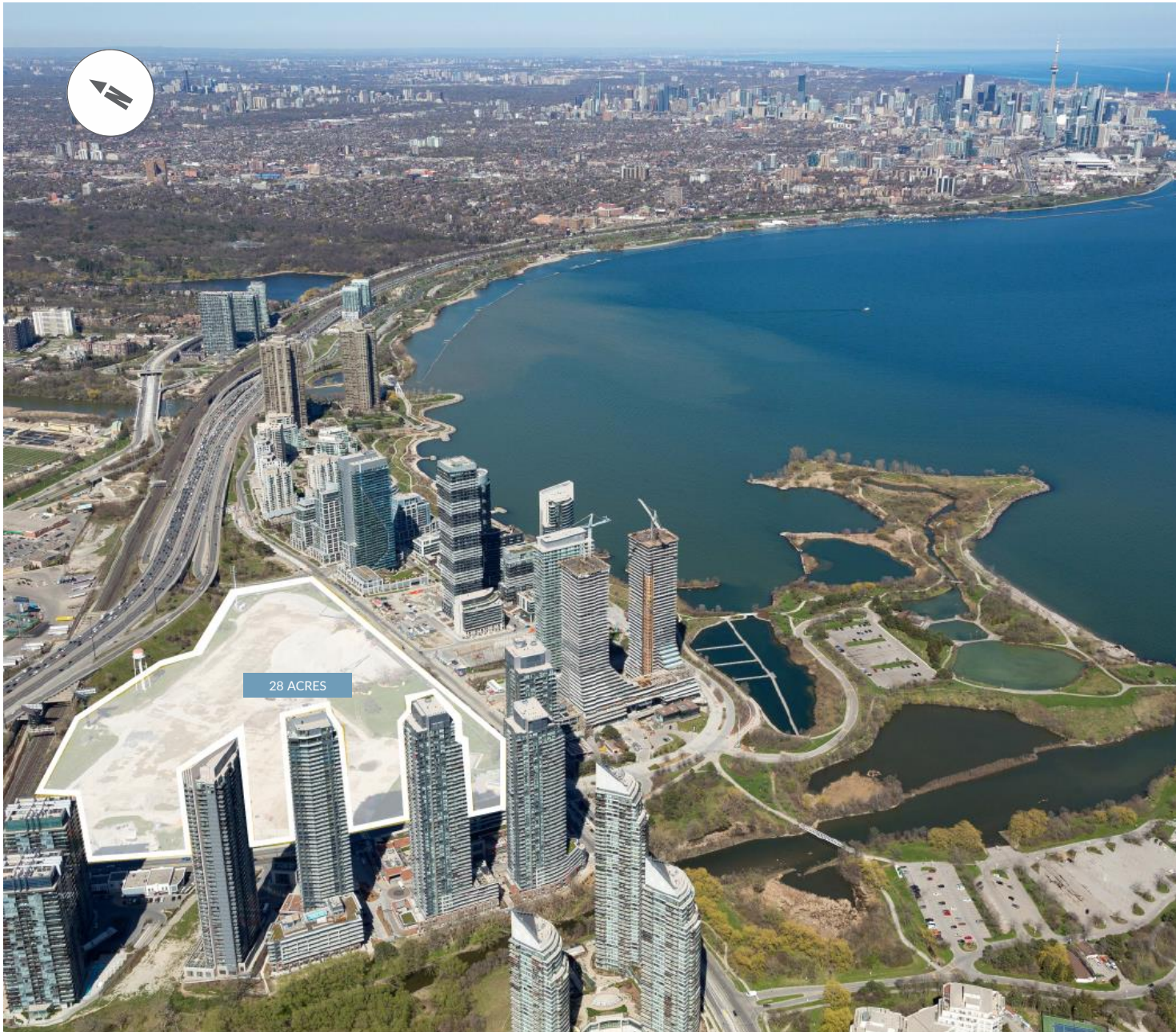
Toronto, ON



Leslie & York Mills

Toronto, ON





Master Planned Super Urban Neighbourhood

# Future Mixed-Use Neighbourhood

Former Christie Cookie Site, Toronto, ON

Demographics  
2019 Estimates

5KM AVG

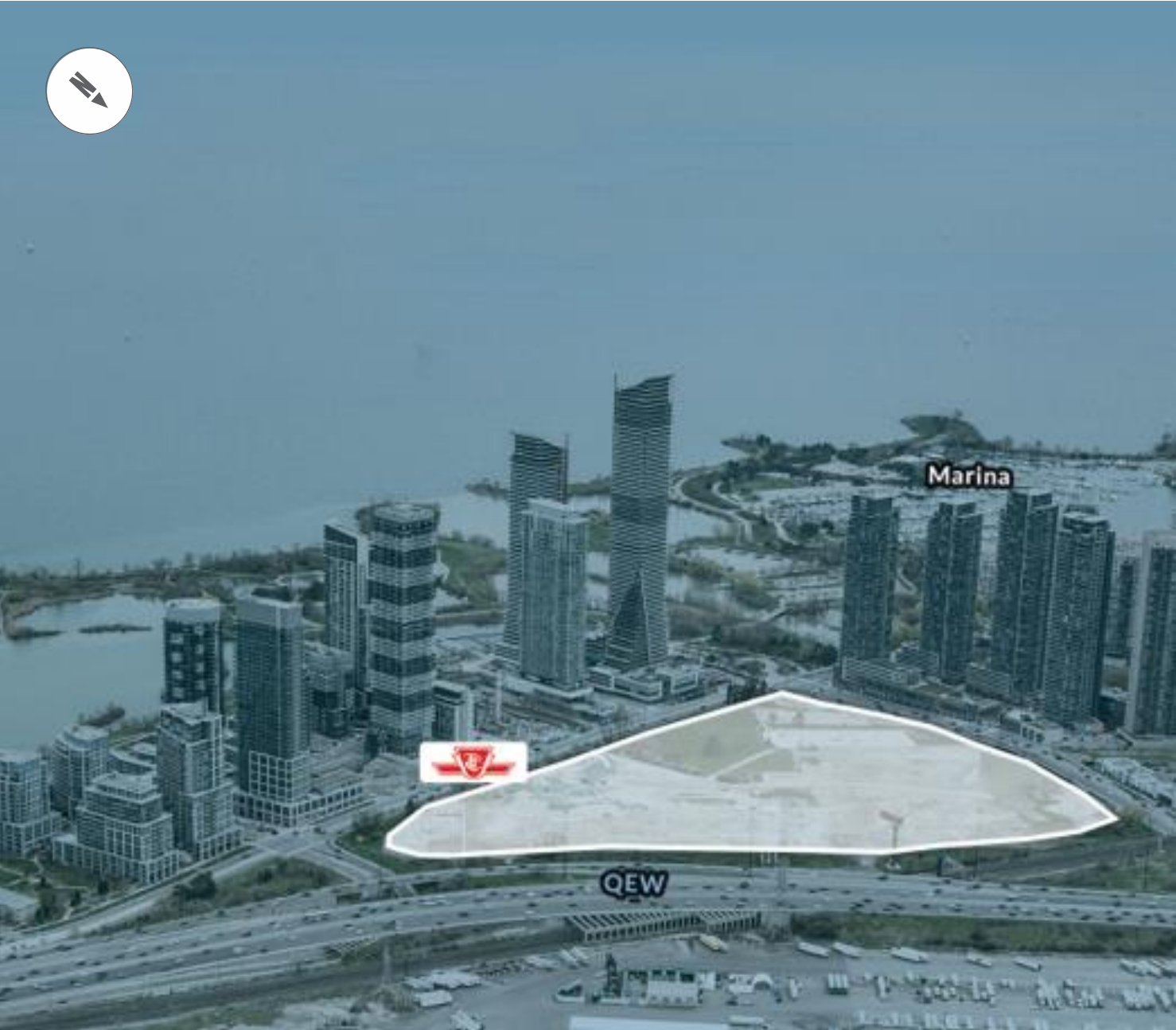
Population

269,200

Average Household Income

\$113,800





Master Planned Super Urban Neighbourhood

# Future Mixed-Use Neighbourhood

Former Christie Cookie Site, Toronto, ON

Planned Gross Leasable Area (at 100%)

Residential GLA ( ~7,500 Units)	6,000,000 sf
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Retail GLA	500,000 sf
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Office GLA	500,000 sf
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<b>Total GLA</b>	<b>7,000,000 sf</b>
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First Capital ownership 50%

25% of Site Open Space

# Super Urban Neighbourhoods





Super Urban Neighbourhood

# Bloor-Yorkville

Toronto, ON

## Property Statistics 2019 Estimates

5KM AVG

Population 741,100

Average Household Income \$132,000

## Gross Leasable Area

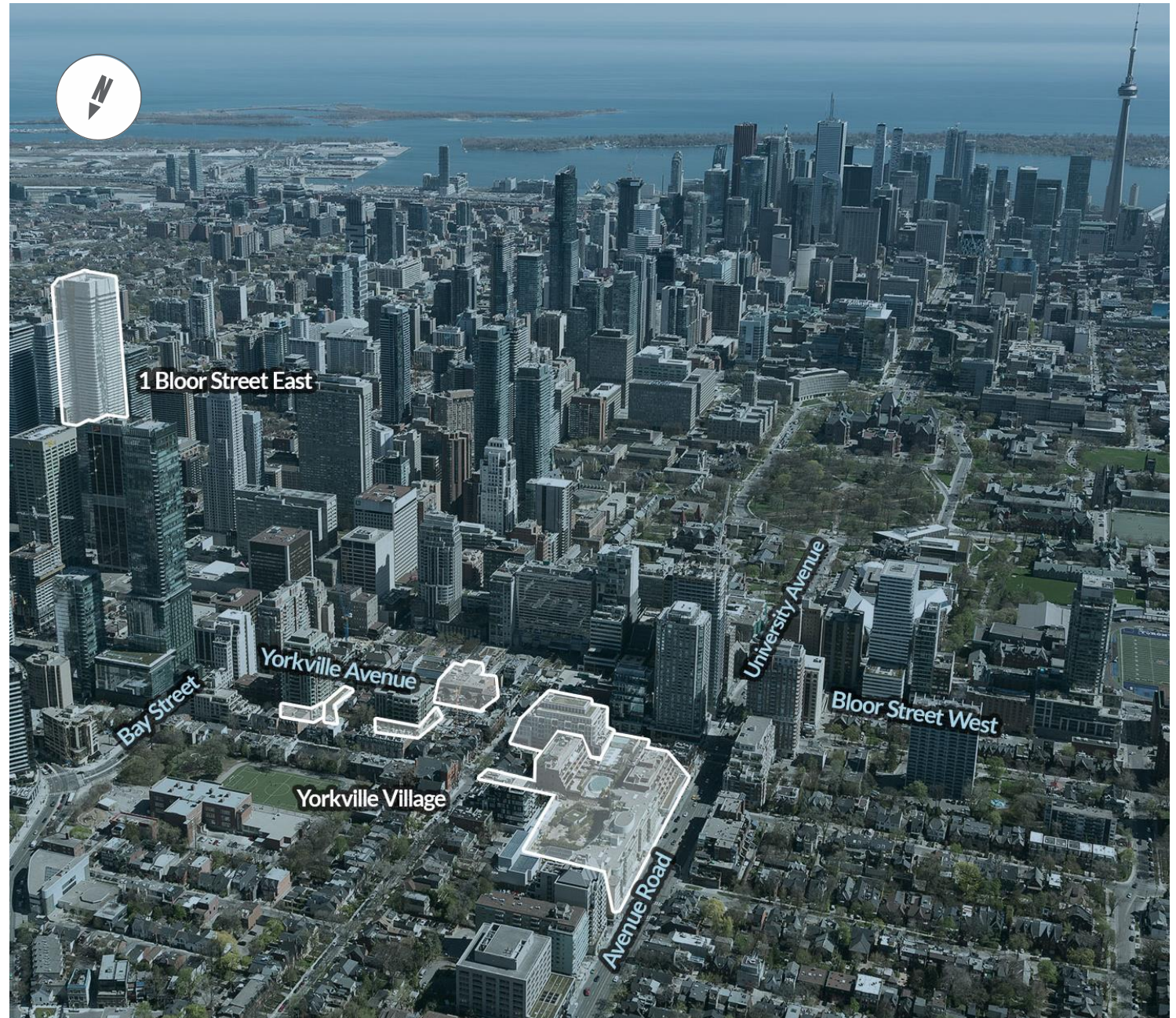
Yorkville Village 315,000 sf

One Bloor East 85,000 sf

Hazelton Hotel (FCR share) 40,000 sf

Total Bloor/Yorkville 440,000 sf

Future Density 135,000 sf





# SUPER URBAN NEIGHBOURHOOD - BLOOR-YORKVILLE

Recently Completed Re-Development - Yorkville Village Mall, Toronto



Avenue Road



Newly Constructed Yorkville Entrance



Interior



Events Program



Super Urban Neighbourhood

# Bloor-Yorkville

Hazelton Hotel, Toronto, ON

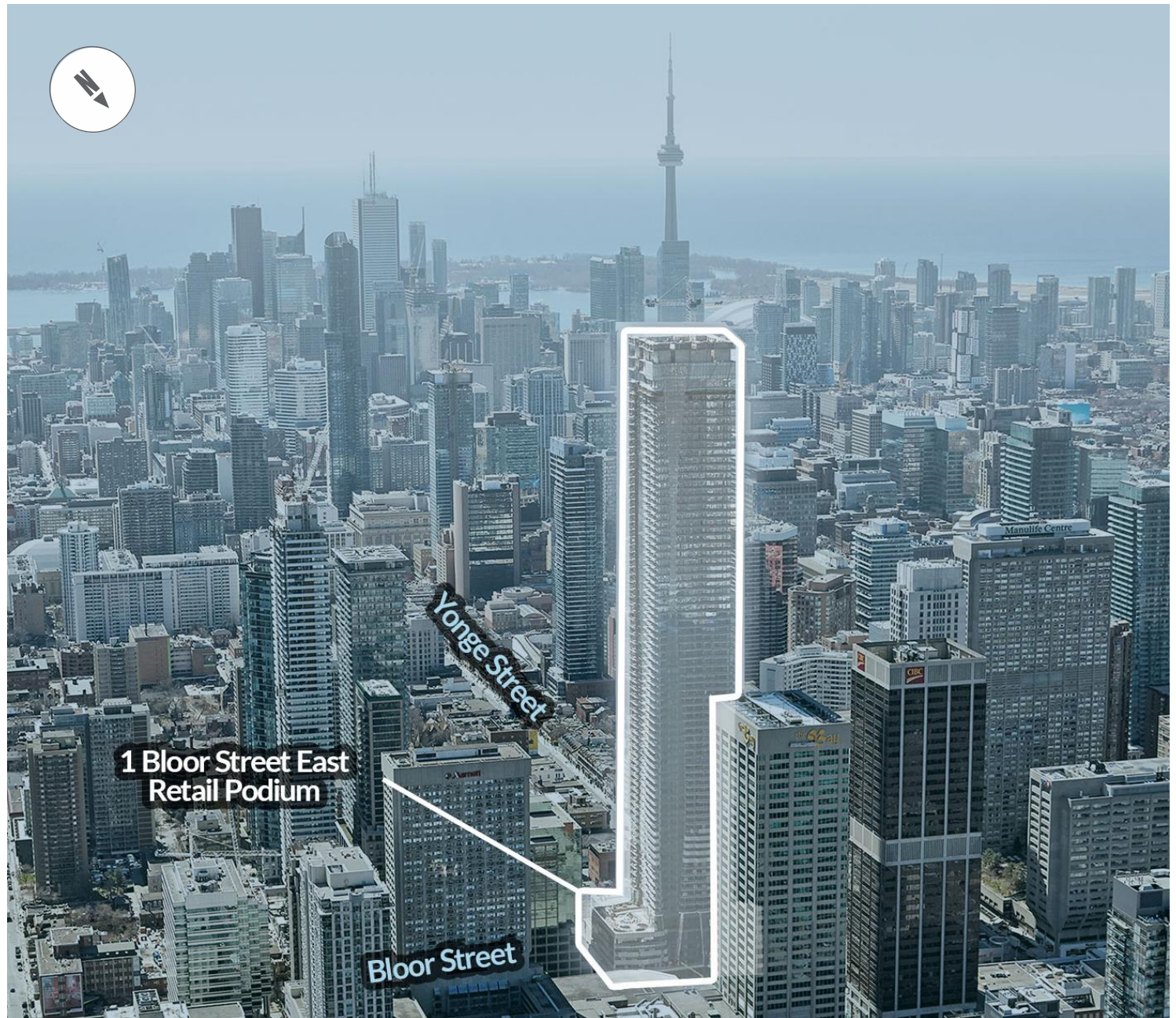
Room Count	77
Retail GLA	11,250 sf
FCR Interest	60%

Toronto’s top rated and first luxury boutique 5 Star Hotel





Super Urban Neighbourhood  
**Bloor-Yorkville**  
Yonge and Bloor, Toronto, ON





Super Urban Neighbourhood

# Bloor-Yorkville

One Bloor East, Toronto, ON

Property Statistics

Retail GLA 85,000 sf

Commercial Parking 52 Stalls

Key Tenants



Direct Access to the Bloor-Yonge subway, the busiest station in Canada serving >400k people per day







Super Urban Neighbourhood  
 Bloor-Yorkville

One Bloor East: McEwan

2019 Opening





Super Urban Neighbourhood

# Bloor-Yorkville

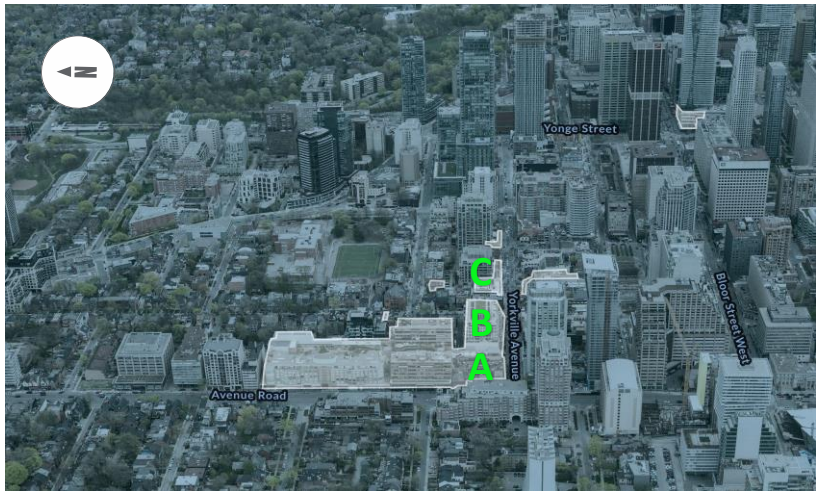
One Bloor East: Chick-fil-A Canadian Flagship

2019 Opening



# SUPER URBAN NEIGHBOURHOOD - BLOOR-YORKVILLE

Recent Acquisition: 140 Yorkville Avenue, Mixed-Use Development



Bloor-Yorkville



A 140 Yorkville Avenue



B Yorkville Village Mall



C Hazelton Hotel



Super Urban Neighbourhood

# Liberty Village Assets

Toronto, ON

Demographics  
2019 Estimates

5KM AVG

Population

546,500

Average Household Income

\$110,900

Acreage

14.1

Retail GLA

396,000 sf

Residential GLA

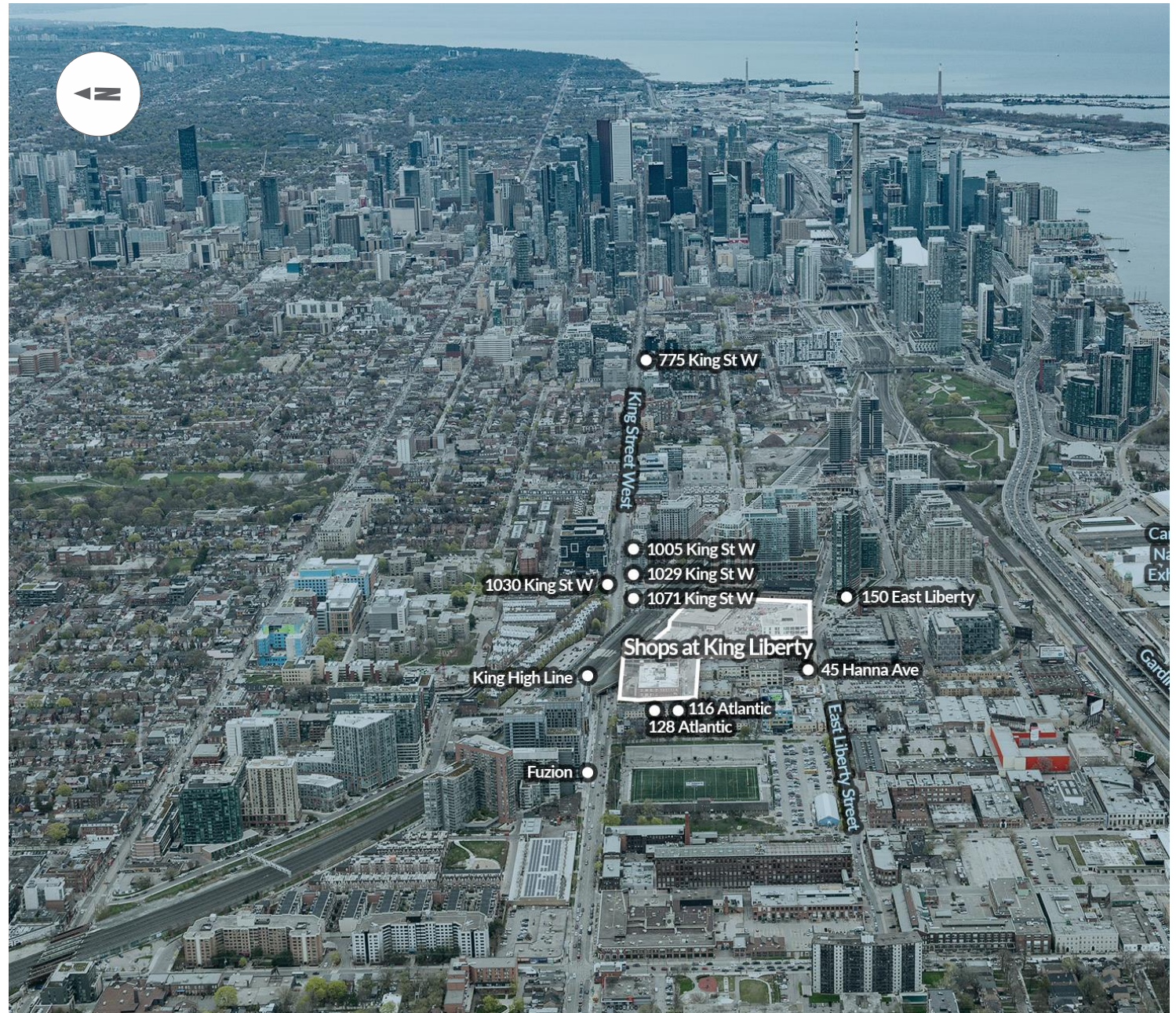
328,000 sf

Office GLA

103,000 sf

Total GLA

827,000 sf





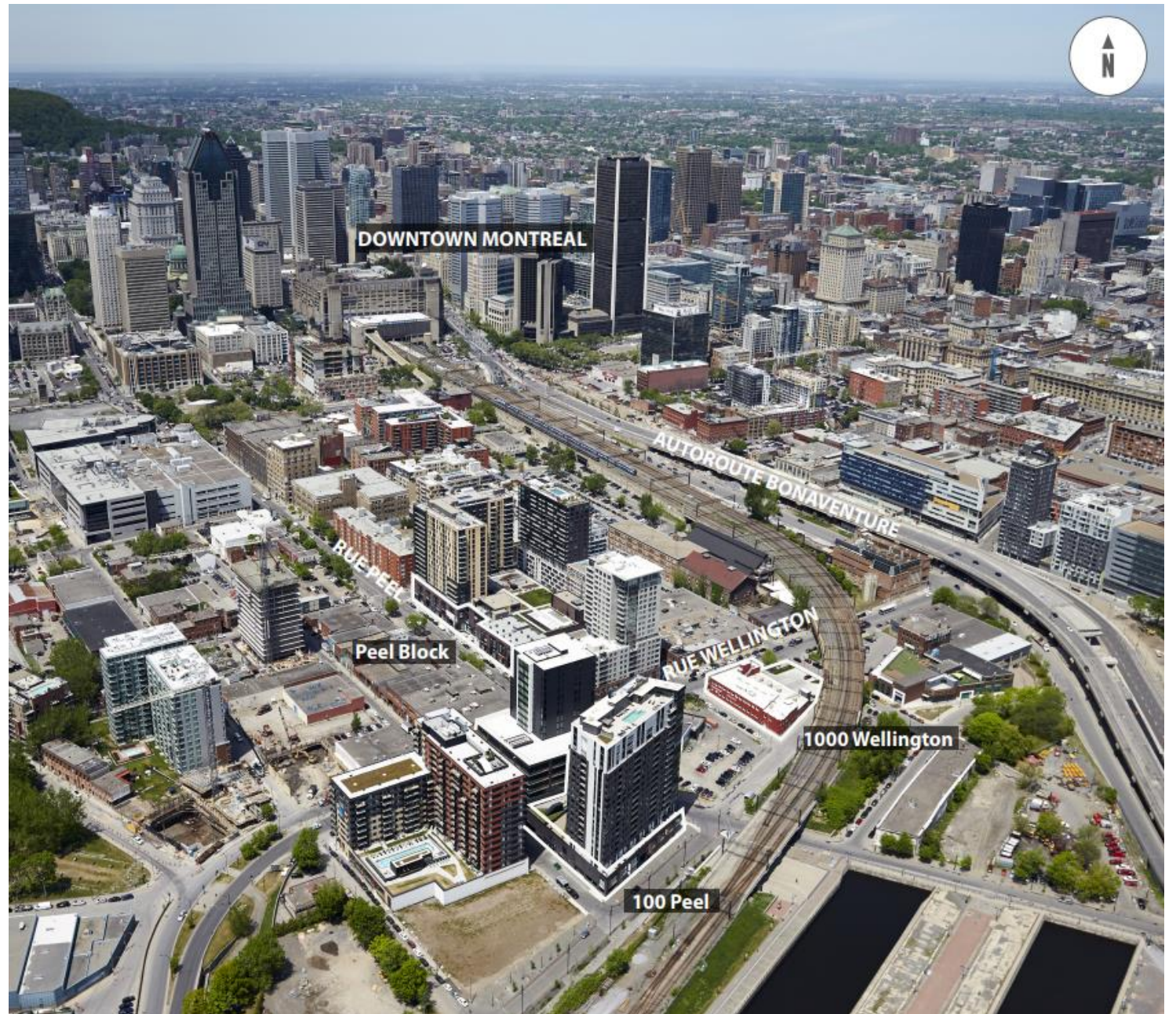
Super Urban Neighbourhood

# Griffintown

Montreal, QC

Demographics  
2019 Estimates

	5KM AVG
Population	411,000
Average Household Income	\$96,000
Acreage	3.2
Retail GLA	254,000 sf



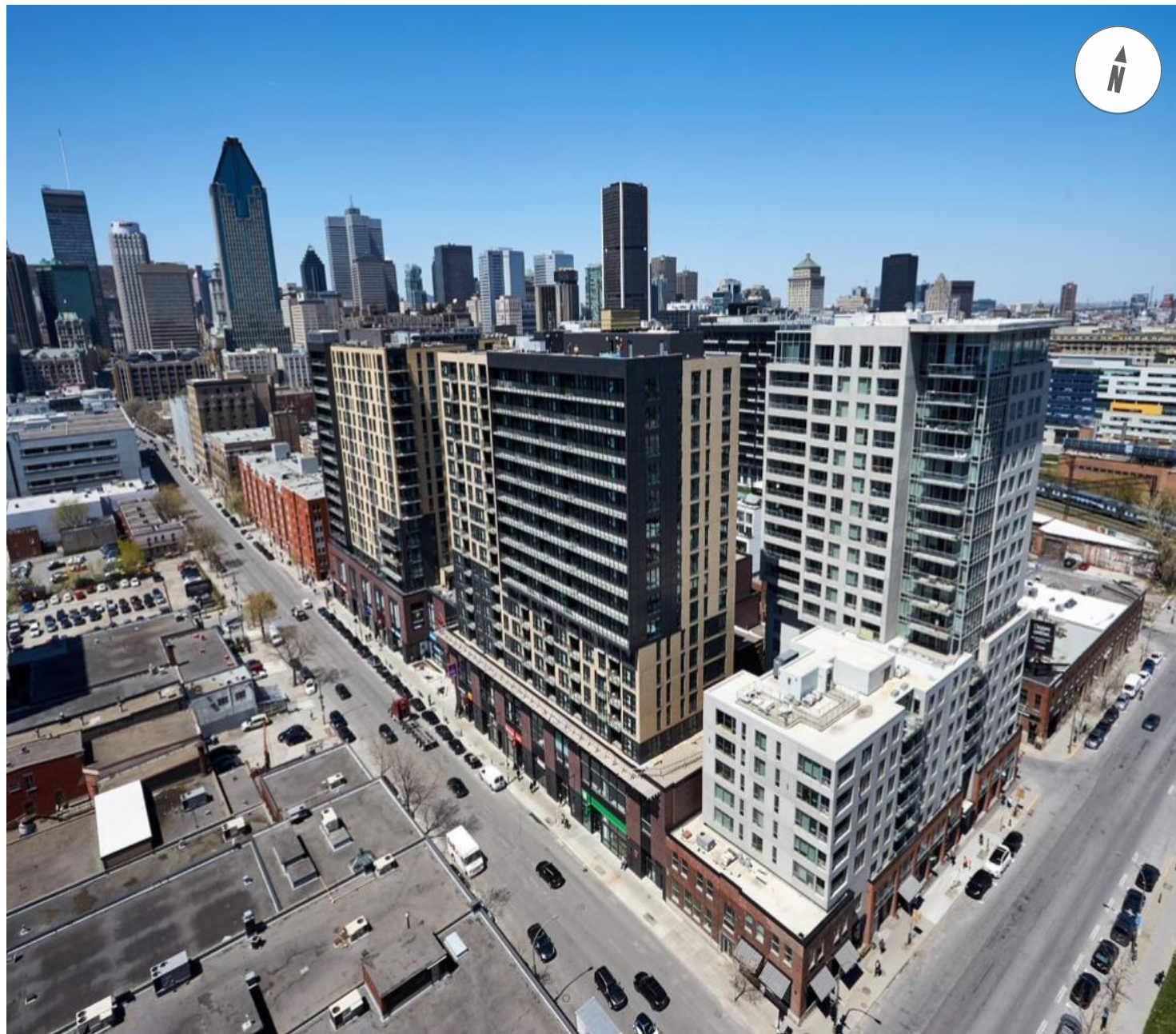


Super Urban Neighbourhood  
**Griffintown**  
Montreal, QC

Key Tenants

**metro**

**PHARMAPRIX**



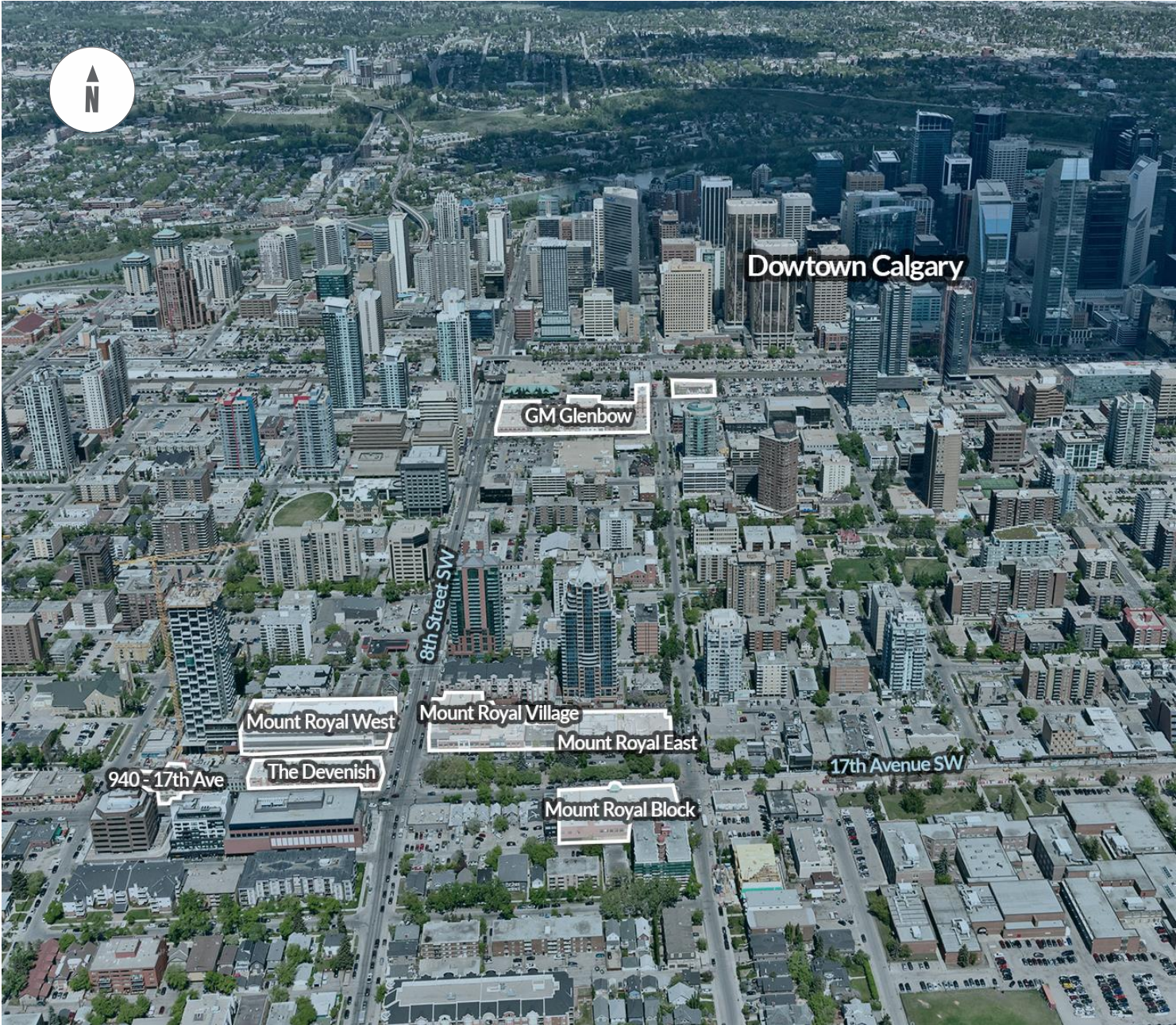


Calgary's Premier Super Urban Neighbourhood

# Mount Royal Village

Calgary, AB

Demographics 2019 Estimates	5KM AVG
Population	231,300
Average Household Income	\$147,000
Acreage	4.1
GLA	380,000 sf





Calgary's Premier Super Urban Neighbourhood

# Mount Royal Village

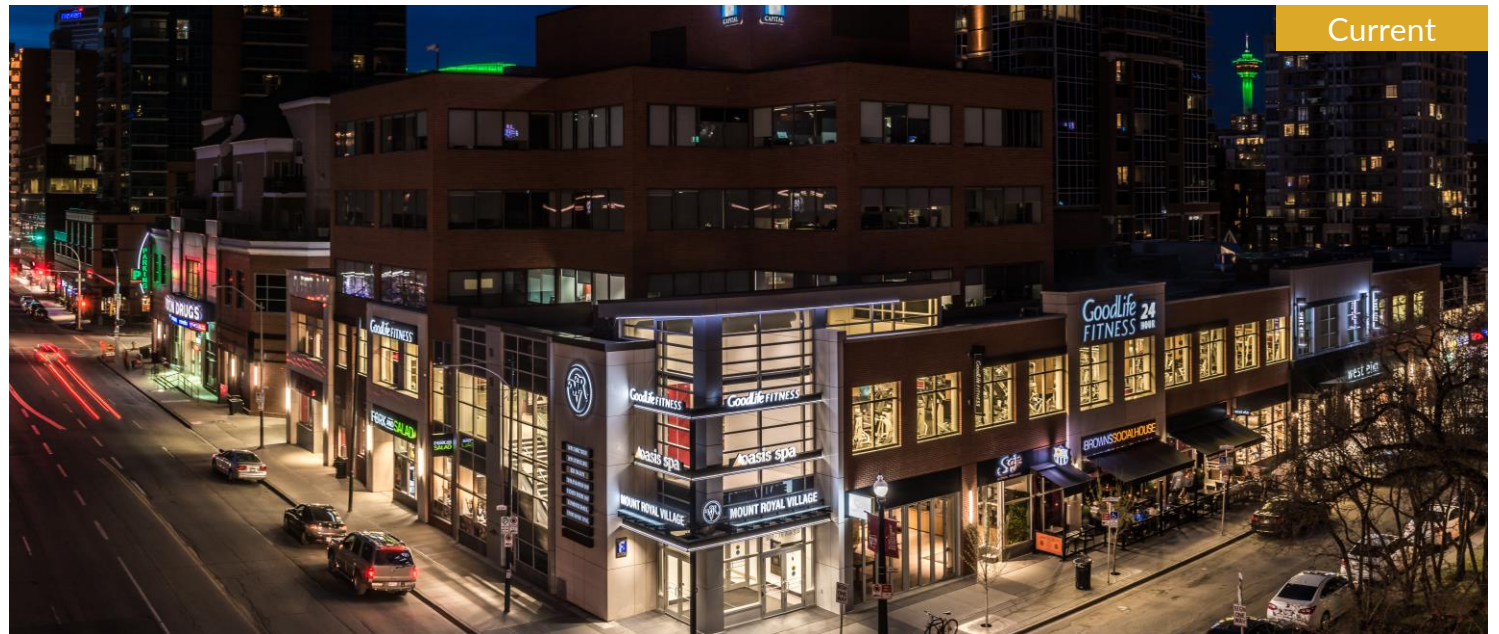
Calgary, AB  
Redevelopment Phase Completed

Gross Leasable Area

118,000 sf



Before



Current



Calgary's Premier Super Urban Neighbourhood

# Mount Royal Village

Calgary, AB

Gross Leasable Area

98,300 sf

Key Tenants





# Active Developments



# DEVELOPING IN SUPER URBAN NEIGHBOURHOODS

\$166m of Development Spend in 2019

Total Development Pipeline: 25m sf= 2m sf Commercial + 23m sf Residential



Yorkville Village Assets      Toronto, ON



3080 Yonge Street      Toronto, ON



Dundas & Aukland      Toronto, ON



King High Line      Toronto, ON



Edmonton Brewery District      Edmonton, AB



Centre Commercial Wilderton      Montreal, QC



Super Urban Neighbourhood

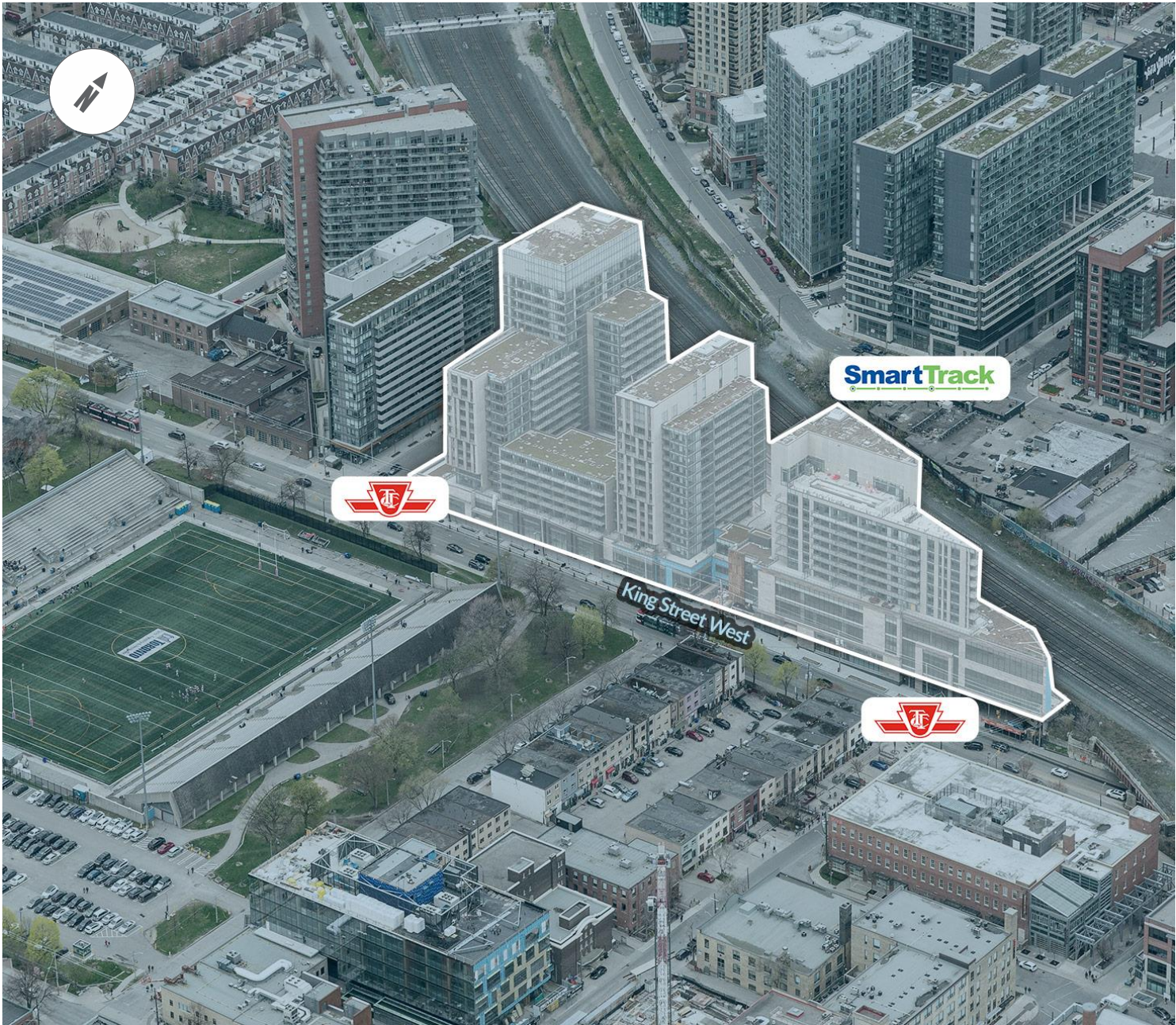
# Liberty Village Assets

King High Line Phase, Toronto, ON

Property Statistics

Acreage	2.8
Residential Units	506
Retail GLA	156,000 sf
FCR Ownership	100% Commercial 67% Residential

Commercial Tenants







Super Urban Neighbourhood  
King High Line

Toronto, ON



Ground-Up Development  
**Dundas & Aukland**  
Toronto, ON





Ground-Up Development

# Dundas & Aukland

Toronto, ON

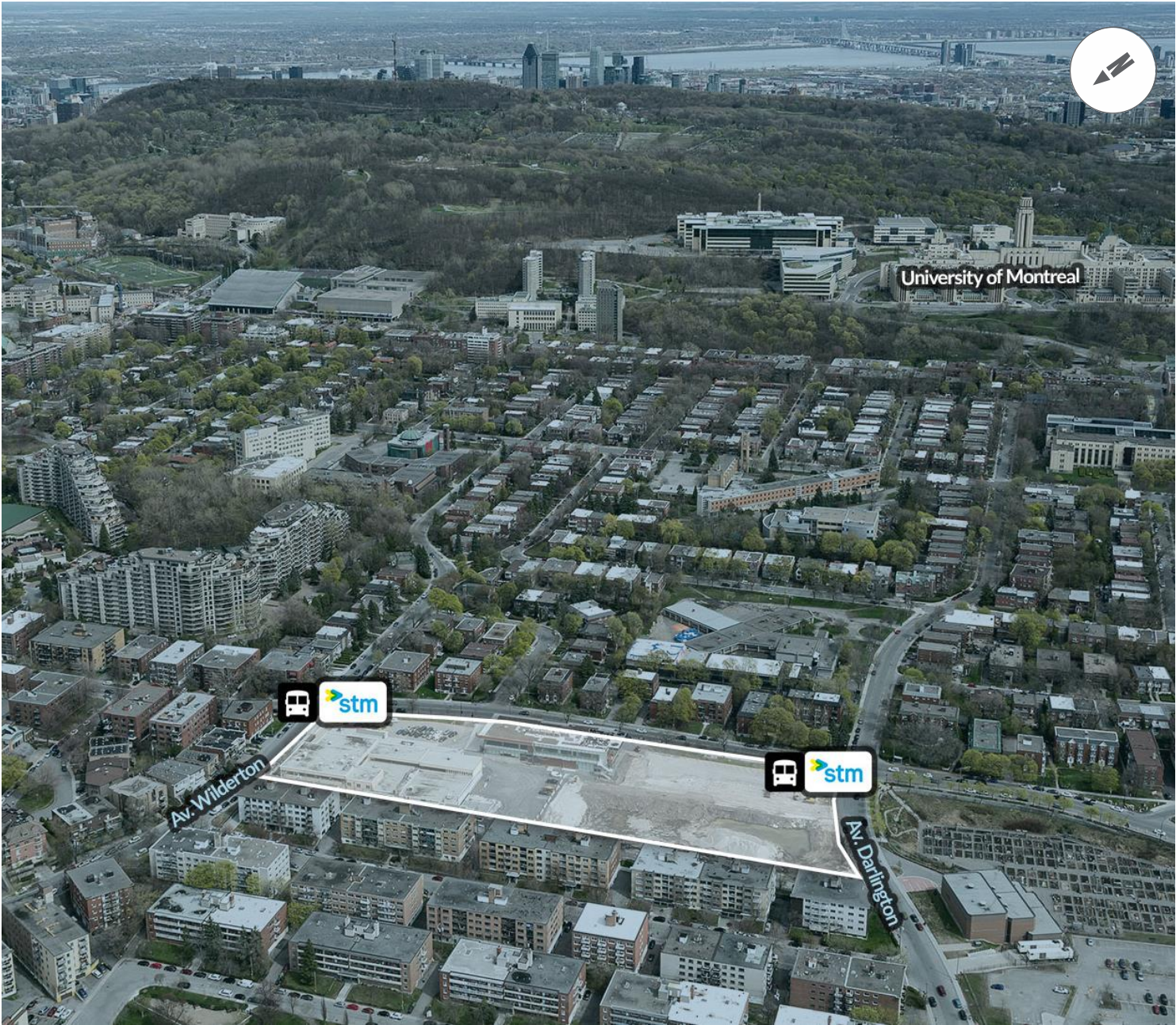
Demographics (2019 Estimates)	5KM AVG
Population	271,800
Average Household Income	\$133,200
Gross Leasable Area (at 100%)	
Retail GLA	43,000 sf
Residential GLA	267,000 sf
Total GLA	310,000 sf
FCR Interest	71%





Super Urban Neighbourhood  
Centre  
Commercial Wilderton  
Montreal, QC  
Re-development Commenced

Demographics 2019 Estimates	5KM AVG
Population	635,500
Average Household Income	\$90,700





Super Urban Neighbourhood

# Centre Commercial Wilderton

Montreal, QC  
Re-development Commenced

Property Statistics

Acreage 5 acres

Pre-redevelopment GLA 112,000 sf

Post Redevelopment GLA

Retail GLA 130,000 sf

Residential GLA 500,000 sf

Total GLA 630,000 sf

Key Tenants





Super Urban Neighbourhood

# 3080 Yonge St

Toronto, ON

Fully Integrated with Lawrence Subway Station

Demographics  
2019 Estimates

5KM AVG

Population

406,400

Average Household Income

\$190,200

Total Acreage

2.0

Retail GLA

49,000 sf

Office GLA

169,000 sf

Total GLA

218,000 sf

Key Tenants

Loblaws Tim Hortons ANATOM





Super Urban Neighbourhood  
Edmonton  
Brewery District  
Edmonton, AB

Demographics  
2019 Estimates

5KM AVG

Population 210,700

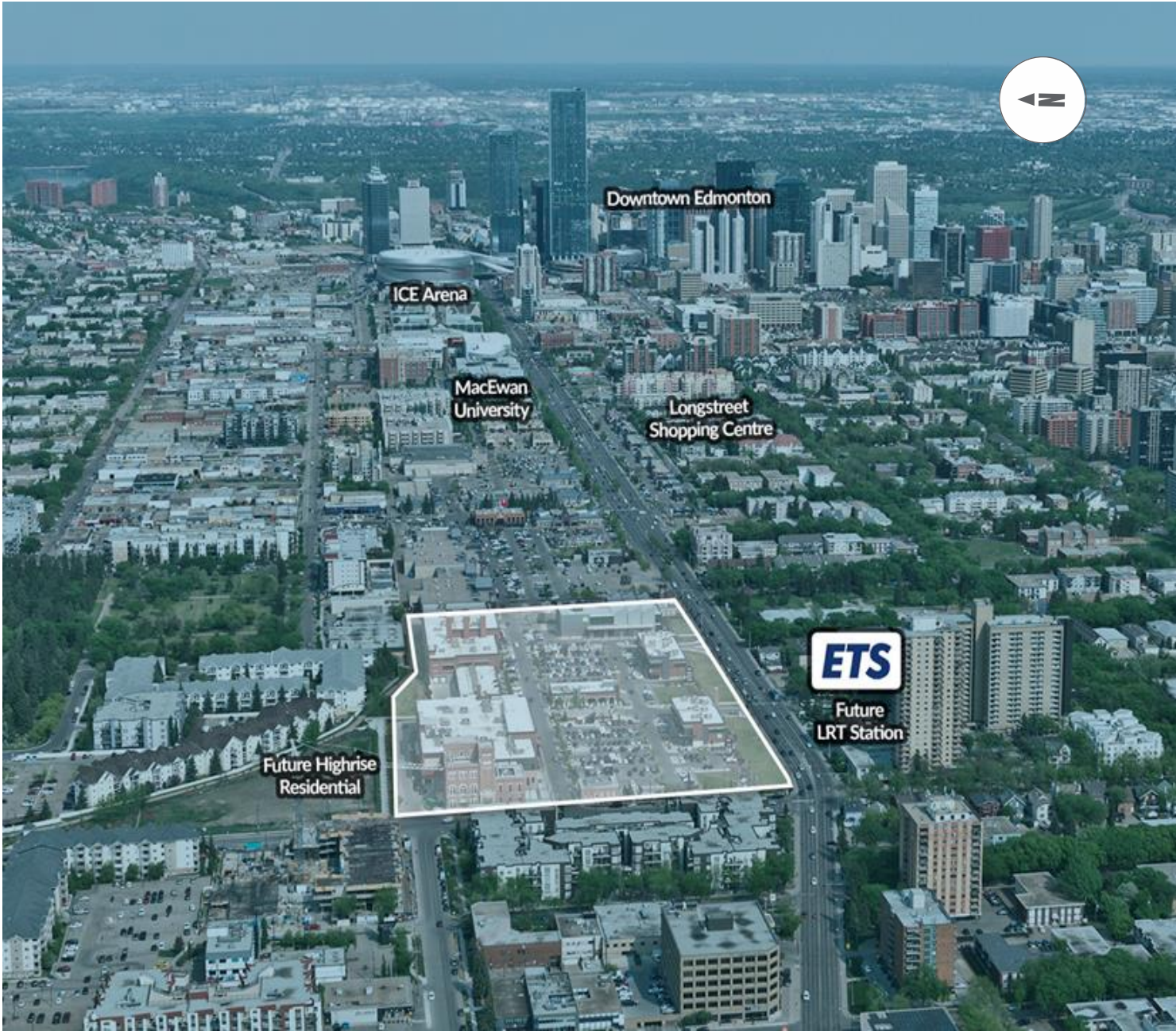
Average Household Income \$94,100

Total Acreage 11.8

GLA 310,000 sf

Key Tenants







Super Urban Neighbourhood  
Edmonton  
Brewery District  
Edmonton, AB





Active Development

# 19 & 25 Industrial Street

Toronto, ON

Demographics  
(2019 Estimates)

Population	478,000
Average Household Income	\$170,000

Gross Leasable Area (at 100%)

Retail GLA	44,000 sf
Office GLA	28,000 sf
Total	72,000 sf







Active Development

## 19 & 25 Industrial Street

Toronto, ON

Construction Commenced October  
2019



# Future Development

Significant Density Pipeline





# UPCOMING DEVELOPMENTS



Humbertown Phase 1 Residential      Toronto, ON



Place Panama      Brossard, QC



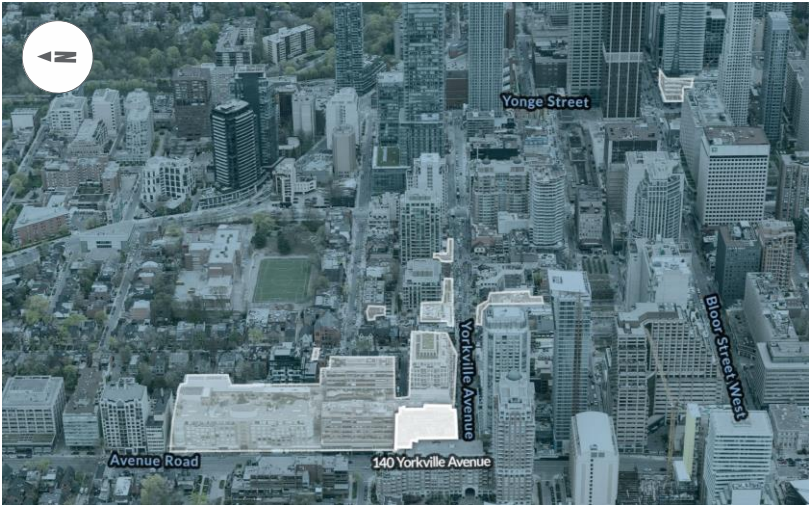
Yonge & Roselawn      Toronto, ON



400 King Street West      Toronto, ON



# UPCOMING DEVELOPMENTS



140 Yorkville

Toronto, ON



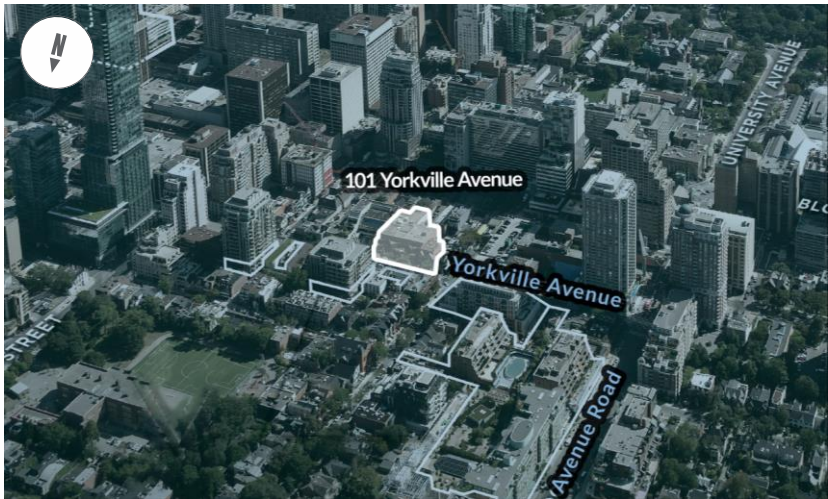
Wilderton Phase 2 Residential

Montreal, QC



1071 King (Liberty Village)

Toronto, ON



101 Yorkville

Toronto, ON





Future Development

# Humbertown Shopping Centre

Toronto, ON

Demographics (2019 Estimates)	5KM AVG
Population	346,500
Average Household Income	\$122,700
Size	9.0 acres





Future

Future Development

## Edenbridge Kingsway

Humbertown, Toronto, ON

Size

1.8 acres (Block 5 Phase 1)

Future Density

252,000 sf  
(Retail: 7,000 sf; Residential 245,000 sf)

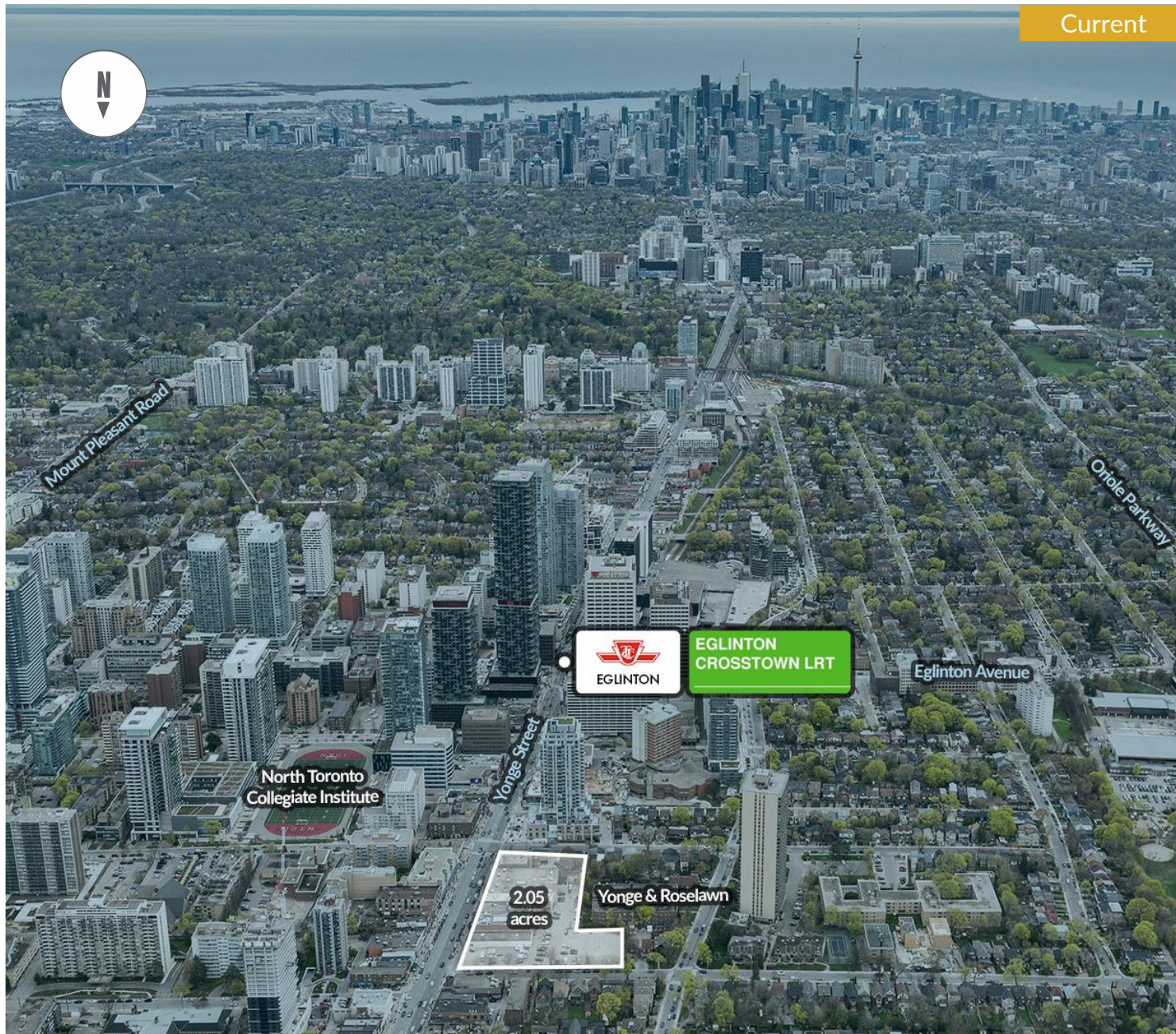
Partner

**TRIDEL**® (50% on Block 5) Residential

Expected Phase I  
Construction Start

2021





Future Mixed-Use Project

# Yonge & Roselawn

Toronto, ON

Demographics  
2019 Estimates

5KM AVG

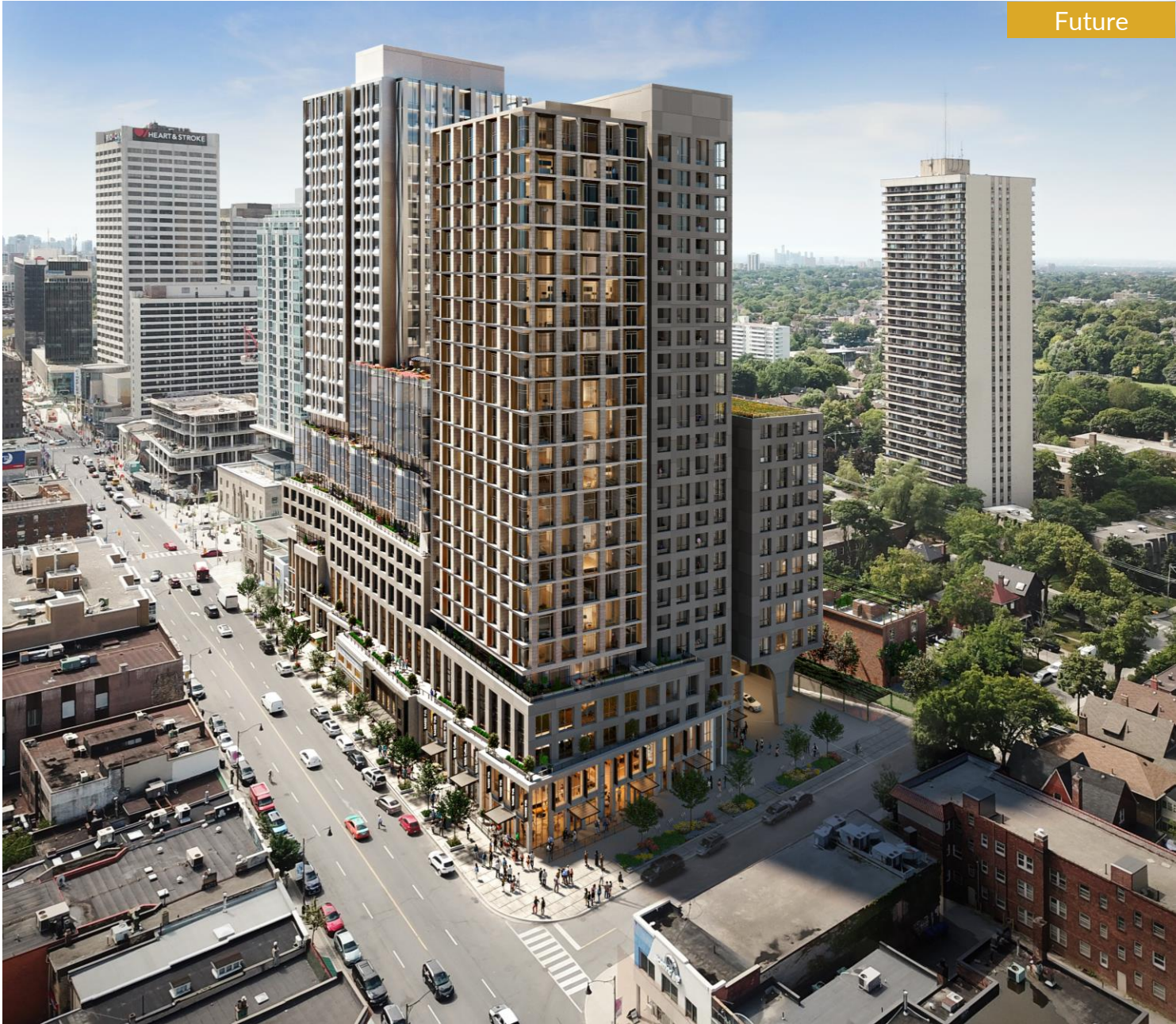
Population

480,000

Average Household Income

\$188,400





Future

Future Mixed-Use Project

# Yonge & Roselawn

Toronto, ON

Residential GLA (687 Units)	533,000 sf
Retail GLA	65,000 sf
Total GLA	598,000 sf





Existing

Future Development

# 400 King Street West

Toronto, ON

Demographics 2019 Estimates	5KM AVG
Population	560,000
Average Household Income	\$123,000





Future Development

# 400 King Street West

Toronto, ON

Gross Leasable Area (at 100%)

Residential GLA	415,000 sf
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Retail GLA	38,000 sf
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Total GLA	453,000 sf
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Ownership Interest	35%
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Construction Start 2021



## Future Development

# 1071 King Street West

Toronto, ON

## Demographics 2019 Estimates

5KM AVG

Population 540,000

Average Household Income \$111,000

## Gross Leasable Area (at 100%)

Residential GLA 198,000 sf

Retail GLA 5,000 sf

**Total GLA 203,000 sf**

Ownership Interest 67%

Construction Start 2021



# Corporate Social Responsibility



ESG INITIATIVES



175

Properties certified  
76% of portfolio in GLA



160

Electric car charging  
stations installed



Recognized as Greater  
Toronto's top employers



119

LEED-certified projects  
3.7m sf



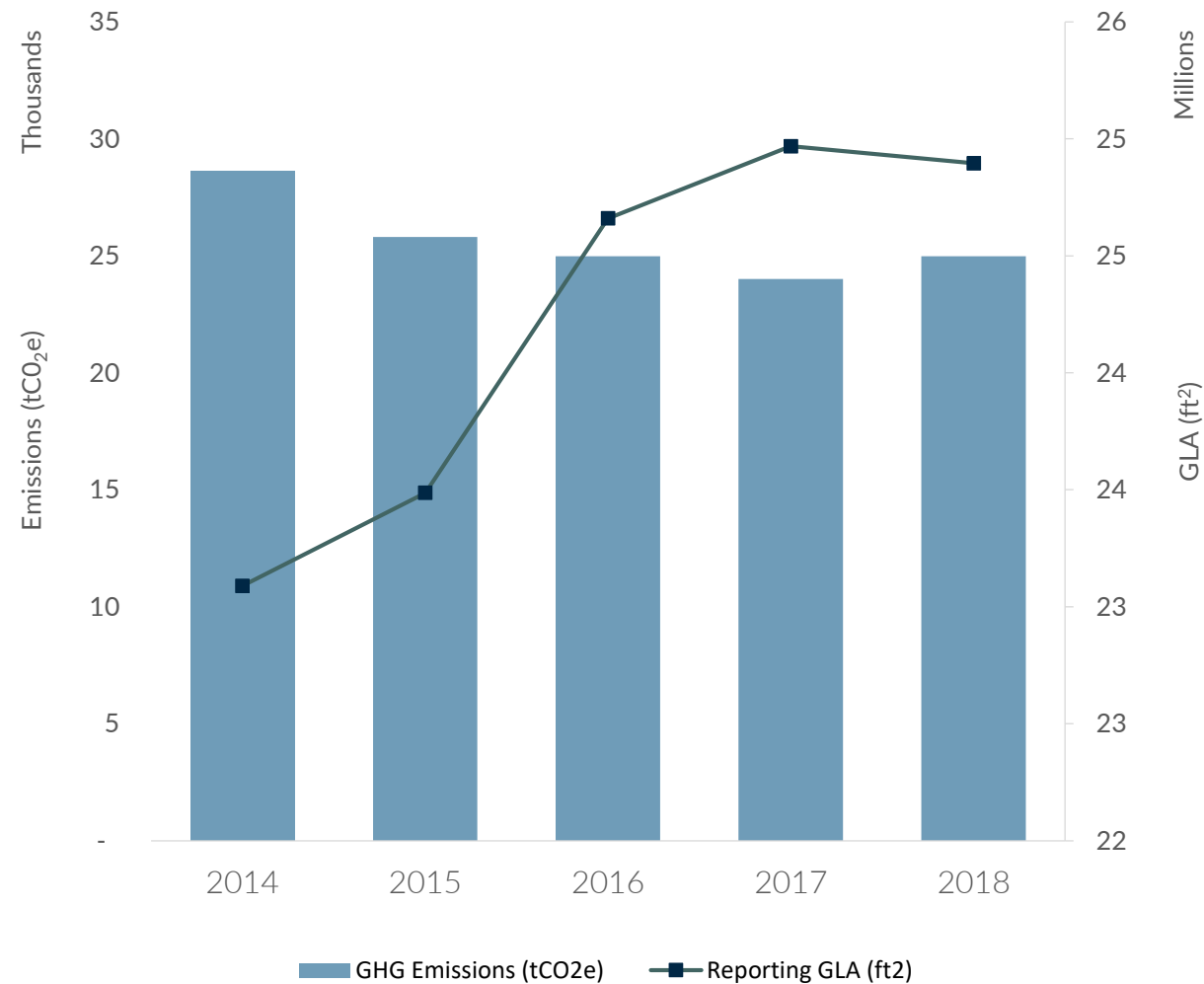
AAA

Highest rating possible



# ESG INITIATIVES

13% decrease in Greenhouse Gas (GHG) emissions from 2014-2018, despite 8% growth in GLA.



# ENHANCING SUPER URBAN NEIGHBOURHOODS THROUGH PUBLIC ART

27 Public Art Installations across our portfolio



Supporting Public Art Competitions in partnership with

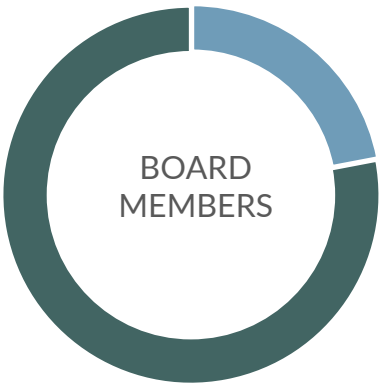




# CANADA'S MOST GENDER DIVERSE COMPANY



■ 62% Women ■ 38% Men



■ 22% Women ■ 78% Men



■ 51% Women ■ 49% Men



■ 62% Women ■ 38% Men

Ranked as the most gender diverse company in Canada by Evolve Funds in 2017

Strong gender diversity metrics achieved through all levels of the organization; over 50% of management positions are held by females including the executive leadership team

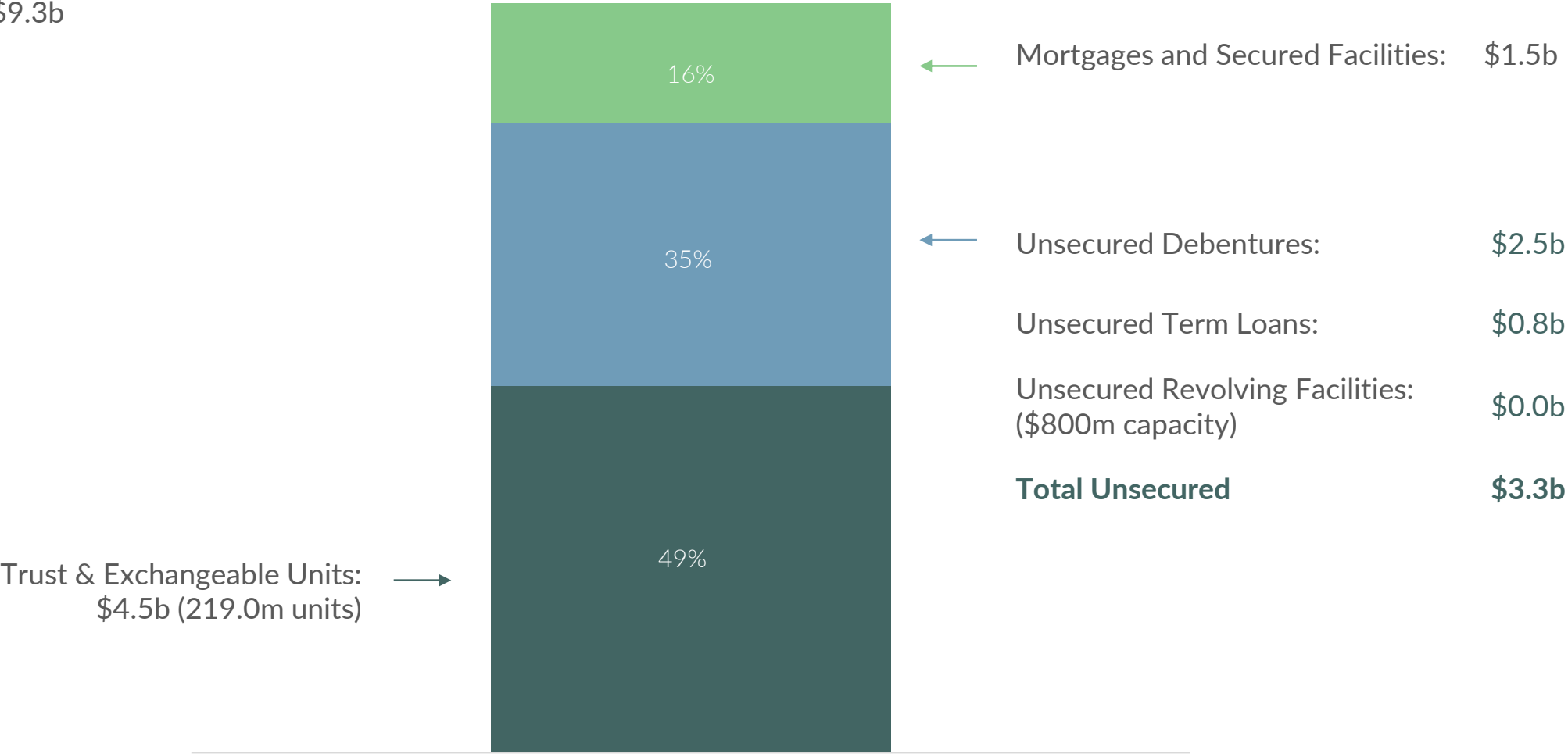


# Financial Strength and Flexibility



# CAPITAL STRUCTURE

Enterprise Value \$9.3b



## FINANCIAL STRENGTH AND FLEXIBILITY

69%

of 2019 assets



As at	2019	2018	2017	2016
Unsecured revolving credit facilities (million)	\$800	\$800	\$800	\$800
<b>Unencumbered assets (billion)</b>	<b>\$7.0</b>	<b>\$7.3</b>	<b>\$7.4</b>	<b>\$6.6</b>
Unencumbered assets to unsecured debt	2.2x	2.5x	2.4x	2.4x
Secured debt as % of total assets	14.5%	14.0%	12.7%	12.7%
Net debt to total assets	46.7%	42.1%	43.4%	44.9%
Net debt to EBITDA	10.0x	9.6x	9.9x	9.6x
EBITDA interest coverage	2.4x	2.5x	2.5x	2.5x



WELL-STAGGERED TERM  
DEBT MATURITIES

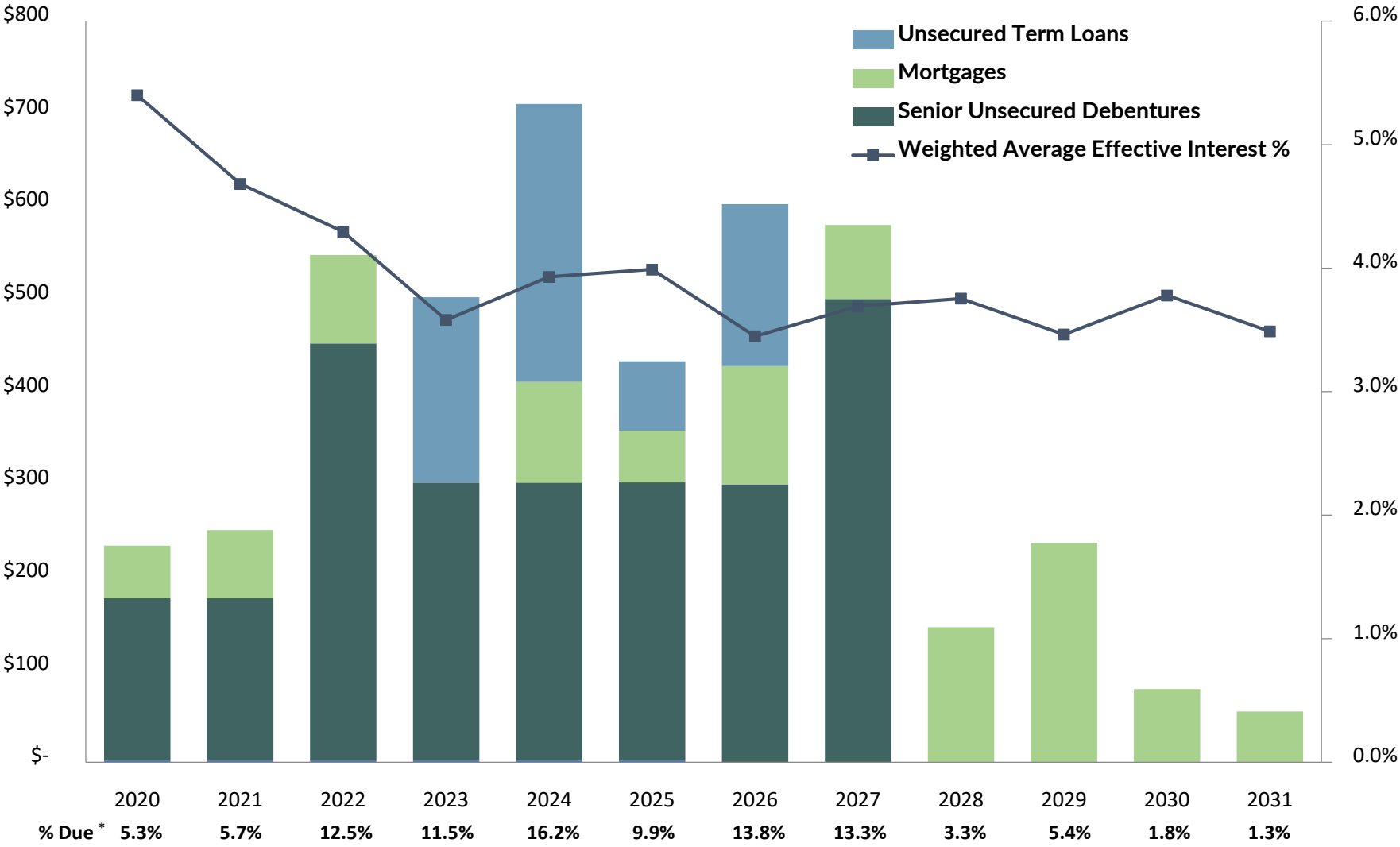
Weighted Average Interest Rate 4.0%

Term to Maturity 5.1 years

95% of Term Debt is Fixed Rate

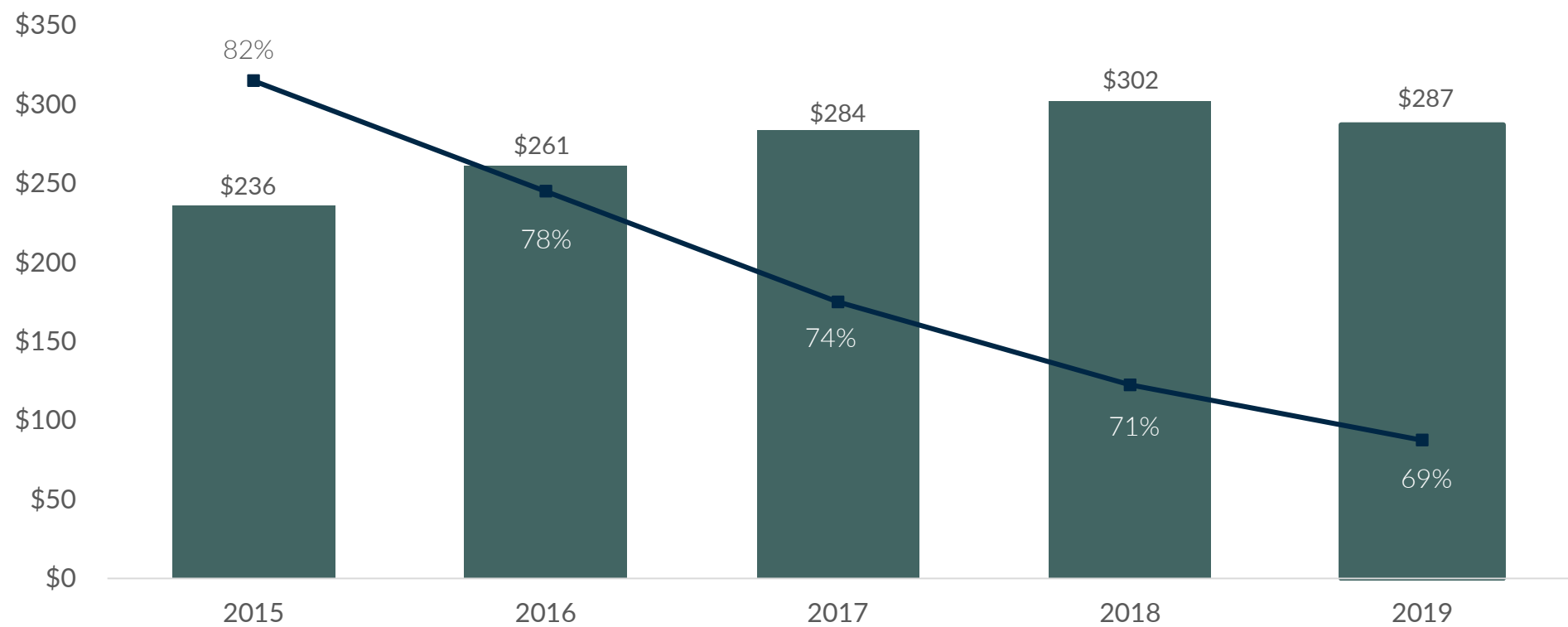
As of December 31, 2019

\* Not including principal amortization



# Historical Performance

Improving Conservative FFO Payout Ratio



FFO exl OGLE/share	\$1.05	\$1.10	\$1.16	\$1.21	\$1.24
Cash Dividends per share	\$0.86	\$0.86	\$0.86	\$0.86	\$0.86
ACFO less Dividend	\$25m*	\$32m	\$34m	\$55m	\$49m

\*Annual retained operating cash



# OUTLOOK

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## Canada's Super Urban Portfolio

- Investing in high-quality, mixed-use properties with the focus on building large positions in targeted high growth super urban neighbourhoods
- Completing strategic dispositions to reduce leverage post the April 2019 share repurchase transaction and to fund investment program

## Growth in Net Asset Value

- Active asset management, development, re-development and intensification to maximize asset value
- Surfacing substantial unrecognized value in 25m sf density pipeline through the development process



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