



## **First Capital REIT Announces Expansion of Strategic Partnership and Monetization of a Portion of its Density rights in Greater Montreal Development**

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**Toronto, Ontario (December 17, 2020)** - First Capital REIT ("First Capital") (TSX: FCR.UN), a leading developer, owner and manager of mixed-use real estate located in Canada's most densely populated cities, announced today a firm agreement to sell a 50% non-managing interest in a geographically diverse portfolio of six grocery anchored properties as well as a 100% interest in a portion of the development land at Place Panama on Montreal's south shore, for an aggregate combined sale price of approximately \$115 million

### **Expansion of Strategic Partnership**

First Capital and one of its preeminent institutional partners initiated a partnership in 2019 when the investor purchased a non-managing 50% interest in a portfolio of First Capital properties located in Ottawa and the Greater Montreal Area. The partnership's focus is on the long-term ownership of stable grocery anchored centres in locations with attractive demographic profiles.

The most recent transaction includes the sale of a 50% non-managing interest in six stabilized properties, which expands the partnership to 17 properties in six cities. This transaction adds three centres in Gatineau (Carrefour du Versant, Place Nelligan and Place Cite des Jeunes) representing approximately half of the current transaction, two in Alberta (Lakeview Plaza in Calgary and Meadowbrook Centre in Edmonton) representing roughly 35% and one in Burlington (Burlingwood Centres) representing the remaining 15%.

### **Monetization of a Portion of Place Panama Air Rights**

First Capital has agreed to monetize its density rights in a portion of its Place Panama development site located in the City of Brossard on Montreal's south shore, executing on its value enhancing entitlement program. For many years, the entire Place Panama property was improved with only a 90,000 square foot single storey retail centre. In 2018, First Capital created a master development plan for the 6.2-acre property and successfully rezoned it to permit 1.9 million square feet of mixed-use density, allowing for heights of up to 30 storeys. The master-plan divides the property into three distinct blocks. One of these blocks is being sold as part of this transaction and the remaining blocks will be retained by First Capital. The 3.2 acre block being sold will accommodate 0.9 million square feet of residential, office and retail density. First Capital will retain the right to acquire ownership of the retail component of this phase of the development.

The property is a 10-minute drive to downtown Montreal and benefits from excellent and improving access to public transportation. Directly adjacent to the site will be the first stop on the South Shore of Montreal's new light rail network (REM), with expected completion in 2022. Additionally, a bus terminal that services most of the south shore is situated directly adjacent to the property. First Capital has retained the balance of the development lands which directly abut the transit hub. While crystallizing the enhanced value of the portion of the development to be sold, the value of these retained lands and



their future development potential will be enhanced upon completion of the REM and as development of the 3.2 acre block progresses. A plan can be found on our website, [here](#).

“These transactions advance our real estate strategy and at the same time will reduce leverage. We are delighted to expand our relationship with a great existing partner through this most recent transaction and look forward to further partnering in the future on additional properties from both First Capital and third parties”, said Adam Paul, President and CEO of First Capital. “Additionally, the Panama transaction allows us to crystalize value we created through our density pipeline while at the same time maintaining meaningful future upside through the portion of the property we are retaining.”

Closing of both transactions is scheduled by year end 2020 and remains subject to certain closing conditions typical for transactions of this type.

### **About First Capital REIT (TSX: FCR.UN)**

First Capital is a leading developer, owner and manager of mixed-use real estate located in Canada’s most densely populated cities. First Capital’s focus is on creating thriving urban neighbourhoods to generate value for businesses, residents, communities and our investors.

### **Forward Looking Statement Advisory**

This press release contains forward-looking statements and information within the meaning of applicable securities law, including statements regarding anticipated dispositions, strategic partnerships and developments. The forward-looking statements are not historical facts but rather reflect First Capital’s current expectations and are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. Such risks and uncertainties include, among others, the failure to successfully complete the announced dispositions, strategic partnerships and developments, or to complete them on the currently proposed terms and with the anticipated impact, and the matters discussed under “Risks and Uncertainties” in First Capital Realty’s Management’s Discussion and Analysis for the year ended December 31, 2019 and the quarter ended September 30, 2020 as well as under “Risk Factors” in its current Annual Information Form. Readers, therefore, should not place undue reliance on any such forward-looking statements. First Capital undertakes no obligation to publicly update any such forward looking statement or to reflect new information or the occurrence of future events or circumstances except as required by applicable securities law. All forward-looking statements in this press release are made as of the date hereof and are qualified by these cautionary statements.

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