

# Q3 2024

## 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 Management’s Discussion and Analysis for the year ended December 31, 2023 (the “MD&A”) and our current Annual Information Form, all of which are available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) 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 October 29, 2024. 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. Additionally, past performance, including the key operating metrics described in this presentation, is not indicative of future results given the risks and uncertainties described in detail in our MD&A.

This material references certain non-IFRS financial measures, including but not limited to FFO, FFO per unit, 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&As. 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 September 30, 2024 unless otherwise noted.

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# 1.0

## FCR Overview



Centre Commercial Beaconsfield, Beaconsfield



# 1.0 FCR Overview

First Capital owns, operates and develops grocery-anchored, open-air centres in neighbourhoods with the strongest demographics in Canada.



FCR.UN

ON THE TSX



22.2M SF

GROSS LEASABLE AREA  
(19.4M SF AT FCR SHARE)



138

NEIGHBOURHOODS



\$9.2B

TOTAL ASSETS



\$8.1B

ENTERPRISE VALUE



22.3M SF

FUTURE INCREMENTAL DENSITY



### Core Competencies

- 1 Acquiring, developing, owning and operating open-air, grocery-anchored shopping centres
- 2 Rezoning future development sites

### Competitive Advantages

- 1 Core portfolio of grocery-anchored, open-air shopping centres
- 2 Portfolio of development sites



### Key Objectives

- 1 FFO per unit growth
- 2 NAV per unit growth
- 3 Distribution per unit growth

# 1.0 FCR Overview– Fair Values Across Canada’s Major Cities

## Western Canada

GLA **6.2M**

Fair Value % **30%**

## Central Canada

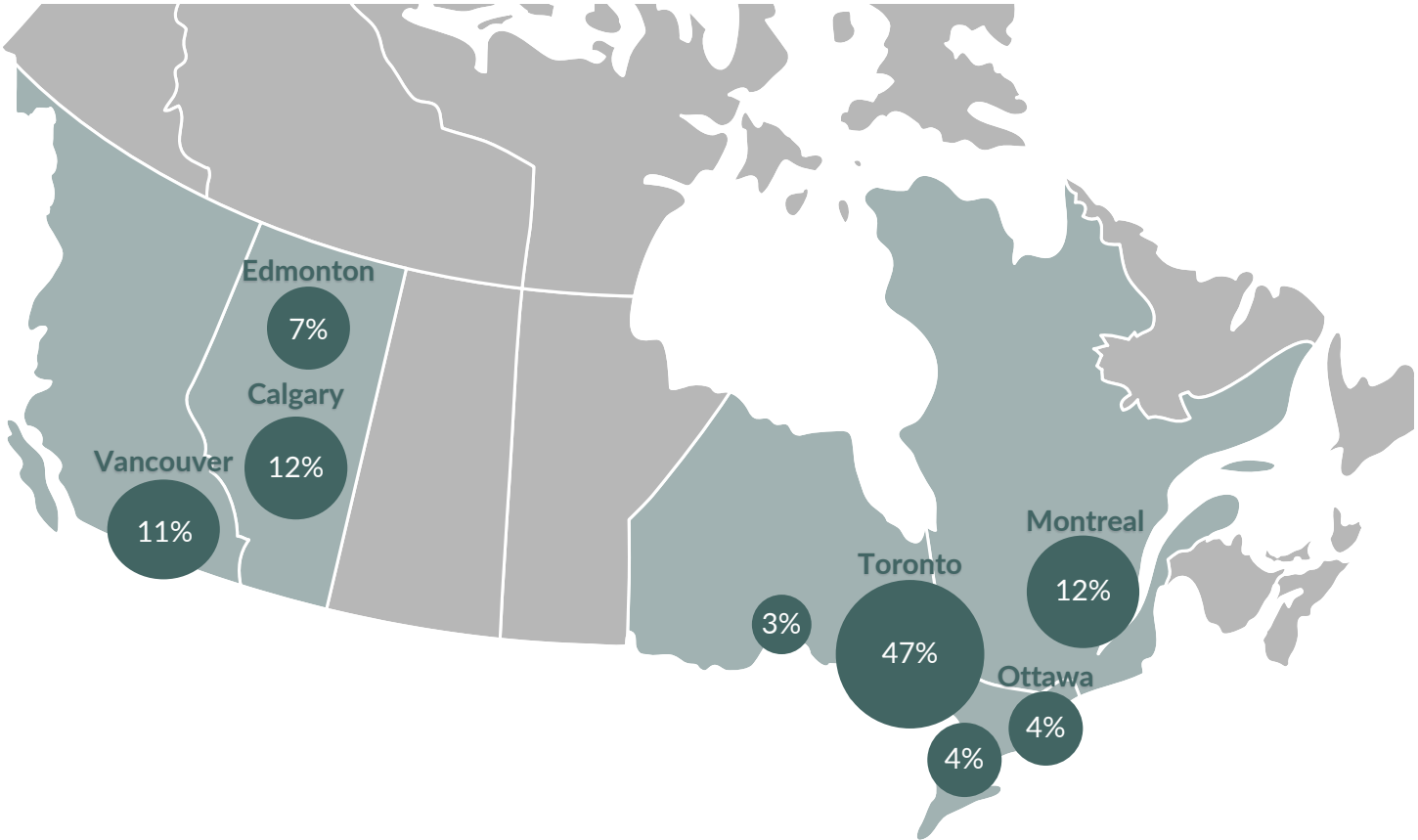
GLA **8.6M**

Fair Value % **54%**

## Eastern Canada






































































GLA **4.6M**

Fair Value % **16%**





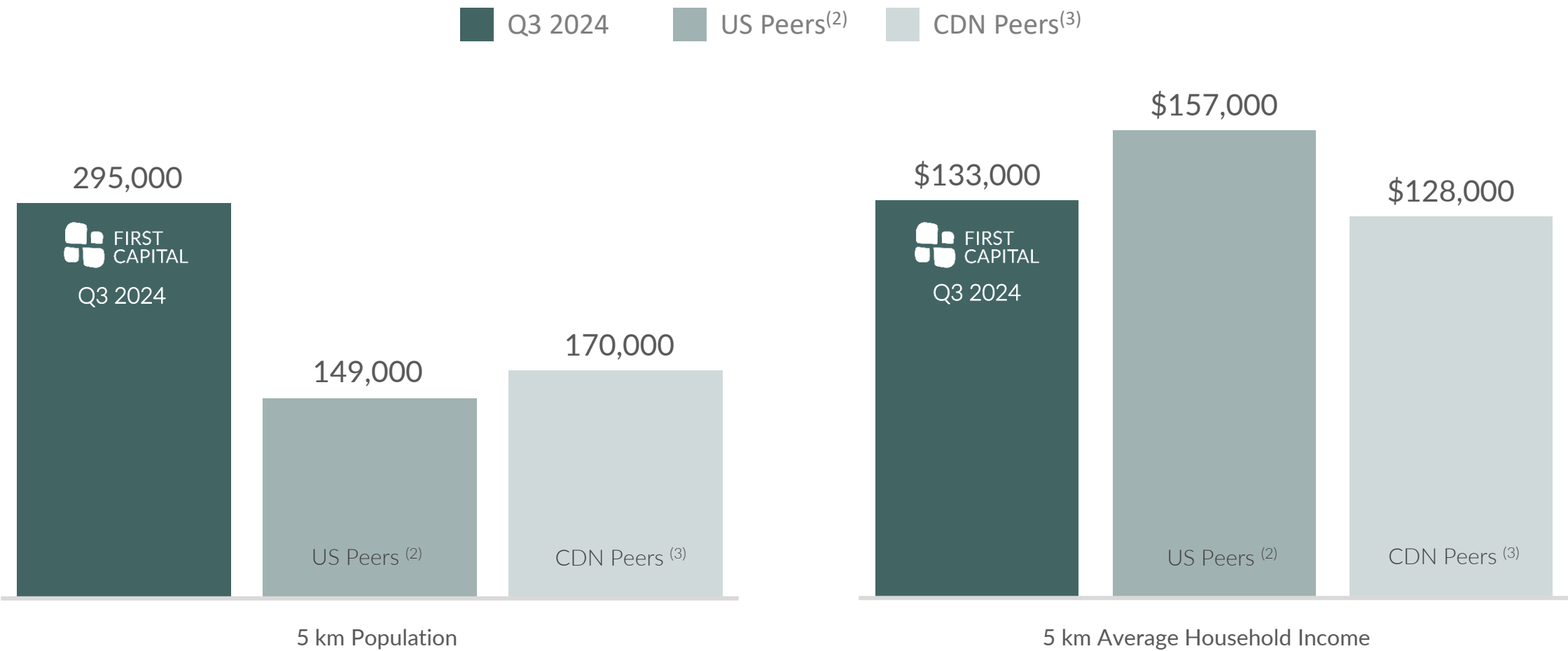
# 1.0 FCR Overview– Strategic and Diversified Retail Tenant Mix

	% of Rent	# of locations								
Grocery Stores	17.0	122								
Medical, Professional & Personal Services	15.0	1,261								
QSR, Chains and Cafes	13.1	922								
Other Necessity-Based Retailers	12.5	379								
Pharmacies	9.0	115								
Other Tenants	8.2	455								
Banks & Credit Unions	8.5	186								
Value-Based Retailers	5.6	89								
Fitness Facilities	4.5	84								
Liquor Stores	3.0	86								
Other Restaurants	1.9	75								
Daycare & Learning Centres	1.7	102								

9

# 1.0 North American Leader in Population Density

FCR Portfolio Demographic Metrics versus Peer Group: Q3 2024<sup>(1)</sup>



As of September 30, 2024

<sup>(1)</sup> Source: Sitewise, Environics Analytics (2023 estimates)  
<sup>(2)</sup> US Peers include: Federal Realty and Regency Centers – Source: Company Reports  
<sup>(3)</sup> Canadian Peers include: Riocan, SmartCentres, Choice Properties (Retail only)  
Property portfolio based on 2023 AIF for SmartCentres and Choice Properties, Source: Company Reports, Sitewise, Environics Analytics



## 1.0 FCR Overview– Capital Structure Highlights

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**\$4.7B**

NAV

**16%**

SECURED DEBT/TOTAL ASSETS

**\$4.1B**

NET DEBT

**\$6.2B**

UNENCUMBERED ASSETS

**64% / 36%**

UNSECURED / SECURED

**68%**

UNENCUMBERED ASSETS OF TOTAL ASSETS



# 2.0

Q3 2024 Financial and Operating  
Highlights



Strandherd Crossing, Ottawa





### FINANCIAL PERFORMANCE

**\$0.36 OFFO per unit<sup>(1)</sup>**

**3.7%<sup>(2)</sup> SP NOI Growth**



### LEASING & OCCUPANCY

#### **Strong Leasing Activity**

437,000 sf of renewal leasing at an average lift of 12.4%  
plus 196,000 sf of new leasing

#### **\$23.85 Net Rent PSF**

+3.3% (+\$0.77) YoY primarily due to renewal  
lifts, and rent escalations

#### **96.5% Occupancy**

+0.3% from Q4 2023, and +0.6% from Q3 2023

<sup>(1)</sup> Representing an 11.5% year-over-year increase from Q3 2023 OFFO per unit. Excluding a non-recurring density bonus payment of \$11.3M (Q3 2024) and a non-recurring legal settlement of \$3.8M (Q3 2023), OFFO per unit increased by approximately 1%

<sup>(2)</sup> Excluding lease termination fees and bad debt expense. Reported Q3 2024 SP NOI growth was +2.5%

## 2.0 Highlights – Q3 2024 Balance Sheet and Capital Allocation



### FLEXIBLE BALANCE SHEET

#### **\$0.8B Corporate Liquidity**

Including \$698M of availability on \$700M of revolving credit facilities and \$67M of cash

#### **~\$6.2B Unencumbered Assets**

~68% of total assets

#### **Improved Debt Metrics**

9.0x net debt to EBITDA down from 10.1x at Q3 2023



### CAPITAL ALLOCATION STRATEGIC RESULTS

#### **\$275M of Asset Sales<sup>(1)</sup>**

~2% run rate NOI yield

#### **\$166M of YTD Investment Activity**

\$34M purchase of Seton Gateway (50%); \$132M of capital and development expenditure

<sup>(1)</sup> Includes completed and under firm contract and net proceeds from an assignment fee, bonus density, and earnout payments received totalling \$27m



# 3.0

## Asset Profile



Leaside Village, Toronto

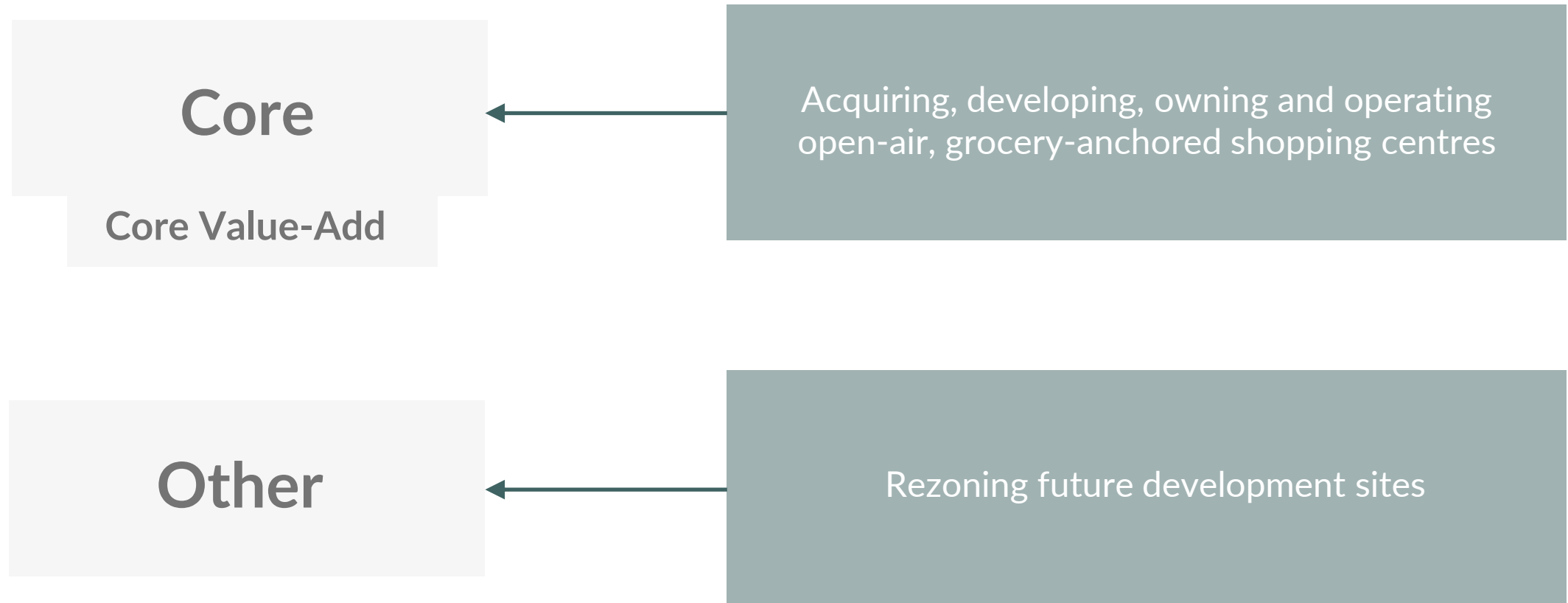


### 3.0 Asset Profile and Core Competencies

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## Assets

## Core Competencies



### 3.1 Asset Profile – Core Properties, Q3 2024

Category	IFRS Value (\$B)	% of Value	Yield (%)
Core	6.4	74%	
Core Value-Add	0.8	10%	
Total Core	7.2	84%	5.6%

### Core Properties

- Grocery-Anchored
- High-Occupancy
- Steady & Growing Income
- Low Management Intensity



Brewery District, Edmonton

## 3.1 Asset Profile – Core Properties

### Core Properties are the Key Drivers of FCR's leading Performance Metrics:

High & stable occupancy

Highest rents in-place

Top tier renewal spreads

Industry leading SP NOI growth

Supported by high population density and excellent transit connectivity



**241,000<sup>(1)</sup>**

Average population within 5km radius



**~100%**

Of portfolio within 5-minute walk of public transit

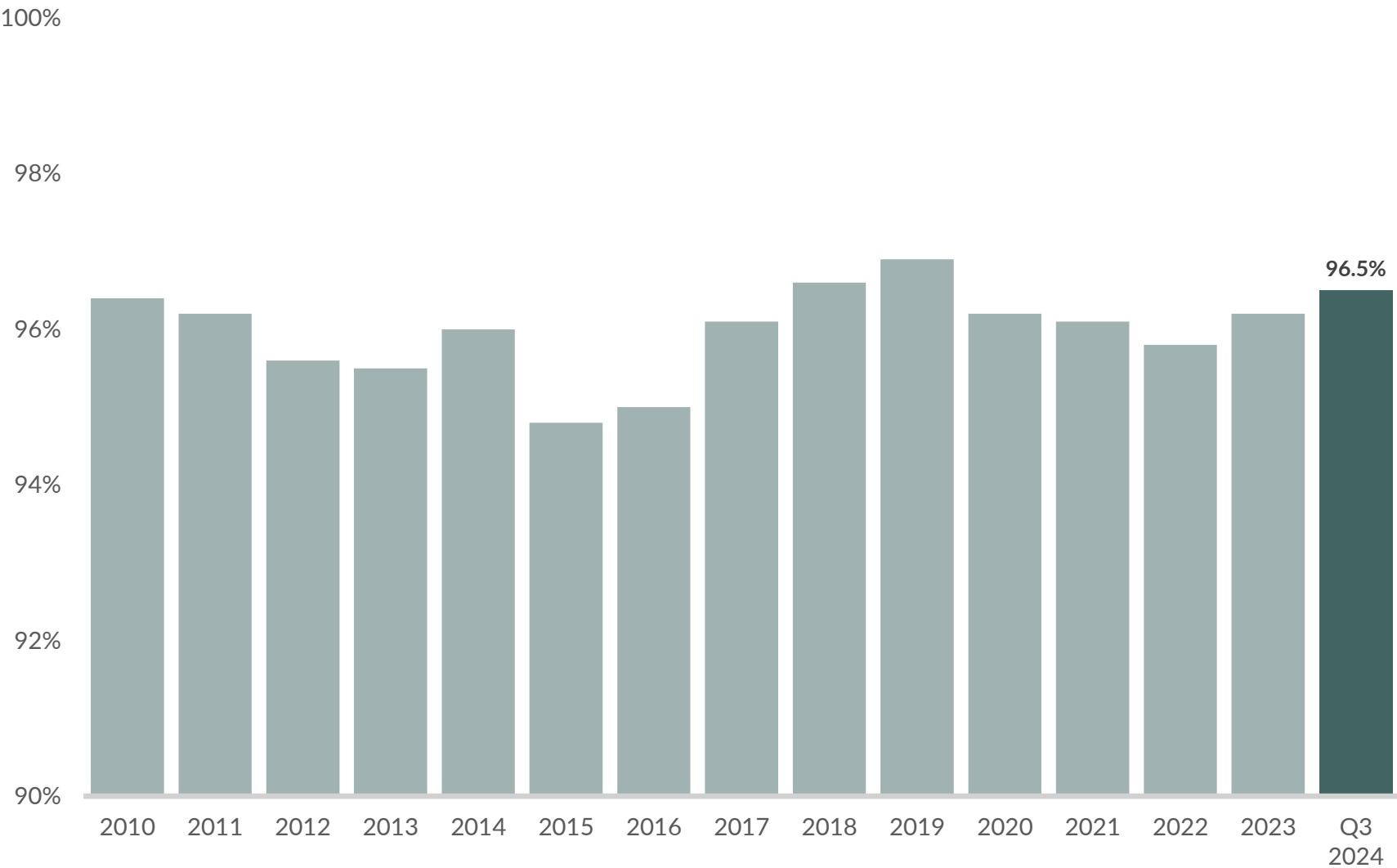
<sup>(1)</sup> Core Properties only. Average population within 5km radius for the total portfolio is at 295,000

### 3.1 Asset Profile – Total Portfolio Occupancy

**96.5%**  
(Q3 2024)

**96%<sup>(1)</sup>**  
LTA

**~95-97%**  
LOW/HIGH RANGE

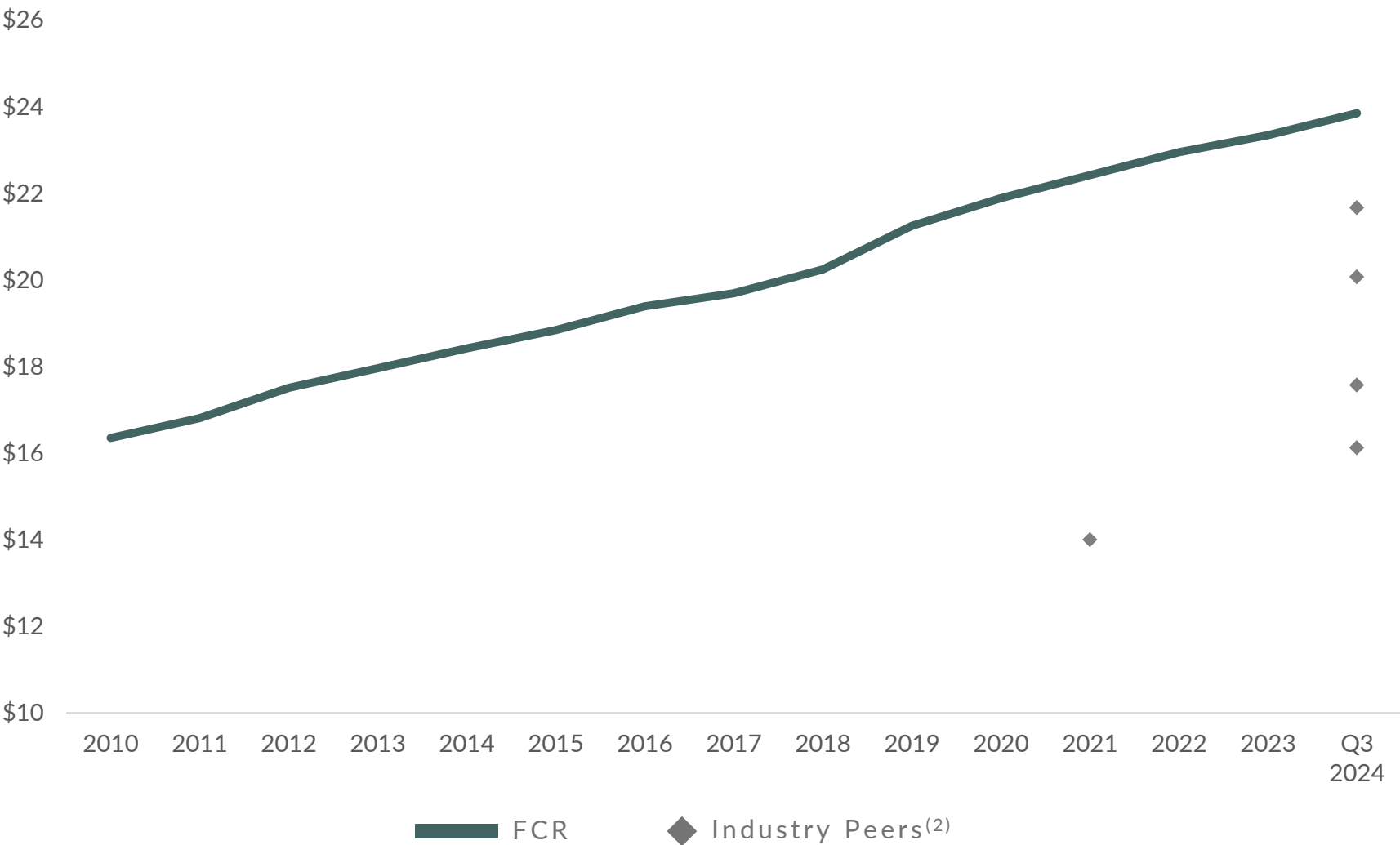


<sup>(1)</sup> Since 2010

# Asset Profile – FCR and Peer Net Rent Per Square Foot

**\$23.85**  
(Q3 2024)

**2.8%<sup>(1)</sup>**  
CAGR



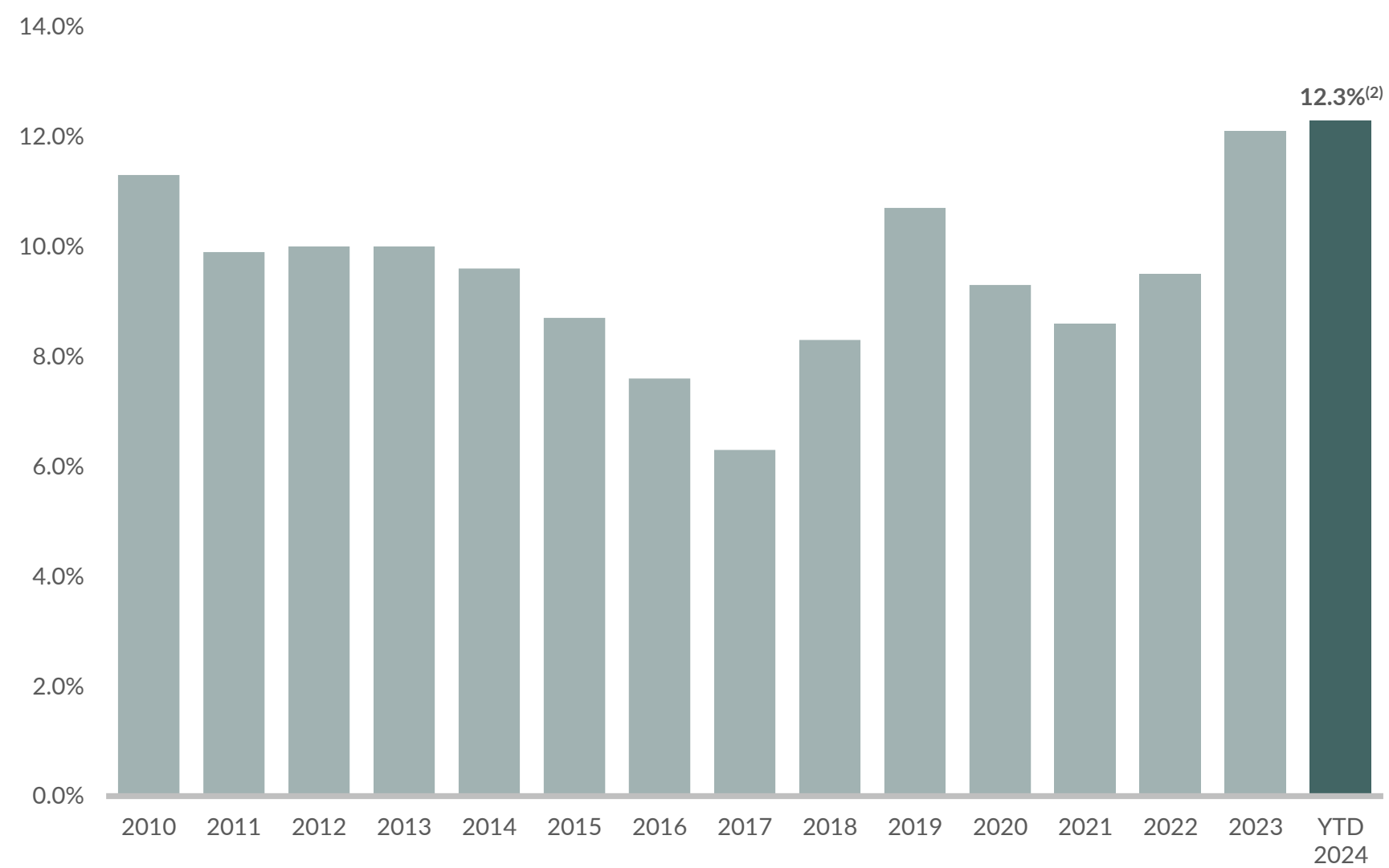
<sup>(1)</sup> Since 2010  
<sup>(2)</sup> Industry peers include RioCan, Crombie REIT, SmartCentres, Choice Properties (Net rent per square foot as of Q2 2024), and CT REIT has not disclosed rent per square foot since 2021



### 3.1 Asset Profile – Lease Renewal Spread

**+9.4%<sup>(1)</sup>**  
LTA

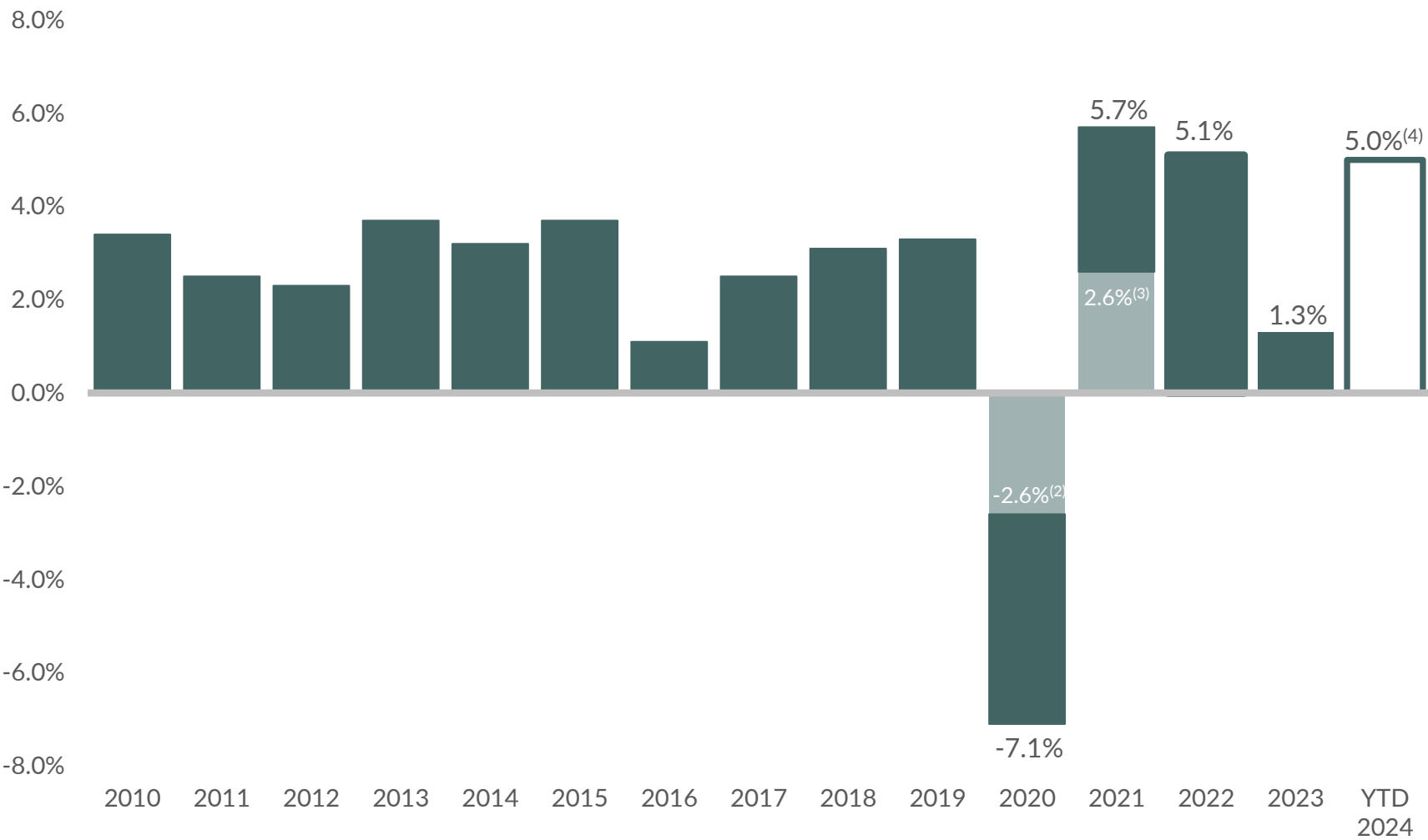
**+6 - 12%**  
LOW/HIGH RANGE



<sup>(1)</sup> Since 2010 based on annual data. Lease renewal spread is on a total portfolio basis and includes all renewals and contractual fixed rate renewals  
<sup>(2)</sup> 16.7% when comparing the average rental rates over the renewal term to the rental rate in the last year of expiring term

### 3.1 Asset Profile – Same Property NOI Growth

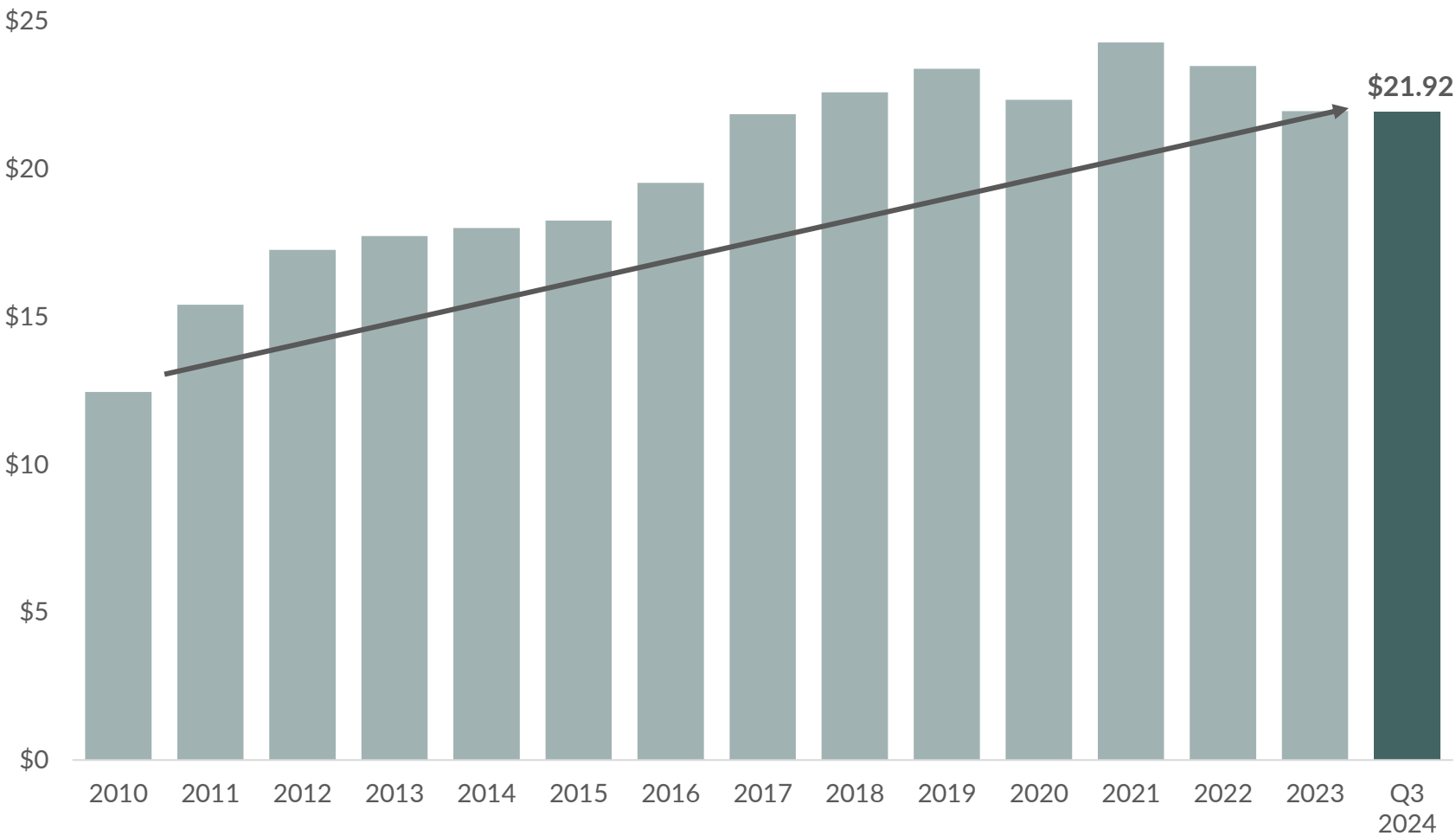
2.4%<sup>(1)</sup>  
LTA



<sup>(1)</sup> 2.9% LTA pre-pandemic (2010-2019)  
<sup>(2)</sup> Ex-COVID Same Property NOI growth of (2.6%) adjusts for bad debt expense increase and wage subsidy  
<sup>(3)</sup> Ex-COVID Same Property NOI growth of 2.6% adjusts for bad debt expense decrease and wage subsidy decrease  
<sup>(4)</sup> SP NOI growth excluding bad debt expense (recovery) and lease termination fees was 3.3%

### 3.1 Asset Profile – Growth in NAV Per Unit

4.2%<sup>(1)</sup>  
CAGR



<sup>(1)</sup> Since 2010

# 3.1 Asset Profile – Core Properties

Core Asset  
**Leaside Village**  
Toronto

 **198,000 SF**  
GLA

 **512,000**  
POPULATION – 5KM

 **100%**  
OCCUPANCY

 **13 ACRES**  
LAND SIZE











# 3.1 Asset Profile – Core Properties


Core Asset

## McKenzie Towne Centre

Calgary

 **234,000 SF**  
GLA

 **99.5%**  
OCCUPANCY

 **140,000**  
POPULATION – 5KM

 **19 ACRES**  
LAND SIZE





























# 3.1 Asset Profile – Core Properties


Core Asset  
**Brewery District**  
Edmonton




**296,000 SF<sup>(1)</sup>**  
GLA



**99.7%**  
OCCUPANCY



**202,000**  
POPULATION – 5KM



**11.8 ACRES**  
LAND SIZE







<sup>(1)</sup> GLA at 100%; FCR ownership is 50%





### Core Value-Add Properties

- Small sub-set of Core Properties
- Typically, current format is not optimal (e.g enclosed areas, dated store formats, large box or other vacancy)
- Offer the potential for capital investment at an attractive risk- weighted return
- Upon successful execution they can become Core Properties





## 3.2 Asset Profile – Core Value-Add Properties - Redevelopment

### Humbertown Shopping Centre

Toronto



**148,000+ SF**  
GLA



**\$140,000**  
HOUSEHOLD INCOME - 5KM



**352,000**  
POPULATION - 5KM

**Loblaws**

**Scotiabank**

**LCBO**

**SHOPPERS**  
DRUG MART



**HJ**  
HUMBERTOWN  
JEWELLERS

**GLOBAL PET FOODS**  
eat.play.love.

**FIRST**  
CAPITAL





## 3.2 Asset Profile – Core Value-Add Properties

# Humbertown

~\$49M

INVESTMENT

>7%

DEVELOPMENT YIELD

Phase 1 (Completed Q3 2024)

Phase 2 (To commence in Q1 2025)





## 3.2 Asset Profile – Core Value-Add Properties

### Humbertown - Phase 1



### Humbertown - Phase 2



### Humbertown - Phase 3





### 3.3 Asset Profile – Other Properties, Q3 2024

Category	IFRS Value (\$B)	% of Value	Yield (%)
Core	7.2	82%	5.6%
Other <sup>(1)</sup>	1.6	18%	~2.8%
Total Real Estate Assets	8.8	100%	5.1%

### Other Properties

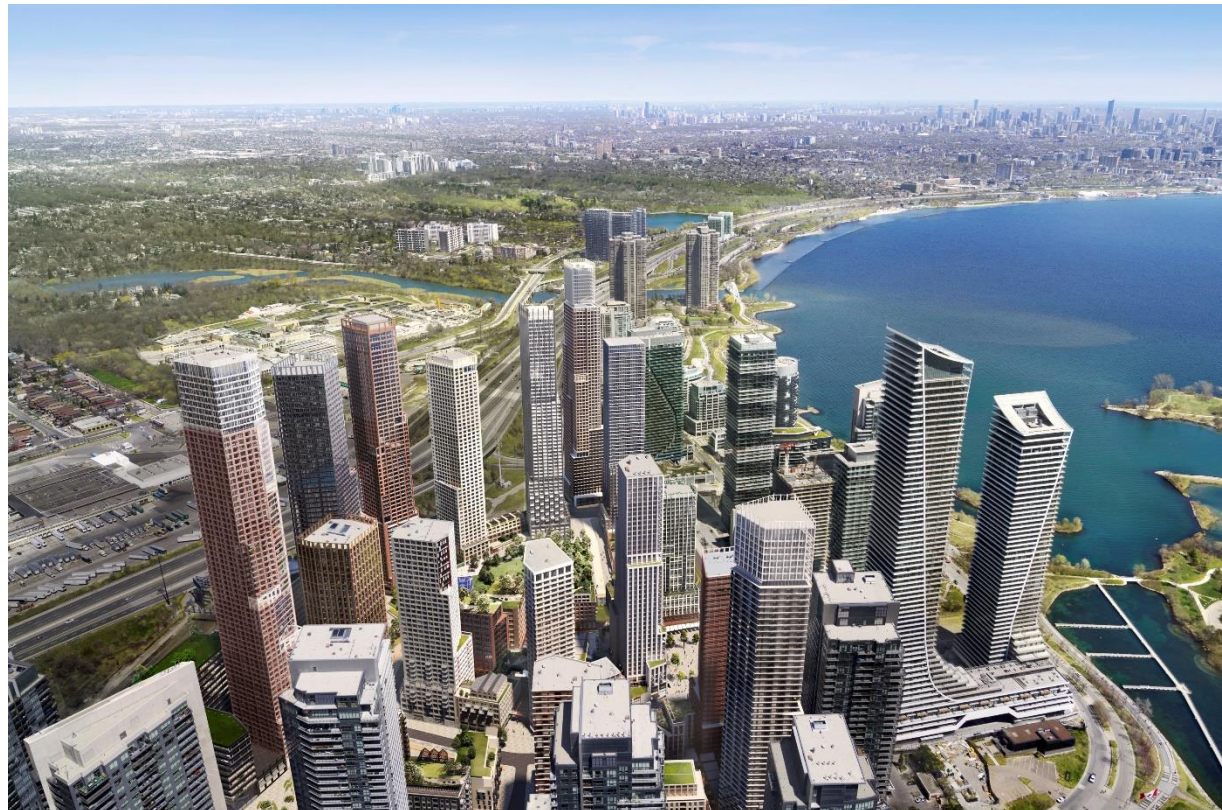
- Low or no yielding properties with development density
- Select Yorkville, residential and other low yield income properties
- Includes no multi-tenant grocery-anchored shopping centres
- A key source of value creation and capital recycling for purposes of investing in new developments, core properties and debt repayment

<sup>(1)</sup> Includes Residential Inventory of \$253M





### 3.3 Asset Profile – Other Properties





### 3.3 Asset Profile – Other Properties, Q3 2024

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Other Properties have a low NOI yield in part because they include ~\$0.4B of recognized density value as well as various properties under construction.

**22.3M SF**  
DENSITY PIPELINE

## Reflected on Balance Sheet

1. 6.5M sf of zoned density - \$376M; 30% Density Pipeline
2. **Properties under construction** - \$120M; 328,000 sf upon completion
3. **Residential inventory** - \$253M; 372,000 sf upon completion

## Entitlement Program

**37**  
PLANNING APPLICATIONS

**20M SF<sup>(1)</sup>**  
INCREMENTAL DENSITY



<sup>(1)</sup> Incremental density and Square feet successfully rezoned, have been reduced by ~3.6M SF and ~2.5M SF respectively, due to dispositions



### 3.4 High-Quality Portfolio on to New Heights

\$3.7B of total investment and disposition activities in 2019 to Q3 2024

	2019 – Q3 2024 \$ Amount	5km Average Population	5km Average Household Income
Acquisitions	\$667M	519,000	\$140,000
Development Spend	\$735M	423,000	\$132,000
<b>Investment Total</b>	<b>\$1,402M</b>	<b>468,000</b>	<b>\$135,000</b>
Dispositions	\$2,263M <sup>(1)</sup>	243,000	\$111,000

<sup>(1)</sup> Including the monetization of FCR's former partner's 50% interest in 2150 Lake Shore Boulevard W, Etobicoke for a net price of \$100M (sale price, net of option exercise price)

4.0

Environmental, Social and Governance (ESG)



Seton Gateway, Calgary

# 4.0 ESG Recognitions



Awarded **2024 Gold Green Lease Leader** Recognition by the Institute for Market Transformation



Awarded Prime Status for Corporate ESG Performance by Institutional Shareholder Services in 2024



Ranked 2<sup>nd</sup> in the 2024 GRESB Development Benchmark (Peer Group: North America, Retail) with a score of 92 and 5<sup>th</sup> in the Standing Investments Benchmark (Peer Group: North America, Retail, Listed) with a score of 79



‘AA’ rating in the Morgan Stanley Capital International ESG Ratings assessment in 2024



Scored a B in our 2023 CDP Disclosure, which is higher than the North American average of C



Named one of **Canada’s 2024 Top Small & Medium Employers**



Selected for inclusion in “**The Career Directory**” for 2021 – 2024 as one of Canada’s Best Employers for Recent Graduates



Listed as a top 30 Canadian company in Sustainalytics ‘Road to Net Zero’ Ranking for our strong low carbon transition rating management score



Recognized as one of Greater **Toronto’s Top 100 Employers** (2020 – 2022, 2024)



**170 BOMA BEST** certifications  
18M SF (2023)



**7.1M SF Achieved WELL** Health-Safety Rating (35 Properties)



Received The **Outstanding Building of the Year Award** (“TOBY”) from BOMA International for 85 Hanna



**127 LEED-certified Projects**  
>4.4M SF (2023)

# 4.0 ESG Roadmap (2020-2024)

## Environment

### 2030 Greenhouse Gas Reduction

Target to achieve reduction of 46% in Scope 1 & 2 emissions has been validated and approved by the Science Based Targets initiative (SBTi).

### Decarbonization Plan

By end of 2024, create actionable 5-year portfolio plan to achieve 2030 target of 46% reduction.

### Waste Diversion

Targeting a 50% average waste diversion rate across our portfolio.

### EV Charging Stations

Continue to annually increase the network of EV charging stations at our properties.

## Social

### Launched Foundation

Launched the FCR Thriving Neighbourhoods Foundation, with focus on 4 pillars: Food Insecurity/Poverty, Mental Health, Social Justice and Youth (achieved)

### Retail Tenant Guide

Developed and implemented a Retail Tenant Guide to Sustainable Operation

### FCR Tenant Sustainability Forum

Hosted 'FCR Tenant Sustainability Forum' with sustainability leads from national tenants to foster relationships and facilitate brainstorming around joint actions to reduce GHG emissions. Established ongoing Working Group to enable ongoing collaboration and pilot projects (achieved)

### Top Employer

Strive to be in the Top 100 Toronto employers ranking annually

## Governance

### TCFD

Aligned disclosures with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations (achieved)

### Sustainable Financing

Participate in sustainable financing opportunities

### ESG Strategy

Assigned a Board Trustee responsible for ESG strategy oversight

### ESG Taskforce

ESG Taskforce to embed ESG Roadmap in business planning, monitor progress and assign accountability (achieved)



# 4.0 ESG Initiatives

## GHG Reduction

2030 GHG reduction target validated by the Science-Based Target Initiative (SBTi): 46% in Scope 1 & 2 GHG emissions from 2019 baseline

- 19% decrease  
Achieved in GHG emissions (2019-2023)
- 12% decrease  
Achieved in energy consumption (2019-2023)

### Incorporated sustainability-linked

feature into our \$450m unsecured operating facility

### >\$1.2M Raised

Employee-led charitable giving to focus on food insecurity and mental health; Annual CRE Softball Classic tournament to support Kids Help Phone

### Net Zero Transition Plans

Created for 95% of our assets, by GLA

### >300 EV Chargers

Installed as of 2023

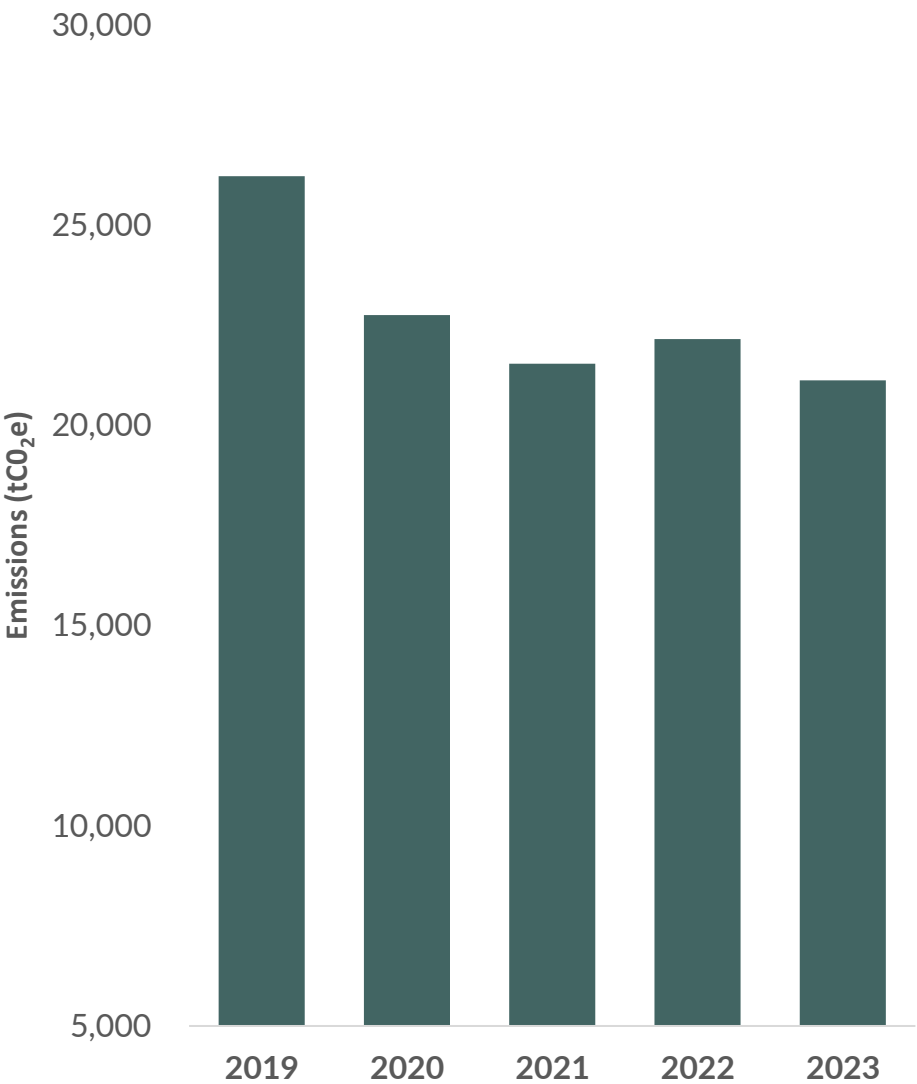
### 46% waste diversion

Average across our portfolio

### Released ESG Report

[www.fcr.ca/esg-2023report](http://www.fcr.ca/esg-2023report)

## GHG Emissions





# 4.0 Enhancing Thriving Neighbourhoods Through Public Art



33

Public Art Installations  
commissioned across our portfolio

Supporting Public Art  
partnerships with



# 4.0 Strong Gender Diversity Metrics Across the Organization

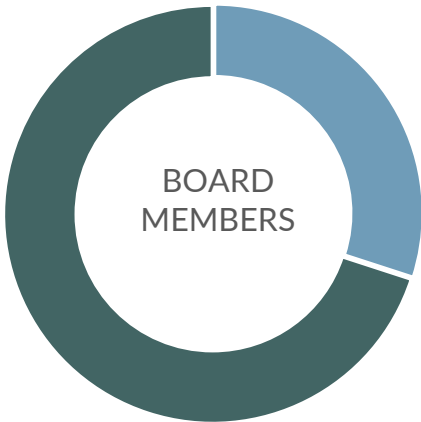


Selected for inclusion in “**The Career Directory**” for 2023 & 2024 as one of Canada’s Best Employers for Recent Graduates

**>50%**  
of management positions are held by females



■ 33% Women ■ 67% Men



■ 30% Women ■ 70% Men



■ 57% Women ■ 43% Men



■ 60% Women ■ 40% Men



# 4.0 FCR Thriving Neighbourhoods Foundation

## Founded in 2020

The FCR Thriving Neighbourhoods Foundation has raised over \$1.2M since 2020. Our Foundation is an employee-led organization supporting registered charities and philanthropic initiatives that support the neighbourhoods in which we operate.

## Four Pillars

The Foundation has four pillars of focus including Food Insecurity & Poverty, Mental Health, Youth Initiatives and Social Justice.

## Current Pillar of Focus

For 2024/2025 we are focused on our Food Insecurity & Poverty pillar as selected by FCR staff. Our signature charitable partner is Community Food Centres Canada, a national organization that builds health, belonging and social justice in communities across Canada through the power of food.







# 5.0

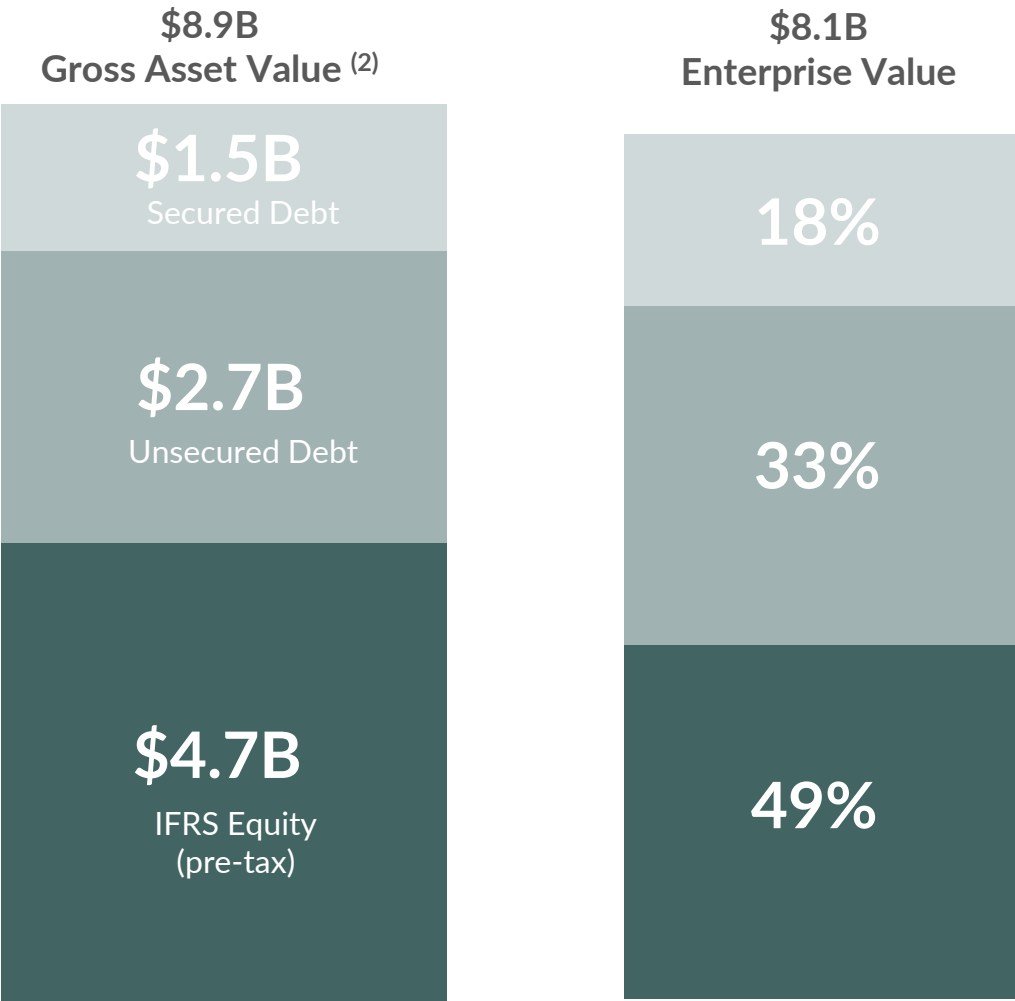
Financial Strength and Flexibility



Carré Lucerne, Montréal



# 5.0 Capital Structure <sup>(1)</sup>



	\$B	WAIR <sup>(3)</sup>
Mortgages	1.3	3.9%
Secured Facilities	0.2	6.6%
<b>Total Secured</b>	<b>1.5</b>	<b>4.2%</b>
Unsecured Debentures	1.9	4.4%
Unsecured Term Loans	0.8	4.9%
Unsecured Revolving Facilities <sup>(4)</sup>	-	-
<b>Total Unsecured</b>	<b>2.7</b>	<b>4.5%</b>
<b>Total Debt</b>	<b>4.2</b>	<b>4.4%</b>
<b>Less Cash</b>	<b>(0.1)</b>	
<b>Net Debt</b>	<b>4.1</b>	
<b>Trust Units<sup>(5)</sup></b>	<b>4.0</b>	
<b>Enterprise Value</b>	<b>8.1</b>	

(1) As of September 30, 2024

(2) Excludes Accounts Payables and other liabilities

(3) Weighted average interest rate

(4) \$700M total capacity

(5) 212M units

# 5.0 Liquidity and Well-Staggered Term Debt Maturities (\$M)

4.3%

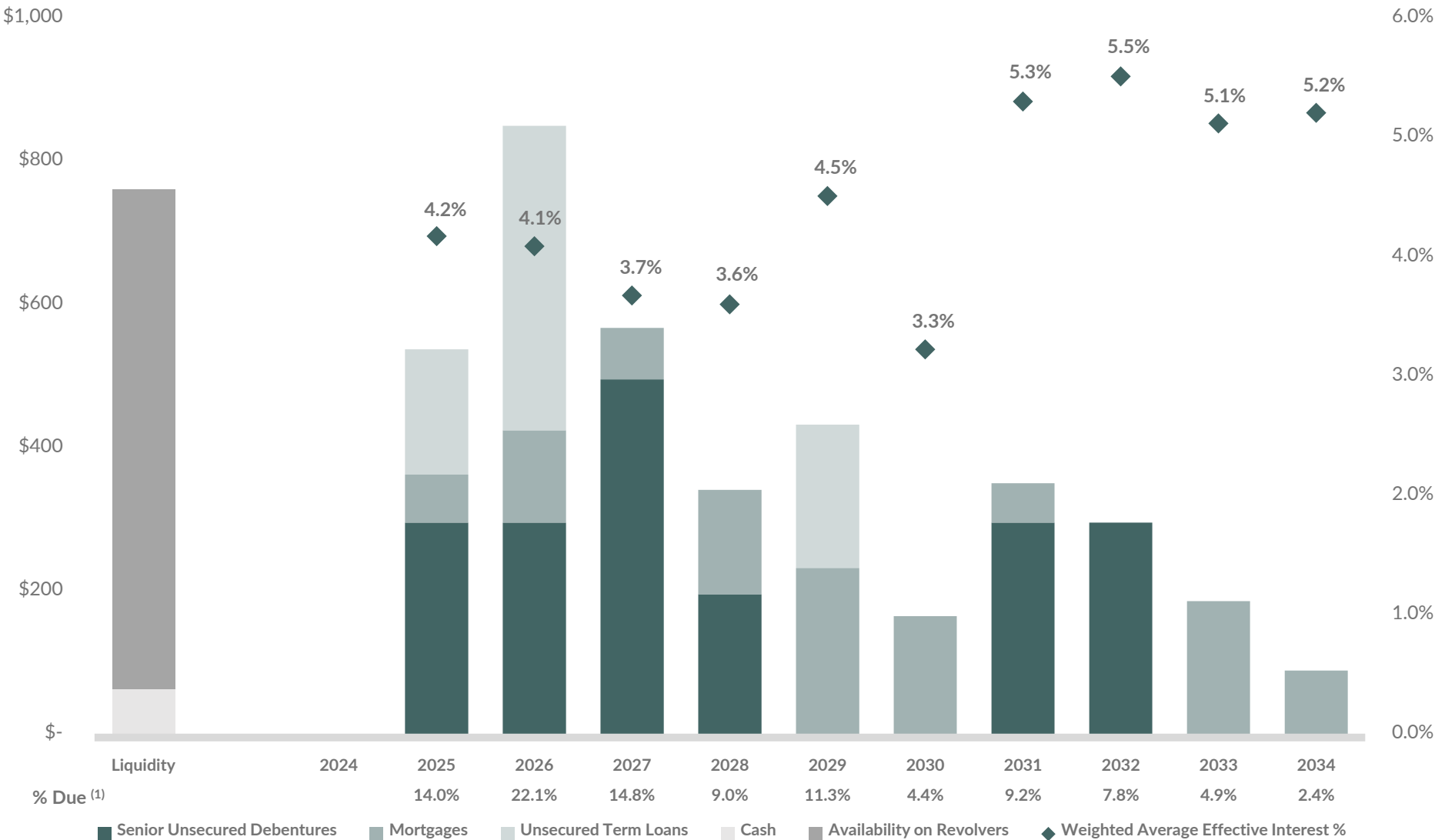
WAIR

3.7 Years

Term to Maturity

100%

Term Debt is Fixed Rate



(1) As of September 30, 2024. Excluding principal amortization

# 5.0 Liquidity and Well-Staggered Term Debt Maturities (\$M) – Proforma <sup>(1)</sup>

4.3%

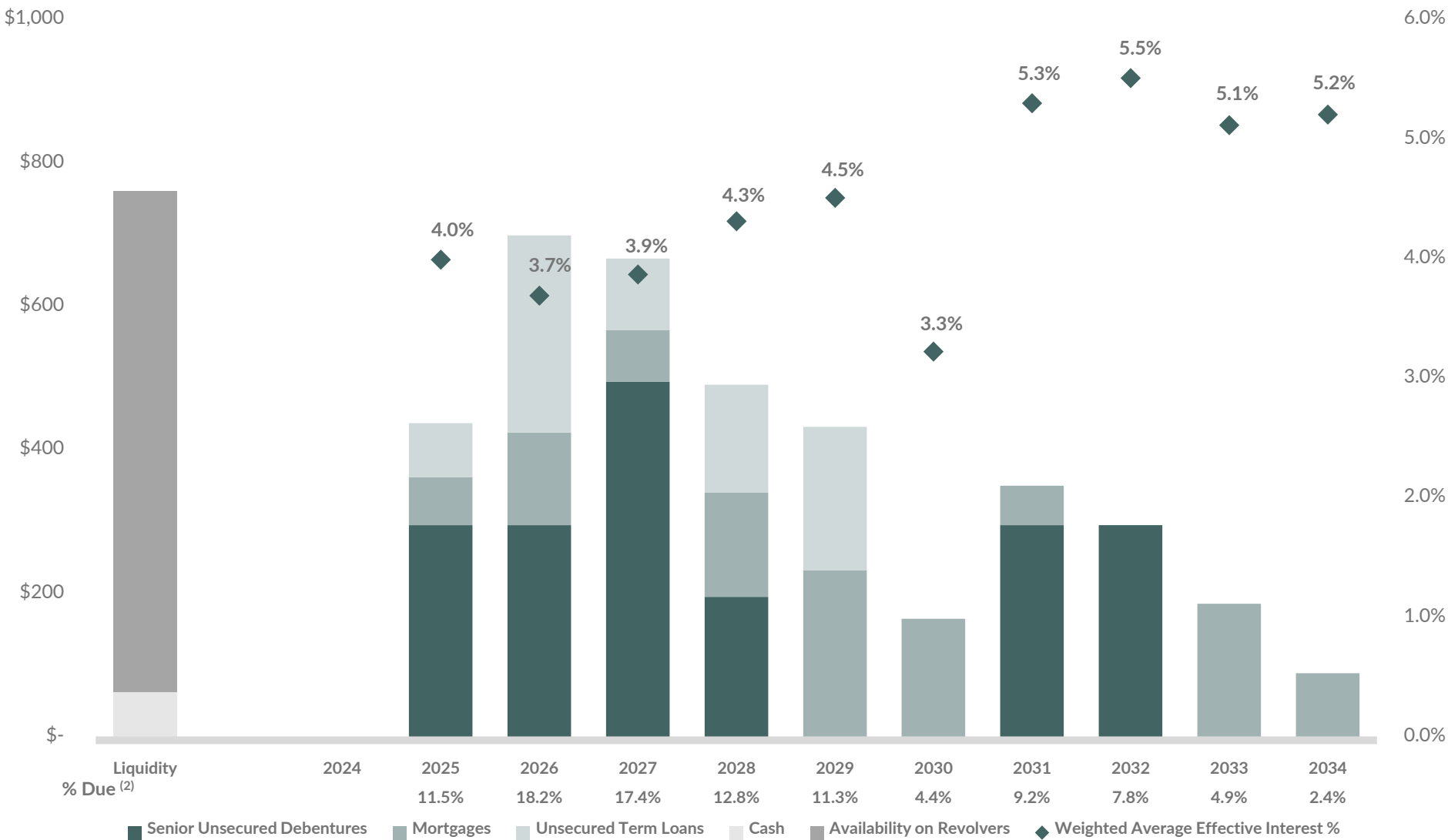
WAIR

3.8 Years

Term to Maturity

100%

Term Debt is Fixed Rate



<sup>(1)</sup>As of September 30, 2024. Pro Forma for Term loan extension options in FCR's favour

<sup>(2)</sup>Excluding principal amortization



# 5.0 Financial Strength and Flexibility

68%  
of total assets are  
Unencumbered  
(Q3 2024)

	2019	2020	2021	2022	2023	Q3 2024
Unsecured revolving credit facilities (million)	\$800	\$800	\$800	\$800	\$700	\$700
Unencumbered assets (Billion)	\$7.0	\$7.0	\$7.4	\$6.6	\$6.0	\$6.2
Unencumbered assets <sup>(1)</sup> to unsecured debt	2.2x	2.1x	2.3x	2.3x	2.4x	2.4x
Secured debt as % of total assets	14.6%	15.2%	12.7%	13.6%	16.8%	16.2%
Net debt to total assets	46.7%	47.3%	43.9%	44.0%	45.0%	45.2%
Net debt to EBITDA	10.0x	12.0x	11.2x	10.2x	9.9x	9.0x
EBITDA interest coverage	2.4x	2.1x	2.3x	2.4x	2.3x	2.4x

<sup>(1)</sup> Using 10 quarter average capitalization rate





Adam Paul

President & CEO

Neil Downey

Executive VP, Enterprise Strategies & CFO

First Capital

Shops at King Liberty

85 Hanna Ave, Suite 400

Toronto, ON

Tel: 416-504-4114

[InvestorRelations@fcr.ca](mailto:InvestorRelations@fcr.ca)

[fcr.ca](http://fcr.ca)

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