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Press Release

**FIRST CAPITAL REALTY ANNOUNCES FILING OF PRELIMINARY PROSPECTUS
RELATING TO DIVIDEND-IN-KIND TRANSACTION**

Toronto, Ontario (June 22, 2009) – Further to its announcement on June 8, 2009, First Capital Realty Inc. (“First Capital Realty” or the “Company”) (TSX:FCR) Canada’s leading owner, developer and operator of supermarket and drugstore-anchored neighbourhood and community shopping centres, located predominantly in growing metropolitan areas, announced today that it has filed a preliminary prospectus in each of the provinces of Canada relating to the special dividend-in-kind of the Company’s interest in Gazit America Inc. (formerly known as First Capital America Holding Corp.). Gazit America is the Canadian holding company that, indirectly, owns the Company’s shares in Equity One (approximately 14.1 million shares), the debt secured by the Equity One shares (approximately US\$98.1 million) and certain other liabilities, including inter-company debt owing to First Capital Realty in the amount of approximately US\$36 million.

Gazit America’s primary investment objectives will be to focus on entrepreneurial real estate opportunities, including the acquisition and development of income-producing assets, investments in public and private real estate entities, investments in joint ventures and other structured acquisitions and investments in commercial and residential mortgage-backed securities. Gazit America currently intends to invest principally within North and South America; however, other than through or with Equity One, it currently does not anticipate investing in real properties in North America that have retail as the principal business.

Gazit America will apply to list the common shares to be distributed in the dividend-in-kind on a Canadian stock exchange. Copies of the preliminary prospectus will be available on SEDAR at www.sedar.com. The preliminary prospectus is still subject to completion or amendment and there will not be any distribution of securities until a final prospectus has been filed.

“We are pleased to announce this proposed dividend-in-kind as we expect it to make First Capital Realty a more attractive investment for those who wish to invest in our Canadian business and otherwise wish to invest in Equity One directly”, said Dori J. Segal, President & C.E.O. of First Capital Realty.

As described in further detail in the preliminary prospectus filed today by Gazit America, prior to the closing of its initial public offering, Gazit America will acquire, for its common shares and \$1,000 in cash, all of the issued and outstanding shares of ProMed Properties (CA) Inc. (“ProMed”) from Gazit

Canada Inc., First Capital Realty's controlling shareholder, for \$17.2 million, subject to adjustment for outstanding indebtedness (approximately \$1 million) and other closing adjustments. The assets of ProMed consist principally of two properties, consisting of four medical office buildings located in Cambridge, Ontario and one medical office building located in London, Ontario. Although the number of shares to be issued to Gazit Canada cannot yet be determined, it is estimated that, following completion of the ProMed acquisition and dividend-in-kind, Gazit Canada will hold between 64% and 68% of the issued and outstanding shares in Gazit America.

First Capital Realty will advise shareholders following the record date of its calculation of the fair market value of the shares to be distributed. That fair market value will be based on the then current value of the Equity One shares owned, indirectly, by Gazit America (determined based on an appropriate volume-weighted average trading price of the Equity One shares on the New York Stock Exchange), less debt outstanding and the estimated value of the underlying deferred tax liability in Gazit America, adjusted (up or down) by the book value of Gazit America's net working capital. Had the dividend-in-kind been completed today, utilizing the valuation methodology described above, management believes that such shares would have had a fair market value of between \$0.35 and \$0.40 per First Capital Realty common share outstanding today. As a result of changes in the markets, this calculation will fluctuate. This value methodology will also be used to determine the number of common shares to be issued to Gazit Canada to satisfy the purchase price for ProMed.

The Board of Directors of First Capital Realty have not, at this time, approved the actual dividend-in-kind; however, they have approved the filing of the preliminary prospectus in contemplation of such a dividend-in-kind. There can be no assurance that any such dividend-in-kind transaction will ultimately be approved, or if approved, that it will be completed as any transaction of this kind is subject to regulatory approval and market conditions.

The preliminary prospectus contains important information relating to the transactions described in this news release. First Capital Realty's shareholders are urged to read the preliminary prospectus. As described in further detail in the preliminary prospectus, no shares will be issued to shareholders who are (or are deemed to be) non-residents of Canada. Rather, such shares will be delivered to a trustee for sale in the open market following the dividend-in-kind and the net proceeds will be delivered to non-resident shareholders, net of any withholding taxes. **Shareholders who fail to provide a declaration of Canadian residency in the form that will be provided will be deemed to be a non-resident for these purposes. Canadian shareholders who hold their shares in First Capital Realty through a brokerage or other account are therefore urged to contact their brokers to avoid being deemed a non-resident.**

This news release does not constitute an offer to sell or the solicitation of an offer to buy securities in any jurisdiction. The shares to be distributed have not been approved or disapproved by any Canadian or U.S. regulatory authority nor has any such authority passed upon the accuracy or adequacy of the preliminary prospectus. The shares have not been and will not be registered under the United States Securities Act of 1933, as amended, or any state securities laws. The shares may not be offered or sold in the United States of America or to, or for the benefit of, a U.S. person.

ABOUT FIRST CAPITAL REALTY (TSX:FCR)

First Capital Realty is Canada's leading owner, developer and operator of supermarket and drugstore anchored neighbourhood and community shopping centres, located predominantly in growing metropolitan areas. The Company currently owns interests in 174 properties, including four under development, totalling approximately 20.2 million square feet of gross leasable area and 7 land sites in the planning stage for future retail development. In addition, the Company indirectly owns 14.1 million shares of Equity One (approximately 16.3%), one of the largest shopping centre REITS in the southern U.S., that trades on the New York Stock Exchange under the ticker symbol EQY. Including its investment in Equity One, the Company has interests in 363 properties totalling approximately 40.7 million square feet of gross leasable area.

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Forward Looking Statements

This press release contains forward-looking statements and information within the meaning of applicable securities legislation. Forward-looking statements can be identified by the expressions "expects", "believes", "estimates", "will" and similar expressions. The forward-looking statements are not historical facts but reflect the Company's current expectations regarding future results or events and are based on information currently available to Management. Certain material factors and assumptions were applied in providing these forward-looking statements. All forward-looking statements in this press release are qualified by these cautionary statements.

Management believes that the expectations reflected in forward-looking statements are based upon reasonable assumptions; however, Management can give no assurance that any dividend-in-kind transaction involving the Company's indirect interest in Equity One will be approved by the Company's Board of Directors. Readers, therefore, 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. First Capital Realty undertakes no obligation to publicly update any such statement or to reflect new information or the occurrence of future events or circumstances except as required by security laws.

These forward-looking statements are made as of June 22, 2009.

For further information:
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