

NEWS RELEASE



FOR IMMEDIATE RELEASE

Tricon Capital Group Announces \$70 Million First Close for Tricon XII Limited Partnership

Toronto, Ontario – March 24, 2011 – Tricon Capital Group Inc. (TSX: TCN) (“Tricon” or the “Company”), Canada’s leading asset manager of funds providing equity and mezzanine capital to the residential real estate development industry, today announced a first close of approximately \$70 million for its new Canadian fund Tricon XII Limited Partnership (“Tricon XII” or the “Fund”).

“Tricon XII marks the next step for our successful Canadian fund platform,” said David Berman, Tricon’s Chairman and Chief Executive Officer. “Several of our largest investors in predecessor Canadian fund Tricon X have already committed to Tricon XII and their show of support will position us well to meet our target capitalization of \$150 million with subsequent fund closings.” The Limited Partnership Agreement for Tricon XII allows for subsequent closings for up to one year after the initial close.

The Fund is being established to take advantage of 1) Tricon’s time-tested residential investment strategy and proven track record; 2) Canada’s strong resource-based economy and solid fundamentals in the housing sector including favorable demographic trends and robust immigration; 3) Tricon’s dedicated developer network and its operating partners’ ability to source attractive investment opportunities; and 4) the relative undercapitalization of the residential industry.

Tricon XII is targeting a gross internal rate of return (“IRR”) of 18 percent and expects investments to range in size from \$15 - \$30 million. The Fund will invest in major institutional quality high-rise condominium projects and master planned communities in Canada’s fastest growing urban centres in conjunction with local development partners.

“We have seen an encouraging pick-up in high quality investment activity as we begin 2011. In February we closed the Calgary East Village investment, a marquee asset in one of our target markets, and we are currently analyzing a large land development opportunity in Alberta. Further, a number of our long-time development partners have recently approached us with some potentially exciting development opportunities, primarily in downtown Toronto. We expect our existing development partners to continue to be an important source of repeat business for Tricon and the Fund,” said Berman.

Over its 23 year history, Tricon’s funds have made 47 investments in Canadian projects valued at more than \$2 billion and have generated average realized and unrealized transaction IRRs of 24 percent.

About Tricon Capital Group Inc.

Founded in 1988, Tricon is one of North America's pre-eminent asset managers focused on the residential real estate development industry with approximately \$1 billion of assets under management. Tricon participates in the development of residential properties in Canada and the United States by acting as the manager of limited partnerships that provide financing, typically in the form of participating loans, to developers, with a specific focus on residential land development, single-family homebuilding, multi-family construction and retail developed in conjunction with residential projects. Since inception, Tricon has invested in over 140 transactions for development projects valued at approximately \$9 billion. More information about Tricon is available at www.triconcapital.com.

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