

NEWS RELEASE



FOR IMMEDIATE RELEASE

Tricon Capital Group Announces the Closing of a US\$67.5 Million Commitment with Shea Homes to Acquire a 358 Acre Site in Phoenix, Arizona

Toronto, Ontario – September 23, 2013 – Tricon Capital Group Inc. (TSX: TCN) (“Tricon” or the “Company”) today announced that it has committed US\$67.5 million to a joint venture (the “JV”) with Shea Homes active adult division (“Shea” or the “Developer”) in Phoenix, Arizona. Shea is one of the largest private homebuilders in the United States. The business plan is to develop 358 acres of land adjacent to the nearly complete Trilogy at Vistancia community (“Vistancia West” or the “Project”). Of the \$67.5 commitment, Tricon will commit approximately \$49.5 million and Tricon’s existing fund, Tricon XI, will commit the remaining \$18.0 million - Tricon intends to syndicate up to 90% of its commitment to an institutional investor. The investment in Vistancia West will increase the Company’s assets under management to greater than \$1.5 billion, which in combination with the recent acquisitions of i) a 68.4% interest in Tricon IX, ii) the second close of Tricon XI and iii) Fulshear Farms, represents an increase of approximately 37% in AUM since December 31, 2012.

Investment Highlights:

- This transaction is intended to start a broader relationship with Shea through their Trilogy division, which is considered to be the premier developer in North America of age-targeted resort style communities (otherwise referred to as active adult).
- Vistancia West is adjacent to the almost completed Trilogy at Vistancia active-adult community in the Phoenix metropolitan area with a proven track record and an established base of residents. This community was the number one selling active adult community in the Phoenix market for a number of years, selling over 400 units per annum at its peak.
- The Project seeks to take advantage of the strong demographics of the baby-boom generation in an established and desirable retiree market.
- The Phoenix market, where Tricon has almost 25 years of investment experience, continues to recover from the recession and is ranked in the top 10 metropolitan areas for job growth in the United States for the year ending July 2013, leading to home price appreciation, as reported by the National Association of Realtors, of approximately 24% over the year ending Q2 2013.

“Tricon is very excited to enter into a new relationship with Shea Homes, one of the largest and most respected private homebuilders in the US. Vistancia West, an institutional quality active adult community, provides Tricon with exposure to one of the fastest growing segments of the housing industry where the Arizona baby-boomer population continues to grow almost twice as fast as the national average,” said David Berman, Tricon’s Chairman and Chief Executive Officer. “It has been a very productive year for Tricon which is reflected in the significant growth of assets under management. Furthermore, we continue to find very attractive investment opportunities in the U.S. for both our existing fund and separate account partners.”

About Tricon Capital Group Inc.

Founded in 1988, Tricon is one of North America's leading residential real estate investment companies with approximately \$1.5 billion of assets under management and a portfolio of over 2,500 U.S. single-family rental homes. Tricon provides financing to local operators or developers in select markets in the United States and Canada, with a primary focus on for-sale housing in growing markets. Since inception, Tricon has invested in approximately 160 transactions for development projects valued at more than \$11 billion. More information about Tricon is available at www.triconcapital.com.

About Shea Homes

Shea Homes is one of the largest private homebuilders in the nation. Since its founding in 1968, Shea has built more than 90,000 homes in California, Arizona, Nevada, Colorado, Washington, North Carolina, Florida and recently announced plans to expand into Texas. For more information about Shea Homes and its communities, please visit the company's websites at www.SheaHomes.com and www.TrilogyLife.com.

Forward-Looking Statements

This press release may contain forward-looking statements relating to expected future events and financial and operating results and projections of the Company, including statements regarding future plans, objectives or economic performance that involve risks and uncertainties. Forward-looking information and statements are based on management's expectations, intentions and assumptions. If unknown risks arise, or if any of the assumptions underlying the forward-looking statements prove incorrect, actual results may differ materially from management expectations as projected in such forward-looking statements. Examples of such risks include, but are not limited to, the risks disclosed in the Company's continuous disclosure materials from time-to-time as available on SEDAR at www.sedar.com. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.

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