

NEWS RELEASE



FOR IMMEDIATE RELEASE

Tricon Capital Group Announces Strategic Investment in Leading Houston-based Land Development Manager

Toronto, Ontario – April 15, 2014 – Tricon Capital Group Inc. (TSX: TCN) (“Tricon”) today announced that it has closed on a US\$18.5 million strategic investment (the “Transaction”) in The Johnson Companies LP, the development management division of The Johnson Development Corp. (“Johnson” or the “Company”). Johnson is one of the most active development managers of master planned communities in the United States and the only development manager in the country to have four communities ranked in the top 20 in 2013 (see chart below). With fourteen master planned communities under active development, this Transaction will be immediately accretive to Tricon, delivering income growth as a result of in-place contractual management fees, thereby bolstering its Private Funds & Advisory business.

“I believe that under the leadership of Larry Johnson, The Johnson Development Corp. is one of the top land development managers in the United States. We have been extremely impressed with the experience and talent of their senior management team since we first partnered with them in early 2012 and we are excited about the opportunity to grow the Johnson brand over the coming years,” said David Berman, Tricon’s Chief Executive Officer. Mr. Berman continued, “In addition, while the in-place development management contracts will provide Tricon with a stable, recurring cash flow stream, we believe that the proprietary investment pipeline from this Transaction will generate significantly more upside for both Tricon shareholders and our institutional investors as we continue to grow our platform of fee generating assets.”

Rankings					Net Sales		
2013	2012	Project Name	Location	Developer	2013	2012	% Growth
1	1	The Villages	The Villages, FL	Villages of Lake Sumter, LLC	3,419	2,851	20%
2	2	The Irvine Ranch ⁽¹⁾	Orange County, CA	The Irvine Company	1,444	1,434	1%
3	4	Cinco Ranch	Katy, TX	Newland Communities	854	982	-13%
4	5	Mountain's Edge	Las Vegas, NV	Focus Property Group	841	948	-11%
5	10(t)	Nocatee	Ponte Verda, FL	The PARC Group	838	508	65%
6	7	Riverstone	Houston, TX	Johnson Development Corp.	791	605	31%
7	6	Providence	Las Vegas, NV	Focus Property Group	726	760	-4%
8	3	The Woodlands	Houston, TX	The Woodlands Development Company	649	1,007	-36%
9	8	Lakewood Ranch	Sarasota, FL	Schroeder-Manatee Ranch, Inc.	618	573	8%
10	13	Alamo Ranch ⁽²⁾	San Antonio, TX	Galo Properties	600	500	20%
11	10(t)	Stapleton	Denver, CO	Forest City	570	508	12%
12	14	Summerlin	Las Vegas, NV	The Howard Hughes Corporation	566	471	20%
13	28	Cross Creek Ranch	Houston, TX	Johnson Development Corp.	509	301	69%
14	16	Lake Nona	Orlando, FL	Tavistock Group	475	441	8%
15	NA	Aliana	Houston, TX	Aliana Development Company	464	304	53%
16	24	Woodforest	Montgomery, TX	Johnson Development Corp.	457	308	48%
17	18	Sienna Plantation	Houston, TX	Johnson Development Corp.	445	387	15%
18	NA	Canyon Lakes West	Cypress, TX	Land Tejas Companies	378	190	99%
19	15	Brambleton	Ashburn, VA	Soave Enterprises	373	466	-20%
20	31	Valencia	Los Angeles, CA	FivePoint Communities	372	282	32%

Source: John Burns Real Estate Consulting.

(1) Irvine includes Cypress Village, Portola Springs, Stonegate, Woobury & Laguna Altura.

(2) Estimate.

Investment Highlights:

- Johnson will provide a proprietary investment pipeline that will allow Tricon to continue to grow its Land & Homebuilding and Private Funds & Advisory business lines; to date, Tricon has already committed US\$27.5 million of its own capital and raised US\$247.3 million in third party institutional capital commitments to support Johnson-managed investments since early 2012.
- A strategic relationship with one of the most active development managers for master planned communities in the United States provides institutional investors with “one stop shopping” in some of the highest growth U.S. housing markets, improving Tricon’s competitive advantage in sourcing third party capital.
- Johnson earns fee and commission income from in-place development management contracts at fourteen active communities it manages; management fees and sales commissions are earned as lots and land are sold, but are not contingent on underlying project-level returns as Tricon is not acquiring an interest in Johnson’s project-level equity positions.
- Johnson-managed communities achieved 2,720 new home sales in 2013, year over year growth of 32%, and resulted in it being recognized as the Developer of the Year and Humanitarian of the Year from the Greater Houston Builder’s Association.
- Over the long term, recurring contractual fee income will be generated by the development and sale of over 20,000 residential lots and 1,250 acres of commercial land already under control by Johnson in the Houston MSA. From an earnings perspective, Tricon’s investment in Johnson will be immediately accretive.
- Company revenue is expected to grow as new communities are brought online and as the national housing market continues to recover; Johnson may look to strategically expand to other major U.S. markets to take advantage of large acquisition and recapitalization opportunities

About Tricon Capital Group Inc.

Founded in 1988, Tricon is one of North America's leading residential real estate investment companies. Tricon provides financing to local operators or developers in select markets in the United States and Canada, with a primary focus on housing in growing markets. Our business objective is to invest for investment income and capital appreciation through our Principal Investment business segments and to earn fee income through our Private Funds and Advisory business. We currently have \$1.9 billion of assets under management, including 22,500 single-family lots, 6,300 multi-family units and a portfolio of over 3,300 U.S. single-family rental homes. Since inception, Tricon has invested in approximately 160 transactions for development projects valued at more than \$12 billion. More information about Tricon is available at www.triconcapital.com.

About The Johnson Development Corp.

The Johnson Development Corp. was founded over 35 years ago and has grown into one of the nation’s leading land companies, focused on the development and sale of highly amenitized master-planned residential and mixed-use communities. Johnson currently operates in the Houston and Atlanta markets with fourteen communities under active development, including four of the

top 20 selling master planned communities in the United States. More information about Johnson is available at www.johnsondevelopment.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 final long form prospectus dated May 14, 2010, the risks disclosed in the Company's subsequent final short form prospectuses issued through July 26, 2013 and the risks described 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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