

NEWS RELEASE



FOR IMMEDIATE RELEASE

Tricon Capital Group Announces Formation of US\$150 Million Separate Account to Acquire a 3,200 Acre Master-Planned Community in Houston, Texas

Toronto, Ontario – April 13, 2012 – Tricon Capital Group Inc. (TSX: TCN) (“Tricon” or the “Company”) today announced that it has closed a separate investment account for approximately US\$150 million (the “Transaction”) with a large Canadian institutional investor to support the acquisition and development of the award-winning, 3,200-acre Cross Creek Ranch master-planned community in Houston, Texas (“Cross Creek” or the “Project”). Tricon will commit approximately 10% of the required capital to the Transaction, with the balance being committed by Tricon’s institutional partner and the developer of the Project. The Transaction will increase the Company’s assets under management (“AUM”) to greater than \$1.1 billion, representing an increase of approximately 20% in AUM since December 31, 2011.

Tricon’s capital commitment to the Project will be funded from the Company’s current cash reserves.

Investment Highlights:

- Tricon expects a significant increase in both revenues and earnings for 2012 by virtue of the acquisition fee and ongoing contractual management fees flowing from the Transaction.
- Originally designed and developed by Trendmaker Homes, the Project opened in 2008 and is currently home to over 2,000 residents. In 2011, 246 new homes were sold at Cross Creek Ranch, placing the Project as one of the top 20 best-selling master-planned communities in the United States for that year.
- Cross Creek Ranch is immediately adjacent to Cinco Ranch, the third best-selling master-planned community in the United States for 2011 with over 800 new home sales. The expected near-term completion of the Cinco Ranch development is expected to significantly increase new home starts and sales at Cross Creek Ranch.
- Houston is the #1 housing market in the United States as measured by new home starts. It is also the only major market to recover all of the jobs which it lost in the “Great Recession”.

“The establishment of a large separate account with a new institutional investor further solidifies Tricon’s position as one of North America’s premier residential real estate investment companies. We believe this is the ideal time to be investing in well-located land development projects in the United States in conjunction with top tier local operating partners,” said David Berman, Tricon’s Chairman and Chief Executive Officer. “The closing of this separate account along with the recently announced launch of our U.S. distressed single-family home rental initiative will further diversify and grow our business alongside our existing private funds platform.”

“Cross Creek represents the rare opportunity for Tricon to acquire an active, successful master plan in the top performing submarket for new home sales in Houston,” said Berman. “Tricon has been actively targeting the Houston market for a number of years as a result of its strong demographic drivers and is excited to enter the market at this time, particularly with such an exceptional project. Given that the Project has been fully operational for almost four years, the Project is expected to generate cash flow immediately which will likely also result in increased investment income for the Company in 2012. We believe that this will be a very profitable investment for both the Company and our institutional investor partner.”

The developer of the Project will be the Johnson Development Corp. (“Johnson”), an award-winning land development company with over 30 years of experience designing and developing large master-planned communities across the United States. Johnson is currently developing seven other master-planned communities in the Houston market, including Riverstone and Sienna Plantation, two of the top 20 best-selling master-planned communities in the United States for 2011.

“The acquisition of Cross Creek will represent our first entry into the rapidly growing Katy-South submarket, a market we have been looking to enter for a number of years,” said Larry Johnson, President and Chief Executive Officer of Johnson. “Trendmaker Homes has designed a tremendous community at Cross Creek and this has been demonstrated by the strong and growing demand for homes in the Project since its opening in 2008. We will continue to develop Cross Creek under the guidelines originally proposed by Trendmaker and hope to build on their success.”

About Tricon Capital Group Inc.

Founded in 1988, Tricon is one of North America’s leading residential real estate investment companies with over \$1.1 billion of assets under management. 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 over 150 transactions for development projects valued at in excess of \$10 billion. More information about Tricon is available at www.triconcapital.com.

About The Johnson Development Corp.

The Johnson Development Corp. was founded 35 years ago and has grown into one of Houston’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 eight communities under development containing entitlements for 38,000 residential units spread across 25,000 acres. 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 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.

For further information, please contact:

June Alikhan
Chief Financial Officer
Tel: 416-928-4116
Email: jalikhan@triconcapital.com

Gary Berman
President
Tel: 416-928-4122
Email: gberman@triconcapital.com