

NEWS RELEASE



FOR IMMEDIATE RELEASE

Tricon Capital Group's U.S. Single-Family Rental Strategy Forges Ahead with Closing of Key Partnership Agreements

- Three partners signed to exclusive agreements in targeted geographies; fourth prospective partner negotiating final documentation
- 63% of net proceeds from equity offering deployed; 100% expected to be deployed by end of July 2012
- To date, 146 homes acquired; leased-up homes generating 8.2% blended cap rate

Toronto, Ontario – June 20, 2012 – Tricon Capital Group Inc. (TSX: TCN) (“Tricon” or the “Company”), one of North America’s leading residential real estate investment companies, today announced the official closing of three partnerships focused on acquiring, renovating and renting distressed single-family homes across the United States. Tricon is partnering with “best in class” local operators with strong, established track records in targeted markets. This strategy is initially being capitalized with the proceeds of Tricon’s recent equity financing and will provide shareholders with stable rental income and meaningful upside potential as the U.S. housing market recovers.

Tricon has entered into definitive partnership agreements with three operating partners, each of which will co-invest their own capital into the partnerships alongside Tricon. The partners will operate in defined geographic territories, under exclusive arrangements, as described below:

- McKinley Partners, with offices in Oakland and San Diego, California, will cover the Greater San Francisco Bay Area and the Inland Empire (Riverside and San Bernardino Counties)
- 29th Street Capital, with offices in San Francisco and Sacramento, California, will operate in the Greater Sacramento Region
- Casa Vista, with offices in Phoenix will be focused on the Metropolitan Phoenix area.

In addition to vending in existing leased or stabilized homes (which were approved by Tricon), each partner is expected to make \$5 million of acquisitions per month through foreclosure and short sales, which generally translates into buying 1 to 2 homes per day. To date, Tricon has funded \$31 million to its three local partners (63% of the net proceeds from its recent equity offering) and expects to advance 100% of the net proceeds by the end of July 2012.

In total, Tricon’s three partnerships have acquired 146 homes to date. Of these 146 homes, 50 are in the rehab / leasing stage, 72 have been leased and 24 have been designated “flip properties” once

they have been improved. The annualized returns from the leased or stabilized properties equate to an 8.2% capitalization rate. The flip properties are being underwritten to produce a 10% net margin and when combined with the stabilized rental assets are expected to generate a portfolio net yield of 8% to Tricon (after all operator management fees and property expenses) but before rent increases and/or home price appreciation. As the portfolio seasons and tenant turnover occurs, Tricon will also report on changes in rent and vacancy.

“The entry into the U.S. single-family rental industry marks the next step in Tricon’s continued growth as a leader in residential real estate investment and we are on track with our internal projections for rolling out this strategy” said David Berman, Tricon’s Chairman and Chief Executive Officer. “As I have previously noted, we believe this is a ‘once in a generation’ opportunity to buy homes at a deep discount to intrinsic value and to capitalize on the dislocation in the U.S. housing market. We believe that Tricon is the only publicly traded company in the world which offers shareholders meaningful direct exposure to this burgeoning industry and we expect U.S. single-family rental to be a significant part of our operating platform for many years to come.”

In addition, Tricon has signed a preliminary, non-binding term sheet with a leading Southeast Florida single-family rental operator focused on Miami-Dade, Broward and Palm Beach counties. Under the proposed terms being negotiated, the prospective operator will sell or vend in approximately \$7.5 million of existing, stabilized homes at a 9% capitalization rate on closing of the partnership, which is expected to occur in mid July. Tricon is also actively looking for local operators to focus on the Atlanta, Tampa, Orlando and the Greater Los Angeles markets in an effort to create a national platform and become one of the largest owners of single-family rental properties in the United States.

“It has been two years since Tricon’s Initial Public Offering and over that time we have raised our largest Canadian fund ever, closed on a \$150 million separate account with a new institutional investor, entered into the U.S. single-family rental market and are on the threshold of a first close for our new U.S. distressed residential fund Tricon XI” said Berman. “Tricon’s assets under management continue to grow and, on the heels of a very positive first quarter, we are on track for strong financial results in the second quarter of 2012. I am proud of our team and everything that we have accomplished to date and we all look forward to continuing to grow Tricon well into the future.”

About Tricon Capital Group Inc.

Founded in 1988, Tricon is one of North America’s leading residential real estate investment companies with approximately \$1.2 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 approximately 150 transactions for development projects valued at more than \$10 billion. More information about Tricon is available at www.triconcapital.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 final short form prospectus dated April 24, 2012 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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