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Tricon Capital Group Announces Strong First Quarter Results **Achieves operational milestones and completes the acquisition of Silver Bay**

Toronto, Ontario – May 10, 2017 – Tricon Capital Group Inc. (TSX:TCN), a principal investor and asset manager focused on the residential real estate industry, today announced its consolidated financial results for the three months ended March 31, 2017. All of the financial information presented in this news release is expressed in U.S. dollars unless otherwise indicated.

Key operational and investment highlights for Q1 2017 include:

- Assets under management (“AUM”) increased by 9% year-over-year to \$3.0 billion (\$4.5 billion following the Silver Bay acquisition);
- Tricon Housing Partners (“THP”) closed on a new \$28.8 million separate account (THP US SP2), with Tricon committing 20% of the total investment;
- THP investment income decreased by 11.4% year-over-year as a result of significant distributions made to investors in 2016 which reduced the outstanding investment balance; in Q1, THP1 US distributed \$19.7 million to investors, including \$13.5 million to Tricon;
- Tricon American Homes (“TAH”) reported a 29% year-over-year increase in net operating income (“NOI”) driven by 95.6% occupancy, 5.0% blended rent growth, and a 61.6% NOI margin achieved in the quarter; Core funds from operation (“FFO”) of \$5.7 million increased by 33% year-over-year;
- TAH introduced same home portfolio metrics, reporting 12.9% year-over-year growth in same home NOI, 62.3% same home NOI margin and 5.6% blended rent growth;
- Tricon Lifestyle Communities (“TLC”) achieved a 50% year-over-year increase in NOI; Core FFO of \$1.1 million increased by 54% year-over-year;
- Adjusted EBITDA increased by 10% year-over-year to \$29.4 million; adjusted basic earnings per share of \$0.14 and adjusted diluted earnings per share of \$0.13 were consistent with the prior year.

Subsequent to the quarter end, as previously announced on May 9, 2017, TAH successfully completed the acquisition of Silver Bay Realty Trust Corp. (“Silver Bay”), a New York Stock Exchange-listed U.S. single-family rental REIT with 9,013 homes (as of March 31, 2017) and a highly complementary portfolio to that of TAH given its focus on the Sun Belt and middle market demographic. With approximately 16,800 homes, the transaction positions TAH as the fourth largest publicly-owned single-family rental company in the U.S. and the leading operator targeting the middle market.

“From both a strategic and operational perspective, Q1 2017 was a period of significant achievement for Tricon,” said Gary Berman, President and CEO of Tricon Capital. “TAH’s record quarterly operating results validate our commitment to operational excellence and underscore how strong the demand is in the U.S for institutionally managed, affordable single-family rental housing. This was particularly evident in TAH’s same home portfolio, where NOI increased 12.9% year-over-year driven by industry-leading turnover of 25.4% and 5.6% blended rent growth. The completion of the Silver Bay transaction cements our single-family rental business’s status as the leader in the middle market sector and positions us well to generate further growth and operational improvements in the quarters to come. With a renewed focus on housing verticals in which we can achieve scale and industry leadership, we have taken meaningful strides toward simplifying our overall business, generating more predictable cash flow, and enhancing value for our shareholders.”

Financial Highlights

For the three months ended March 31				
(in thousands of U.S. dollars, except per share amounts)				
	2017		2016	
Investment income - THP	\$	5,668	\$	6,401
Investment income - TAH		12,269		12,910
Investment income - TLC		2,319		482
Investment income - TLR		1,931		1,919
Private funds and advisory revenue		5,744		5,773
Net income		7,755		12,857
Basic earnings per share		0.07		0.12
Diluted earnings per share		0.07		0.11
Dividends per share	C\$	0.065	C\$	0.065

For the three months ended March 31				
(in thousands of U.S. dollars, except per share amounts)				
Non-IFRS measures				
	2017		2016	
Adjusted EBITDA	\$	29,376	\$	26,800
Adjusted net income		15,400		15,813
Adjusted basic earnings per share		0.14		0.14
Adjusted diluted earnings per share		0.13		0.14
Assets under management ("AUM")	\$	3,034,116	\$	2,781,746

Net income for the first quarter of 2017 was \$7.8 million, or \$0.07 per basic and diluted share, compared to \$12.9 million, or \$0.12 per basic share and \$0.11 per diluted share, in the first quarter of the prior year. Net income for the quarter included (i) a fair value loss on derivative of \$4.2 million related to a change in the fair value of the conversion feature embedded in the outstanding convertible debentures, as Tricon's share price increased materially during the quarter, and (ii) transaction costs of \$3.1 million incurred at TAH in connection with the Silver Bay acquisition.

Adjusted net income for the first quarter of 2017 was \$15.4 million, compared to \$15.8 million in Q1 2016. Adjusted basic earnings per share were \$0.14 in both Q1 2017 and Q1 2016, and adjusted diluted earnings per share were \$0.13 and \$0.14 in the respective periods. The variance in adjusted net income is due to higher investment income in TAH, TLC and TLR, offset by higher interest expense from incremental debt at TAH and TLC as these verticals grew, as well as lower investment income from THP, as discussed below.

Investment income – Tricon Housing Partners

For Q1 2017, investment income from THP was \$5.7 million, a decrease of \$0.7 million compared to \$6.4 million in Q1 2016. Investment income from Trinity Falls contributed to an increase of \$1.8 million, which was offset by a lower contribution from THP1 US as investments matured and capital was returned. Prior-year results were further bolstered by strong results at THP1 US due to the completion of the sale of Faria Preserve and accelerated cash flows from the San Francisco portfolio. In addition, THP3 Canada recorded a loss for Q1 2017, as the fair value of the River Park Place condominium project in Vancouver was reduced on account of escalating construction costs.

Investment income – Tricon American Homes

For Q1 2017, investment income from TAH was \$12.3 million compared to \$12.9 million for the same period in 2016. The current quarter's results included a fair value gain on the portfolio of \$9.9 million compared to

\$8.6 million in the prior year's quarter, reflecting home price appreciation of 1.3% in Q1 2017 (5.2% annualized), as well as \$3.1 million of non-recurring transaction costs related to the acquisition of Silver Bay. TAH recorded net operating income of \$16.4 million, an increase of 29.1% driven mainly by portfolio-wide occupancy increasing to 95.6% compared to 88.4% in the prior-year period, strong blended rental growth of 5.0%, and a 61.6% NOI margin achieved in the quarter. These gains were partially offset by increased interest expense from a larger portfolio of homes and the completion of a second securitization transaction in Q4 2016. Core FFO for TAH was \$5.7 million in Q1 2017, an improvement of 33.3% from the same period last year.

To provide added transparency into its business, TAH introduced same home portfolio metrics this quarter. On a same home basis, NOI increased by 12.9% from the prior-year period as a result of occupancy increasing to 96.7% from 96.4%, rents growing at a blended rate of 5.6%, turnover improving to 25.4% versus 28.1%, and a same home NOI margin of 62.3% compared to 60.3% in the prior-year period.

Investment Income – Tricon Lifestyle Communities

For Q1 2017, investment income from TLC was \$2.3 million, an increase of \$1.8 million compared to \$0.5 million recorded in Q1 2016. NOI increased by 50% to \$2.2 million, as the portfolio expanded to 14 properties in Q1 2017 compared to 10 properties in Q1 2016. The increase in NOI was partially offset by higher interest expense from the incremental financing associated with the property acquisitions. Core FFO for TLC was \$1.1 million, a 54% increase over the prior-year period. In addition, a fair value gain of \$1.3 million was recognized in Q1 2017 as a result of the successful completion of capital enhancement programs at existing parks. During the quarter, Tricon announced its intention to exit the TLC vertical as part of its business simplification and de-leveraging strategy, following completion of the capital enhancement programs at its communities. TLC has seen a significant level of buyer interest and expects to conduct an orderly sales process over the coming quarters.

Investment Income – Tricon Luxury Residences

For Q1 2017, investment income from TLR was \$1.9 million, which is consistent with the same period in the prior year. The investment income for the first quarter of 2017 is mainly attributable to fair value gains recognized in the U.S. portfolio as the two projects currently under construction progressed towards completion. During the quarter, Tricon announced its intention to exit the TLR U.S. vertical as part of its business simplification and de-leveraging strategy, and it intends to sell its interest in the two U.S. projects once they are completed and stabilized over the coming 12 to 24 months.

Private Funds and Advisory

Revenue from Private Funds and Advisory (including contractual fees, general partner distributions and performance fees) for Q1 2017 was \$5.7 million, which is consistent with the \$5.8 million generated in the same period last year. The Johnson Companies recorded \$2.2 million of fee revenue in Q1 2017, an increase of 34% from last year's first quarter, driven by an 83% increase in residential lot sales and a 68% increase in third-party home sales. The strong results from Johnson were partially offset by lower management fees generated from legacy funds due to distributions from maturing investments, which reduced the invested capital base during the year.

Quarterly Dividend

The Company announced a dividend of six and one half cents per share in Canadian dollars payable on July 14, 2017 to shareholders of record on June 30, 2017.

Tricon's dividends are designated as eligible dividends for Canadian tax purposes in accordance with subsection 89(14) of the *Income Tax Act* (Canada), and any applicable corresponding provincial and territorial legislation. Tricon has a Dividend Reinvestment Plan ("DRIP") which allows eligible shareholders of the Company to reinvest their cash dividends in additional common shares of the Company. Common shares issued pursuant to the DRIP in connection with the announced dividend will be issued from treasury at a 3%

discount from the market price, as defined in the DRIP. Participation in the DRIP is optional and shareholders who do not participate in the plan will continue to receive cash dividends. A complete copy of the DRIP is available in the Investor Information section of Tricon's website at www.triconcapital.com.

Conference Call and Webcast

Management will host a conference call at 10 a.m. ET on Thursday, May 11, 2017 to discuss the Company's results. Please call (647) 427-2311 or (866) 521-4909 (conference ID # 6293267). The conference call will also be accessible via webcast, and a supplementary conference call presentation will be provided at www.triconcapital.com (Investor Information – Events). A replay of the conference call will be available from 1 p.m. ET on May 11, 2017 until midnight ET on May 18, 2017. To access the replay, call (800) 585-8367 or (416) 621-4642 and use pass code 6293267.

The Company's Financial Statements and Management's Discussion and Analysis for the three months ended March 31, 2017 are available on Tricon's website at www.triconcapital.com and have been filed on SEDAR (www.sedar.com). The financial information therein is presented in U.S. dollars.

About Tricon Capital Group Inc.

Tricon is a principal investor and asset manager focused on the residential real estate industry in North America with approximately \$4.5 billion (C\$6.1 billion) of assets under management. Tricon owns, or manages on behalf of third-party investors, a portfolio of investments in land and homebuilding assets, single-family rental homes, manufactured housing communities and multi-family development projects. Our business objective is to invest for investment income and capital appreciation through our Principal Investment business and to earn fee income through our Private Funds and Advisory business. Since its inception in 1988, Tricon has invested in real estate and development projects valued at approximately \$19 billion. More information about Tricon is available at www.triconcapital.com.

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This news release may contain forward-looking statements relating to expected future events and financial and operating results and projections of the Company. Such forward-looking information and statements involve risks and uncertainties and are based on management's current expectations, intentions and assumptions in light of its understanding of relevant current market conditions, investee business plans, and the Company's prospects. 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 are described in the Company's continuous disclosure materials from time to time, available on SEDAR at www.sedar.com. Accordingly, although we believe that our anticipated future results, performance or achievements expressed or implied by the forward-looking statements and information are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking statements and information. 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.

The Company has included herein certain supplemental measures of key performance, including, but not limited to, adjusted EBITDA, adjusted net income and adjusted earnings per share ("EPS") as well as certain key indicators of the performance of our investees. We utilize these measures in managing our business, including performance measurement and capital allocation, and believe that providing these performance measures on a supplemental basis is helpful to investors in assessing the overall performance of the

Company's business. However, these measures are not recognized under IFRS. Since non-IFRS measures do not have standardized meanings prescribed by IFRS, Tricon's use of these measures may not be comparable to similar measures reported by other issuers and they should not be construed as alternatives to net income (loss) or cash flow from the Company's activities, determined in accordance with IFRS, in measuring the Company's performance. The definition, calculation and reconciliation of the non-IFRS measures used herein are provided in Sections 6 and 7 of the Company's MD&A for the three months ended March 31, 2017.