

Tricon Capital Group Completes \$365 Million Single-Family Rental Securitization

/NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISTRIBUTION IN THE UNITED STATES. ALL FIGURES IN US DOLLARS UNLESS INDICATED./

TORONTO, Dec. 20, 2017 /CNW/ - Tricon Capital Group Inc. ("Tricon" or the "Company") (TSX: TCN), a principal investor and asset manager focused on the residential real estate industry, announced today that Tricon American Homes ("TAH") has completed its previously-announced single-family rental securitization transaction. TAH received net proceeds from the sale of six classes of fixed-rate certificates that represent beneficial ownership interests in a loan secured by 2,621 of TAH's single-family rental properties. The certificates have a face amount of \$365 million, a weighted average fixed interest rate of 3.58% and a six-year term to maturity. The transaction proceeds represent approximately 70% of the value of the securitized portfolio and approximately 90% of its all-in cost. TAH intends to use the net proceeds to repay existing debt on the properties.

This transaction is TAH's second securitization of 2017 and continues TAH's efforts to refinance the debt incurred in connection with its acquisition of Silver Bay Realty Trust Corp ("Silver Bay"), and to optimize its overall debt structure with a more staggered maturity profile and diversification across fixed and floating rate debt instruments. The impact of these ongoing efforts on TAH's debt structure is presented in Table 1 below.

Table 1. Summary of TAH Debt Refinancing Initiatives

(in millions of U.S. dollars)	Interest Rate	Maturity (including Extension Options)	Outstanding Amounts		
			Q2 / 2017	Q3 / 2017	Current
Silver Bay acquisition facility	LIBOR + 3.26%	May 2019	\$ 1,198	\$ 779	\$ 156
Warehouse credit facility	LIBOR + 3.00%	Oct 2019	74	42	180
2015-1 securitization	LIBOR + 1.96%	May 2020	340	337	-
2016-1 securitization	3.59% fixed	Nov 2021	363	363	363
2017-1 securitization	3.50% fixed	Sept 2022	-	463	463
Morgan Stanley term loan	LIBOR + 2.00%	Oct 2022	-	-	348
2017-2 securitization	3.58% fixed	Jan 2024	-	-	365
			\$ 1,975	\$ 1,984	\$ 1,874

TAH expects to refinance the remaining amount outstanding on the Silver Bay acquisition facility as well as a portion of its warehouse credit facility via additional financing activities to be completed through mid-2018.

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 \$4.7 billion (C\$5.8 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.

About Tricon American Homes

Tricon American Homes is a leading owner and operator of single-family rental homes in the United States with approximately 15,000 homes in 16 markets across nine states, predominantly located in the Sun Belt. TAH's portfolio is concentrated in neighborhoods with good school districts, strong resident demographics and proximity to major employment centers, providing families with a viable alternative to homeownership. Headquartered in Orange County, California, TAH has a team of approximately 390 employees nationwide who are focused on driving customer retention through a high-quality product offering and a focus on customer service. More information about TAH is available at www.triconamericanhomes.com.

Certain statements contained in this news release are forward-looking statements and are provided for the purpose of presenting information about management's current expectations and plans relating to the future. Readers are cautioned that such statements may not be appropriate for other purposes. These forward-looking statements include the anticipated completion of any securitization transaction, whether such a transaction will result in a lower cost of capital or improve the return on equity for the Company and the availability or anticipated use of any surplus proceeds. Such statements are subject to significant known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those expressed or implied by such statements and, accordingly, should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not such results will be achieved. Factors that could cause actual results to differ include Tricon's ability to execute the securitization transaction upon terms acceptable to the Company. Although management believes that it has a reasonable basis for the expectations reflected in these forward-looking statements, actual results may differ from those suggested by the forward-looking statements for various reasons including but not limited to the assumptions, risks and uncertainties described above. These forward-looking statements reflect current expectations of the Company as at the date of this news release and speak only as at the date

of this news release. The Company does not undertake any obligation to publicly update or revise any forward-looking statements except as may be required by applicable law.

The certificates will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. The certificates will be offered and sold in the United States in accordance with Rule 144A. This press release shall not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of the certificates in any jurisdiction in which such offer, solicitation or sale would be unlawful under the laws of such jurisdiction.

SOURCE Tricon Capital Group Inc.

View original content: <http://www.newswire.ca/en/releases/archive/December2017/20/c5538.html>

%SEDAR: 00029738E

For further information: Wissam Francis, EVP & Chief Financial Officer, Tel: 416-323-2484, Email: wfrancis@triconcapital.com; Wojtek Nowak, Director, Corporate Finance & Investor Relations, Tel: 416-925-2409, Email: wnowak@triconcapital.com

CO: Tricon Capital Group Inc.

CNW 17:01e 20-DEC-17