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## **Tricon Announces U.S. Multi-family Rental Joint Venture and Recapitalization of its Existing Portfolio**

**Toronto, Ontario – February 25, 2021** – Tricon Residential Inc. (“Tricon” or the “Company”) (TSX:TCN), a rental housing company catering to the middle-market demographic throughout the United States and Canada, announced today that it has reached an agreement in principle to enter into a joint venture arrangement (the “Joint Venture” or “JV”) with two institutional investors (the “Investors”) to invest in Tricon’s wholly-owned portfolio of 23 U.S. multi-family apartments. Under the Joint Venture, the Investors will acquire a combined 80% interest in the existing portfolio, with Tricon retaining a 20% interest. The transaction reflects a total portfolio value of \$1.331 billion including in-place debt, which is in line with the portfolio’s fair value reflected on Tricon’s balance sheet as of December 31, 2020.

In addition to the announced Joint Venture, Tricon and the Investors are in discussions to form a separate growth-oriented joint venture to acquire additional multi-family properties in the U.S. Sun Belt, adding scale and diversification to Tricon’s portfolio.

Tricon intends to use the ~\$425 million of gross proceeds from the sale of its 80% equity interest primarily to repay outstanding debt and for general corporate purposes. As a result, Tricon expects to reduce its leverage by over 500 basis points to approximately 50% net debt/assets (excluding convertible debentures), significantly enhancing its balance sheet flexibility.

“When we acquired our U.S. multi-family portfolio in 2019, we saw an opportunity to create a platform for growth within the largest investible property type in residential real estate and to explore synergies with our single-family rental business. Our intent has always been to pursue this strategy in partnership with third-party investors, and we are thrilled to work with two leading investors to add scale to our portfolio and to harness operational efficiencies over time,” said Gary Berman, President and CEO of Tricon Residential. “Moreover, today’s announcement marks a significant step in our commitment to deleveraging our balance sheet. In the midst of a pandemic, we have been able to not only grow our business but also, upon closing this syndication, reduce leverage to ~50% net debt/assets, a reduction of approximately 1100 basis points over the past year.”

## Transaction Details

Under the terms of the Joint Venture, Tricon will control day-to-day matters and the two Investors will invest ~\$425 million in aggregate for an 80% interest in Tricon's U.S. multi-family portfolio. The Joint Venture will have an initial term of ten years.

Throughout the term of the JV, Tricon and the Investors will each earn their proportionate share of investment income or net cash flow from the properties. Tricon will also be entitled to receive asset management fees, property management fees and potentially performance fees for managing the JV.

The transaction remains subject to finalizing definitive documentation and customary closing conditions including obtaining the necessary lender consents, and is expected to close in March of 2021.

## About Tricon Residential Inc.

Founded in 1988, Tricon is a rental housing company catering to the middle-market demographic throughout the United States and Canada. We own and manage over 30,000 single-family rental homes and multi-family rental units through an integrated, technology-enabled operating platform. More information about Tricon is available at [www.triconresidential.com](http://www.triconresidential.com).

## For further information, please contact:

Wissam Francis  
EVP & Chief Financial Officer  
Tel: 416-323-2484  
Email: [wfrancis@triconresidential.com](mailto:wfrancis@triconresidential.com)

Wojtek Nowak  
Managing Director, Capital Markets  
Tel: 416-925-2409  
Email: [wnowak@triconresidential.com](mailto:wnowak@triconresidential.com)

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*This press release contains forward-looking statements and information relating to expected future events and the Company's financial and operating results and projections that involve risks and uncertainties, including statements regarding the Company's intentions, growth and investment opportunities, and performance goals and expectations. Such forward-looking information is typically indicated by the use of words such as "will", "may", "expects" or "intends".*

*The forward-looking statements and information contained in this press release include, without limitation, statements regarding: the formation of the JV, its participants and its terms, including investor liquidity options; the syndication of an interest in the Company's US multi-family portfolio, the proceeds to be received in connection therewith and the intended use of those proceeds; the timing of the transactions described herein; the benefits of the transactions described herein, including building scale and efficiencies; the Company's leverage levels following the transactions described herein and associated balance sheet flexibility; and the proposed formation of a separate multi-family joint venture.*

*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 and uncertainties include, but are not limited to, the inability to complete the transactions described herein due to the failure to satisfy their requisite conditions (including the failure to obtain the required consents from the Company's lenders or to enter into definitive documentation reflecting the terms described herein) and other risk factors described in the Company's continuous disclosure materials from time to time, available on SEDAR at [www.sedar.com](http://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.*