

Terra Firma Capital Corporation Announces the Closing of US\$20 Million Loan Facility With Texas Capital Bank

Credit facility expected to lower cost of capital and accretive to earnings

TORONTO, Aug. 20, 2018 -- Terra Firma Capital Corporation (TSX-V: TII) ("Terra Firma" or the "Company"), is pleased to announce the closing of a US credit facility (the "Facility") totaling US\$20 million (CDN\$26 million) with Texas Capital Bank ("Texas Capital").

Terra Firma has formed a new US wholly owned subsidiary, TFCC USA LLC ("TFCC USA") with the purpose of holding US loans and investments. The Facility will be secured by the loans and investments held in TFCC USA. The terms of the Facility provide for an increase to US\$30 million (CDN\$39 million) over time subject to approval by Texas Capital. The purpose of the Facility will be to support the funding of loans and investments in TFCC USA and allow TFCC to achieve higher yields for the Company's future US transactions.

"This is a very significant milestone for Terra Firma. Over the last several years we have shifted our focus to the US and have successfully evolved into a US Lender, creating a sizeable portfolio of senior debt yielding very attractive risk adjusted returns. This activity has been funded primarily by TFCC's capital and syndicated investors. This new Facility will not only be accretive to the Company, it provides us with the opportunity to graduate to the next phase of our business and increase both the volume of business and the size of our transactions as we continue to execute on our stated strategy in the US. Further, we expect that the leverage offered by this Facility will allow the Company to achieve significantly greater yields on our new loans and investments and in turn higher earnings per share," said Glenn Watchorn, President and Chief Executive Officer.

About Terra Firma

Terra Firma is a full service, publicly traded real estate finance company that provides real estate financings secured by investment properties and real estate developments throughout Canada and the United States. The Company focuses on arranging and providing financing with flexible terms to real estate developers and owners who require shorter-term loans to bridge a transitional period of one to five years where they require capital at various stages of development or redevelopment of a property. These loans are typically repaid with lower cost, longer-term debt obtained from other Canadian financial institutions once the applicable transitional period is over or the redevelopment is complete, or from proceeds generated from the sale of the real estate assets. Terra Firma offers a full spectrum of real estate financing under the guidance of strict corporate governance, clarity and transparency. For further information please visit Terra Firma's website at www.tfcc.ca.

The TSX-V has neither approved nor disapproved the contents of this press release. The TSX-V does not accept responsibility for the adequacy or accuracy of this press release.

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