



For Immediate Release

TERRA FIRMA CAPITAL CORPORATION REPORTS STELLAR RESULTS FOR THE YEAR ENDED DECEMBER 31, 2013

All amounts are stated in Canadian dollars.

TORONTO, ONTARIO, April 14, 2014 (Marketwire) -- Terra Firma Capital Corporation (TSX-V: TII) ("**Terra Firma**" or the "**Company**"), a real estate finance company, today released its financial results for the three months and year ended December 31, 2013.

YEAR END 2013 HIGHLIGHTS:

- Total revenue is \$8.9 million, an increase of \$3.4 million or 62%, compared to the last year.
- Net income and comprehensive income is \$1.7 million, an increase of \$448,000 or 36%, compared to last year.
- Total assets increased by 59% to \$73.7 million from \$46.4 million at December 31, 2012.

"I am excited to report another great quarter, capping of a truly extraordinary year for our Company. In 2013 we achieved significant expansion of Terra Firma on every front. I believe our ability to effectively originate, design and provide real estate loans increases our stature as a real estate lender in the market, one that has the ability to arrange and participate in financings secured by both high quality investment properties and commercial and residential real estate developments undertaken by proven developers", commented Y. Dov Meyer, President and Chief Executive Officer. "Looking ahead, we are optimistic about 2014 as our solid pipeline of loan originations and our transformative initiatives continue to enhance brand recognition and better positioning us to take full advantage of market opportunities. We are confident in our future and our ability to continue to improve on 2013 income and deliver capital appreciation to our shareholders." he further said.

Results of operations – year ended December 31, 2013

Net income and comprehensive income for the year ended December 31, 2013 was \$1.7 million or \$0.06 per basic share and \$0.05 diluted share, compared to \$1.3 million, or \$0.04 per basic and diluted share, in the last year. General and administrative expenses for the year ended December 31, 2013 increased to \$1.5 million, compared to \$539,000 for the last year.

Interest and fee income for the year ended December 31, 2013 aggregated \$8.5 million, an increase of 64% over the \$5.2 million in previous year.

Interest expense for the year ended December 31, 2013 was \$4.7 million, compared to \$2.6 million for the year ended December 31, 2012. The increase in interest expense represents the growth of the Company's business and the increase in syndication capital to fund the investment activities.

The company's loan and mortgage investments increased from \$32.0 million at December 31, 2012 to \$55.3 million at December 31, 2013, an increase of 73%. The weighted average effective interest rate in the mortgage investment portfolio at December 31, 2013 was 18.6% compared to 19.9% at December 31, 2012.

The Company's Management's Discussion & Analysis and Financial Statements as at and for the three months and year ended December 31, 2013 have been filed and are available on SEDAR (www.sedar.com).

About Terra Firma

Terra Firma is a full service, publicly traded real estate finance company that provides customized equity and debt solutions to the real estate industry. Our focus is to arrange and provide financing with flexible terms to property owners looking to improve or add to their existing real estate assets but who may be limited by conventional bank financing, as well as to invest in quality commercial and residential developments by proven real estate developers. 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 TSXV has neither approved nor disapproved the contents of this press release. The TSXV does not accept responsibility for the adequacy or accuracy of this press release.

This Press Release contains forward-looking statements with respect matters concerning the business, operations, strategy and financial performance of Terra Firma. These statements generally can be identified by use of forward looking word such as "may", "will", "expects", "estimates", "anticipates", "intends", "believe" or "could" or the negative thereof or similar variations. The future business, operations and performance of Terra Firma could differ materially from those expressed or implied by such statements. Such forward-looking statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Forward-looking statements are based on a number of assumptions which may prove to be incorrect. Additional, important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, local real estate conditions, competition, changes in government regulation, dependence on tenants' financial conditions, interest rates, the availability of equity and debt financing, environmental and tax related matters, and reliance on key personnel. There can be no assurances that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The cautionary statements qualify all forward-looking statements attributable to Terra Firma and persons acting on its behalf. Unless otherwise stated, all forward looking statements speak only as of the date of this Press Release and Terra Firma has no obligation to update such statements except as required by law.

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Terra Firma Capital Corporation

Consolidated Statements of Income and Comprehensive Income

For the three months and years ended December 31, 2013 and 2012

(Unaudited)

	Three months ended		Twelve months ended	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Revenue				
Interest and fees	\$ 2,964,227	\$ 1,897,945	\$ 8,454,163	\$ 5,156,665
Rental	115,419	195,113	451,335	343,958
	3,079,646	2,093,058	8,905,498	5,500,623
Expenses				
Property operating costs	35,441	76,623	287,078	129,186
General and administrative	382,940	134,629	1,476,156	538,978
Share based compensation	(2,649)	15,369	39,208	216,840
Interest	1,585,753	888,303	4,742,023	2,569,006
Fair value adjustment - investment properties	78,287	-	78,287	-
	2,079,772	1,114,924	6,622,752	3,454,010
Income from operations before income taxes	999,874	978,134	2,282,746	2,046,613
Income taxes	251,848	249,445	582,919	562,320
Income from continuing operations	748,026	728,689	1,699,827	1,484,293
Loss from discontinued operations	-	(232,313)	-	(232,313)
Net income and comprehensive income	\$ 748,026	\$ 496,376	\$ 1,699,827	\$ 1,251,980
Earnings per share				
Basic	\$ 0.03	\$ 0.01	\$ 0.06	\$ 0.04
Diluted	\$ 0.02	\$ 0.01	\$ 0.05	\$ 0.04

Terra Firma Capital Corporation
Consolidated Statements of Financial Position
As at December 31, 2013 and 2012

	December 31, 2013	December 31, 2012
Assets		
Cash and cash equivalents	\$ 7,721,115	\$ 3,223,291
Funds held in trust	383,526	-
Amounts receivable and prepaid expenses	1,661,352	2,396,180
Loan and mortgage investments	55,278,303	31,996,731
Investment properties	7,671,452	7,834,576
Portfolio investment	954,073	950,000
Total assets	\$ 73,669,821	\$ 46,400,778
Liabilities		
Accounts payable and accrued liabilities	\$ 1,366,708	\$ 1,192,616
Provision for discontinued operations	321,490	445,957
Unearned income	472,924	16,965
Income taxes payable	82,375	474,297
Deferred income taxes	6,348	15,602
Loans and mortgages payable	46,569,921	21,406,070
Convertible debentures	10,125,074	10,093,325
Total liabilities	58,944,840	33,644,832
Shareholders' Equity		
Share capital	\$ 10,795,790	\$ 10,757,405
Contributed surplus	603,962	573,139
Retained earnings	3,125,229	1,425,402
Total shareholders' equity	14,524,981	12,755,946
Non-controlling interest	200,000	-
Total liabilities and Shareholders' Equity	\$ 73,669,821	\$ 46,400,778