

**For Immediate Release****TERRA FIRMA CAPITAL CORPORATION REPORTS RESULTS FOR THE THIRD  
QUARTER ENDED SEPTEMBER 30, 2015****104% INCREASE IN NET INCOME AND COMPREHENSIVE INCOME YEAR OVER YEAR  
51% REVENUE GROWTH YEAR OVER YEAR**

*NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR DISSEMINATION IN THE UNITED STATES*

**All amounts are stated in Canadian dollars.**

TORONTO, ONTARIO, November 5, 2015 (Marketwired) -- 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 and nine months ended September 30, 2015.

**THIRD QUARTER 2015 HIGHLIGHTS:**

- Total revenue for the quarter ended September 30, 2015 is \$4.9 million, an increase of \$1.7 million or 51%, compared to the same period last year.
- Net income and comprehensive income in the third quarter is approximately \$1.9 million, an increase of \$949,000 or 104%, compared to the third quarter of 2014.
- Diluted earnings per share of \$0.03 in the third quarter 2015, compared to \$0.02 per share for the same quarter in the prior year, a 50% increase.

"I am very pleased with yet another quarter of stellar growth and increased earnings. Our net income for the quarter ending September 30, 2015 has more than doubled compared to the same period last year and we have achieved record earnings per share on a fully diluted basis. Our strong third quarter represents the seventh consecutive quarter of growth in net income", commented Y. Dov Meyer, Chief Executive Officer. "Our loan pipeline remains extremely robust and we continue to attract new top quality clients both in Canada and in the U.S. We have recently announced two important relationships. We continued to expand and diversify our portfolio, despite the maturities that occurred in the quarter. We are also very pleased with certain initiatives to increase and grow our co-investment platform and attract new investors", he further said.

"Our strategic growth plan is on track to expand our presence in the U.S. We continue to broaden our capabilities and relationships through new geographies and clients, which will enhance our ability to generate attractive risk adjusted returns", commented Glenn Watchorn, President and Chief Operating Officer

**Results of operations – three months ended September 30, 2015**

Net income in the third quarter ended September 30, 2015 was \$1.9 million or \$0.03 per basic share and diluted share, compared to \$914,644, or \$0.03 per basic share and \$0.02 per diluted share, in the third quarter ended September 30, 2014.

Interest and fee income for the third quarter ended September 30, 2015 aggregated \$4.9 million, an increase of 51% over the \$3.3 million in the same period in the previous year, and an increase of 17% over \$1.2 million in the second quarter ended June 30, 2015. Interest and fee income for the third quarter ended September 30, 2015 was positively impacted by a foreign exchange gain.

Interest expense for the third quarter ended September 30, 2015 was \$1.4 million, compared to \$1.5 million for the comparative period last year and \$1.4 million for the second quarter ended June 30, 2015, representing the conversion of a \$13.3 million loan syndication into a limited partnership interest and an increase in utilizing of the Company's own capital.

The company's loan and mortgage investments increased from \$78.6 million at December 31, 2014 to \$82.3 million at September 30, 2015, an increase of 5%, in spite of significant maturities in 2015. The average interest rate in the mortgage portfolio at September 30, 2015 was 19.7% compared to 19.6% at December 31, 2014. At September 30, 2015, the Company had a pipeline of approximately \$57 million of signed letters of intent and/or commitment letters which it hopes to fund, subject to borrowers fulfilling certain funding conditions.

The company's loan and mortgage syndications decreased from \$45.4 million at December 31, 2014 to \$27.1 million at September 30, 2015, a decrease of 40%, primarily due to syndicate investors in one loan investment electing to convert their share of the loan into a limited partnership interest in which the Company will receive a carried interest. Further, the Company continues to deploy other sources of capital to fund loan and mortgage investments.

The Company's Management's Discussion & Analysis and Financial Statements as at and for the three months ended September 30, 2015 have been filed and are available on SEDAR ([www.sedar.com](http://www.sedar.com)).

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](http://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 and nine months ended September 30, 2015 and 2014  
(Unaudited)

	Three months ended		Nine months ended	
	September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014
<b>Revenue</b>				
Interest and fees	\$ 4,877,485	\$ 3,206,862	\$ 13,046,343	\$ 8,669,218
Rental	47,362	47,520	142,072	210,276
	4,924,847	3,254,382	13,188,415	8,879,494
<b>Expenses</b>				
Property operating costs	15,268	15,225	\$ 45,790	72,526
General and administrative	555,709	417,792	1,922,564	1,301,987
Share based compensation	345,605	116,044	1,461,333	552,646
Interest and financing costs	1,375,561	1,520,434	4,314,631	4,450,889
Gain on conversion of interest in joint operation	-	-	-	(487,000)
	2,292,143	2,069,495	7,744,318	5,891,048
<b>Income from operations before income taxes</b>	2,632,704	1,184,887	5,444,097	2,988,446
Income taxes	768,797	270,243	1,318,074	821,454
<b>Income from continuing operations</b>	1,863,907	914,644	4,126,023	2,166,992
<b>Income from discontinued operations</b>	-	-	-	151,644
<b>Net income and comprehensive income</b>	\$ 1,863,907	\$ 914,644	\$ 4,126,023	\$ 2,318,636
<b>Earnings per share</b>				
Basic	\$ 0.03	\$ 0.03	\$ 0.08	\$ 0.08
Diluted	0.03	0.02	0.07	0.06

**Terra Firma Capital Corporation**  
**Consolidated Statements of Financial Position**  
As at September 30, 2015 and December 31, 2014

	September 30, 2015	December 31, 2014
<b>Assets</b>		
Cash and cash equivalents	\$ 4,989,726	\$ 1,083,745
Funds held in trust	519,238	834,065
Amounts receivable and prepaid expenses	2,478,112	2,058,846
Loan and mortgage investments	82,302,799	78,635,796
Investment properties held in joint operations	2,063,654	2,062,661
Portfolio investments	3,968,293	1,620,828
Deferred income tax asset	483,731	48,381
<b>Total assets</b>	<b>\$ 96,805,553</b>	<b>\$ 86,344,322</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$ 3,088,279	\$ 2,227,308
Provision for discontinued operations	-	27,500
Unearned income	464,805	639,307
Income taxes payable	893,395	341,432
Short-term unsecured notes payable	7,637,003	1,500,000
Revolving operating facility	1,839,645	-
Loan and mortgage syndications	27,080,063	45,390,821
Mortgages payable	1,128,158	1,151,118
Convertible debentures	10,598,752	10,514,431
<b>Total liabilities</b>	<b>52,730,100</b>	<b>61,791,917</b>
<b>Equity</b>		
Share capital	\$ 30,837,646	\$ 16,654,718
Equity component of convertible debentures	284,490	284,490
Contributed surplus	2,263,682	1,049,585
Retained earnings	10,478,980	6,352,957
Shareholders' equity	43,864,798	24,341,750
Non-controlling interest	210,655	210,655
<b>Total equity</b>	<b>44,075,453</b>	<b>24,552,405</b>
<b>Total liabilities and Equity</b>	<b>\$ 96,805,553</b>	<b>\$ 86,344,322</b>