



## TERRA FIRMA CAPITAL CORPORATION APPOINTS PRESIDENT & CEO

Toronto, ON, December 17, 2010 – The Board of Directors of Terra Firma Capital Corporation, TSXV:TII (“**Terra Firma**”) is pleased to announce the appointment of Mr. Y. Dov Meyer as the new President & CEO of Terra Firma, to lead its initiative of becoming a premier provider of customized equity and debt solutions to the real estate industry. The appointment of Mr. Meyer is subject to the approval of the TSXV.

Mr. Meyer brings over 15 years of real estate finance and acquisition experience to Terra Firma. Mr. Meyer started his career in real estate in 1995 working for the Paul Reichmann Group of Companies where he held various positions until 2007. In 2001 he co-founded IPC US REIT and was its Chief Investment Officer. Mr. Meyer was directly responsible for IPC’s growth initiative, acquiring approximately 12 million sq. ft. of commercial property and closing over \$1 billion of real estate financings, until the sale of the REIT in 2007.

From 2008 until joining Terra Firma, Mr. Meyer was Managing Director (Head of Debt Investments) for Harbour Group International and was primarily responsible for developing its Commercial Mortgage Backed Securities platform and investing over \$100 million in US CMBS bonds.

Mr. Allan Silber, Terra Firma’s Chairman, commented, “I am very pleased to have Dov joining our team at Terra Firma. He brings a wealth of real estate finance expertise and leadership skills and we believe it speaks well of Terra Firma’s business strategy and future success to be able to attract a leader with such outstanding accomplishments and qualifications.”

In connection with Mr. Meyer’s appointment, Terra Firma announced that it intends to complete, on a non-brokered basis, a purchase by Mr. Meyer of 895,000 common shares in the capital of the Corporation (the “**Common Shares**”) at \$0.30 per Common Share, for gross proceeds of \$268,500 (the “**Offering**”). The net proceeds of the Offering will be used to enhance Terra Firma’s liquidity position, to fund Terra Firma’s business activities and for other general corporate purposes.

The subscription for Common Shares by Mr. Meyer constitutes a “related party transaction” within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Securityholders in Special Transactions* (“**MI 61-101**”). Terra Firma, as an issuer listed on the TSX Venture Exchange (the “**TSXV**”), is exempt from the formal valuation requirement of MI 61-101. In addition, Terra Firma has relied on an exemption to the minority shareholder approval requirements of MI 61-101 as (A) the Common Shares are listed on the TSXV, (B) neither the fair market value of the Common Shares to be distributed nor the consideration to be received therefor will exceed \$2,500,000, (C) Terra Firma has independent directors who are not employees and who are not participating in the Offering and (D) at least two-thirds of such independent directors have approved the transaction.

The Offering is subject to the approval of the TSXV. The Common Shares issued in conjunction with the Offering will be subject to a four-month hold period under applicable securities laws and the policies of the TSXV.

#### **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 provide flexibility to property owners who may be limited by conventional bank financing and to invest in quality commercial and residential developments. Terra Firma offers a full spectrum of real estate financing under the guidance of strict corporate governance, clarity and transparency.

*This press release is not an offer of securities for sale in the United States. The securities of Terra Firma referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended or the securities laws of any state. Securities of Terra Firma may not be offered or sold in the United States absent registration or an exemption from registration.*

*Completion of the Offering is subject to final approval and acceptance by the TSXV.*

*The TSXV has in no way passed upon the merits of the Offering and 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 to the Offering and 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 completion of the Offering and 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, including that the Offering contemplated herein is completed. Forward-looking statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to: the ability of Terra Firma to satisfy the requirements of the TSXV with respect to the Offering. Additional, important factors that could cause actual results to differ material 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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