UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): August 2, 2022

TPG RE Finance Trust, Inc.

(Exact Name of Registrant as Specified in its Charter)

Maryland	001-38156	36-4796967
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

888 Seventh Avenue, 35th Floor, New York, New York 10106
(Address of Principal Executive Offices) (Zip Code)

(212) 601-4700
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share	TRTX	New York Stock Exchange
6.25% Series C Cumulative Redeemable Preferred Stock, par value $0.001 per share	TRTX PRC	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.☐

Item 2.02 Results of Operations and Financial Condition.

On August 2, 2022, TPG RE Finance Trust, Inc. (the "Company") issued an earnings release and supplemental financial information presentation announcing its financial results for the quarter ended June 30, 2022. Copies of the earnings release and supplemental financial information presentation are attached hereto as Exhibits 99.1 and 99.2, respectively, and are incorporated herein by reference.

The information in Item 2.02 of this Current Report, including Exhibits 99.1 and 99.2, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section. The information in this Current Report shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, or the Exchange Act, unless it is specifically incorporated by reference therein.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Earnings Release, dated August 2, 2022
99.2	Supplemental Financial Information Presentation for the Quarter Ended June 30, 2022
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TPG RE Finance Trust, Inc.

By: /s/ Robert Foley
Name: Robert Foley
Title: Chief Financial Officer

Date: August 2, 2022

Exhibit 99.1

TPG RE Finance Trust, Inc. Reports Operating Results for the Quarter Ended June 30, 2022

August 2, 2022

NEW YORK--(**BUSINESS WIRE)**--TPG RE Finance Trust, Inc. (NYSE: TRTX) ("TRTX" or the "Company") reported its operating results for the quarter ended June 30, 2022.

SECOND QUARTER 2022 ACTIVITY

- Recognized GAAP net income (loss) attributable to common stockholders of $(8.8) million, or $(0.11) per common share based on a basic and diluted weighted average share count of 77.2 million common shares, and book value per common share on June 30, 2022 of $16.03.
- Declared on June 13, 2022 a cash dividend of $0.24 per share of common stock which was paid on July 25, 2022 to common stockholders of record as of June 28, 2022. The Company paid on June 30, 2022, to stockholders of record as of June 20, 2022, a quarterly dividend on its 6.25% Series C Cumulative Redeemable Preferred Stock of $0.3906 per share.
- Originated seven first mortgage loans with total loan commitments of $380.3 million, an aggregate initial unpaid principal balance of $312.7 million, a weighted average interest rate of Term SOFR plus 4.21%, a weighted average interest rate floor of 0.28% and a weighted average loan-to-value ratio of 65.1%. Additionally, funded $29.3 million of deferred future funding obligations associated with previously originated loans.
- Received loan repayments of $757.0 million, including seven full loan repayments totaling $676.9 million comprised primarily of the following property types: 28.0% office, 25.8% multifamily and 24.4% hotel.
- Weighted average risk rating of the Company's loan portfolio was 3.2 as of June 30, 2022.
- Carried at quarter-end an allowance for credit losses of $93.4 million, or 180 basis points of total loan commitments, an increase of $42.3 million from $51.1 million, or 91 basis points of total loan commitments, as of March 31, 2022.
- Closed an asset-specific financing arrangement with Axos Bank secured by one performing first mortgage loan secured by an office property. The arrangement provides financing on a non-mark-to-market basis and a term of up to 2 years.
- Closed a $200.0 million loan financing facility with BMO Harris Bank which provides asset-specific financing on a non-mark-to-market basis with matched term.
- Ended the quarter with $771.7 million of total liquidity, comprised of: $338.7 million of cash-on-hand available for investment, net of $17.3 million held to satisfy liquidity covenants under the Company's secured financing agreements; undrawn capacity under secured financing arrangements of $50.7 million; and $365.0 million of reinvestment capacity in the Company's CRE CLOs. Additionally, the Company held unencumbered loan investments with an aggregate unpaid principal balance of $74.3 million as of June 30, 2022.
- Non-mark-to-market debt represented 73.7% of total borrowings at June 30, 2022.
- Weighted average interest rate floor for loan investments declined to 90 basis points as of June 30, 2022 from 105 basis points as of March 31, 2022.

SUBSEQUENT EVENTS

- Closed, or are in the process of closing, seven first mortgage loans with a total loan commitment amount of $557.1 million and initial fundings of $513.0 million.

- Received full loan repayments related to two first mortgage loans with an aggregate loan commitment and unpaid principal balance of $226.6 million and $226.2 million, respectively. Both first mortgage loans were secured by office properties.

- Entered into an extension and modification agreement with respect to its one risk category "5" office loan to facilitate an orderly disposition of the underlying property by the borrower. The amortized cost of the loan was $55.7 million, and the carrying value of the loan was $44.6 million, net of its CECL reserve of $11.1 million, as of June 30, 2022. The loan is performing and all contractual amounts due to the Company have been received.

- Received net proceeds of $18.6 million to retire the Company's non-performing retail loan after the property securing the loan was sold by the borrower for $19.7 million. The Company will realize a $4.4 million loss during the three months ended September 30, 2022, which was fully reserved as of June 30, 2022.

Doug Bouquard, Chief Executive Officer of TRTX, said: "The second quarter was marked by increasing volatility, rising short-term interest rates, and an uncertain economic backdrop. Our measured investment pace, over $770 million of liquidity, a largely non-mark-to-market financing base with substantial financing capacity, and the strategic benefits of the TPG platform position us well to capture compelling investment opportunities and address any market challenges that may arise."

The Company issued a supplemental presentation detailing its second quarter 2022 operating results, which can be viewed at **http://investors.tpgrefinance.com/.**

CONFERENCE CALL AND WEBCAST INFORMATION

The Company will host a conference call and webcast to review its financial results with investors and other interested parties at 10:00 a.m. ET on Wednesday, August 3, 2022. To participate in the conference call, callers from the United States and Canada should dial +1 (877) 407-9716, and international callers should dial +1 (201) 493-6779, ten minutes prior to the scheduled call time. The webcast may also be accessed live by visiting the Company's investor relations website at **http://investors.tpgrefinance.com/event.**

REPLAY INFORMATION

A replay of the conference call will be available after 1:00 p.m. ET on Wednesday, August 3, 2022 through 11:59 p.m. ET on Wednesday, August 17, 2022. To access the replay, listeners may use +1 (844) 512-2921 (domestic) or +1 (412) 317-6671 (international). The passcode for the replay is 13730309. The replay will be available on the Company's website for one year after the call date.

ABOUT TRTX

TPG RE Finance Trust, Inc. is a commercial real estate finance company that originates, acquires, and manages primarily first mortgage loans secured by institutional properties located in primary and select secondary markets in the United States. The Company is externally managed by TPG RE Finance Trust Management, L.P., a part of TPG Real Estate, which is the real estate investment platform of global alternative asset management firm TPG Inc. (NASDAQ: TPG). For more information regarding TRTX, visit **https://www.tpgrefinance.com/.**

FORWARD-LOOKING STATEMENTS

This earnings release contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are subject to various risks and uncertainties, including, without limitation, statements relating to the performance of the investments of TPG RE Finance Trust, Inc. (the “Company” or “TRTX”); the ultimate geographic spread, severity and duration of pandemics such as coronavirus (“COVID-19”) and its variants, actions that may be taken by governmental authorities to contain or address the impact of such pandemics, and the potential negative impacts of such pandemics on the global economy and the Company's financial condition and results of operations; the Company's ability to originate loans that are in the pipeline and under evaluation by the Company; financing needs and arrangements; and the risks, uncertainties and factors set forth under the heading “Risk Factors” in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2021, as such risk factors may be updated from time to time in the Company’s periodic filings with the Securities and Exchange Commission (the “SEC”), which are accessible on the SEC’s website at www.sec.gov. Forward-looking statements are generally identifiable by use of forward-looking terminology such as “may,” “will,” “should,” “potential,” “intend,” “expect,” “endeavor,” “seek,” “anticipate,” “estimate,” “believe,” “could,” “project,” “predict,” “continue” or other similar words or expressions. Forward-looking statements are based on certain assumptions, discuss future expectations, describe existing or future plans and strategies, contain projections of results of operations, liquidity and/or financial condition or state other forward-looking information. Statements, among others, relating to the Company’s ability to generate future growth and deliver value and returns, and the Company’s ability to provide effective financing solutions for borrowers are forward-looking statements, and the Company cannot assure you that TRTX will achieve such results. The ability of TRTX to predict future events or conditions or their impact or the actual effect of existing or future plans or strategies is inherently uncertain. Although the Company believes that such forward-looking statements are based on reasonable assumptions, actual results and performance in the future could differ materially from those set forth in or implied by such forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements, which reflect the Company’s views only as of the date of this earnings release. Except as required by law, neither the Company nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements appearing in this earnings release. The Company does not undertake any obligation to update any forward-looking statements contained in this earnings release as a result of new information, future events or otherwise. Past performance is not indicative nor a guarantee of future returns. Yield data are shown for illustrative purposes only and have limitations when used for comparison or for other purposes due to, among other matters, volatility, credit or other factors.

INVESTOR RELATIONS CONTACT

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IR@tpgrefinance.com

MEDIA CONTACT

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Courtney Power
+1 (415) 743-1550
media@tpg.com

Exhibit 99.2

Second Quarter 2022 Supplemental Information

August 2, 2022

TPG
REAL ESTATE
FINANCE TRUST

Forward-Looking Statements and Other Disclosures

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which reflect our current views with respect to, among other things, our operations and financial performance. You can identify these forward-looking statements by the use of words such as "outlook," "believe," "expect," "potential," "continue," "may," "should," "seek," "approximately," "predict," "intend," "will," "plan," "estimate," "anticipate," the negative version of these words, other comparable words or other statements that do not relate strictly to historical or factual matters. By their nature, forward-looking statements speak only as of the date they are made, are not statements of historical fact or guarantees of future performance and are subject to risks, uncertainties, assumptions or changes in circumstances that are difficult to predict or quantify. Our expectations, beliefs and projections are expressed in good faith, and we believe there is a reasonable basis for them. However, there can be no assurance that management's expectations, beliefs and projections will occur or be achieved, and actual results may vary materially from what is expressed in or indicated by the forward-looking statements.

There are a number of risks, uncertainties and other important factors that could cause our actual results to differ materially from the forward-looking statements contained in this presentation. Such risks, uncertainties and other important factors include, among others, the risks, uncertainties and factors set forth under the heading "Risk Factors" in our Form 10-K filed with the Securities and Exchange Commission (the "SEC") on February 23, 2022, as such risk factors may be updated from time to time in our periodic filings with the SEC, which are accessible on the SEC's website at www.sec.gov. Such risks, uncertainties and other factors include, but are not limited to, the following:

- the general political, economic, regulatory, and competitive conditions in the markets in which we invest;
- the level and volatility of prevailing interest rates and credit spreads, including as a result of the planned discontinuance of LIBOR and the transition to alternative reference rates such as term or compounded Secured Overnight Financing Rate ("SOFR");
- adverse changes in the real estate and real estate capital markets;
- general volatility of the securities markets in which we participate;
- changes in our business, investment strategies or target assets;
- difficulty in obtaining financing or raising capital;
- reductions in the yield on our investments and increases in the cost of our financing;
- adverse legislative or regulatory developments, including with respect to tax laws;
- acts of God such as hurricanes, floods, earthquakes, wildfires, mudslides, volcanic eruptions, and other natural disasters, acts of war and/or terrorism and other events that may cause unanticipated and uninsured performance declines and/or losses to us or the owners and operators of the real estate securing our investments;
- global economic trends and economic conditions, including heightened inflation, slower growth or recession, changes to fiscal and monetary policy, higher interest rates, labor shortages, currency fluctuations and challenges in global supply chains;
- the ongoing impact of the COVID-19 pandemic on our business, U.S. and global economies, the real estate industry and our borrowers, and the performance of the properties securing our loans;
- changes in the availability of attractive loan and other investment opportunities, whether due to competition, regulation or otherwise;
- deterioration in the performance of properties securing our investments that may cause deterioration in the performance of our investments, adversely impact certain of our financing arrangements and our liquidity, and potentially expose us to principal losses on our investments;
- defaults by borrowers in paying debt service or principal on outstanding indebtedness;
- the adequacy of collateral securing our investments and declines in the fair value of our investments;
- adverse developments in the availability of desirable investment opportunities;
- difficulty in successfully managing our growth, including integrating new assets into our existing systems;
- the cost of operating our platform, including, but not limited to, the cost of operating a real estate investment platform and the cost of operating as a publicly traded company;
- the availability of qualified personnel and our relationship with our Manager;
- the potential unavailability of the London Interbank Offered Rate ("LIBOR") after June 30, 2023;
- conflicts with TPG and its affiliates, including our Manager, the personnel of TPG providing services to us, including our officers, and certain funds managed by TPG;
- our qualification as a real estate investment trust ("REIT") for U.S. federal income tax purposes and our ability to maintain our exemption or exclusion from registration under the Investment Company Act of 1940, as amended (the "Investment Company Act"); and
- authoritative U.S. generally accepted accounting principles (or "GAAP") or policy changes from standard-setting bodies such as the Financial Accounting Standards Board ("FASB"), the SEC, the Internal Revenue Service ("IRS"), the New York Stock Exchange ("NYSE") and other authorities that we are subject to, as well as their counterparts in any foreign jurisdictions where we might do business.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, or achievements. We caution you that the risks, uncertainties and other factors referenced above may not contain all of the risks, uncertainties and other factors that are important to you. In addition, we cannot assure you that we will realize the results, benefits or developments that we expect or anticipate or, even if substantially realized, that they will result in the consequences or affect us or our business in the way expected. All forward-looking statements in this presentation apply only as of the date made and are expressly qualified in their entirety by the cautionary statements included in this presentation and in other filings we make with the SEC. We undertake no obligation to publicly update or revise any forward-looking statements to reflect subsequent events or circumstances, except as required by law.

TPG RE Finance Trust, Inc.

Loan Portfolio

$5.2 billion
Investment Portfolio

$71.0 million
Average Loan Size

5.25%
Weighted Average Coupon[1]

100%
Floating Rate Portfolio

67.6%
Weighted Average LTV[2]

$380.3 million
of Originations in 2Q22

Liquidity & Capitalization

$6.2 billion
Financing Capacity[3]

73.7%
Non-Mark-to-Market Financing[3]

2.6x
Total Leverage Ratio[2]

1.81%
Weighted Average Cost of Funds[1]

80.0%
Weighted Average Approved Advance Rate

$771.7 million
of Liquidity[4]

Dividends & Earnings

$0.24
2Q22 Common Dividend Declared

($0.11)
2Q22 (Loss) per Diluted Share[5]

$0.27
2Q22 Distributable Earnings per Diluted Share[6]

10.7%
Annualized Dividend Yield[7]

Common Dividend Coverage Ratio of **1.1x**[8]

$16.03
Book Value per Share at June 30, 2022

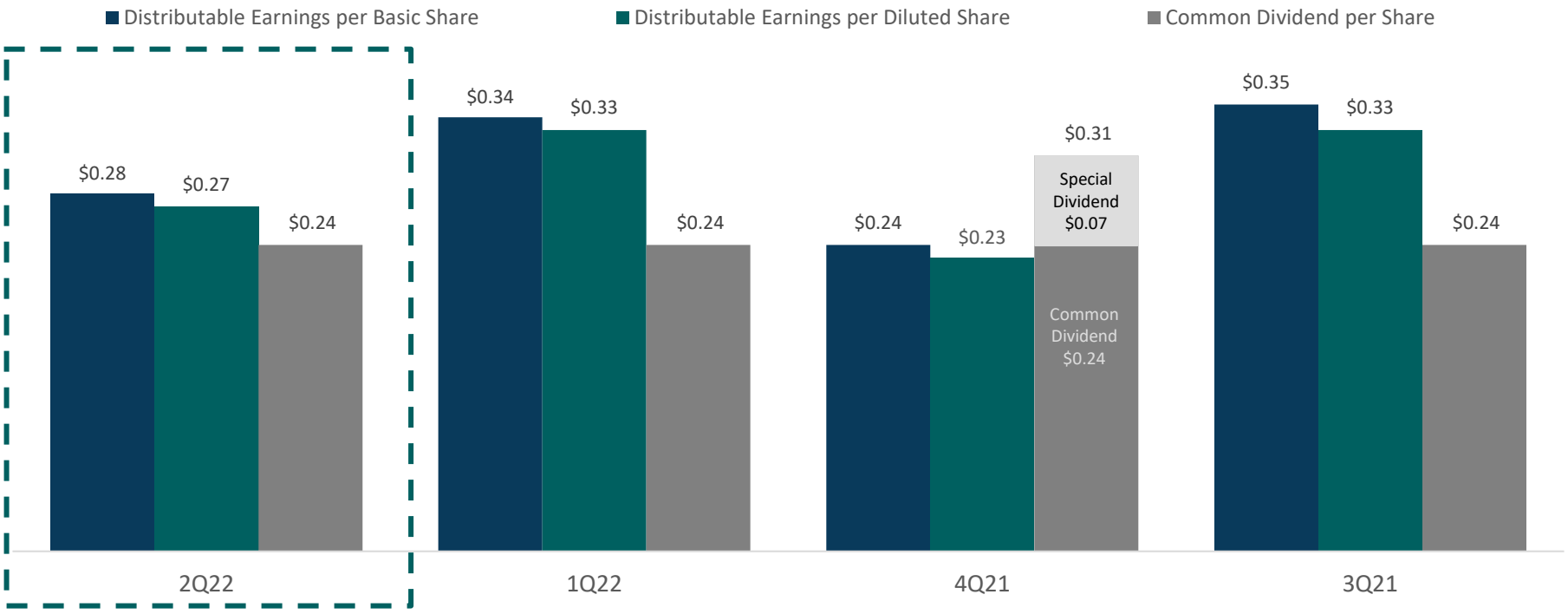
1. Weighted average coupon calculated using the combination of credit spread plus the greater of the current index rate or the index rate floor, as applicable; Weighted Average cost of funds excludes current index rate or index rate floor, as applicable
2. See Appendix for definitions, including LTV and Total Leverage Ratio
3. Includes one non-consolidated senior interest of $132.0 million; See Appendix for definitions, including non-consolidated senior interest
4. See page 7 for additional detail
5. Calculated on Net Income (Loss) Attributable to Common Stockholders; refer to Appendix for reconciliation from GAAP Net Income (Loss) to Net Income (Loss) Attributable to Common Stockholders
6. Refer to Appendix for reconciliation from GAAP Net Income to Distributable Earnings
7. Represents an annualized dividend yield based on the June 30, 2022 closing share price of $9.01
8. Represents ratio of Distributable Earnings per diluted share to dividends declared per common share for the three months ended June 30, 2022

Note: Data as of June 30, 2022

Operating Performance and Common Dividend Coverage

Operating Performance ($ in millions)	2Q22	1Q22	4Q21	3Q21
GAAP Net Income (Loss)	($5.4)	$23.8	$44.9	$29.3
Net Income (Loss) Attributable to Common Stockholders[1]	($8.8)	$20.4	$41.4	$26.0
Distributable Earnings[2]	$21.5	$26.6	$18.5	$27.0
Cash Dividends Declared on Common Shares	$18.7	$18.7	$18.7	$18.6
Special Cash Dividends Declared on Common Shares	-	-	$5.5	-
Total Cash Dividends Declared on Common Shares	$18.7	$18.7	$24.2	$18.6

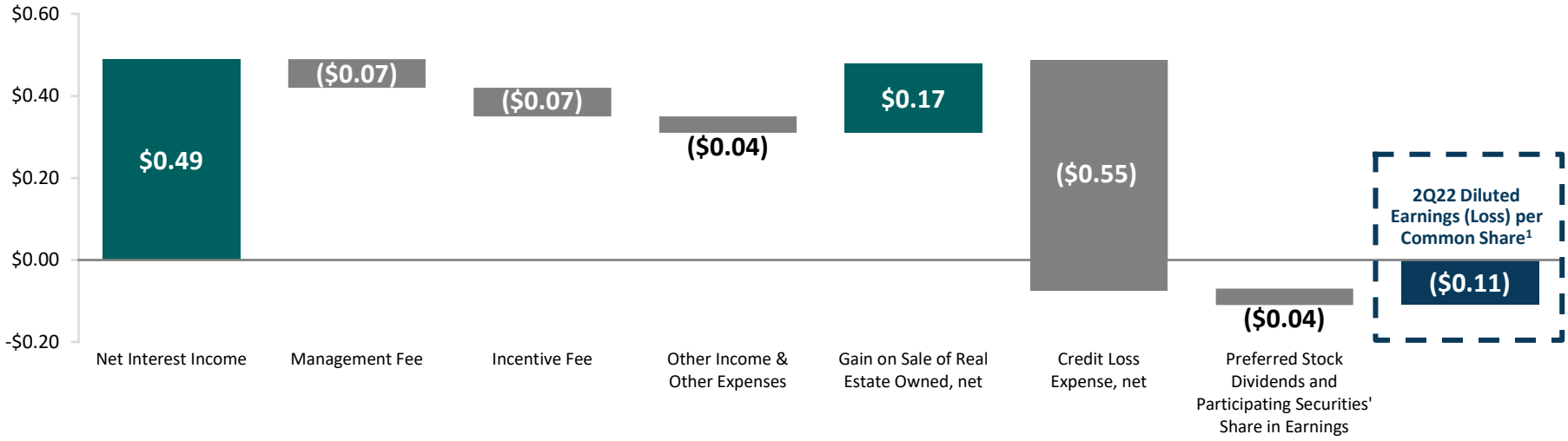
Stable Distributable Earnings & Common Dividend Coverage



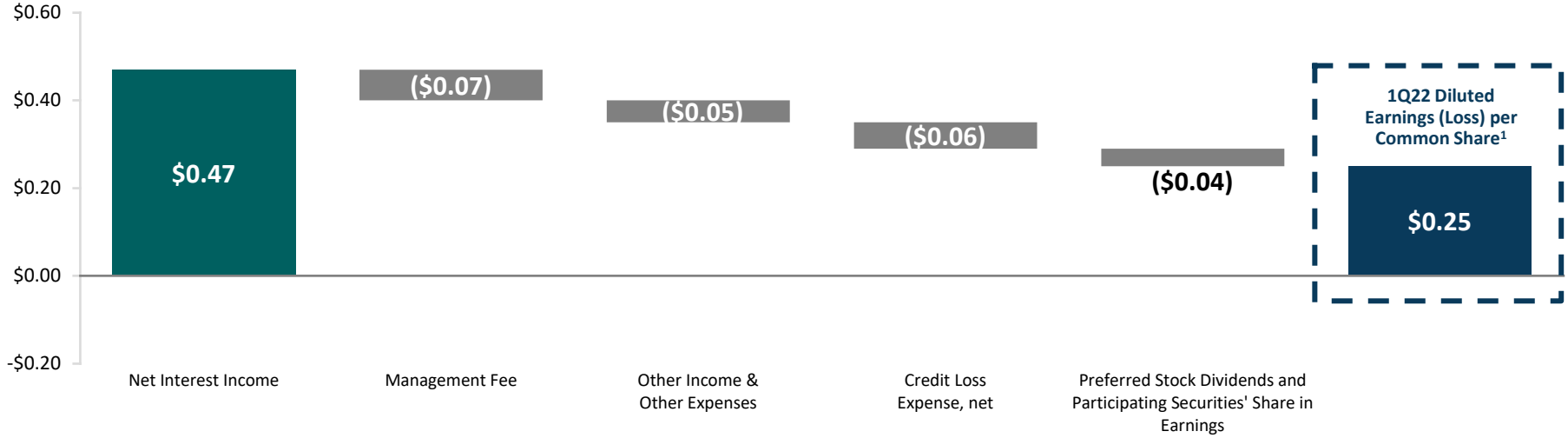
1. Refer to Appendix for reconciliation from GAAP Net Income (Loss) to Net Income (Loss) Attributable to Common Stockholders
2. Refer to Appendix for reconciliation from GAAP Net Income (Loss) to Distributable Earnings

QoQ Earnings per Share Walk

2Q22 Earnings per Share Walk

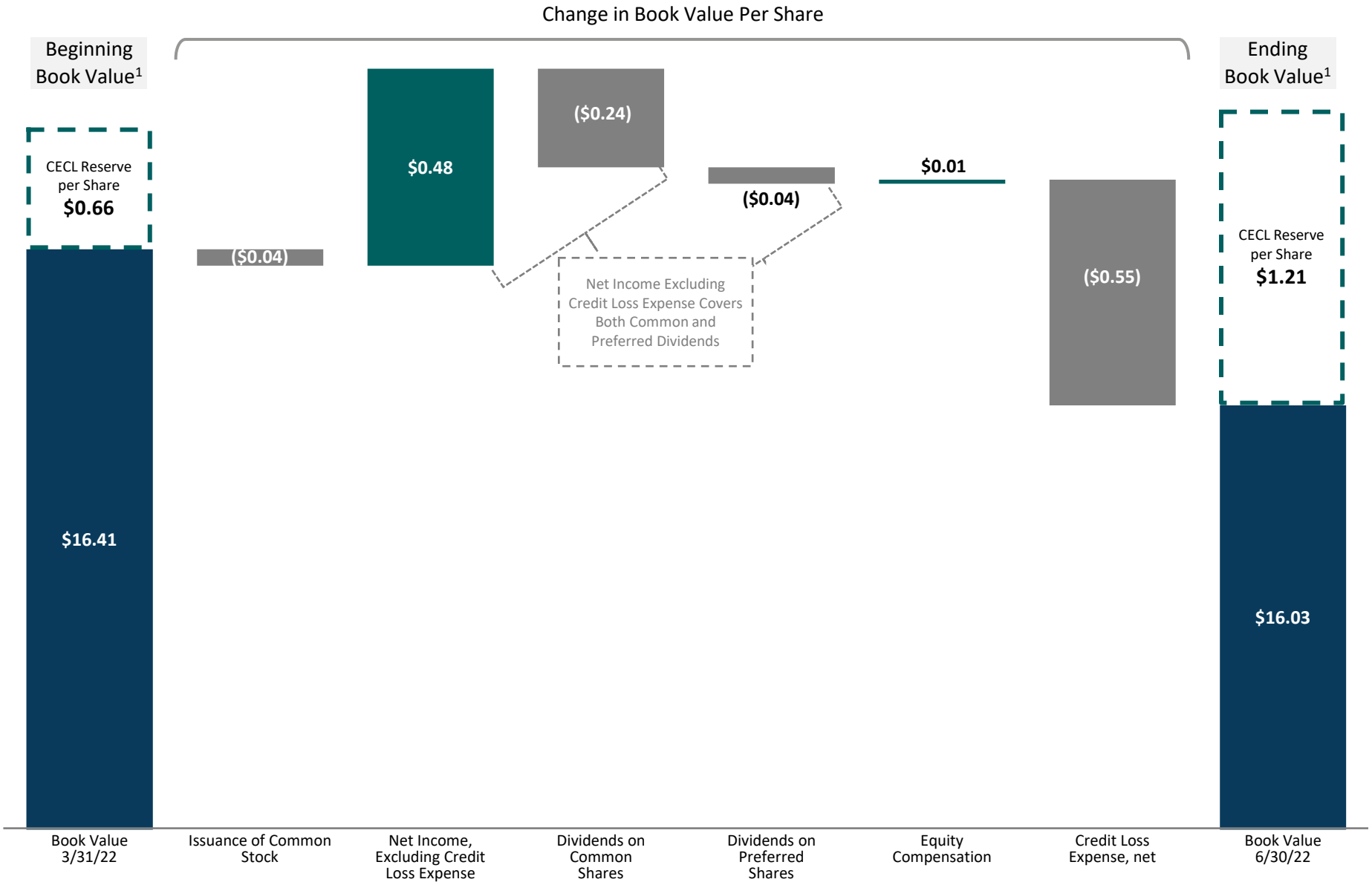


1Q22 Earnings per Share Walk



1. Calculated on Net Income (Loss) Attributable to Common Stockholders; refer to Appendix for reconciliation from GAAP Net Income (Loss) to Net Income (Loss) Attributable to Common Stockholders

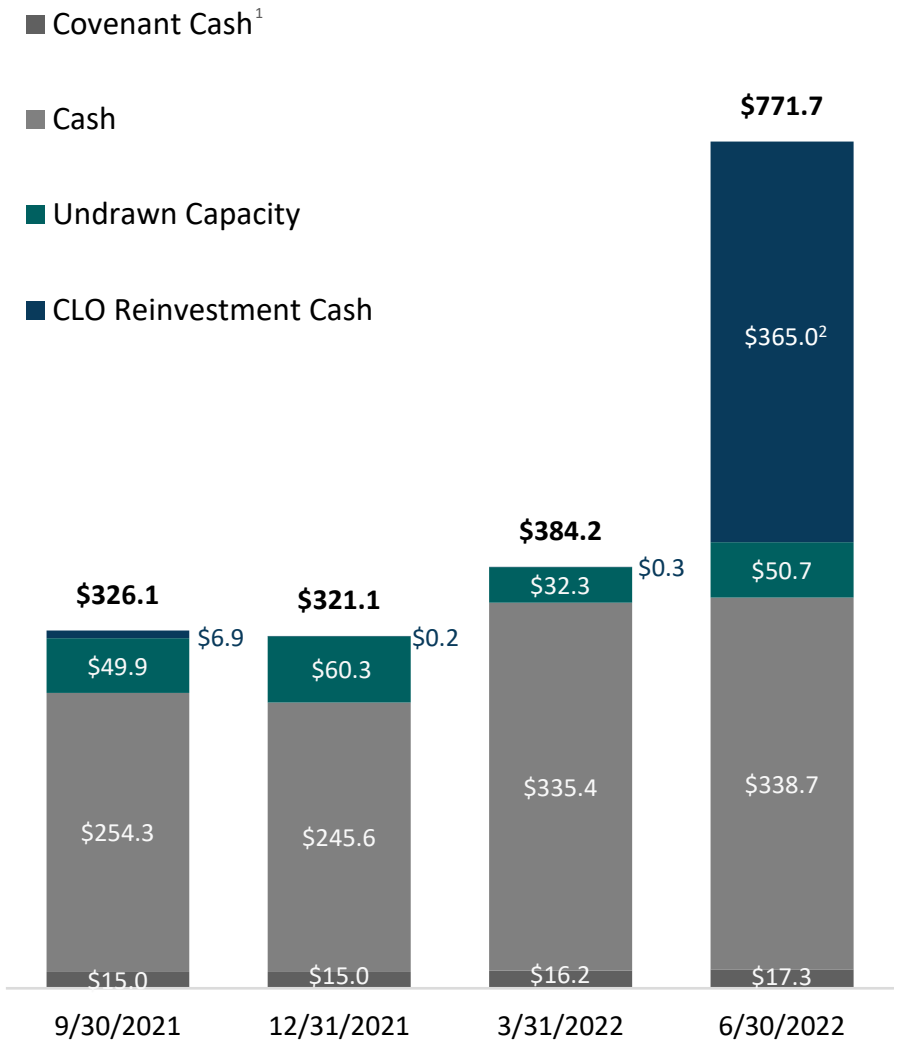
Book Value Walk 2Q 2022



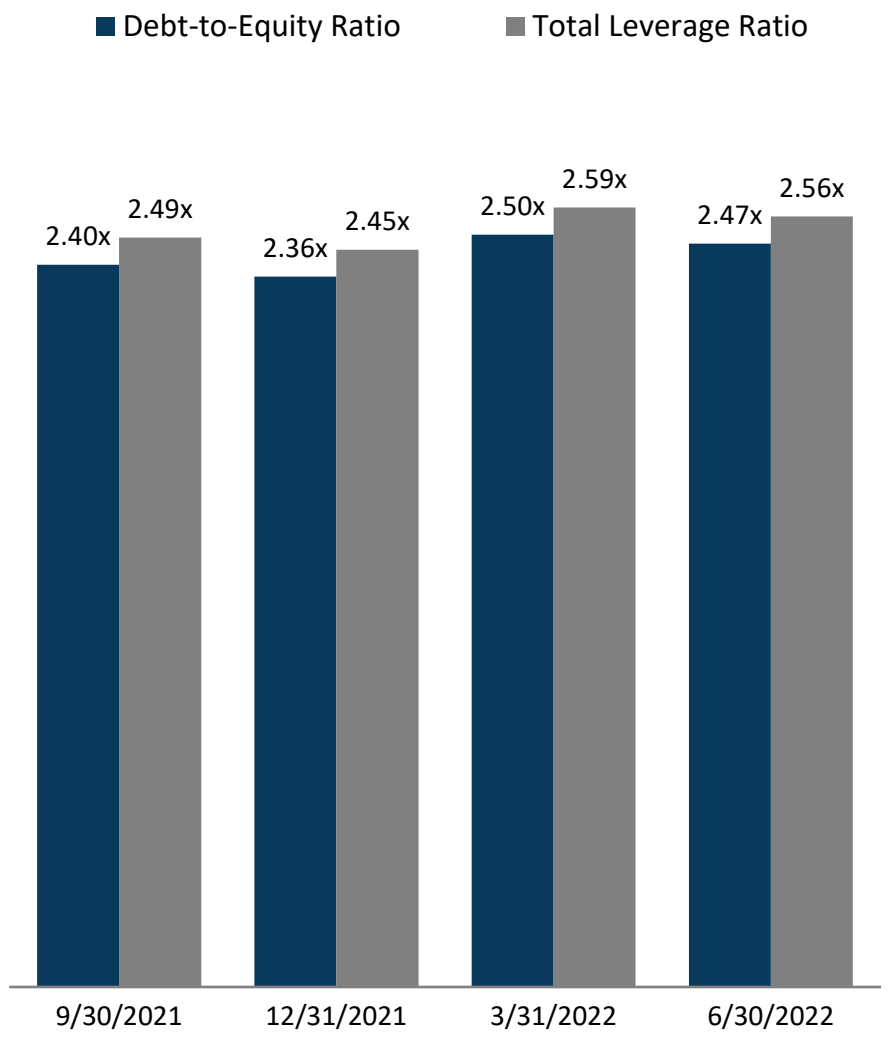
1. Does not reflect dilutive impact of 12M outstanding warrants. Each warrant entitles the holder thereof to purchase one share of our common stock for $7.50 per share, subject to adjustment. The warrants are exercisable on a net settlement basis, such that the holder of the warrants will receive shares in an amount (rounded down to the nearest whole share) equal to the difference between the fair market value of one share of common stock on the exercise date and the strike price multiplied by the number of warrants exercised divided by the fair market value of one share of common stock.
Note: Totals may not sum due to rounding

Liquidity and Leverage

Available Liquidity ($ in millions)



Leverage Ratios[3]



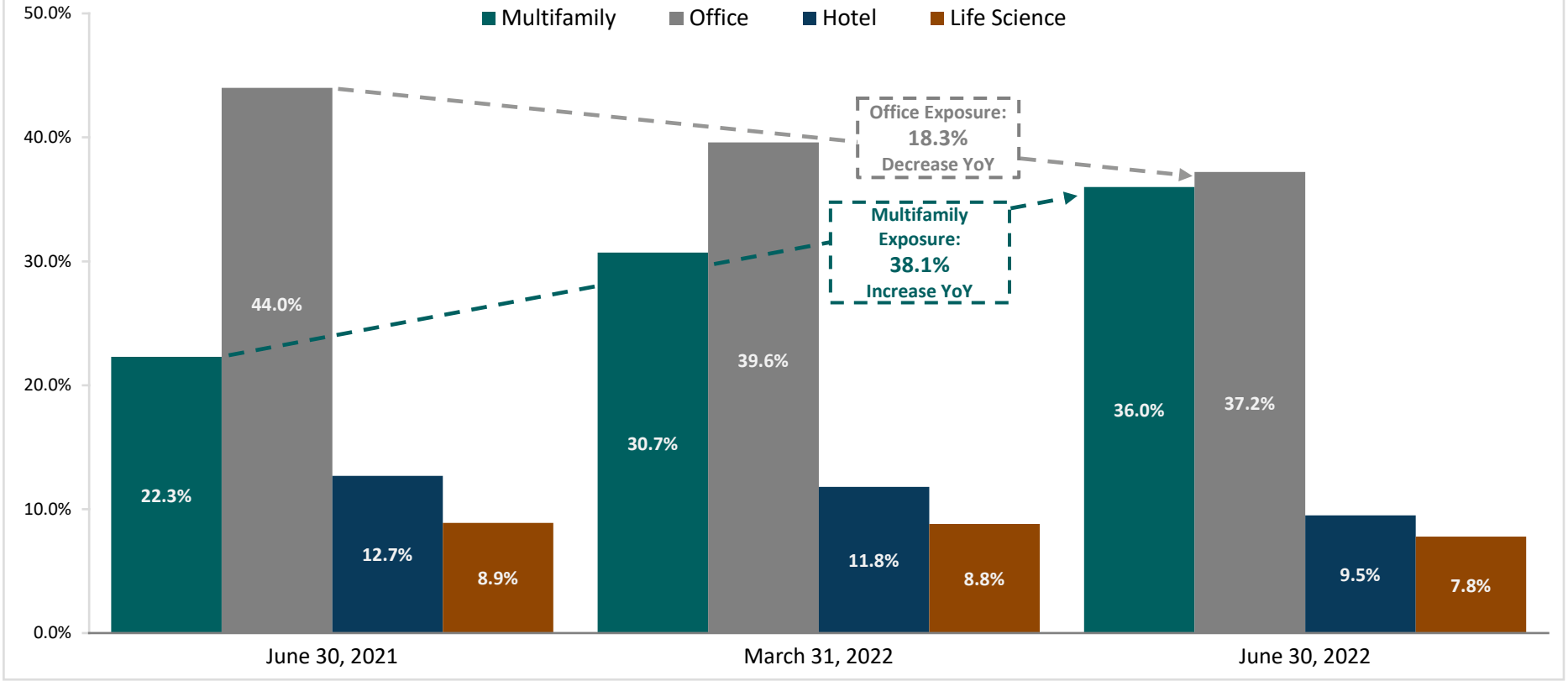
1. Cash held to satisfy liquidity covenants under secured credit agreements
2. Includes $234.1 million held at the trustee for future reinvestment
3. See Appendix for definitions of Debt-to-Equity Ratio and Total Leverage Ratio

Note: Totals may not sum due to rounding

Loan Portfolio Overview

Loan Investment Portfolio	2Q22	1Q22	QoQ Change
Total Loan Commitments	$5,186.5M	$5,593.3M	(7.3%)
Unpaid Principal Balance	$4,710.2M	$5,125.2M	(8.1%)
Average Loan Size	$71.0M	$76.6M	(7.2%)
MSA Concentrations (Top 25 / Top 10)[1]	76.5% / 51.8%	80.2% / 50.3%	(4.7%) / 2.9%
Weighted Average Loan Risk Rating	3.2	3.1	NM

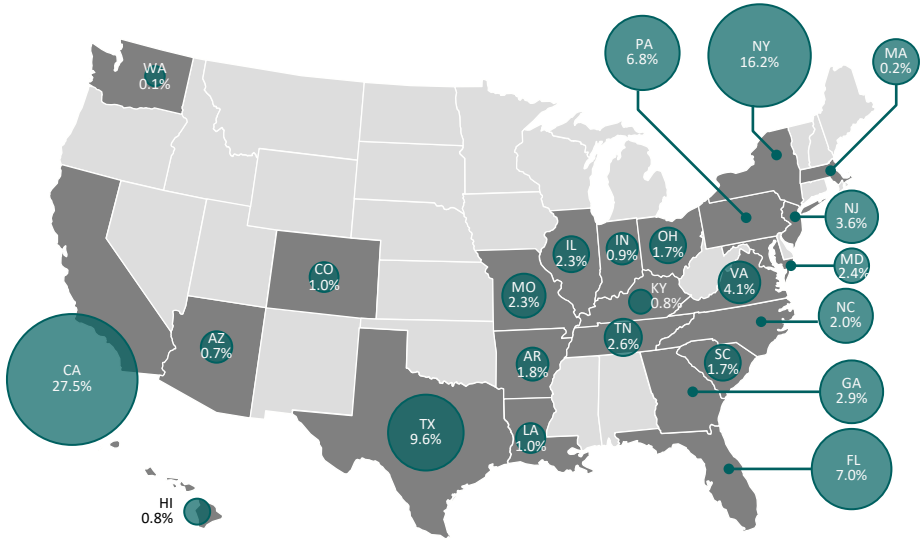
Property Type Migration[2]



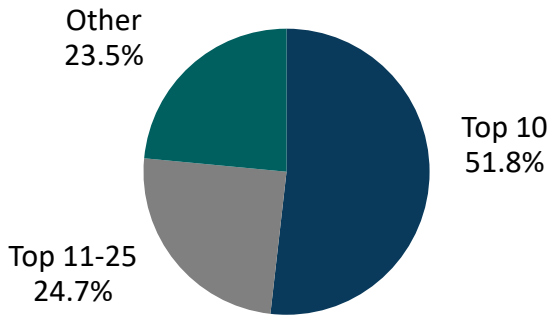
1. Top 25 markets determined by US Census. Portfolio loans with collateral properties that are located in different MSAs are classified in the market designation with over 50% of underlying loan collateral by unpaid principal balance
2. As a percent of total commitment

Diversified Loan Portfolio

National, Major Market Footprint[1]

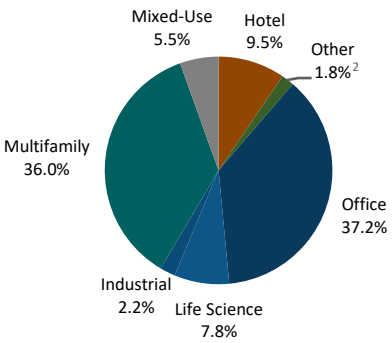


Lending Focused in Top 25 Markets[4]

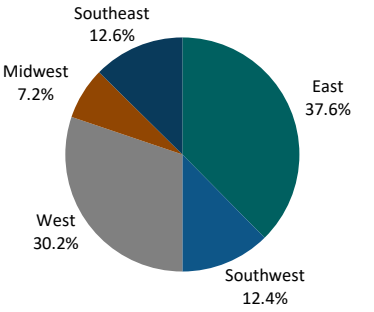


Top 25 Markets Account for 76.5% of Total Loan Commitments

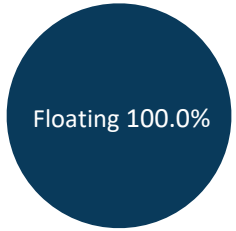
Property Diversity[1,3]



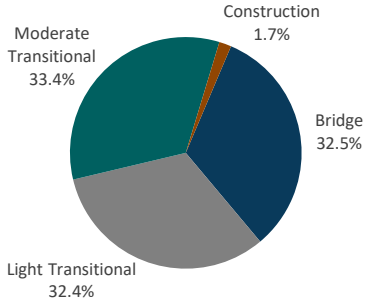
Geographic Diversity[1,3]



Fixed vs. Floating



Loan Category[1,3]

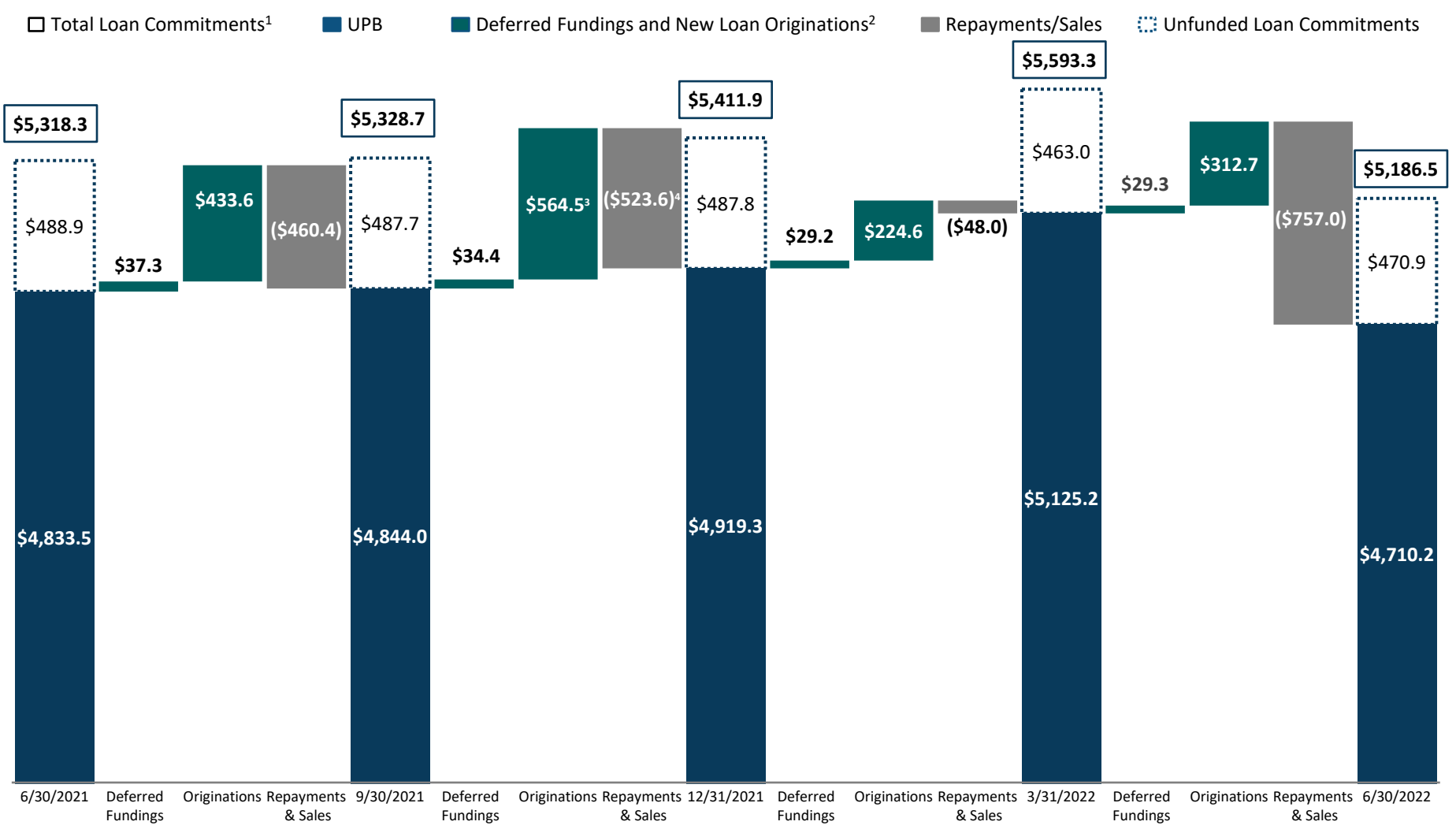


- Loan Portfolio: $5.2 billion commitments | $4.7 billion UPB
- Weighted Average Coupon: 5.25%[5]
- Weighted Average Credit Spread: 3.44%
- Weighted Average Index Rate Floor: 90 bps
- Weighted Average Risk Rating: 3.2
- Weighted Average LTV: 67.6%

1. By total loan commitment at June 30, 2022
2. Includes Other, Retail and Condominium properties totaling 1.8% of total loan portfolio (1.0%, 0.6% and 0.2%, respectively)
3. See Appendix for definitions
4. Top 25 markets determined by US Census. Portfolio loans with collateral properties that are located in different MSAs are classified in the market designation with over 50% of underlying loan collateral by unpaid principal balance
5. Calculated using the combination of credit spread plus the greater of the current index rate or the index rate floor on a loan-by-loan basis

Loan Portfolio Walk

Loan Funding Activity

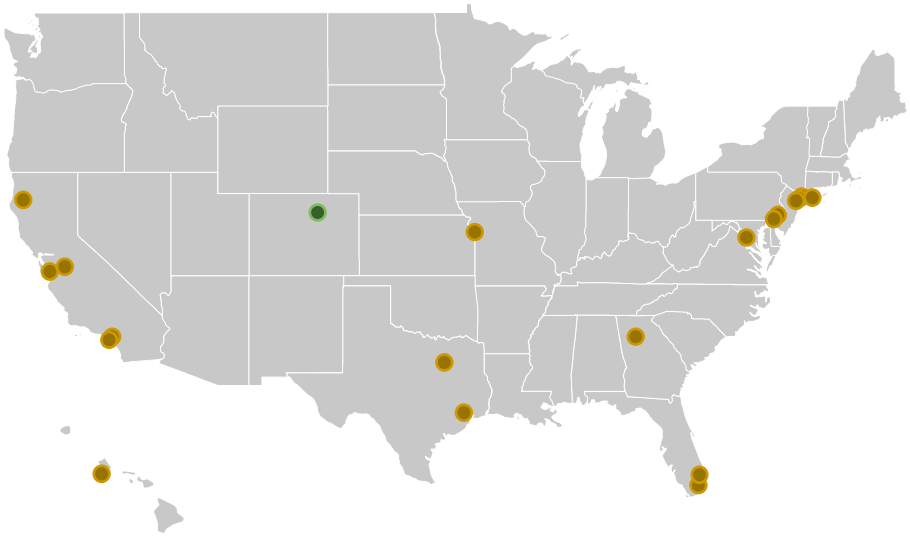


1. Loan commitments exclude (1) PIK interest resulting from previously modified loans of $2.4 million as of June 30, 2022, $2.7 million as of March 31, 2022, $3.0 million as of December 31, 2021, $3.5 million as of September 30, 2021, and $4.2 million as of June 30, 2021, and includes (2) $7.8 million commitment related to a non-performing retail loan held for investment. The commitment cannot be drawn by the borrower. This loan was repaid in July 2022.
2. New loan originations include initial loan funding amounts at the transaction close date; all subsequent loan fundings are included in deferred fundings.
3. Includes a follow-on loan of $9.6 million (commitment) and $8.7 million (initial unpaid principal balance) relating to a loan originated during the three months ended September 30, 2021.
4. Includes an $8.2 million partial write-off of a loan held for investment (recognized as a partial worthlessness deduction for income tax purposes) related to a non-performing retail loan.
Note: As of September 30, 2021 loan portfolio data includes one loan classified as held for sale with a carrying value of $86.6 million; loan was sold in 4Q21

Multifamily and Office Loan Overview

Office

- 37.2% of total loan commitments at June 30, 2022
  - 92.3% in Top 25 US MSAs / 82.3% in Top 10
  - 67.6% Weighted Average LTV[1]
  - Office loans comprised 6.0% of TTM Originations
  - 100% Interest Collections in 2Q22



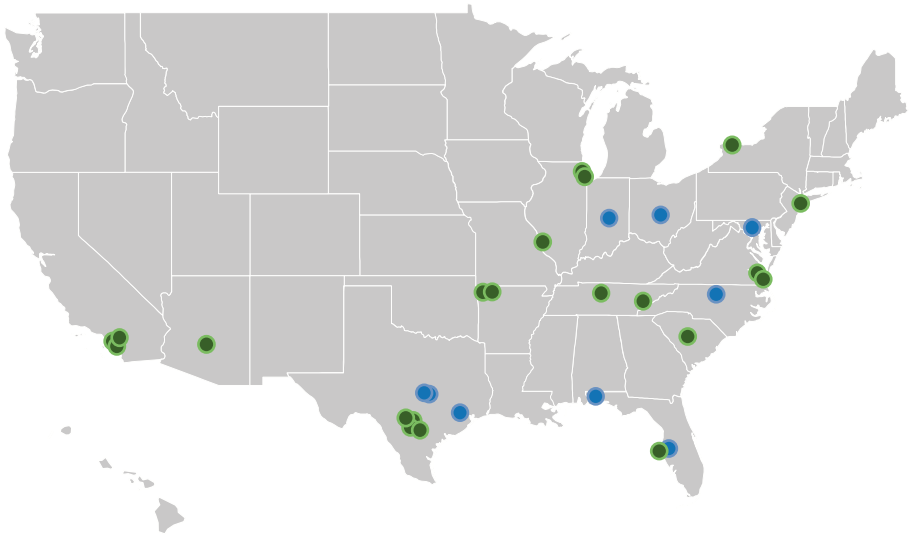






Multifamily

- 36.0% total loan commitments at June 30, 2022
  - 59.0% in Top 25 US MSAs / 31.0% in Top 10
  - 73.0% Weighted Average LTV[1]
  - Multifamily loans comprised 78.3% of TTM Originations
  - 100% Interest Collections in 2Q22









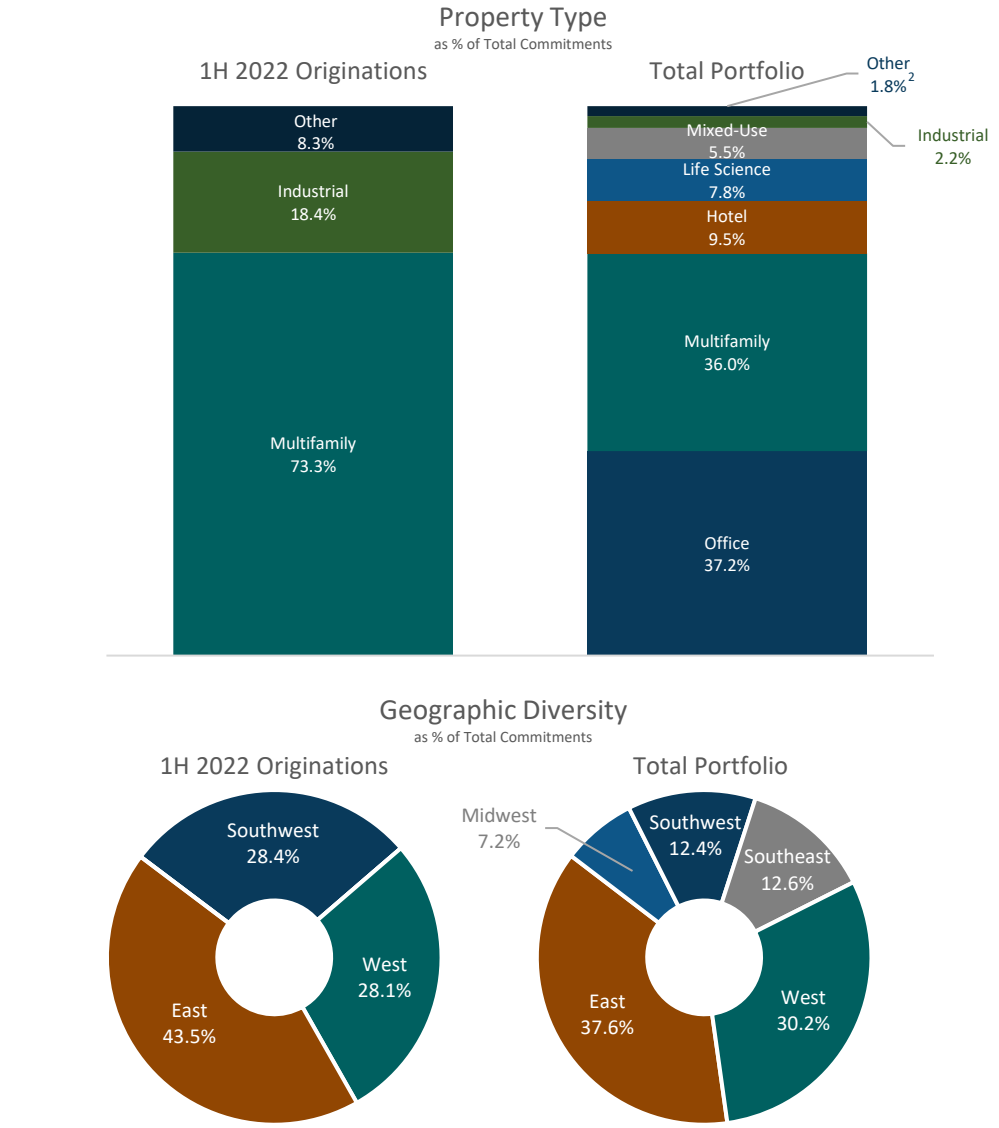
1. See Appendix for definitions, including LTV
Note: Green dots on maps represent loans originated in the trailing twelve months

1H 2022 Loan Originations

Investment Highlights[1]

- 12 first mortgage loans
- Total commitments of $613.3M
- Initial fundings of $537.3M
- Average loan size of $51.1M
- 100% floating rate
- Weighted average interest rate of Term SOFR+ 3.96%
- Weighted average index rate floor of 20 bps
- Weighted Average LTV of 66.8%

Loan Originations vs. Total Loan Portfolio



1. See Appendix for definitions, including LTV
2. Includes Other, Retail and Condominium properties totaling 1.8% of total loan portfolio (1.0%, 0.6% and 0.2%, respectively)

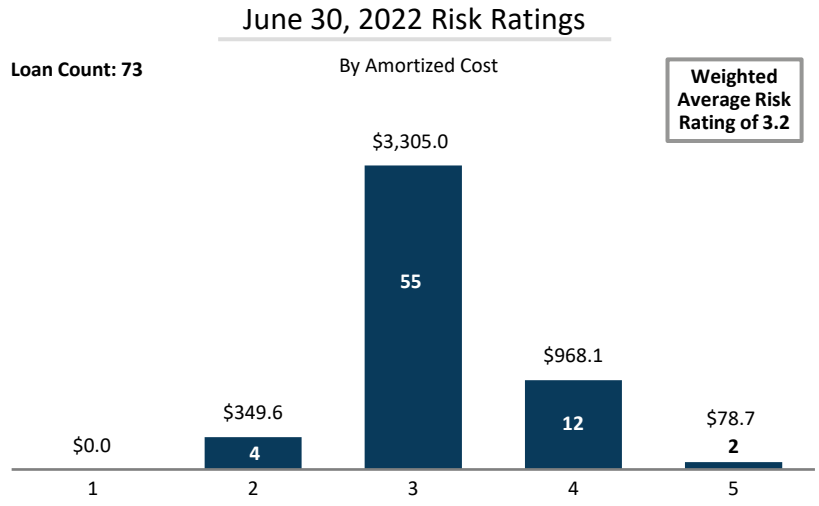
Select 2Q22 Loan Originations

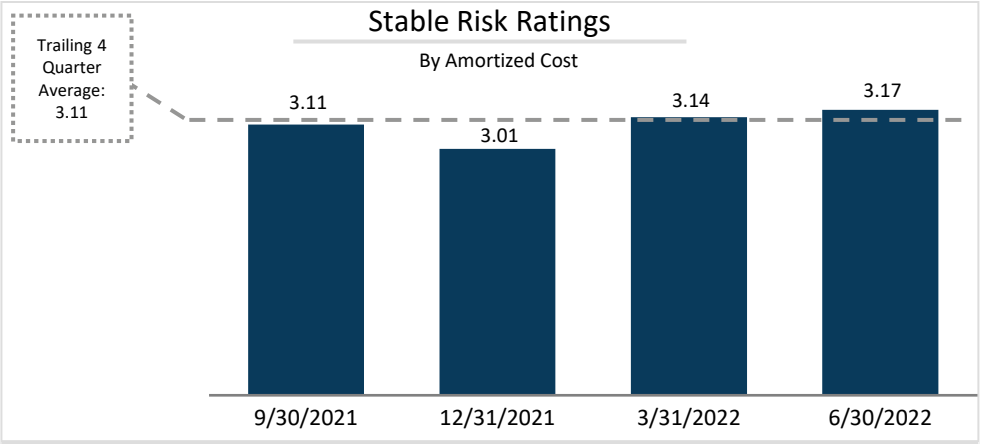
	Multifamily	Multifamily	Multifamily
Commitment	$97.0M	$63.0M	$51.6M
Location	Los Angeles, CA	Buffalo, NY	San Antonio, TX
Collateral	✓ 176-unit Class A property consisting of 5 floors above 2.5 floors of subterranean and partially-subterranean parking	✓ 376-unit, 38-building property comprised of four mid-rise buildings totaling 104 units, and 34 carriage house buildings totaling 272 units	✓ 324-unit Class B property
Borrower Business Plan	✓ Project is on-budget; Sponsor intends to stabilize property over a 14-month period, beginning in 4Q 2022	✓ Deliver and lease-up remaining units (~13%), and increase rents at the property	✓ Undertake in-unit renovations and increase rents
LTV / In-Place Debt Yield[1,2]	60.0% / N/A[3]	67.1% / 5.7%	70.2% / 5.0%
Loan Category[1]	Moderate Transitional	Bridge	Bridge
Investment Date	April 2022	April 2022	June 2022
Property Photos			

1. See Appendix for definitions, including LTV and Loan Category
2. In-place debt yield for loans originated during 2Q22 is defined as the ratio of in-place net cash flow (annualized) divided by the initial funding amount, both as of the closing date
3. Property is nearing completion of construction

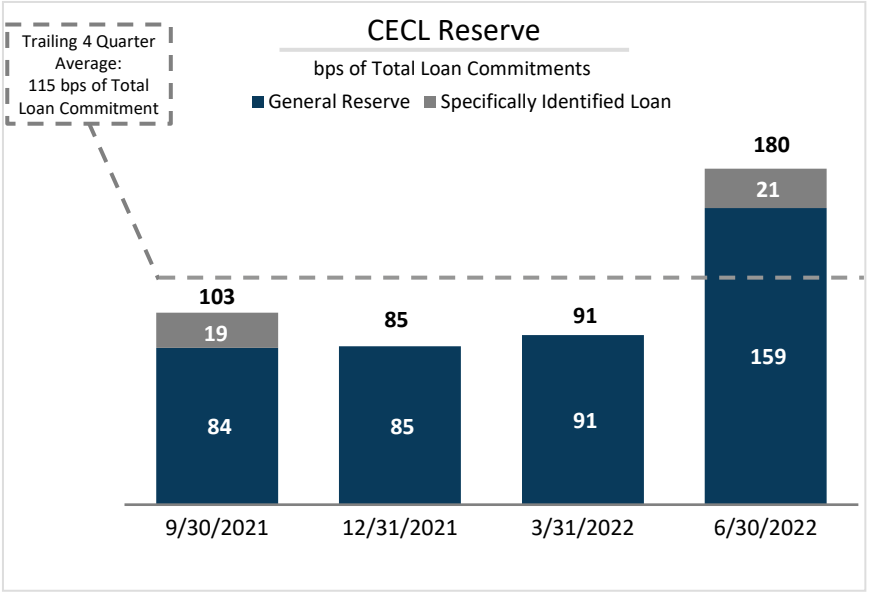
Risk Ratings and CECL Reserve

Dispersion of Risk Ratings





	9/30/2021	12/31/2021	3/31/2022	6/30/2022
Start of Period	3.1	3.1	3.0	3.1
Repayments/ Sales	2.4	3.3	3.0	2.8
Originations	3.0	3.0	3.0	3.0
End of Period	3.1	3.0	3.1	3.2



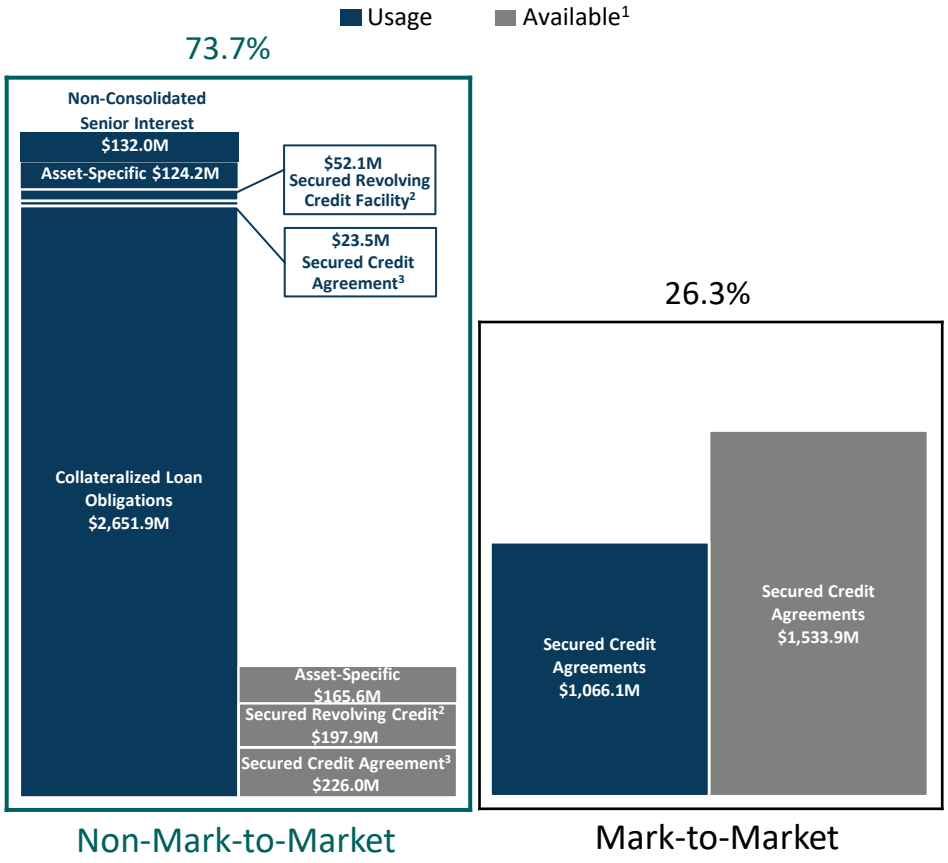


Loan Financing Overview

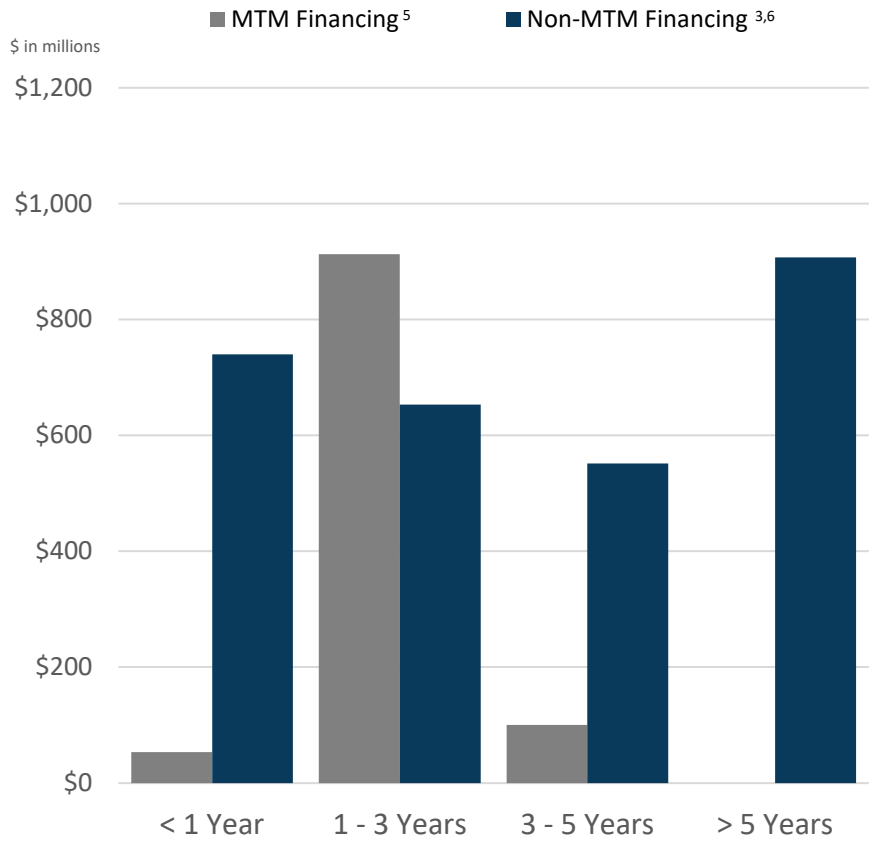
2Q22 Financing Activity

- Closed an asset-specific financing arrangement with Axos Bank providing $89.8M of non-mark-to-market financing for one performing first mortgage loan secured by an office property
- Closed a $200.0 million loan financing facility with BMO Harris Bank providing asset-specific financing on a non-mark- to-market basis with matched term

Non-MTM Borrowings Exceed 70%



Maturity Profile of Outstanding Borrowings[4]

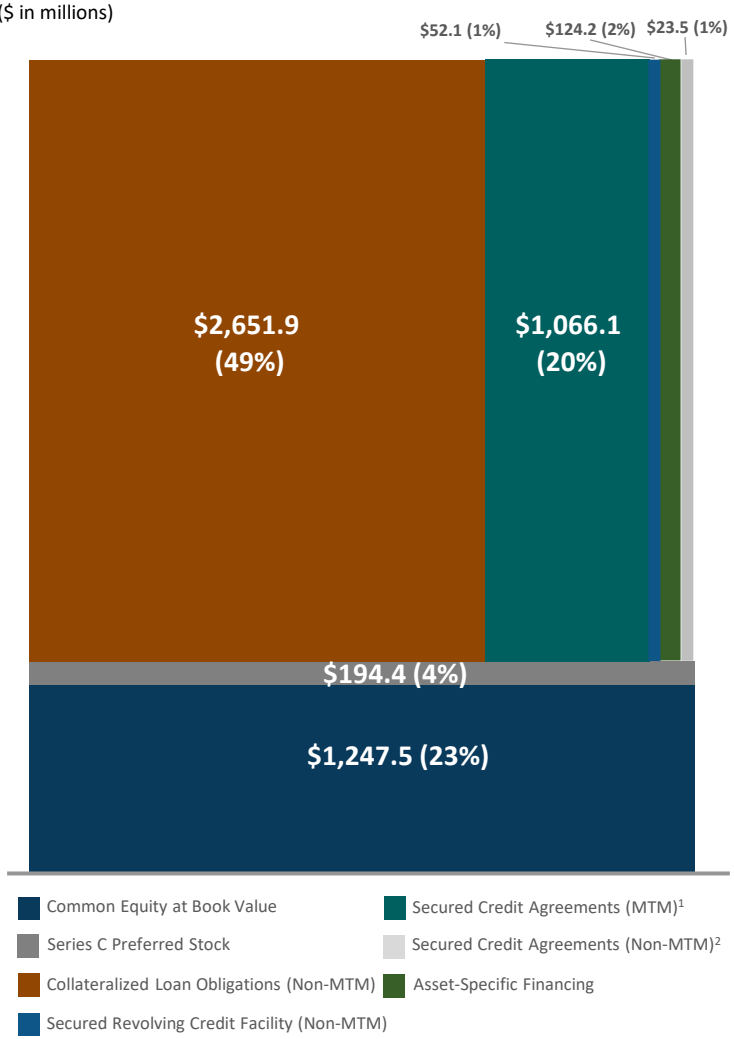


1. Represents capacity available to be borrowed provided we pledge, and the lender approves, additional collateral assets
2. Non-MTM financing providing the Company with interim financing of eligible loans for up to 180 days at an initial advance rate of 75.0%, which declines to 65.0%, 45.0%, and 0.0% after 90, 135, and 180 days from initial borrowing
3. Includes one secured credit facility which may be re-margined beginning after its second anniversary date on October 30, 2022 based on an LTV test; otherwise, no credit or spread-based margin calls apply
4. Based on extended maturity dates where ability to extend is at Company's option
5. Includes mark-to-market secured financing agreements and asset-specific financings
6. Includes non-mark-to-market secured financing agreements and collateralized loan obligations

Capital Structure

Capital Structure Composition

($ in millions)



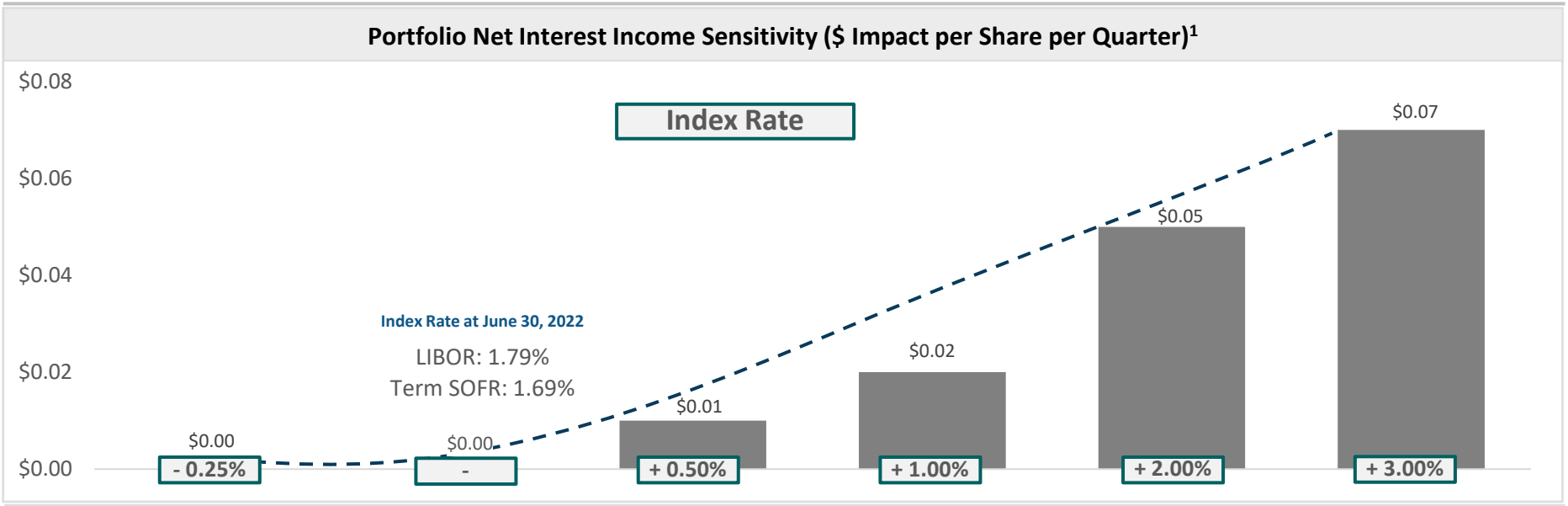
Capital Structure Detail

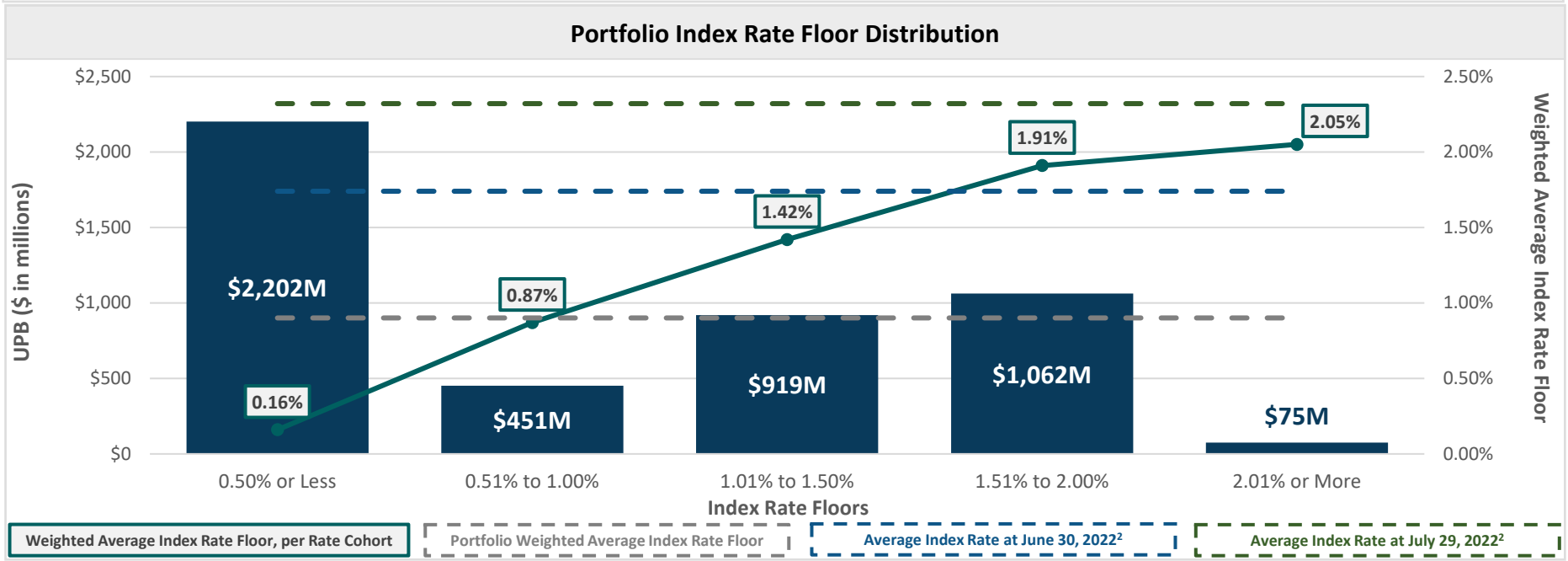
($ in millions)	Total Commitments	W.A. Approved Advance Rate	Look-Through LTV	W.A. Cost of Funds	W.A. Maturity	Outstanding at 6/30/22
Secured Credit Agreements (MTM)[1]	$2,600.0	77.3%	52.2%	1.72%	Feb 2025[3]	$1,066.1
Secured Credit Agreement (Non-MTM)[2]	$249.5	60.0%	37.0%	4.50%	Oct 2025[4]	$23.5
Total Secured Credit Agreements	**$2,849.5**	**77.0%**	**51.8%**	**1.78%**		**$1,089.6**
Asset-Specific Financing	$289.8	58.3%	39.7%	3.58%	Feb 2025	$124.2
Secured Revolving Credit Facility (Non-MTM)	$250.0	75.0%	53.9%	2.00%	Feb 2025	$52.1
Collateralized Loan Obligations	$2,651.9	82.3%	56.2%	1.74%	Aug 2037[5]	$2,651.9
Total Portfolio Financing	**$6,041.2**	**80.0%**	**54.3%**	**1.81%**		**$3,917.8**
Series C Preferred Equity						
Series C Cumulative Redeemable Preferred Stock				6.25%[6]		$194.4
Common Equity						
Common Equity ($0.001 par value per share; 77,403,381 shares issued and outstanding)						$1,247.5
Total Permanent Equity						**$1,441.9**
Total Capitalization						**$5,359.8**

1. All but one of our seven secured credit agreements are subject to credit marks only
2. Includes one secured credit facility which may be re-margined beginning on October 30, 2022 based on only an LTV test
3. Weighted average term to extended maturity of the six secured credit facilities, assuming all extension options and term-out provisions are exercised
4. Represents extended maturity
5. Represents weighted average legal maturity date
6. Represents fixed rate dividend

Note: Totals may not sum due to rounding

Positioned for Rising Rates





1. Static analysis based on loan portfolio composition as of 2Q 2022
2. Average of LIBOR and Term SOFR at spot date

Appendix

TRTX Loan Portfolio

$ Millions

Loan Name	TRTX Loan Commitment[1]	TRTX Loan Balance[2]	Interest Rate[3]	Extended Maturity	Location	Property Type	Commitment Per Sq. ft. / Unit	LTV[4]	Risk Rating[4]
Loan 1	$290.8	$289.0	L + 1.6%	2.2 years	New York, NY	Office	$574 Sq. ft.	65.2%[5]	3
Loan 2	$215.0	$131.9	L + 3.9%	3.9 years	Daly City (San Francisco), CA	Life Science	$545 Sq. ft.	63.1%	3
Loan 3[6]	$190.0	$190.0	L + 2.9%	0.7 years	New York, NY	Office	$859 Sq. ft.	65.2%	3
Loan 4	$188.0	$187.0	L + 3.4%	4.1 years	Various, NJ	Multifamily	$151,369 / Unit	71.3%	3
Loan 5[7]	$179.6	$179.6	L + 3.7%	0.2 years	Philadelphia, PA	Office	$168 Sq. ft.	73.6%	4
Loan 6[8]	$173.3	$173.3	L + 4.3%	0.3 years	Philadelphia, PA	Office	$213 Sq. ft	72.2%	2
Loan 7	$152.6	$110.1	L + 3.4%	2.1 years	Brookhaven (Atlanta), GA	Office	$215 Sq. ft.	61.4%	3
Loan 8	$143.0	$134.5	L + 2.6%	1.2 years	New York, NY	Mixed-Use	$1,741 Sq. ft.	61.0%	4
Loan 9	$122.5	$118.0	L + 2.9%	3.9 years	Towson, MD	Multifamily	$147,947 / Unit	70.2%	3
Loan 10	$114.0	$86.0	L + 3.1%	4.0 years	Hayward, CA	Life Science	$308 Sq. ft.	49.7%	3
Loans 11 – 73	**$3,417.6**	**$3,110.9**	**BR + 3.7%**	**3.2 years**				**68.2%**	**3.2**
Total Loans	**$5,186.5**	**$4,710.2**	**BR + 3.4%**	**2.7 years**				**67.6%**	**3.2**

1. Represents TRTX's potential maximum loan commitment/balance
2. Represents TRTX's current loan balance and excludes third party pari passu and junior positions in the same capital structure, if any
3. "BR" refers to underlying benchmark interest rate, either Term SOFR or 1-month LIBOR
4. See Appendix for a description of the Company's Loan Risk Rating scale and definitions, including definition of LTV
5. Calculated as the ratio of unpaid principal balance as of June 30, 2022 to the as-is appraised value at origination, to reflect the sale by us in August 2020 of the contiguous mezzanine loan with an unpaid principal balance of $46.4 million and a commitment amount of $50.0 million
6. Comprised of a first mortgage loan of $101.0 million and a contiguous mezzanine loan of $89.0 million, of which we own both; each loan carries the same interest rate
7. Comprised of a first mortgage loan of $129.4 million and a contiguous mezzanine loan of $50.2 million, of which we own both; each loan carries the same interest rate
8. Loan repaid in full in July 2022

Note: As of June 30, 2022; Not all TRTX investments have or will have similar experiences or results, and there can be no assurance that the investments listed above will continue to perform

Per Share Calculations

Reconciliation of Net Income Attributable to Common Stockholders and Distributable Earnings

- The following tables provide a reconciliation of GAAP net income to GAAP Net Income Attributable to Common Stockholders and Distributable Earnings (in thousands, except share and per share data):

	Three Months Ended (unaudited)			
	June 30, 2022	March 31, 2022	Dec 31, 2021	Sep 30, 2021
Net Income (Loss)	**($5,434)**	**$23,781**	**$44,878**	**$29,325**
Preferred Stock Dividends[1]	(3,148)	(3,148)	(3,148)	(3,157)
Participating Securities' Share in Earnings (Loss)	(226)	(197)	(301)	(122)
Net (Loss) Income Attributable to Common Stockholders	**($8,808)**	**$20,436**	**$41,429**	**$26,046**
Weighted-Average Common Shares Outstanding, Basic	77,188,291	77,183,957	77,053,224	77,060,225
Weighted-Average Common Shares Outstanding, Diluted	77,188,291	81,788,723	81,983,310	82,028,975
(Loss) Earnings Per Common Share, Basic	**($0.11)**	**$0.26**	**$0.54**	**$0.34**
(Loss) Earnings Per Common Share, Diluted	**($0.11)**	**$0.25**	**$0.51**	**$0.32**
Utilization of Taxable Income Capital Loss Carryforwards[2]	(13,291)	-	(15,790)	
Non-Cash Stock Compensation Expense	1,328	1,266	1,665	1,250
Credit Loss (Benefit) Expense[3]	42,290	4,884	(8,758)	(343)
Distributable Earnings	**$21,519**	**$26,586**	**$18,546**	**$26,953**
Weighted-Average Common Shares Outstanding, Basic	77,188,291	77,183,957	77,053,224	77,060,225
Weighted-Average Common Shares Outstanding, Diluted	80,592,302	81,788,723	81,983,310	82,028,975
Distributable Earnings per Common Share, Basic	**$0.28**	**$0.34**	**$0.24**	**$0.35**
Distributable Earnings per Common Share, Diluted	**$0.27**	**$0.33**	**$0.23**	**$0.33**

Book Value Per Common Share

	For the Period Ended			
	June 31, 2022	March 31, 2022	Dec 31, 2021	Sep 30, 2021
Total Stockholders' Equity	$1,441,928	$1,467,908	$1,464,706	$1,445,467
Series C Preferred Stock ($201,250 aggregate liquidation preference)	(201,250)	(201,250)	(201,250)	(201,250)
Series A Preferred Stock ($125 aggregate liquidation preference)	(125)	(125)	(125)	(125)
Stockholders' Equity, Net of Preferred Stock	1,240,553	1,266,533	1,263,331	1,244,092
Number of Common Shares Outstanding at Period End	77,403,381	77,185,845	77,183,892	77,047,966
Book Value per Common Share	**$16.03**	**$16.41**	**$16.37**	**$16.15**

1. Includes preferred stock dividends declared and paid for Series A preferred stock and Series C Preferred Stock
2. For the three months ended June 30, 2022 and December 31, 2021, taxable income capital loss carryforwards were utilized to offset a $13.3 million and $15.8 million taxable gain realized from the partial sale of an REO Property, respectively
3. Credit Loss (Benefit) Expense for the three months ended December 31, 2021 excludes the reversal of a $8.2 million reduction in our credit loss reserve associated with the partial write-off of a loan held for investment (recognized as a partial worthlessness deduction for income tax purposes) related to a non-performing retail loan; for the three months ended September 30, 2021 excludes a $0.5 million loss on sale upon the transfer of one loan from our loans held for investment portfolio to loan held for sale at quarter end

Consolidated Balance Sheets

All amounts in thousands except share and per share amounts

ASSETS	June 30, 2022	December 31, 2021
Cash and Cash Equivalents	$355,994	$260,635
Restricted Cash	789	404
Accounts Receivable	112	12
Collateralized Loan Obligation Proceeds Held at Trustee	130,908	204
Accounts Receivable from Servicer/Trustee	259,823	176
Accrued Interest and Fees Receivable	28,676	26,620
Loans Held for Investment	4,701,410	4,909,202
Allowance for Credit Losses	(84,156)	(41,999)
Loans Held for Investment, net (includes $1,502,203 and $1,697,481, respectively, pledged as collateral under secured financing agreements)	4,617,254	4,867,203
Real Estate Owned	0	60,622
Other Assets	1,533	2,144
Total Assets	**$5,395,089**	**$5,218,020**
LIABILITIES AND EQUITY		
Liabilities		
Accrued Interest Payable	$4,300	$2,723
Accrued Expenses and Other Liabilities	17,723	11,563
Collateralized Loan Obligations, net	2,639,314	2,545,691
Secured Financing Agreements, net	1,137,416	1,162,206
Asset Specific Financings, net	123,579	—
Payable to Affiliates	11,039	5,609
Deferred Revenue	1,064	1,366
Dividends Payable	18,726	24,156
Total Liabilities	**$3,953,161**	**$3,753,314**
Commitments and Contingencies		
Permanent Equity:		
Series A Preferred Stock ($0.001 par value per share; 100,000,000 and 100,000,000 shares authorized; 125 and 125 shares issued and outstanding, respectively) ($125 aggregate liquidation preference)	—	—
Series C Preferred Stock ($0.001 par value per share; 8,050,000 shares authorized; 8,050,000 and 8,050,000 shares issued and outstanding, respectively) ($201,250 aggregate liquidation preference)	8	8
Common Stock ($0.001 par value per share; 302,500,000 and 302,500,000 shares authorized, respectively; 77,403,381 and 77,183,892 shares issued and outstanding, respectively)	77	77
Additional Paid-in-Capital	1,714,480	1,711,886
Accumulated Deficit	(272,637)	(247,265)
Total Stockholders' Equity	**1,441,928**	**1,464,706**
Total Permanent Equity	**1,441,928**	**1,464,706**
Total Liabilities and Stockholders' Equity	**$5,395,089**	**$5,218,020**

Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)

All amounts in thousands except share and per share amounts

	Three Months Ended June 30,	
INTEREST INCOME AND INTEREST EXPENSE	**2022**	**2021**
Interest Income	$66,021	$61,915
Interest Expense	(28,008)	(22,017)
Net Interest Income	**38,013**	**39,898**
OTHER REVENUE		
Other Income, net	629	157
Total Other Revenue	**629**	**157**
OTHER EXPENSES		
Professional Fees	1,150	1,137
General and Administrative	949	1,081
Stock Compensation Expense	1,328	1,393
Servicing and Asset Management Fees	493	328
Management Fee	5,856	5,344
Incentive Management Fee	5,183	-
Total Other Expenses	**14,959**	**9,283**
Gain on Sale of Real Estate Owned, net	13,291	-
Credit Loss (Expense) Benefit, net	(42,290)	1,852
(Loss) Income Before Income Taxes	**(5,316)**	**32,624**
Income Tax Expense, net	(118)	(233)
Net (Loss) Income	**($5,434)**	**$32,391**
Preferred Stock Dividends and Participating Securities' Share in Earnings (Loss)	(3,374)	(6,947)
Series B Preferred Stock Redemption Make-Whole Payment	-	(22,485)
Series B Preferred Stock Accretion, including Allocated Warrant Fair Value and Transaction Costs		(23,997)
Net (Loss) Income Attributable to Common Stockholders	**($8,808)**	**($21,038)**
(Loss) Earnings per Common Share, Basic	($0.11)	($0.27)
(Loss) Earnings per Common Share, Diluted	($0.11)	($0.27)
Weighted Average Number of Common Shares Outstanding		
Basic:	77,188,291	76,899,270
Diluted:	77,188,291	76,899,270
Dividends Declared per Common Share	$0.24	$0.20
OTHER COMPREHENSIVE INCOME		
Net (Loss) Income	(5,434)	32,391
Comprehensive Net (Loss) Income	**($5,434)**	**$32,391**

Consolidated Statements of Cash Flows

All amounts in thousands

	Six Months Ended	
Cash Flows from Operating Activities:	**June 30, 2022**	**June 30, 2021**
Net Income	$18,347	$64,347
Adjustment to Reconcile Net Income (Loss) to Net Cash Flows from Operating Activities:		
Amortization and Accretion of Premiums, Discounts and Loan Origination Fees, Net	(3,627)	(3,775)
Amortization of Deferred Financing Costs	7,400	7,644
Decrease of Accrued Capitalized Interest	613	548
Gain on Sale of Real Estate Owned, net	(13,291)	—
Loss on Sale of Loans Held for Investment, net	—	1,626
Stock Compensation Expense	2,594	2,849
Increase (Decrease) of Allowance For Credit Losses	47,174	(7,515)
Cash Flows Due to Changes in Operating Assets and Liabilities:		
Accounts Receivable	50	30
Accrued Interest Receivable	(2,260)	(2,051)
Accrued Expenses and Other Liabilities	757	(4,716)
Accrued Interest Payable	1,577	146
Payable to Affiliates	5,430	167
Deferred Fee Income	(302)	(97)
Other Assets	611	1,857
Net Cash Provided by Operating Activities	**65,073**	**61,060**
Cash Flows from Investing Activities:		
Origination of Loans Held for Investment	(535,053)	(631,408)
Advances on Loans Held for Investment	(58,558)	(73,136)
Principal Repayments of Loans Held for Investment	414,118	282,583
Sale of Real Estate Owned	73,913	—
Sales of Loans Held for Investment	—	58,374
Net Cash (Used in) Investing Activities	**(105,580)**	**(363,587)**
Cash Flows from Financing Activities:		
Payments on Collateralized Loan Obligations	(811,100)	(36,373)
Proceeds from Collateralized Loan Obligations	907,031	1,037,500
Payments on Secured Financing Agreements	(871,970)	(868,083)
Proceeds from Secured Financing Agreements	847,479	208,435
Proceeds from Asset-Specific Financing Arrangements	124,202	—
Payment of Deferred Financing Costs	(10,242)	(8,119)
Proceeds from Issuance of Series C Cumulative Redeemable Preferred Stock	—	201,250
Series B Preferred Stock Redemption Make-Whole Payment	—	(22,485)
Series B Preferred Stock Redemption at Par Value	—	(225,000)
Payment of Equity Issuance and Equity Distribution Agreement Transaction Costs	—	(6,360)
Dividends Paid on Common Stock	(42,853)	(44,998)
Dividends Paid on Preferred Stock	(6,296)	(12,338)
Net Cash Provided by Financing Activities	**136,251**	**223,429**
Net Change in Cash, Cash Equivalents, and Restricted Cash	95,744	(79,098)
Cash, Cash Equivalents and Restricted Cash at Beginning of Period	261,039	319,669
Cash, Cash Equivalents and Restricted Cash at End of Period	**$356,783**	**$240,571**
Supplemental Disclosure of Cash Flow Information:		
Interest Paid	41,604	34,526
Taxes Paid	125	973
Supplemental Disclosure of Non-Cash Investing and Financing Activities:		
Collateralized Loan Obligation Proceeds Held at Trustee	130,704	—
Dividends Declared, not paid	18,726	15,500
Principal Repayments of Loans Held for Investment by Servicer/Trustee, net	259,595	55,872
Accrued Equity Issuance and Transaction Costs	—	506
Accrued Deferred Financing Costs	388	587

Definitions

Distributable Earnings

- Distributable Earnings is a non-GAAP measure defined as GAAP net income (loss) attributable to our common stockholders, including realized gains and losses, regardless of whether such items are included in other comprehensive income or loss, or in GAAP net income (loss), and excluding (i) non-cash equity compensation expense, (ii) depreciation and amortization expense, (iii) unrealized gains (losses), and (iv) certain non-cash or income and expense items. The exclusion of depreciation and amortization expense from the calculation of Distributable Earnings only applies to debt investments related to real estate to the extent we foreclose upon the property or properties underlying such debt investments.
- We believe that Distributable Earnings provides meaningful information to consider in addition to our net income (loss) and cash flow from operating activities determined in accordance with GAAP. We generally must distribute at least 90% of our net taxable income annually, subject to certain adjustments and excluding any net capital gains, for us to continue to qualify as a REIT for U.S. federal income tax purposes. We believe that one of the primary reasons investors purchase our common stock is to receive our dividends. Because of our investors' continued focus on our ability to pay dividends, Distributable Earnings is an important measure for us to consider when determining our distribution policy and dividends per common share. Further, Distributable Earnings helps us to evaluate our performance excluding the effects of certain transactions and GAAP adjustments that we believe are not necessarily indicative of our current loan investment and operating activities.
- Distributable Earnings excludes the impact of our credit loss provision or reversals of our credit loss provision, but only to the extent that our credit loss provision exceeds any realized credit losses during the applicable reporting period.
- A loan will be written off as a realized loss when it is deemed non-recoverable, or upon a realization event. Such a realized loss would generally be recognized at the time the loan receivable is settled, transferred or exchanged, or in the case of foreclosure, when the underlying property is foreclosed upon or sold. Non-recoverability may also be concluded by us if, in our determination, it is nearly certain that all amounts due will not be collected. A realized loss may equal the difference between the cash or consideration received or expected to be received, and the net book value of the loan, reflecting our economics as it relates to the ultimate realization of the asset.
- Distributable Earnings does not represent net income (loss) or cash generated from operating activities and should not be considered as an alternative to GAAP net income (loss), an indication of our GAAP cash flows from operations, a measure of our liquidity, or an indication of funds available for our cash needs. In addition, our methodology for calculating Distributable Earnings may differ from the methodologies employed by other companies to calculate the same or similar supplemental performance measures, and accordingly, our reported Distributable Earnings may not be comparable to the Distributable Earnings reported by other companies.

Definitions (cont.)

Deferred Fundings

- Fundings to borrowers that are made under existing loan commitments after a loan closing date

Geographic Diversity

- TRTX divides the South region into separate Southeast and Southwest regions using definitions established by The National Council of Real Estate Investment Fiduciaries (NCREIF). A reconciliation to TRTX's Form 10-Q at June 30, 2022 follows (dollars in millions):

Region	Form 10-Q	Reclassification	Supplemental	% Total Commitment
East	$1,942.5	$9.0	$1,951.5	37.6%
South	1,290.9	(1,290.9)	-	-
West	1,510.3	$56.8	1,567.1	30.2%
Midwest	372.8	-	372.8	7.2%
Southeast	-	654.5	654.5	12.6%
Southwest	-	640.6	640.6	12.4%
Various	70.0	(70.0)	-	-
Total	**$5,186.5**	**$-**	**$5,186.5**	**100.0%**

Note: Totals may not sum due to rounding

Leverage

- Debt-to-Equity Ratio - Represents (i) total outstanding borrowings under secured financing arrangements, including collateralized loan obligations, secured credit agreements, asset-specific financing arrangements, a secured revolving credit facility, and mortgage loans payable (if any), less cash, to (ii) total stockholders' equity, at period end
- Total Leverage Ratio - Represents (i) total outstanding borrowings under secured financing arrangements, including collateralized loan obligations, secured credit agreements, asset-specific financing arrangements, a secured revolving credit facility, and mortgage loans payable (if any), plus nonconsolidated senior interests sold or co-originated (if any), less cash, to (ii) total stockholders' equity, at period end

Loan-to-Value (LTV)

- Except for construction loans, LTV is calculated for loan originations and existing loans as the total outstanding principal balance of the loan or participation interest in a loan (plus any financing that is pari passu with or senior to such loan or participation interest), divided by the as-is appraised value of our collateral at the time of origination or acquisition of such loan or participation interest. For construction loans only, LTV is calculated as the total commitment amount of the loan divided by the as-stabilized value of the real estate securing the loan. The as-is or as-stabilized (as applicable) value reflects our Manager's estimates, at the time of origination or acquisition of the loan or participation interest in a loan, of the real estate value underlying such loan or participation interest determined in accordance with our Manager's underwriting standards and consistent with third-party appraisals obtained by our Manager

Definitions (cont.)

Loan Category

- Bridge Loan - A loan with limited deferred fundings, generally less than 10% of the total loan commitment, which fundings are commonly conditioned on the borrower's satisfaction of certain collateral performance tests. The related business plan generally involves little or no capital expenditure related to base building work (e.g., building mechanical systems, lobbies, elevators, common areas, or other amenities), with most deferred fundings related to leasing activity. The primary focus is on maintaining or improving current operating cash flow, or addressing minimal lease expirations or existing tenant vacancies
- Light Transitional Loan - A transitional loan with deferred fundings ranging from 10% to 20% of the total loan commitment, which fundings are commonly conditioned on the borrower's completion of specified improvements to the property or satisfaction of certain collateral performance tests. The related business plan is to lease existing or forecasted tenant vacancy to achieve stabilized occupancy and cash flow. Capital expenditure is primarily to fund leasing commissions and tenant improvements for new tenant leases, and capital expenditure allocated to base building work generally does not exceed 20%. Deferred fundings may also be budgeted to fund operating deficits, or interest expense, during the period prior to stabilized occupancy
- Moderate Transitional Loan - A transitional loan with deferred fundings greater than 20% of the total loan commitment, which fundings are commonly conditioned on the borrower's completion of specified improvements to the property or satisfaction of certain collateral performance tests. The related business plan generally involves capital expenditure for base building work needed before substantial leasing activity can be achieved, followed by capital expenditure for tenant improvements and leasing commissions to achieve stabilized occupancy and cash flow. Deferred fundings may also be budgeted to fund operating deficits, or interest expense, during the period prior to stabilized occupancy
- Construction Loan - A loan made to a borrower to fund the ground-up construction of a commercial real estate property, or the horizontal development of commercial land

Non-Consolidated Senior Interest

- TRTX creates structural leverage through the co-origination or non-recourse syndication of a senior loan interest to a third-party. In either case, the senior mortgage loan (i.e., the non-consolidated senior interest) is not included on our balance sheet. When we create structural leverage through the co-origination or non-recourse syndication of a senior loan interest to a third-party, we retain on our balance sheet a mezzanine loan

Definitions (cont.)

Property Types

- Mixed-Use: TRTX classifies a loan as mixed-use if the property securing TRTX's loan (a) involves more than one use; and (b) no single use represents more than 60% of the collateral property's total value. In certain instances, TRTX's classification may be determined by its assessment of which use is the principal driver of the property's aggregate net operating income
- Life Science: TRTX classifies a loan as life science if more than 60% of the gross leasable area is leased to, or will be converted to, life science-related space. Life science-related space includes laboratory space, office space, or allied light manufacturing space used in support of biotechnology, pharmaceuticals, biomedical technologies, life systems technologies, and the design and manufacture of biomedical technology.

Loan Risk Ratings

- Based on a 5-point scale, the Company's loans are rated "1" through "5," from least risk to greatest risk, respectively, which ratings are defined as follows:
  - 1 - Outperform—Exceeds performance metrics (for example, technical milestones, occupancy, rents, net operating income) included in original or current credit underwriting and business plan;
  - 2 - Meets or Exceeds Expectations—Collateral performance meets or exceeds substantially all performance metrics included in original or current underwriting / business plan;
  - 3 - Satisfactory—Collateral performance meets or is on track to meet underwriting; business plan is met or can reasonably be achieved;
  - 4 - Underperformance—Collateral performance falls short of original underwriting, material differences exist from business plan, or both; technical milestones have been missed; defaults may exist, or may soon occur absent material improvement; and
  - 5 - Default/Possibility of Loss—Collateral performance is significantly worse than underwriting; major variance from business plan; loan covenants or technical milestones have been breached; the loan is in default or substantially in default; timely exit from loan via sale or refinancing is questionable; significant risk of principal loss.

Company Information

TPG RE Finance Trust, Inc. is a commercial real estate finance company that originates, acquires, and manages primarily first mortgage loans secured by institutional properties located in primary and select secondary markets in the United States. The Company is externally managed by TPG RE Finance Trust Management, L.P., a part of TPG Real Estate, which is the real estate investment platform of global alternative asset management firm TPG Inc. (NASDAQ: TPG).

For more information regarding TRTX, visit www.tpgrefinance.com.

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