

**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 3, 2021

TPG RE Finance Trust, Inc.

(Exact Name of Registrant as Specified in its Charter)

Maryland
(State or Other Jurisdiction
of Incorporation)

001-38156
(Commission
File Number)

36-4796967
(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 6.25% Series C Cumulative Redeemable Preferred Stock, par value \$0.001 per share	TRTX	New York Stock Exchange
	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 3, 2021, 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, 2021. 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.**

<u>Exhibit No.</u>	<u>Description</u>
99.1	Earnings Release, dated August 3, 2021
99.2	Supplemental Financial Information Presentation for the Quarter Ended June 30, 2021
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 3, 2021



TPG RE Finance Trust, Inc. Reports Operating Results for the Quarter Ended June 30, 2021

August 3, 2021

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, 2021.

SECOND QUARTER 2021 ACTIVITY

- GAAP net income was \$32.4 million during the three months ending June 30, 2021, compared to \$32.0 million for the preceding quarter, an increase of \$0.4 million, or 1.3%.
- Net interest margin was \$39.9 million during the three months ending June 30, 2021, compared to \$37.9 million for the preceding quarter, an increase of \$2.0 million, or 5.3%.
- GAAP net loss attributable to common stockholders was \$21.0 million, or \$(0.27) per diluted common share, and book value per common share on June 30, 2021 was \$16.03.
- Issued 8.05 million shares of 6.25% Series C Cumulative Redeemable Preferred Stock, generating net proceeds of \$194.4 million.
- Redeemed 9.0 million shares of 11.0% Series B Cumulative Redeemable Preferred Stock at an aggregate redemption price of \$247.5 million, including a \$225.0 million par redemption price and a \$22.5 million make-whole payment equal to the present value of all remaining dividend payments due after the redemption date through the second anniversary of the original issue date.
- Closed nine new loans with total commitments of \$752.5 million, an aggregate initial unpaid principal balance of \$597.0 million, a weighted average credit spread of 3.48%, a weighted average LIBOR floor of 0.22% and a weighted average loan-to-value ratio of 67.3%.
- Funded \$43.9 million of future funding obligations associated with existing loans.
- Received loan repayments of \$334.0 million, including four full loan repayments totaling \$330.7 million, of which 90.3% measured by unpaid principal balance was office loans.
- Weighted average risk rating of the Company’s loan portfolio remains unchanged from the preceding quarter at 3.1 as of June 30, 2021.
- Reduced CECL reserve by \$3.5 million to \$55.3 million at quarter-end, equating to 104 basis points of total loan commitments, down from \$58.8 million and 118 basis points at March 31, 2021.
- Sold one performing hotel loan with an unpaid principal balance of \$60.7 million for \$59.5 million, a \$0.98 dollar price based on par value. The loss on sale of \$1.6 million does not include the beneficial impact to the Company’s general CECL reserve resulting from the sale of the loan, which exceeded the loss on sale.
- Ended the quarter with \$393.0 million of total liquidity comprised of: cash and cash equivalents of \$239.7 million, of which \$224.7 million was available for investment, net of \$15.0 million held to satisfy a cash liquidity covenant under the Company’s secured credit agreements; undrawn capacity (liquidity available to the Company without the need to pledge additional collateral) under secured borrowing arrangements of \$99.5 million (of which \$68.8 million was immediately available); and \$53.8 million of reinvestment capacity in the CLOs available for investment in eligible collateral. Additionally, the Company held unencumbered loan assets with an unpaid principal balance of \$69.7 million as of June 30, 2021.
- Non-mark-to-market debt represented 81.9% of total loan portfolio borrowings at June 30, 2021.

- Benefited from weighted average LIBOR floors in the loan portfolio of 1.44%, or approximately 134 basis points higher than one-month LIBOR as of June 30, 2021.
- Declared on June 14, 2021 a dividend of \$0.20 per common share, which was paid on July 23, 2021 to shareholders of record as of June 28, 2021. Paid on June 16, 2021 a final quarterly dividend on the Company's 11.0% Series B Cumulative Redeemable Preferred Stock of \$6.2 million, or \$0.69 per Series B preferred share.

SUBSEQUENT EVENTS

- Closed or are in the process of closing five first mortgage loans with commitments totaling \$372.5 million and initial fundings of \$363.1 million.
- Received repayments in full of \$212.8 million relating to one multifamily loan and one office loan.
- Extended the initial maturity date of an existing \$250.0 million secured credit facility from August 19, 2021 to August 19, 2022, with two additional one-year extensions at our option, provided the secured credit facility is not in default.

Matt Coleman, President of TRTX, said: "TRTX delivered a very strong quarter, significantly advancing our strategic goals. The redemption of our 11% Series B preferred stock and the issuance of our 6.25% Series C preferred stock were critical steps in optimizing our capital structure. Additionally, our origination engine remains active, with approximately \$1.1 billion of first mortgage loans originated year-to-date. We believe we are well-positioned to build on these achievements for a successful second half of the year."

The Company issued a supplemental presentation detailing its second quarter 2021 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 4th, 2021. To participate in the conference call, callers from the United States and Canada should dial +1 (866) 248-8441, and international callers should dial +1 (929) 477-0591, 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 4th, 2021 through 11:59 p.m. ET on Wednesday, August 18th, 2021. To access the replay, listeners may use +1 (844) 512-2921 (domestic) or +1 (412) 317-6671 (international). The passcode for the replay is 9626733. The recorded 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 firm TPG. For more information regarding TRTX, visit <https://www.tpgrefinance.com/>.

FORWARD-LOOKING STATEMENTS

The information contained in 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 the novel coronavirus (“COVID-19”), 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 Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2021 and in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2020, 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 continuing impact of COVID-19 on the Company’s business, financial condition and results of operations and the Company’s ability to generate future growth and deliver returns 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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Second Quarter 2021 Supplemental Information

August 3, 2021



Forward-Looking Statements and Other Disclosures

The information contained in this earnings 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. 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 the novel coronavirus (“COVID-19”), 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 Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2020 and in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2020, 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 continuing impact of COVID-19 on the Company’s business, financial condition and results of operations and the Company’s ability to generate future growth and deliver returns 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 presentation. 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 presentation. The Company does not undertake any obligation to update any forward-looking statements contained in this earnings presentation 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.

2Q 2021 Highlights

Earnings

Operating Performance	2Q21	1Q21
Net Income (Loss)	\$32.4M	\$32.0M
Basic Earnings per Share ¹	(\$0.27)	\$0.32
Diluted Earnings per Share ¹	(\$0.27)	\$0.30
Distributable Earnings per Basic Share ²	\$0.28	\$0.28
Distributable Earnings per Diluted Share ²	\$0.27	\$0.27
Dividend on Common Shares	\$15.5M / \$0.20 per share	\$15.5M / \$0.20 per share
Series B Preferred Dividend	\$6.2M	\$6.1M
Book Value per Share	\$16.03	\$16.61

- Current Expected Credit Loss (CECL)³:
 - 2Q Credit Loss Benefit of \$3.5 million; reserve at June 30, 2021 was \$55.3 million, or 104 basis points of total loan commitments, compared to 118 basis points at March 31, 2021

Liquidity & Capitalization

- \$393.0M of available liquidity, including \$224.7M of cash-on-hand available for investment and other corporate purposes, and \$53.8M of CLO reinvestment capacity
- Fully utilized the \$308.9 million FL4 ramp feature generated upon closing of \$1.25 billion TRTX 2021-FL4 on March 31, 2021
- On June 14, 2021, the Company issued \$201.3 million of 6.25% Series C Cumulative Redeemable Preferred Stock, generating net proceeds of \$194.4 million after deducting the underwriting discount and commissions of \$6.3 million and issuance costs of \$0.6 million
- On June 16, 2021, the Company redeemed all 9 million outstanding shares of the \$225.0 million 11% Series B Cumulative Redeemable Preferred Stock at an aggregate redemption price of approximately \$247.5 million
- 81.9% of loan portfolio financing is non-mark-to-market at June 30, 2021⁴

Loan Portfolio

- Total loan commitments: \$5.3 billion
- Total loan UPB: \$4.8 billion
- Weighted average coupon: 4.67%
- Weighted average LTV⁵: 66.7%
- Weighted average risk rating⁵: 3.1
- Weighted average LIBOR floor: 1.44%
- Closed nine first mortgage loans during the quarter with total commitments of \$752.5 million and initial fundings of \$597.0 million
 - 45% multifamily, 44% office (life science-related⁵), and 5% mixed use
- Received full repayments related to four loans totaling \$330.7 million
- Sold one performing hotel loan with an unpaid principal balance of \$60.7 million for \$59.5 million, a \$0.98 dollar price of par value; the loss on sale of \$1.6 million does not include the beneficial impact to our general CECL reserve resulting from the sale of this loan, which exceeded the loss on sale

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

2. Please refer to Appendix for reconciliation from GAAP Net Income (Loss) to Distributable Earnings

3. In connection with adoption on January 1, 2020 of Accounting Standards Update 2016-13, Financial Instruments – Credit Losses ("ASU 2016-13", or "CECL")

4. Includes one non-consolidated senior interest of \$132.0 million

5. See Appendix for a description of the Company's Loan Risk Rating scale and definitions, including LTV and Life Science

Loan Portfolio

Loan Investment Portfolio ¹ (\$ in millions)	As of June 30, 2021	As of March 31, 2021	QoQ Change
Total Loan Commitments	\$5,318.3	\$4,983.7	6.7%
Loan Repayments and Sales	\$394.7	\$5.3	7,347.2%
Unpaid Principal Balance	\$4,833.5	\$4,587.4	5.4%
Weighted Average Loan Risk Rating	3.1	3.1	-
Average Loan Size (by Commitment)	\$85.8	\$85.9	(0.1%)
Weighted Average Coupon Rate	LIBOR + 3.23%	LIBOR + 3.19%	1.3%
Weighted Average LIBOR Floor	1.44%	1.64%	(12.2%)
Weighted Average LTV	66.7%	65.9%	1.2%
MSA Concentrations (Top 25 / Top 10)	85.7% / 55.5%	86.8% / 60.8%	(1.3%) / (8.7%)

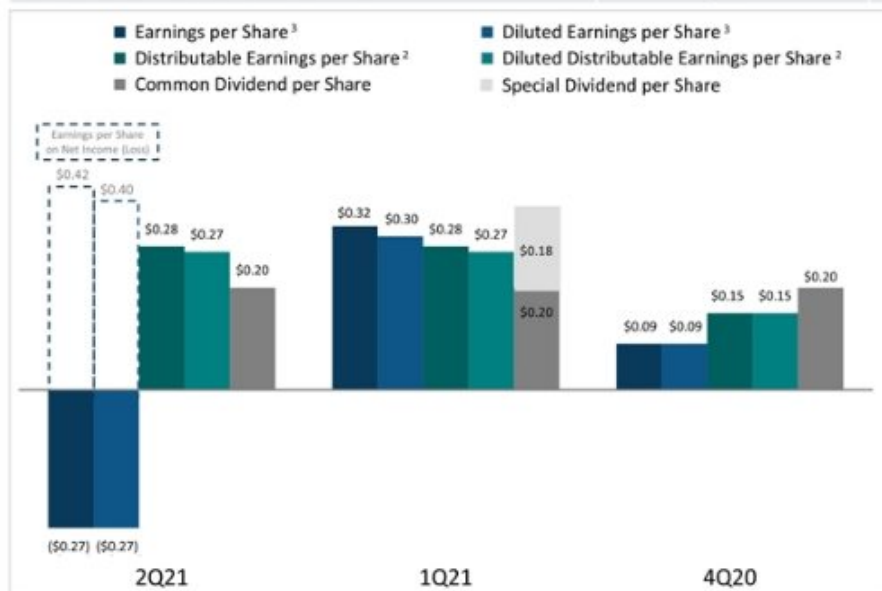


1. See Appendix for definitions including LTV
Note: Totals may not sum due to rounding

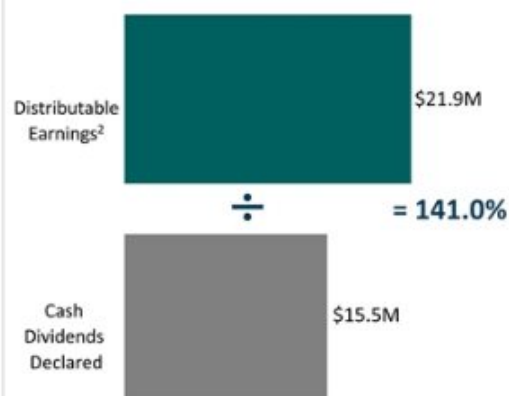
Operating Performance

Operating Performance and Dividend Coverage

Operating Performance ¹ (\$ in millions)	2Q21	1Q21	4Q20
Net Income (Loss)	\$32.4	\$32.0	\$14.6
Net Income (Loss) Attributable to Common Stockholders	(\$21.0)	\$24.2	\$6.6
Distributable Earnings ²	\$21.9	\$21.7	\$11.7
Cash Dividends Declared on Common Shares	\$15.5	\$15.5	\$15.5
Special Cash Dividend Declared on Common Shares	-	-	\$14.0
Total Cash Dividends Declared on Common Shares	\$15.5	\$15.5	\$29.5

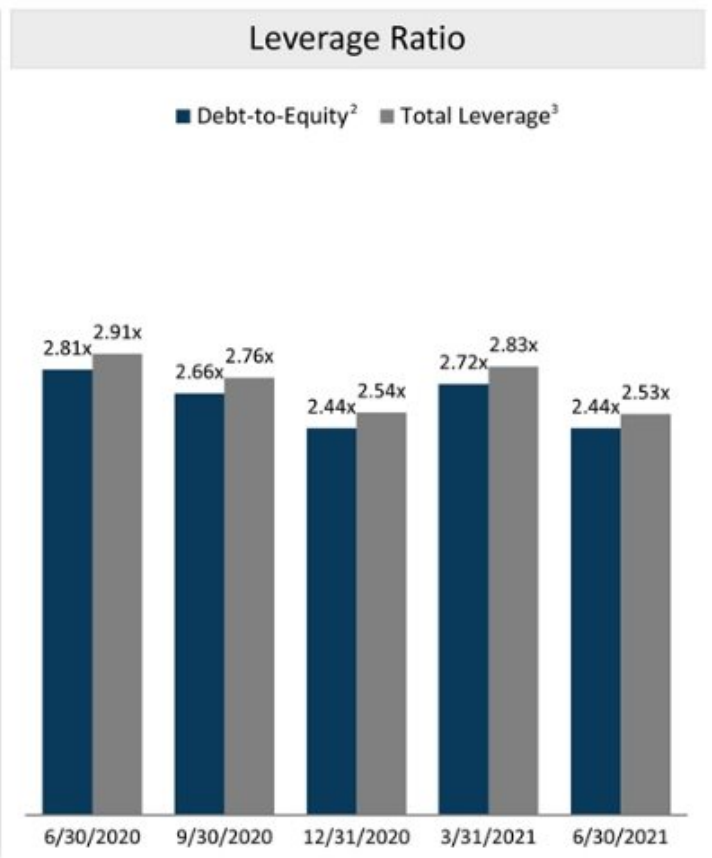
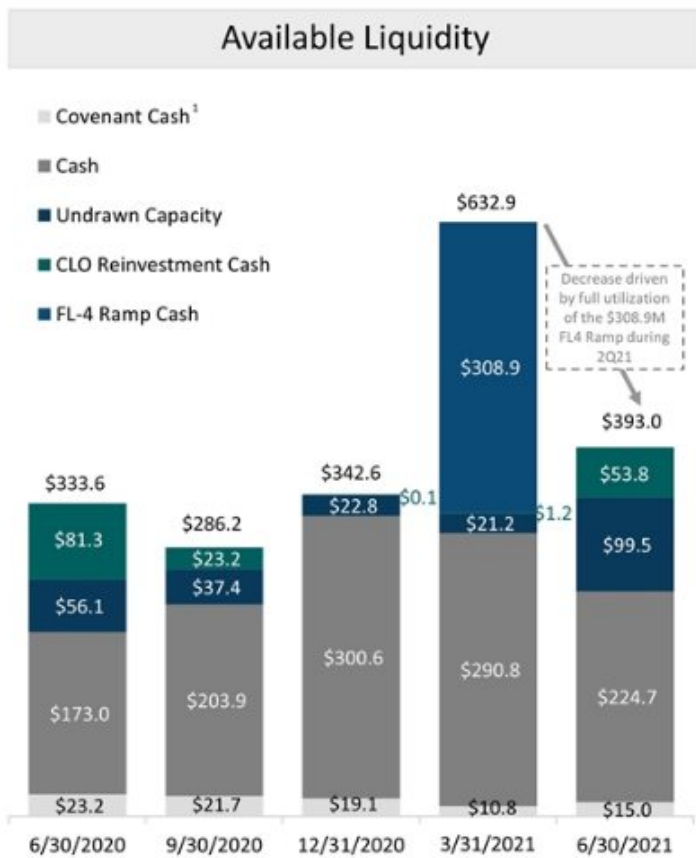


Ratio of Distributable Earnings² to Common Dividend (Quarter Ended June 30, 2021)



1. See Appendix for definitions
 2. Please refer to Appendix for reconciliation from GAAP Net Income (Loss) to Distributable Earnings
 3. Calculated on Net Income (Loss) Attributable to Common Stockholders

Liquidity and Leverage



1. Cash held to satisfy minimum cash requirement under secured credit facility covenants

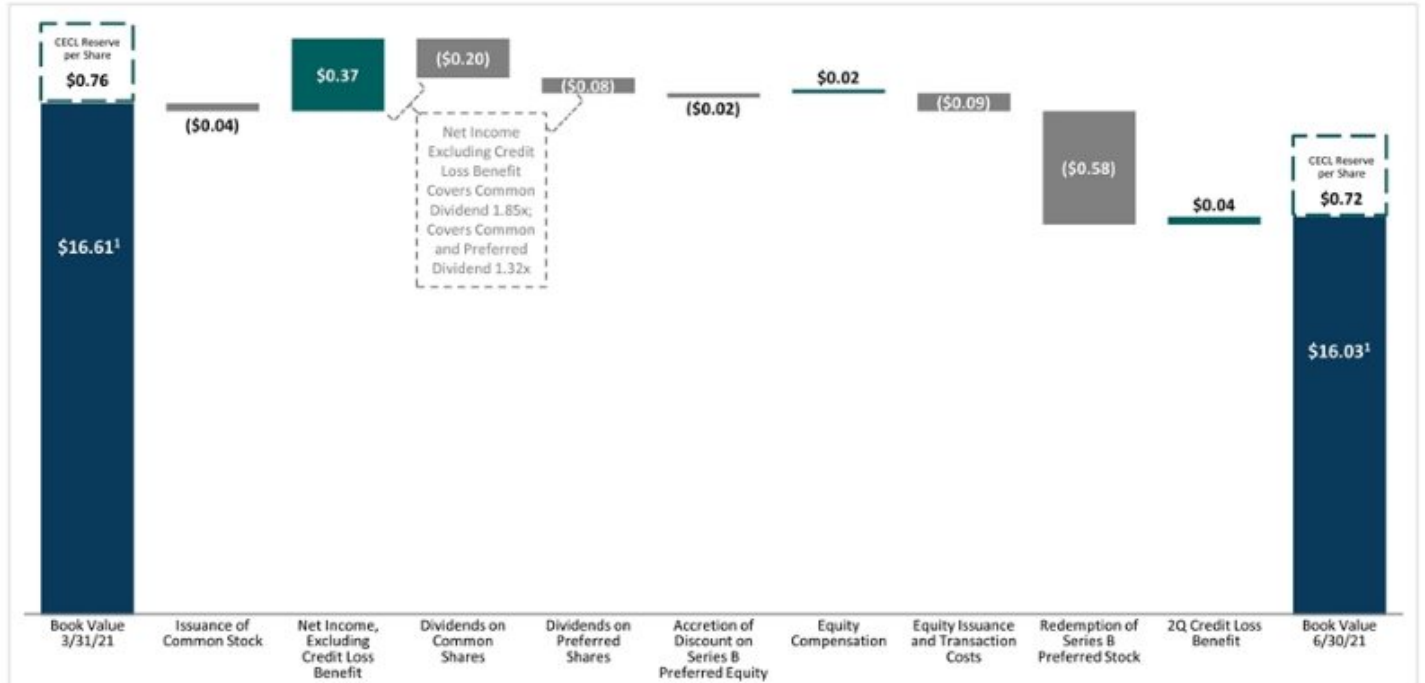
2. Represents (i) total outstanding borrowings under financing arrangements, net, including collateralized loan obligations, secured credit agreements, and mortgage loan payable, less cash, to (ii) total stockholders' equity, at period end

3. Represents (i) total outstanding borrowings under financing arrangements, net, including collateralized loan obligations, secured credit agreements, and mortgage loan payable, plus non-consolidated senior interests sold or co-originated (if any), less cash, to (ii) total stockholders' equity, at period end

Note: Totals may not sum due to rounding

Book Value Walk 2Q 2021

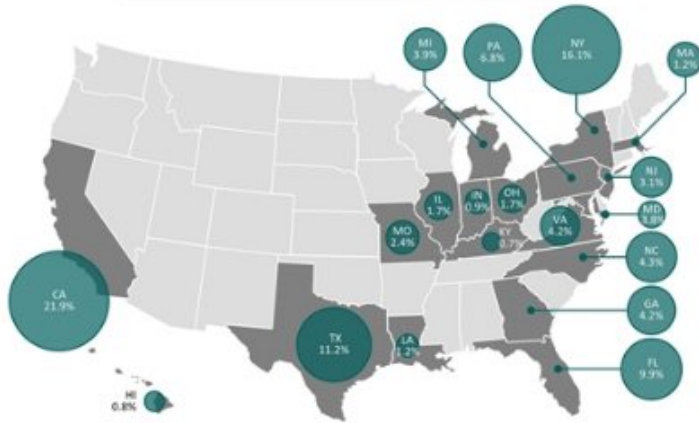
- Net Income before the impact of the 2Q21 credit loss benefit was \$0.37, fully covering the \$0.20 per common share dividend distribution
- Issuance and transaction costs related to the issuance of Series C Preferred Stock resulted in a \$0.09 decrease to book value
- Series B Preferred Stock Redemption decreased book value per common share by \$0.58:
 - \$22.5 million make-whole payment equal to the present value of all remaining dividend payments due after the redemption date through the second anniversary of the original issue date
 - \$22.5 million non-cash charge-off of the remaining unamortized discount including allocated Warrant fair value and transaction costs
- Credit loss benefit of \$3.5 million resulted in a \$0.04 increase in book value per common share for the three months ended June 30, 2021



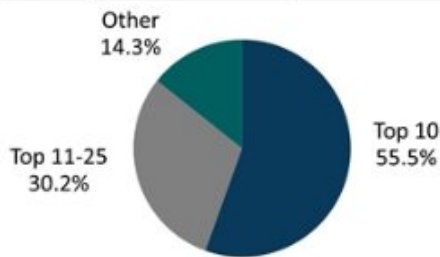
1. Does not reflect dilutive impact of 12M warrants held by an affiliate of Starwood Capital Group; book value per share reflecting pro forma dilution resulting from an assumed exercise of warrants at June 30, 2021 is \$15.00 (please refer to pg 16 for additional detail)
 Note: Totals may not sum due to rounding

Diversified Loan Portfolio

National, Major Market Footprint²

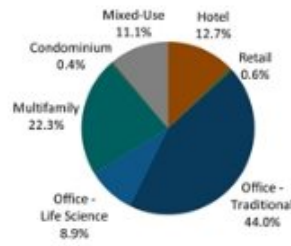


Lending Focused in Top 25 Markets¹

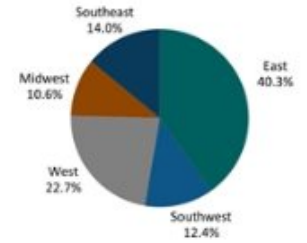


Top 25 Markets Account for 85.7% of Total Loan Commitments

Property Diversity^{2,3}



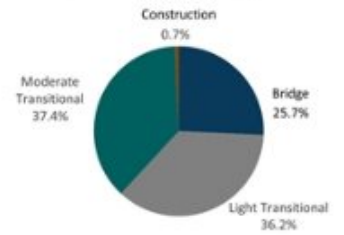
Geographic Diversity^{2,3}



Fixed vs. Floating



Loan Category^{2,3}



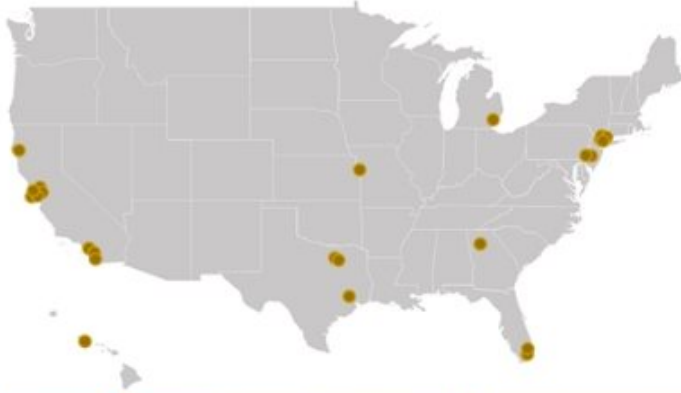
- Loan Portfolio: \$5.3 billion commitments | \$4.8 billion UPB
- Loan Type: First Mortgage 99.3% | Mezzanine Loan 0.7%
- Weighted Average Interest Rate: LIBOR plus 3.2%
- Weighted Average LTV: 66.7%

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. By total loan commitment at June 30, 2021
 3. See Appendix for definitions

Multifamily and Office Loan Overview

Office

- Office loans represent 52.8% of the Company's total commitments at June 30, 2021
 - 16.8% of Office Portfolio is Life Science Related¹
 - 96.3% in Top 25 US MSAs / 65.1% in Top 10
 - 65.8% Weighted Average LTV¹
 - \$108.2M Average Loan Size
 - 100% Interest Collections in 2Q21



¹ See Appendix for definitions, including Life Science and LTV
 Note: The foregoing represent a select sample of TRTX investments and may not be representative of all TRTX investments

Multifamily

- Office loans represent 22.3% of the Company's total commitments at June 30, 2021
 - 67.7% in Top 25 US MSAs / 30.2% in Top 10
 - 67.7% Weighted Average LTV¹
 - \$74.3M Average Loan Size
 - 100% Interest Collections in 2Q21

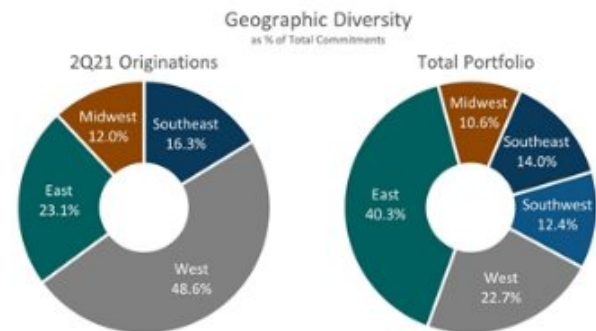
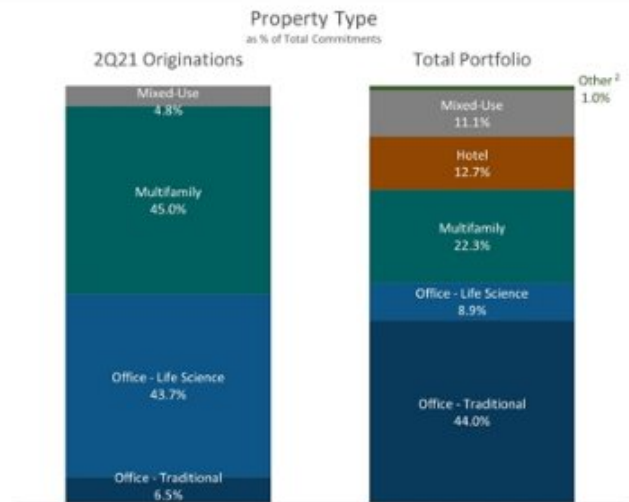


Loan Originations

2Q21 Investment Highlights¹

- Closed 9 first mortgage loans
- Total commitments of \$752.5M
- Initial fundings of \$597.0M
- Average loan size of \$83.6M
- 100% floating rate
- Weighted average interest rate of L + 3.48%
- Weighted average LIBOR floor of 22 bps
- Weighted Average LTV of 67.3%
- 77.5% of 2Q21 originations in top 25 MSAs




2Q21 Originations as Compared to Total Portfolio



1. See Appendix for definitions, including LTV and Life Science

2. Includes Condominium and Retail properties totaling 1.0% of total loan portfolio (0.4% and 0.6%, respectively)

Select 2Q21 Loan Originations

	Multifamily	Office (Life Science)	Multifamily
Commitment	\$47.0M	\$215.0M	\$122.5M
Location	St. Petersburg, FL	Bay Area, CA	Towson, MD
Collateral	<ul style="list-style-type: none"> ✓ 211-unit multifamily building, 280-space covered parking garage and 7,500 SF of retail 	<ul style="list-style-type: none"> ✓ 384K SF, 9-story Class A office building and adjacent parking structure, which will be partially converted (~67%) to life science use 	<ul style="list-style-type: none"> ✓ One 15-story Class B multifamily tower, 35 garden-style apartment buildings, and 1,187-surface parking spaces
Borrower Business Plan	<ul style="list-style-type: none"> ✓ Refinance construction loan ✓ Burn-off concessions incurred during lease-up (construction completed in Aug. 2020) ✓ Lease vacant retail space 	<ul style="list-style-type: none"> ✓ Acquisition, base building CapEx plan, conversion of a portion of the traditional office to life science, and lease-up of converted space 	<ul style="list-style-type: none"> ✓ Complete renovations and realize rent premiums
LTV / In-Place Debt Yield^{(1),(2)}	74.8% / 4.0%	63.1% / 1.5%	70.2% / 6.0%
Loan Category⁽¹⁾	Bridge	Moderate Transitional	Bridge
Investment Date	April 2021	May 2021	May 2021
Property Photos			

1. See Appendix for definitions, including LTV and Loan Category

2. In-place debt yield for loans originated during 2Q21 is defined as the ratio of in-place net cash flow (annualized) divided by the initial funding amount, both as of the closing date

Risk Ratings

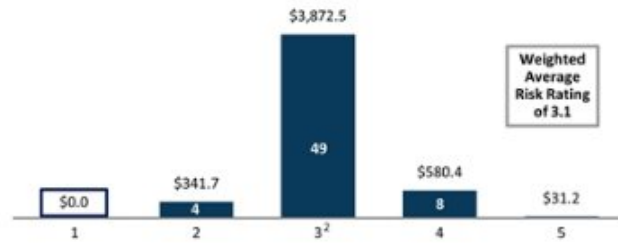
Stable Risk Ratings¹

Risk Ratings – 6/30/2021

By Amortized Cost (\$ in Millions)

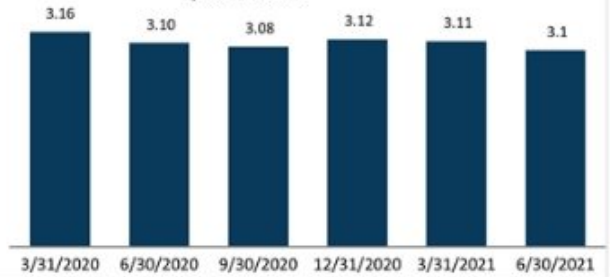
Loan Count: 62

Total: \$4,825.9



Risk Ratings Migration¹

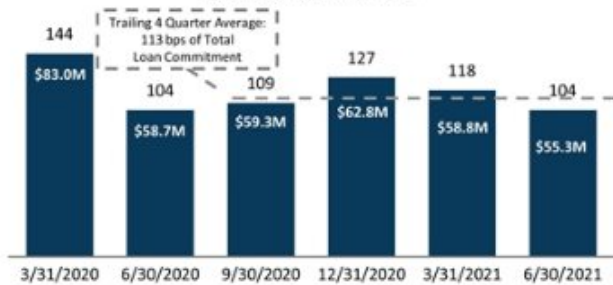
By Amortized Cost



Start of Period	2.9	3.2	3.1	3.1	3.1	3.1
Repayments/Sales	2.7	5.0	3.0	3.0 ⁴	–	3.1
Originations	3.0	N/A	3.0 ³	N/A	3.0	2.9
End of Period	3.2	3.1	3.1	3.1	3.1	3.1

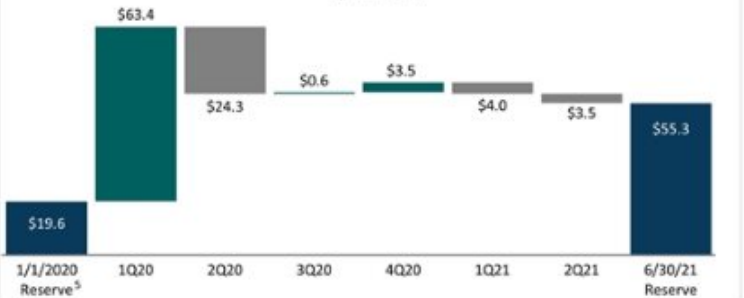
CECL Reserve

bps of Total Loan Commitments



CECL Reserve Walk

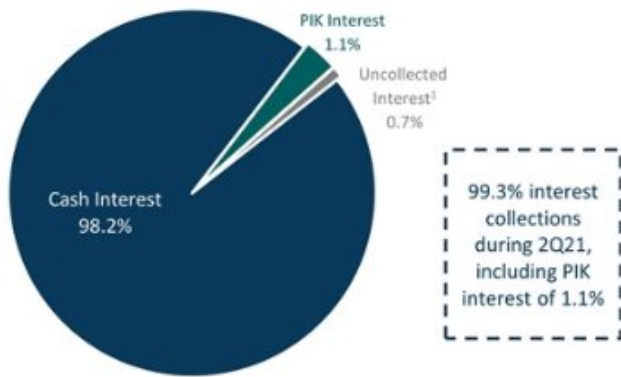
(\$ in Millions)



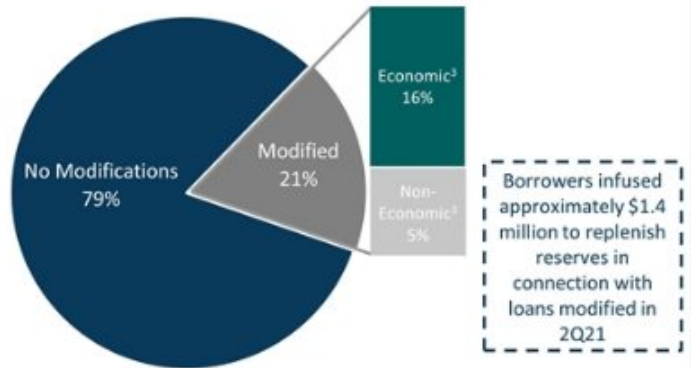
1. See Appendix for a description of the Company's Loan Risk Rating scale and definition of Loan Category
 2. Includes a single sponsor relationship with common control of 4 loans with total amortized cost of \$23.0 million
 3. Includes an amendment and assumption of existing office loan; treated as a new origination and extinguishment under GAAP
 4. Includes conversion of one first mortgage loan to Real Estate Owned with an amortized cost of \$112.0M
 5. CECL reserve recorded upon adoption on January 1, 2020, which is reflected as a direct charge to retained earnings on our consolidated balance sheet
- Note: Totals may not sum due to rounding

Loan Performance

2Q21 Interest Collections



Outstanding Loan Modifications at 6/30/2021²



PIK Interest TTM (\$ in Thousands)



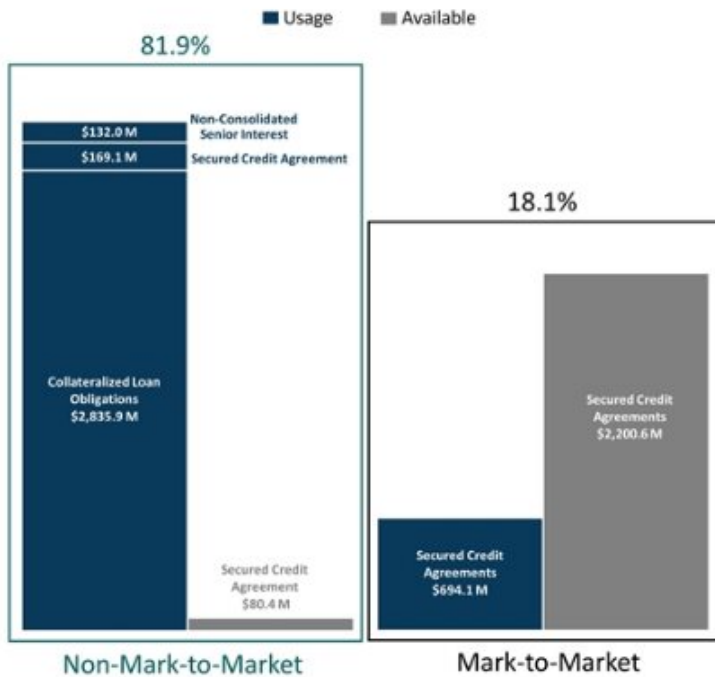
1. Loan defaulted in 4Q20
2. Based on Portfolio LPR at June 30, 2021
3. See Appendix for definitions of Economic and Non-Economic Modifications
4. Includes the write-off of outstanding PIK interest associated with the sale of one hotel loan

Loan Financing Overview

Loan Financing Arrangements as of June 30, 2021

- Total loan portfolio financing capacity of \$6.0 billion with \$2.3 billion of current availability
- Weighted average cost of funds of LIBOR plus 1.68%¹

Financing Utilization



Lengthened Maturity of Outstanding Borrowings²



1. Omits the impact of LIBOR floors on approximately 6% of our financing

2. Based on extended maturity dates where ability to extend is at Company's option

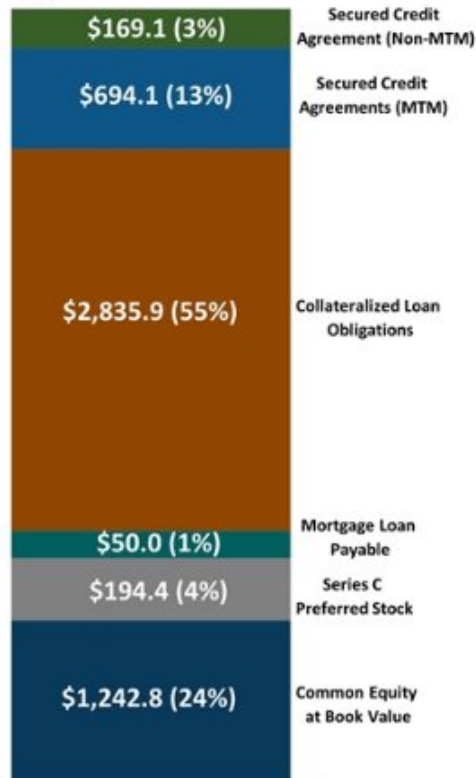
3. Reflects the extension in August 2021 of our \$250 million secured credit facility with Goldman Sachs from August 19, 2021 to August 19, 2022, with two additional one-year extensions at our option, provided the secured credit facility is not in default

Note: Totals may not sum due to rounding

Capital Structure Overview

Capital Stack Composition

(\$ in millions)



Capital Structure Detail

(\$ in millions)	Maximum Capacity	W.A. Approved Advance Rate	Look-Through LTV	W.A. Cost of Funds	W.A. Maturity	Outstanding at 6/30/21
Secured Credit Agreements (MTM)	\$2,894.8	72.7%	48.2%	1.72%	Oct 2023 ¹	\$694.1
Secured Credit Agreement (Non-MTM)	\$249.5	58.7%	38.7%	4.50%	Oct 2025 ²	\$169.1
Total Secured Credit Agreements	\$3,144.3	70.3%	47.6%	2.27%		\$863.2
Collateralized Loan Obligations	\$2,835.9	82.3%	55.9%	1.51%	Nov 2036 ³	\$2,835.9
Total Loan Portfolio Financing	\$5,980.2	78.8%	52.6%	1.68%		\$3,699.1
Mortgage Loan Payable ⁴	\$50.0	N/A	N/A	4.50%	Dec 2022 ⁵	\$50.0
Series C Preferred Equity						
Series C Cumulative Redeemable Preferred Stock				6.25% ⁶		\$194.4
Common Equity						
Book Value per share as of 6/30/21						\$16.03
Shares of Common Stock Outstanding (in millions)						77.1
Total Equity						\$1,437.2
Total Capitalization						\$5,186.3

1. Weighted average term to extended maturity of the 7 secured credit facilities, assuming all extension options and term-out provisions are exercised
2. Represents extended maturity
3. Represents weighted average legal maturity date
4. Finances one Real Estate Owned asset with carrying value of \$99.2M
5. Represents extended maturity date; initial maturity date is December 15, 2021
6. Represents fixed rate dividend

Overview of Preferred Stock Issuance and Redemption

\$201.25 Million Offering of Series C Preferred Stock

Issuer	TPG RE Finance Trust Inc. ("TRTX" or the "Company")
Security	Series C Cumulative Redeemable Preferred Stock ("Series C Preferred")
Offering Size	\$201.25 million, including 15% overallotment option exercised by underwriters
Liquidation Preference	\$25.00 per share
Dividend Rate	6.25% per annum, payable March/June/September/December; first dividend payment date is September 30, 2021
Optional Redemption	Redeemable at the Company's option five years from the date of original issuance, for cash at \$25.00 per share plus accrued and unpaid dividends. Redeemable at par plus accrued in the event of a change of control
Listing	NYSE, under the symbol "TRTX PRC"
Credit Rating	BBB (Egan-Jones) ¹
Use of Proceeds	Redeem, in tandem with balance sheet cash, the \$225.0 million 11% Series B Cumulative Redeemable Preferred Stock, plus make whole premium and related costs

Redemption of Series B Preferred Stock

- **Source of Funds**
 - Net proceeds of \$194.4 million from the issuance of Series C Preferred Stock²
 - \$53.1 million of balance sheet cash
- **Use of Funds**
 - \$225.0 million to redeem Series B at par
 - \$22.5 million make-whole Payment equal to PV of forgone dividend stream from July 1, 2021 through May 28, 2022
- **Non-Cash Items**
 - One-time, non-cash charge-off of unamortized allocated value of the still-outstanding 12 million warrants granted to the Series B preferred stockholder: \$11.3 million
 - One-time, non-cash charge-off of the unamortized transaction costs of the Series B transaction: \$11.2 million
- Combined impact of cash and non-cash redemption charges on book value per share of \$0.58³

Dilutive Impact of Outstanding Warrants – at June 30, 2021	
Common Shares Outstanding, Basic	77,089,125 (A)
Market Price	\$13.45 ⁴
– Warrant Strike Price	\$7.50
Gain per Warrant	\$5.95
× Total Outstanding Warrants	12,000,000
Aggregate Gain	\$71,400,000
÷ Market Price	\$13.45 ⁴
Net Shares Settled⁵	5,308,550 (B)
Common Shares Outstanding, Diluted (A) + (B)	82,397,675
Diluted Book Value per Share	\$15.00

1. A rating is not a recommendation to buy, sell or hold securities. Ratings may be subject to revision or withdrawal at any time by the assigning rating organization. Each rating should be evaluated independently of any other rating.

2. Net of transaction costs (including underwriting discount and commissions)

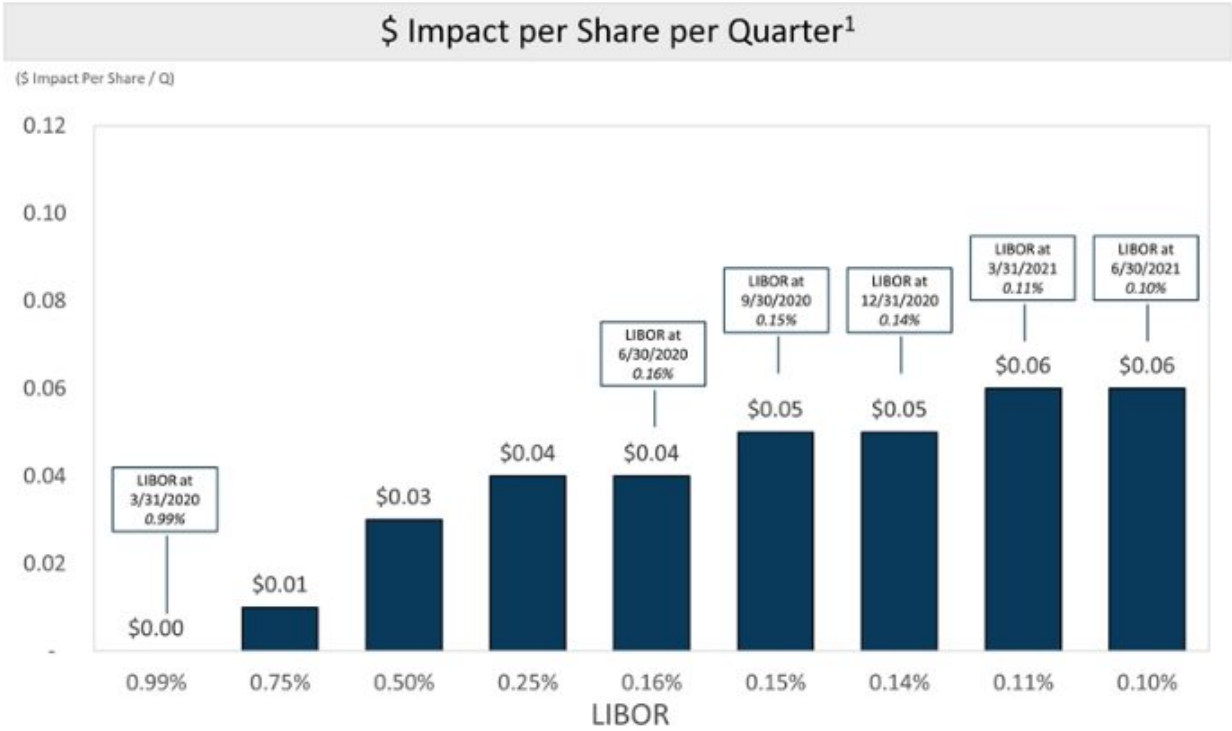
3. Based on common shares outstanding at June 30, 2021

4. TRTX stock price at June 30, 2021

5. Proforma settlement assuming warrants are exercised at June 30, 2021 stock price

Interest Rate Sensitivity

- 100% of the loan portfolio is indexed to one-month USD LIBOR
- Loan portfolio benefits from low rates due to high in-place LIBOR floors on loans; weighted average LIBOR floor is 1.44%
 - 84% of the loan portfolio is subject to a LIBOR floor of 0.50% or greater
- Approximately 6% of loan portfolio financing outstanding is subject to an index rate floor greater than 0.0%²



1. Based on loan portfolio composition as of June 30, 2021
 2. On June 15, 2021, the benchmark index interest rate for bondholders under FL3 was converted from LIBOR to the Compounded Secured Overnight Financing Rate ("SOFR") plus a benchmark replacement adjustment of 11.448 basis points



Appendix

TRTX Loan Portfolio

\$ Millions

Loan Name	TRTX Loan Commitment ¹	TRTX Loan Balance ²	Interest Rate	Extended Maturity	Location	Property Type	Commitment Per Sq. ft. / Unit	LTV ³
Loan 1	\$300.8	\$290.2	L+ 1.6%	3.2 years	New York, NY	Office	\$594 Sq. ft.	65.2%
Loan 2	\$223.0	\$173.0	L+ 3.4%	3.1 years	Brookhaven (Atlanta), GA	Office	\$214 Sq. ft.	61.4%
Loan 3	\$215.0	\$120.7	L+ 3.9%	4.9 years	Daly City, CA	Office	\$545 Sq. ft.	63.1%
Loan 4	\$210.0	\$185.3	L+ 3.6%	2.5 years	Detroit, MI	Office	\$217 Sq. ft.	59.8%
Loan 5	\$206.5	\$205.0	L+ 2.9%	2.5 years	Various, FL	Multifamily	\$181,299 / Unit	76.6%
Loan 6	\$200.0	\$197.0	L+ 2.9%	3.2 years	New York, NY	Office	\$904 Sq. ft.	65.2%
Loan 7	\$190.0	\$185.8	L+ 2.7%	2.0 years	Philadelphia, PA	Office	\$177 Sq. ft.	73.6%
Loan 8	\$173.3	\$167.2	L+ 4.3%	1.3 years	Philadelphia, PA	Office	\$213 Sq. ft.	72.2%
Loan 9	\$165.0	\$165.0	L+ 3.8%	1.4 years	Charlotte, NC	Hotel	\$235,714 / Unit	65.5%
Loan 10	\$165.0	\$161.9	L+ 3.8%	1.7 years	Various, NJ	Multifamily	\$132,850 / Unit	78.4%
Loans 11 – 62	\$3,269.7	\$2,982.4	L + 3.3%⁴	3.0 years				65.8%
Total Loan Portfolio	\$5,318.3	\$4,833.5	L + 3.2%⁴	2.9 years				66.7%

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. See Appendix for definitions, including definition of LTV

4. Represents the weighted average interest rate as of June 30, 2021 which are all floating rate loans; Interest rate includes LIBOR plus the loan credit spread at June 30, 2021

Note: As of June 30, 2021; Not all TRTX investments have or will have similar experiences or results, and there should be no assumption that the investments listed above will continue to perform

Per Share Calculations

- 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):

Reconciliation of Net Income Attributable to Common Stockholders and Distributable Earnings

	Three Months Ended (unaudited)	
	June 30, 2021	March 31, 2021
Net Income (Loss)	\$32,391	\$31,955
Preferred Stock Dividends ¹	(6,799)	(6,124)
Participating Securities' Share in Earnings (Loss)	(148)	(146)
Series B Preferred Stock Redemption Make-Whole Payment ²	(22,485)	-
Series B Preferred Stock Accretion and Write-off of Discount, including Allocated Warrant Fair Value and Transaction Costs ³	(23,997)	(1,452)
Net (Loss) Income Attributable to Common Stockholders	(\$21,038)	\$24,233
Weighted-Average Common Shares Outstanding, Basic	76,899,270	76,895,615
Weighted-Average Common Shares Outstanding, Diluted	76,899,270	80,673,236
(Loss) Earnings Per Common Share, Basic	(\$0.27)	\$0.32
(Loss) Earnings Per Common Share, Diluted	(\$0.27)	\$0.30
Series B Preferred Stock Redemption Make-Whole Payment	22,485	-
Series B Preferred Stock Write-off of Discount, including Allocated Warrant Fair Value and Transaction Costs	22,489	-
Non-Cash Stock Compensation Expense	1,393	1,456
Credit Loss (Benefit) Expense ⁴	(3,478)	(4,038)
Distributable Earnings	\$21,851	\$21,651
Weighted-Average Common Shares Outstanding, Basic	76,899,270	76,895,615
Weighted-Average Common Shares Outstanding, Diluted	81,875,946	80,673,236
Distributable Earnings per Common Share, Basic	\$0.28	\$0.28
Distributable Earnings per Common Share, Diluted	\$0.27	\$0.27

Book Value Per Common Share

	For the Period Ended (unaudited)			
	June 30, 2021	March 31, 2021	Dec 31, 2020	Sep 30, 2020
Total Stockholders' Equity and Temporary Equity	\$1,437,191	\$1,478,231	\$1,466,451	\$1,486,001
Series C Preferred Stock	201,250	-	-	-
Series B Preferred Stock	-	201,003	199,551	198,152
Series A Preferred Stock	125	125	125	125
Stockholders' Equity, Net of Preferred Stock	1,235,816	1,277,103	1,266,775	\$1,287,724
Number of Common Shares Outstanding at Period End	77,089,125	76,897,102	76,787,006	76,757,761
Book Value per Common Share	\$16.03	\$16.61	\$16.50	\$16.78

1. Includes preferred stock dividends declared and paid for Series A and Series B preferred stock shares outstanding for the three and six months ended June 30, 2021 and 2020, and undeclared dividends for Series C cumulative redeemable preferred stock shares outstanding of \$0.6 million for the three months ended June 30, 2021.

2. Represents the make-whole payment to the Series B Preferred shareholders for an amount equal to the present value of all remaining dividend payments due on such share of Series B Preferred Stock from and after such redemption date (and not including any declared or paid dividends or accrued dividends prior to such redemption date) through the second anniversary of the original issue date, computed in accordance with the terms of the Articles Supplementary.

3. Series B Preferred Stock Accretion and Write-off of Discount, including Allocated Warrant Fair Value and Transaction Costs includes amounts recorded as deemed dividends and the write-off of unamortized transaction costs and the unaccreted portion of the allocated Warrant fair value related to the Company's Series B Preferred Stock. For the three months ended June 30, 2021, the write-off of unamortized transaction costs and unaccreted allocated Warrant fair value was \$22.5 million.

4. Credit Loss (Benefit) Expense for the three months ended June 30, 2021 excludes the impact of a \$1.6 million loss on sale of a first mortgage loan.

Consolidated Balance Sheets

All amounts in thousands except share and per share amounts

	June 30, 2021	December 31, 2020
ASSETS		
Cash and Cash Equivalents	\$239,743	\$319,669
Restricted Cash	828	—
Accounts Receivable	755	785
Collateralized Loan Proceeds Held at Trustee	53,832	174
Accounts Receivable from Servicer/Trustee	2,439	418
Accrued Interest and Fees Receivable	29,461	27,391
Loans Held for Investment	4,825,890	4,516,400
Allowance for Credit Losses	(51,941)	(59,940)
Loans Held for Investment, net (includes \$1,354,085 and \$2,259,467 pledged as collateral under secured revolving repurchase and secured credit agreements)	4,773,949	4,456,460
Real Estate Owned	99,200	99,200
Other Assets	2,789	4,646
Total Assets	\$5,202,996	\$4,908,743
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Accrued Interest Payable	2,774	\$2,630
Accrued Expenses and Other Liabilities	11,311	14,450
Secured Credit Agreements (net of deferred financing costs of \$4,571 and \$8,831)	858,640	1,514,028
Collateralized Loan Obligations (net of deferred financing costs of \$14,654 and \$9,192)	2,821,233	1,825,568
Mortgage Loan Payable (net of deferred financing costs of \$712 and \$853)	49,288	49,147
Payable to Affiliates	5,738	5,570
Deferred Revenue	1,321	1,418
Dividends Payable	15,500	29,481
Total Liabilities	\$3,765,805	\$3,442,292
Commitments and Contingencies		
Temporary Equity:		
Series B Cumulative Redeemable Preferred Stock (\$0.001 par value per share; 0 and 13,000,000 shares authorized; 0 and 9,000,000 shares issued and outstanding), net	-	199,551
Permanent Equity:		
Series A Preferred Stock (\$0.001 par value per share; 100,000,000 shares authorized; 125 and 125 shares issued and outstanding)	—	—
Series C Preferred Stock (\$0.001 par value per share; 8,050,000 shares authorized; 8,050,000 and 0 shares issued and outstanding, respectively) (\$201,250 aggregate liquidation preference)	8	—
Common Stock (\$0.001 par value per share; 302,500,000 and 302,500,000 shares authorized, respectively; 77,089,125 and 76,787,006 shares issued and outstanding, respectively)	77	77
Additional Paid-in-Capital	1,708,972	1,559,681
Accumulated Deficit	(271,866)	(292,858)
Total Stockholders' Equity	1,437,191	1,266,900
Total Permanent Equity	1,437,191	1,266,900
Total Liabilities and Stockholders' Equity	5,202,996	\$4,908,743

Consolidated Statements of Income and Comprehensive Income

All amounts in thousands except share and per share amounts (unaudited)

	Three Months Ended June 30,	
	2021	2020
INTEREST INCOME		
Interest Income	\$61,915	\$70,051
Interest Expense	(22,017)	(25,865)
Net Interest Income	39,898	44,186
OTHER REVENUE		
Other Income, net	157	119
Total Other Revenue	157	119
OTHER EXPENSES		
Professional Fees	1,137	4,036
General and Administrative	1,081	860
Stock Compensation Expense	1,393	1,686
Servicing and Asset Management Fees	328	261
Management Fee	5,344	5,115
Incentive Management Fee	=	=
Total Other Expenses	9,283	11,958
Securities Impairments	=	96
Credit Loss Benefit (Expense)	1,852	10,546
Income (Loss) Before Income Taxes	32,624	42,989
Income Tax Expense, net	(233)	(61)
Net Income (Loss)	\$32,391	\$42,928
Preferred Stock Dividends and Participating Securities Share in Earnings (Loss)	(6,947)	(2,380)
Series B Preferred Stock Redemption Make-Whole Payment	(22,485)	-
Series B Preferred Stock Accretion and Write-off of Discount, including Allocated Warrant Fair Value and Transaction Costs	(23,997)	(433)
Net (Loss) Income Attributable to Common Stockholders	(\$21,038)	\$40,105
Earnings (Loss) per Common Share, Basic	(\$0.27)	\$0.52
Earnings (Loss) per Common Share, Diluted	(\$0.27)	\$0.52
Weighted Average Number of Common Shares Outstanding		
Basic:	76,899,270	76,644,038
Diluted:	76,899,270	76,644,038
Dividends Declared per Common Share	\$0.20	\$0.20
OTHER COMPREHENSIVE INCOME		
Net Income (Loss)	\$32,391	\$42,928
Unrealized Loss on Available-for-Sale Debt Securities	=	(77)
Comprehensive Net Income (Loss)	\$32,391	\$42,851

Consolidated Statements of Cash Flows

All amounts in thousands	Three Months Ended (Unaudited)	
	June 30, 2021	June 30, 2020
Cash Flows from Operating Activities:		
Net Income (Loss)	\$64,347	(\$189,862)
Adjustment to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Amortization and Accretion of Premiums, Discounts and Loan Origination Fees, net	(3,775)	(5,627)
Amortization of Deferred Financing Costs	7,644	6,539
Increase in Capitalized Accrued Interest	548	(550)
Stock Compensation Expense	2,849	3,087
Loss on Sales of Loans Held for Investment, net	1,626	13,773
Loss on Sales of CRE Debt Securities, net	-	203,397
(Benefit) Allowance for Credit Loss Expense	(7,515)	39,029
Cash Flows Due to Changes in Operating Assets and Liabilities:		
Accounts Receivable	30	2,308
Accrued Interest Receivable	(2,051)	(1,078)
Accrued Expenses and Other Liabilities	(4,716)	1,414
Accrued Interest Payable	146	(3,212)
Payable to Affiliates	167	1,505
Deferred Fee Income	(97)	(15)
Other Assets	1,852	(31)
Net Cash Provided by Operating Activities	\$61,660	\$70,677
Cash Flows from Investing Activities:		
Origination of Loans Held for Investment	(531,408)	(351,650)
Advances on Loans Held for Investment	(73,136)	(123,692)
Principal Repayments of Loan Held for Investment	282,583	333,715
Sales of Loans Held for Investment	58,374	5,295
Purchase of Available-for-Sale CRE Debt Securities	-	(168,888)
Sales and Principal Repayments of Available-for-Sale CRE Debt Securities	-	766,437
Net Cash Used in Investing Activities	(\$363,587)	\$461,217
Cash Flows from Financing Activities:		
Payments on Collateralized Loan Obligations	(36,373)	-
Proceeds from Collateralized Loan Obligations	1,037,500	-
Proceeds from Issuance of Series C Cumulative Redeemable Preferred Stock	201,250	-
Payments on Secured Financing Agreements – Loan Investments	(868,083)	(606,265)
Proceeds from Secured Financing Agreements – Loan Investments	208,435	695,250
Payments on Secured Financing Agreements – CRE Debt Securities	-	(824,920)
Proceeds from Secured Financing Agreements – CRE Debt Securities	-	132,122
Payment of Deferred Financing Costs	(8,119)	(1,769)
Series B Preferred Stock Redemption Make-Whole Payment	(22,485)	-
Series B Preferred Stock Redemption at Fair Value	(225,000)	-
Proceeds from Issuance of Series B Preferred Stock	-	210,598
Proceeds from Issuance of Warrants to Purchase Common Stock	-	14,402
Proceeds from Issuance of Common Stock	-	12,895
Dividends Paid on Common Stock	(44,998)	(32,551)
Dividends Paid on Class A Common Stock	-	(284)
Dividends Paid on Preferred Stock	(12,338)	(2,254)
Payment of Equity Issuance and Equity Distribution Agreement Transaction Costs	(6,365)	(12,365)
Net Cash Provided by Financing Activities	\$223,429	(\$415,143)
Net Change in Cash, Cash Equivalents, and Restricted Cash	(79,098)	116,751
Cash, Cash Equivalents, and Restricted Cash at Beginning of Period	319,669	79,866
Cash, Cash Equivalents, and Restricted Cash at End of Period	\$240,571	\$196,617
Supplemental Disclosure of Cash Flow Information:		
Interest Paid	\$34,526	\$60,995
Taxes Paid	973	5
Supplemental Disclosure of Non-Cash Investing and Financing Activities:		
Principal Repayments of Loans Held for Investment Held by Servicer/Trustee, net	\$55,872	\$80,205
Accrued Equity Issuance and Transaction Costs	506	3,035
Dividends Declared, not paid	15,500	48,669
Change in Accrued Deferred Financing Costs	587	937
Unrealized Loss on Available-for-Sale CRE Debt Securities	-	(1,051)

Definitions

Distributable Earnings

- We use Distributable Earnings to evaluate our performance excluding the effects of certain transactions and GAAP adjustments we believe are not necessarily indicative of our current loan investment and operating activities. Distributable Earnings is a non-GAAP measure, which we define 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 included in GAAP net income (loss) during the applicable reporting period. 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 for our investors to consider in addition to our net income (loss) and cash flow from operating activities determined in accordance with GAAP. We made an election to be taxed as a REIT for U.S. federal income tax purposes, commencing with our initial taxable year ended December 31, 2014. Annually, we generally must distribute at least 90% of our net taxable income, subject to certain adjustments and excluding any net capital gains, for us to qualify as a REIT for U.S. federal income tax purposes. To the extent that we satisfy this distribution requirement but distribute less than 100% of our net taxable income, we will be subject to U.S. federal income tax on our undistributed taxable income. One of the primary reasons investors purchase our common stock is to receive our dividends. Over time, Distributable Earnings has been a useful indicator of our distribution policy and dividends per common share. Because of our investors' focus on dividends, Distributable Earnings and net taxable income are important measures considered by us in determining dividends per common share.
- In assessing the impact of our allowance for credit losses on our Distributable Earnings, we determined that, consistent with our accounting policy for the measurement of credit losses, the fact that credit losses only impact our taxable income when such credit losses are realized, and our stakeholders' view of realized loan losses, the recognition of our credit loss provision or reversals of our credit loss provision should be included in unrealized gains, losses or other non-cash items as referenced above, 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 upon a realization event and is generally 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 based on the facts and circumstances of the underlying transaction. 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), or 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 loan closing date

Geographic Diversity

- TRTX provides herein additional detail by splitting 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 Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2021 follows (dollars in millions):

Region	Form 10-Q	Reclassification	Supplemental	% Total Commitment
East	\$2,101.5	\$41.9	\$2,143.4	40.3%
South	1,358.0	(1,358.0)	-	-
West	1,207.0	-	1,207.0	22.7%
Midwest	563.7	-	563.7	10.6%
Various	88.1	(88.1)	-	-
Southeast	-	747.2	747.2	14.0%
Southwest	-	657.0	657.0	12.4%
Total	\$5,318.3	\$-	\$5,318.3	100.0%

Note: Totals may not sum due to rounding

Leverage

- Debt-to-Equity - Represents (i) total outstanding borrowings under financing arrangements, net, including collateralized loan obligations, secured credit agreements, and mortgage loan payable, less cash, to (ii) total stockholders' equity, at period end
- Total Leverage - Represents (i) total outstanding borrowings under financing arrangements, net, including collateralized loan obligations, secured credit agreements, and mortgage loan payable, plus non-consolidated 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) as of June 30, 2021, 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/Stabilization 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

Modifications

- Economic modifications typically consist of one or more of the following: partial repayments of principal; equity contributions; repurposing of reserves; deferred PIK interest agreements; and adjustments to debt yield thresholds or other conditions precedent to a loan extension
- Non-economic modifications may consist of the extension of milestones, budget re-allocations, and/or short-term extensions to enable near-term resolution of the loan

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.
- TRTX provides herein additional detail by splitting the Office property category into separate Office – Traditional and Office – Life Science Categories. A reconciliation to TRTX's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2021 follows (dollars in millions):

Property Type	Form 10-Q	Reclassification	Supplemental	% Total Commitment
Office	\$2,811.9	(\$472.6)	\$2,339.3	44.0%
Life Science	-	472.6	472.6	8.9%
Multifamily	1,188.6	-	1,188.6	22.3%
Hotel	673.0	-	673.0	12.7%
Mixed-Use	588.7	-	588.7	11.1%
Retail	33.0	-	33.0	0.6%
Condominium	23.0	-	23.0	0.4%
Total	\$5,318.3	\$-	\$5,318.3	100.0%

Note: Totals may not sum due to rounding

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 firm TPG.

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

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