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

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**FORM 8-K**

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

**Date of Report (Date of Earliest Event Reported): February 18, 2020**

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**TPG RE Finance Trust, Inc.**

(Exact Name of Registrant as Specified in its Charter)

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**Maryland**  
(State or Other Jurisdiction  
of Incorporation)

**001-38156**  
(Commission  
File Number)

**36-4796967**  
(IRS Employer  
Identification No.)

**888 Seventh Avenue, 35<sup>th</sup> 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)

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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

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.

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**Item 2.02 Results of Operations and Financial Condition.**

On February 18, 2020, TPG RE Finance Trust, Inc. (the “Company”) issued an earnings release and supplemental financial information presentation announcing its financial results for the quarter and full year ended December 31, 2019. A copy 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	<a href="#">Earnings Release, dated February 18, 2020</a>
99.2	<a href="#">Supplemental Financial Information Presentation for the Quarter and Year Ended December 31, 2019</a>
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 and Risk Officer

Date: February 18, 2020



## TPG RE Finance Trust, Inc. Reports Operating Results for the Fourth Quarter and Full Year Ended December 31, 2019

**New York, NY, February 18, 2020 /BusinessWire/** -- TPG RE Finance Trust, Inc. (NYSE: TRTX) ("TRTX" or the "Company") reported its operating results for the fourth quarter and full year ended December 31, 2019. For the fourth quarter of 2019, GAAP net income attributable to common stockholders was \$32.6 million, earnings per diluted common share was \$0.44, and book value per common share at December 31, 2019 was \$19.78.

### FOURTH QUARTER 2019 HIGHLIGHTS

- Generated GAAP net income attributable to common stockholders of \$32.6 million, or \$0.44 per diluted common share, based on a weighted average share count of 74.5 million common shares
- Closed seven new loan commitments totaling \$653.7 million, with an average loan size of \$93.4 million, an initial unpaid principal balance of \$561.1 million, a weighted average credit spread of 290 bps, and a weighted average loan-to-value of 61.7%
- Closed TRTX 2019-FL3, a \$1.2 billion managed CRE CLO with a 24-month reinvestment period and a weighted average interest rate at issuance of LIBOR plus 1.44%, before transaction costs
- Declared cash dividends of \$32.8 million, or \$0.43 per common share, representing an 8.7% annualized dividend yield based on a book value per common share of \$19.78
- Issued 1.9 million common shares via our at-the-market ("ATM") continuous offering program, which generated proceeds of \$38.0 million at an average price per share of \$20.42, before dealer commissions

### FULL YEAR 2019 HIGHLIGHTS

- Generated GAAP net income attributable to common stockholders of \$125.6 million, or \$1.73 per diluted common share, based on a weighted average share count of 72.7 million common shares, an increase of 9.7 million common shares (15.4%) from the prior year
- Grew our investment portfolio to \$6.4 billion from \$5.0 billion, an increase of \$1.4 billion, or 28.0%, from 2018, driven by an increase in our loan portfolio commitments to \$5.6 billion from \$4.9 billion, a net increase of 13.8%, or \$0.7 billion, from 2018
- Originated \$2.9 billion of floating rate, primarily first mortgage transitional loans with an initial unpaid principal balance of \$2.4 billion, an average loan size of \$91.5 million, a weighted average as-is loan-to-value ratio of 63.9%, and a weighted average credit spread of L + 335 bps
- Increased our equity capital base by \$174.5 million via (i) a \$136.5 million underwritten public offering in March 2019 of 6.9 million common shares at \$19.80 per share, and (ii) issuance via our ATM during the fourth quarter of 1.9 million common shares, which generated proceeds of \$38.0 million at an average price per share of \$20.42, before dealer commissions

Greta Guggenheim, Chief Executive Officer, stated: “Throughout 2019, TRTX demonstrated the power of its direct lending platform and its affiliation with TPG. We originated \$2.9 billion in new loans with a conservative weighted average LTV of 63.9%. Despite declining yields across all fixed income investments, we covered our dividend with operating earnings and increased book value to \$19.78 per share. We carefully selected investments supported by continued reductions in financing costs to sustain our asset-level ROE. In the 10 quarters since our IPO, we have distinguished ourselves through our operating performance, portfolio growth and portfolio construction. We believe this validates our investment and operating discipline and is a firm foundation for continued growth.”

The Company issued a supplemental presentation detailing its fourth quarter and full year 2019 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 8:30 a.m. ET on Wednesday, February 19, 2020. The call will be hosted by Greta Guggenheim, Chief Executive Officer, and Bob Foley, Chief Financial and Risk Officer. 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 11:30 a.m. ET on Wednesday, February 19, 2020 through 11:59 p.m. ET on Wednesday, March 4, 2020. To access the replay, listeners may use +1 (844) 512-2921 (domestic) or +1 (412) 317-6671 (international). The passcode for the replay is 13697991. 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 focuses primarily on originating, acquiring, and managing first mortgage loans and other commercial real estate-related debt instruments 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 TPG. TPG is a global alternative asset firm with a 25-year history and more than \$119 billion of assets under management. For more information regarding TRTX, visit [www.tpgrefinance.com](http://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 Company's investments, the Company's ability to originate loans that are in the pipeline and under evaluation by the Company, and financing needs and arrangements. 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 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.

## **INVESTOR RELATIONS CONTACT**

+1 (212) 405-8500  
[IR@tpgrefinance.com](mailto:IR@tpgrefinance.com)

## **MEDIA CONTACT**

TPG RE Finance Trust, Inc.  
Courtney Power  
+1 (415) 743-1550  
[media@tpg.com](mailto:media@tpg.com)

# Fourth Quarter and Full Year 2019 Supplemental Information

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February 18, 2020



# Forward-Looking Statements

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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 Company’s ability to originate loans that are in the pipeline and under evaluation by the Company, and financing needs and arrangements. 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 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.



# Fourth Quarter 2019 Highlights

## 4Q 2019 Highlights

- GAAP net income<sup>(1)</sup> and Core Earnings<sup>(1)</sup> of \$0.44 and \$0.45 per share, respectively
- Net growth in interest earning assets of \$117.6 million, or an increase of 2.1% QoQ:
  - Loans: \$653.7 million of new loan commitments, \$561.1 million of initial fundings, and \$106.0 million of deferred fundings offset by \$705.5 million of repayments and sales. For new originations, weighted average interest rate of LIBOR plus 2.90%, weighted average LTV of 61.7%<sup>(1)</sup> and ALEROE<sup>(1)</sup> of 8.4%<sup>(2)</sup>
  - CRE Debt Security activity included \$182.7 million of new purchases, \$26.7 million of repayments, and no sales
- Declared Common and Class A common stock dividend of \$0.43 per share
- Stable portfolio-wide credit profile with strong asset-level returns
  - Total loan commitments of \$5.6 billion with a weighted average interest rate of LIBOR plus 3.5%
  - Total interest earning assets of \$5.8 billion
  - 100% floating rate, 99.6% first mortgage loan portfolio with a weighted average LTV of 65.4%<sup>(1)</sup>
- Stable, diverse capital base with cost-efficient financing
  - Closed TRTX 2019-FL3, a \$1.2 billion CRE CLO, TRTX's third since 1Q 2018, increasing matched-term, non-mark-to-market loan financing to 51.8% of funded liabilities as of December 31, 2019
  - Additional financing capacity of \$2.2 billion across a diverse set of 9 lenders and 2 CLOs
  - Cost of Funds of LIBOR plus 1.63% as of December 31, 2019

1. See Appendix for definitions, including definitions of Core Earnings (reconciliation to GAAP net income), Asset-Level Estimated Return on Equity ("ALEROE"), LTV, and Loan Risk Rating. GAAP net income defined as GAAP net income attributable to common stockholders

2. ALEROE with respect to certain loan investments reflects initial financing terms at loan closing. The Company may in the future employ different financing terms, which may impact ALEROE for such assets

# Loan Portfolio Highlights

Loan Investment Activity	Loan Investment Activity <sup>(1)</sup> (\$ in millions)	Year ended 12/31/19	Year ended 12/31/18	Quarter ended 12/31/19	Quarter ended 9/30/19
	Number of Loans Closed	32	26	7	6
	Total Loan Commitments	\$2,927.5	\$2,521.8	\$653.7	\$805.3
	Initial Unpaid Principal Balance	\$2,356.0	\$2,085.7	\$561.1	\$654.0
	Average Loan Size (by Commitment)	\$91.5	\$97.0	\$93.4	\$134.2
	Weighted Average Interest Rate	LIBOR + 3.35%	LIBOR + 3.56%	LIBOR + 2.90%	LIBOR + 2.89%
	Weighted Average LTV	63.9%	66.7%	61.7%	70.1%
	Asset-Level Estimated Return on Equity <sup>(3)</sup>	9.5%	9.6%	8.4%	9.2%

Loan Investment Portfolio	Loan Investment Portfolio <sup>(1)</sup> (\$ in millions)	December 31, 2019 <sup>(2)</sup>	December 31, 2018	YoY Change
	Total Loan Commitment	\$5,628.8	\$4,947.7	13.8%
	Unpaid Principal Balance	\$4,998.2	\$4,313.6	15.9%
	Weighted Average Loan Risk Rating	2.9	2.8	-
	Average Loan Size (by Commitment)	\$86.6	\$82.5	5.0%
	Weighted Average Interest Rate	LIBOR + 3.48%	LIBOR + 3.90%	(10.8%)
	Weighted Average LTV	65.4%	64.5%	1.4%
	MSA Concentrations (Top 25 / Top 10)	84.0% / 56.9%	82.4% / 60.9%	1.9% / (6.6%)

1. See Appendix for definitions, including definitions of LTV, Loan Risk Rating, and Asset-Level Estimated Return on Equity ("ALEROE")

2. Inclusive of one non-consolidated senior interest (NCSI) of \$132.0 million with an interest rate of LIBOR plus 4.25%

3. ALEROE with respect to certain loan investments reflects initial financing terms at loan closing. The Company may in the future employ different financing terms, which may impact ALEROE for such assets

# Operating Performance Highlights

YoY Financial Performance	Performance Metric	Year ended 12/31/19	Year ended 12/31/18	YoY Change
	GAAP net income attributable to common stockholders	\$125.6 million (\$1.73 / share)	\$106.7 million (\$1.70 / share)	17.7% (1.8%)
	Core Earnings <sup>(1)</sup>	\$128.2 million (\$1.76 / share)	\$107.4 million (\$1.70 / share)	19.4% (3.5%)
	Cash dividends declared	\$128.4 million (\$1.72 / share)	\$109.1 million (\$1.71 / share)	17.7% (0.6%)
	Annualized dividend yield (on book value)	8.7%	8.7%	-
	Book value per common share	\$19.78	\$19.76	0.1%
	Common shares outstanding <sup>(2)</sup>	76.0 million	67.2 million	13.1%
	Weighted average shares outstanding <sup>(2)</sup>	72.7 million	63.0 million	15.4%

Capitalization	Performance Metric	Year ended 12/31/19	Year ended 12/31/18	YoY Change
	Loan Financing Commitments	\$6.0 billion	\$5.6 billion	7.1%
	Loan Financing Capacity	\$2.2 billion	\$2.4 billion	(8.3%)
	Available Liquidity <sup>(3)</sup>	\$465.4 million	\$347.5 million	33.9%
	Loan Portfolio Leverage <sup>(1)</sup>	73.6%	74.0%	(0.5%)
	Weighted Average Cost of Funds	LIBOR plus 1.63%	LIBOR plus 1.65%	(1.2%)

1. See Appendix for definitions, including definitions of Core Earnings (reconciliation to GAAP net income) and Loan Portfolio Leverage

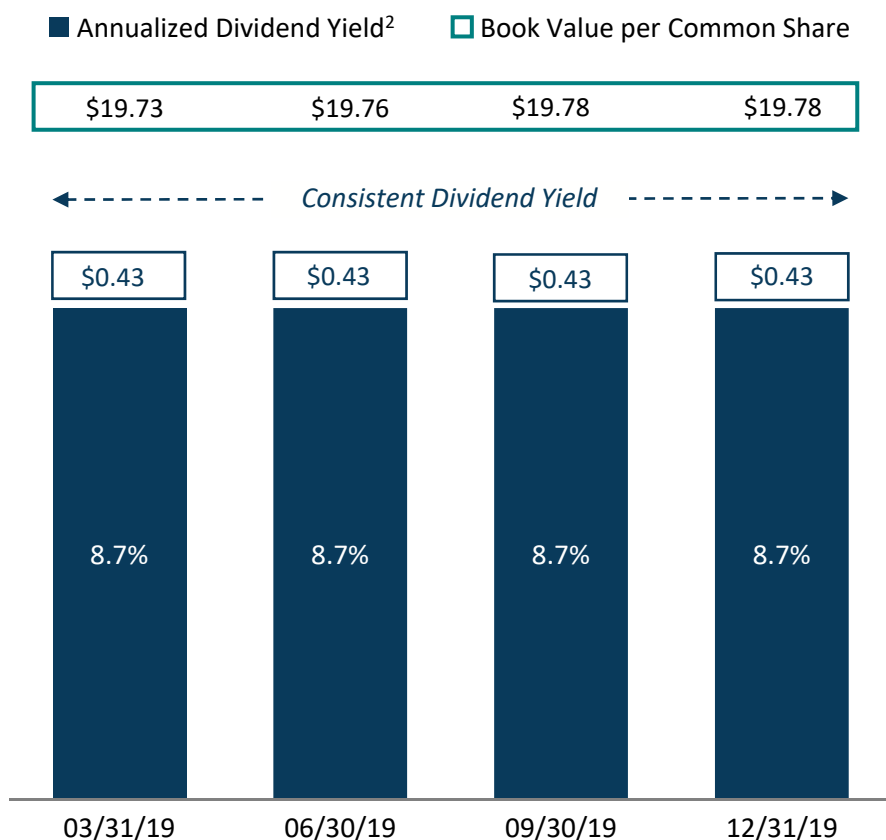
2. Common shares outstanding and weighted average shares outstanding include common and Class A common stock

3. Available Liquidity is defined as cash and cash equivalents, immediately available undrawn capacity on secured financing arrangements, and unrestricted cash generated by an assumed sale of all of our CRE debt securities at par as of the reporting date

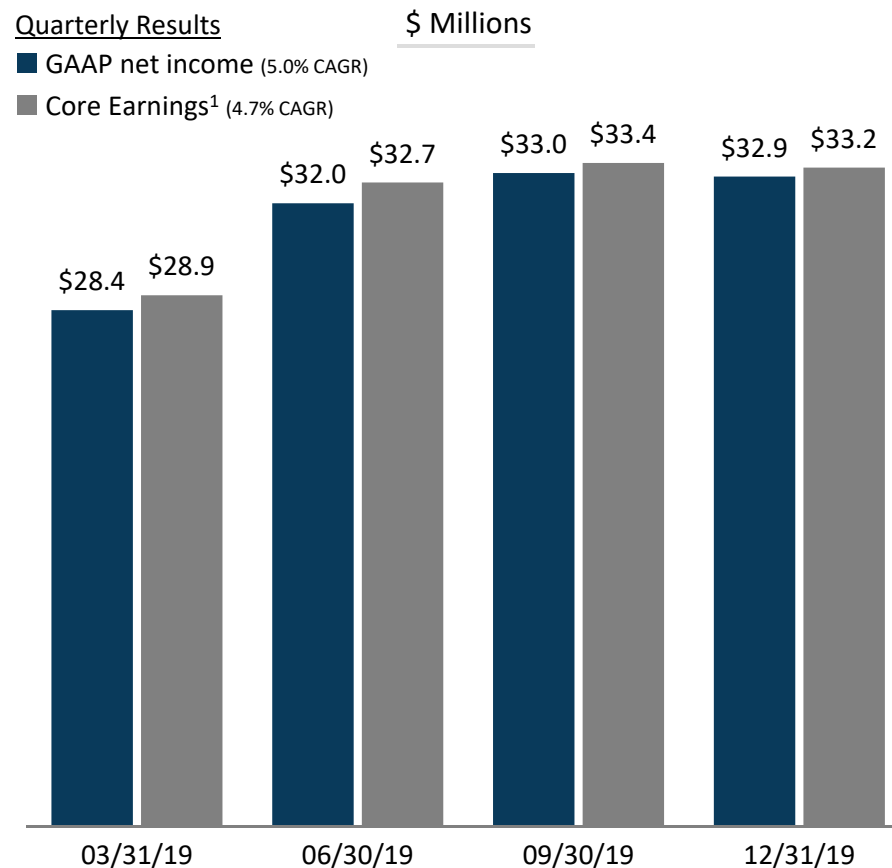
# Operating Performance

- 4Q19 GAAP net income of \$32.9 million
- Declared a cash dividend of \$0.43 per common share in December 2019, representing an 8.7% annualized dividend yield on book value per common share of \$19.78<sup>2</sup>

Annualized Dividend Yield and Book Value per Common Share



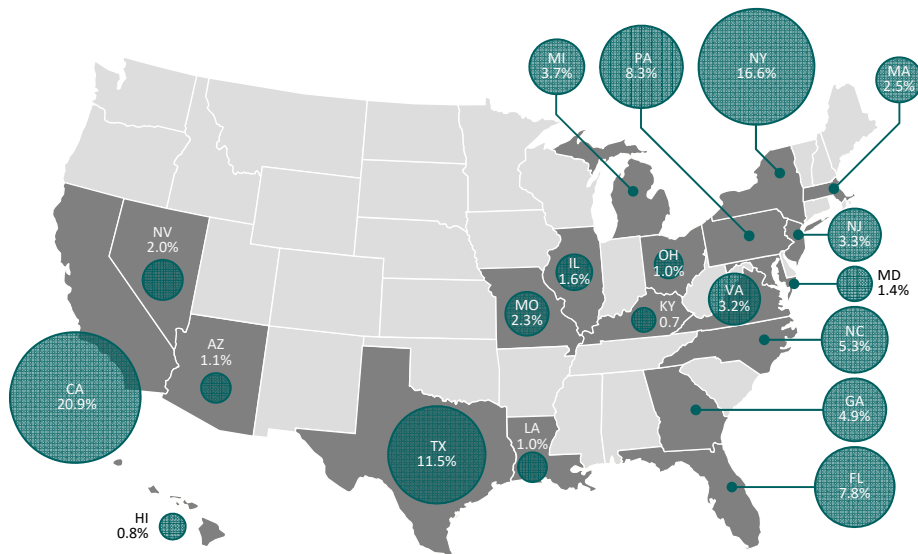
GAAP Net Income and Core Earnings



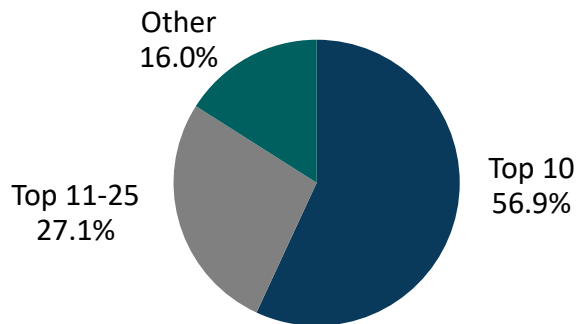
1. See Appendix for Core Earnings definition and reconciliation to GAAP net income  
2. Based on annualized quarterly cash dividend declared and book value per common share as of the reporting date

# Diversified Loan Portfolio

## National, Major Market Footprint<sup>2</sup>

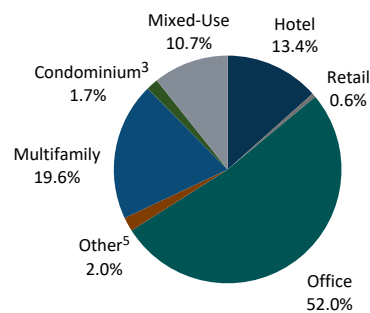


## Lending Focused in Top 25 Markets<sup>1</sup>

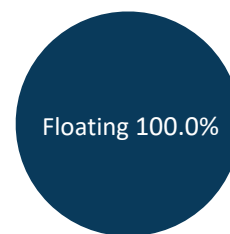


**Top 25 Markets Account for 84.0% of Total Loan Commitments**

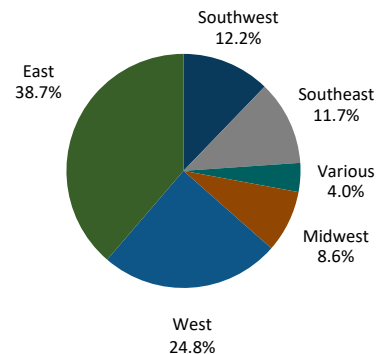
## Property Diversity<sup>2</sup>



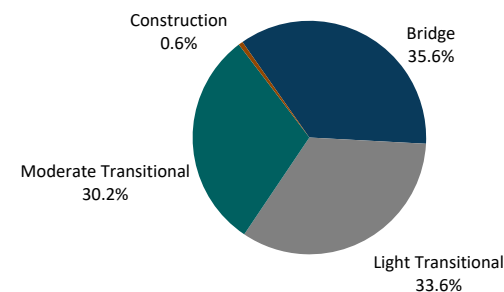
## Fixed vs. Floating



## Geographic Diversity<sup>2,4</sup>



## Loan Category<sup>2,4</sup>



- Loan Portfolio: \$5.6 billion<sup>2</sup>
- Loan Type: First Mortgage 99.6% | Mezzanine Loan 0.4%
- Weighted Average Interest Rate: LIBOR plus 3.5%
- Weighted Average LTV: 65.4%<sup>4</sup>
- Property Diversity: Office is highest concentration: 52.0%

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 December 31, 2019

3. Condominium exposure reflects total loan commitments for the Company's five condominium inventory loans. The Company's exposure is reduced by the related aggregate net sales value of executed sales contracts through December 31, 2019 (or 1.1% condominium exposure)

4. See Appendix for definitions, including LTV, Loan Category, and Geographic Diversity definitions

5. Includes one land loan (total loan commitment of \$112.0 million), which closed during the quarter ended March 31, 2019. This property type is referred to as "Other" in Note 15 to the Consolidated Financial Statements included in the Company's Form 10-K for the year ended December 31, 2019

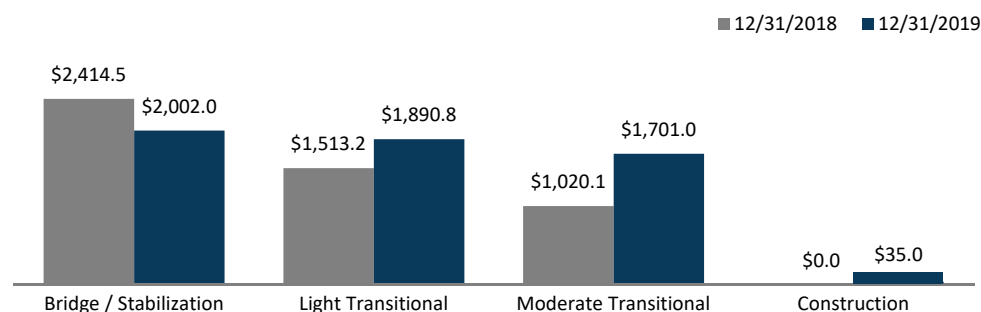
# Diversified Loan Portfolio

- Loan commitments and UPB increased to \$5.6 billion, or 13.8% YoY, and \$5.0 billion, or 15.9% YoY, respectively
- Office and Multifamily are largest exposures at 52.0% and 19.6%, respectively, of total loan commitments
- Weighted average loan portfolio risk rating of 2.9 as of December 31, 2019 was unchanged from September 30, 2019

## Portfolio Growth by Loan and Property Type<sup>1,2</sup>

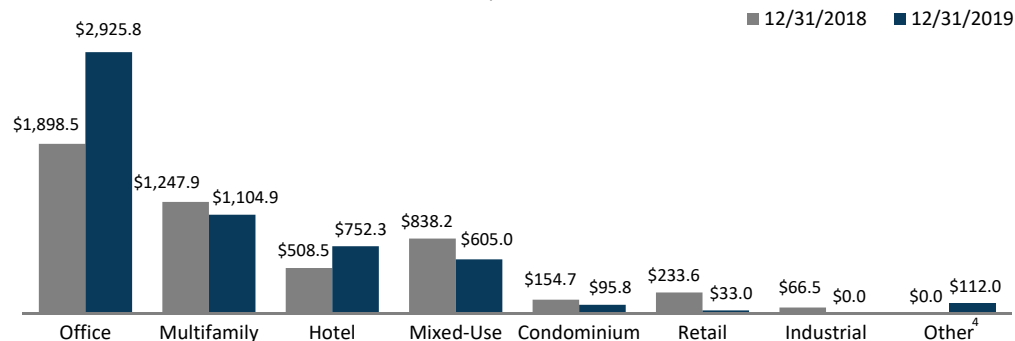
### Loan Category

\$ Millions



### Property Type

\$ Millions



1. See Appendix for a description of the Company's Loan Risk Rating scale and definition of Loan Category

2. By total loan commitment

3. By loan carrying value

4. Includes the Las Vegas Land loan (total loan commitment of \$112.0 million), which closed during the quarter ended March 31, 2019. This property type is referred to as "Other" in Note 15 to the Consolidated Financial Statements included in the Company's Form 10-K for the year ended December 31, 2019

5. Includes a single sponsor relationship with common control of 4 loans totaling \$31.2 million

Note: Totals may not sum due to rounding

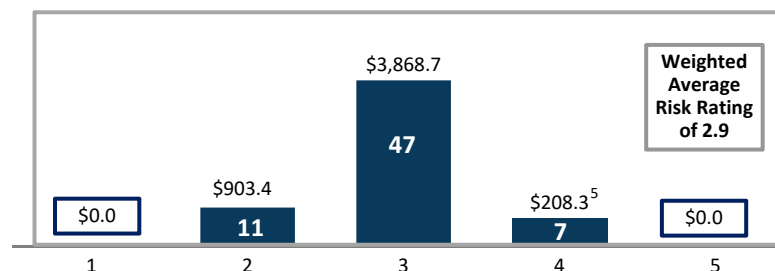
## Consistent, Strong Credit Quality<sup>1,3</sup>

### Risk Ratings – 12/31/2019

\$ Millions

Loan Count: 65

Total: \$4,980.4

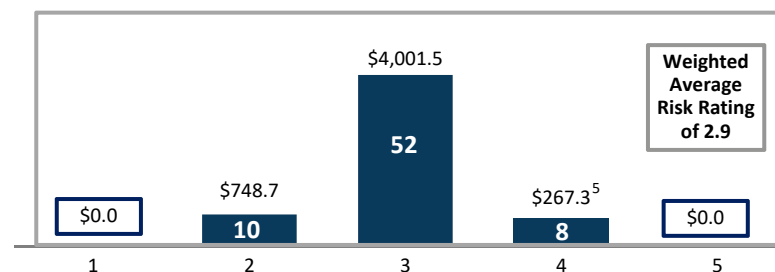


### Risk Ratings – 9/30/2019

\$ Millions

Loan Count: 70

Total: \$5,017.5



# Loan Originations

## 4Q19 Investment Highlights

- Closed 7 first mortgage loans
- Total commitments of \$653.7 million
- Initial fundings of \$561.1 million
- Average loan size of \$93.4 million<sup>2</sup>
- 100% Floating Rate
- Weighted average interest rate of LIBOR plus 2.90%
- Weighted average LTV of 61.7%<sup>3</sup>
- Asset-Level Estimated Return on Equity of 8.4%<sup>3</sup>

## Quarterly and FY 2019 Originations by Property Type<sup>2</sup>

Property Type	1Q19	2Q19	3Q19	4Q19	FY 2019
Office	22.0%	36.9%	89.1%	64.2%	53.7%
Hotel	31.7%	30.3%	-	17.3%	19.4%
Multifamily	19.2%	9.3%	10.9%	9.0%	12.1%
Mixed-Use	11.4%	23.5%	-	9.5%	11.0%
Other	15.7%	-	-	-	3.8%

## Attractive Loan Origination Metrics<sup>3</sup>


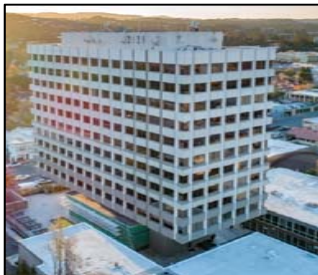

	1Q19	2Q19 <sup>1</sup>	3Q19	4Q19	FY 2019
Loan-to-Value (LTV)	63%	60%	70%	62%	64%
Mortgage Loan WAS	4.0%	3.6%	2.9%	2.9%	3.3%
Asset-Level Estimated Return on Equity	10.8%	9.7%	9.2%	8.4%	9.5%

1. Inclusive of the Stanly Ranch co-originated senior loan of \$132.0 million with an interest rate of LIBOR plus 4.25% that is accounted for as a non-consolidated senior interest as of June 30, 2019

2. Average loan size based on loans originated or acquired during a reporting period. Property types based on total loan commitment

3. See Appendix for definitions, including LTV and Asset-Level Estimated Return on Equity

# Select 4Q 2019 Loan Originations

	Office	Office	Office
<b>Commitment</b>	\$190.1M	\$75.8M	\$101.0M
<b>Location</b>	San Diego, CA	San Mateo, CA	Rosslyn, VA
<b>Collateral</b>	<ul style="list-style-type: none"> <li>✓ Two Class B office buildings (752K SF), and 580-stall parking structure with 15K SF of service retail</li> </ul>	<ul style="list-style-type: none"> <li>✓ 206K SF Class B, five building office complex</li> </ul>	<ul style="list-style-type: none"> <li>✓ 317K SF Class B+ office building</li> </ul>
<b>Borrower Business Plan</b>	<ul style="list-style-type: none"> <li>✓ Refinance and complete lease-up of 72% leased buildings</li> </ul>	<ul style="list-style-type: none"> <li>✓ Refinance and fund renovations, complete remaining lease-up of 88% leased buildings and fund re-lettings of scheduled lease expirations</li> </ul>	<ul style="list-style-type: none"> <li>✓ Finance acquisition and fund capital improvements for 78% leased property</li> </ul>
<b>LTV / In-Place Debt Yield<sup>(1),(2)</sup></b>	51.9% / 7.0%	65.8% / 10.7%	71.1% / 8.7%
<b>Loan Category<sup>(1)</sup></b>	Light Transitional	Moderate Transitional	Light Transitional
<b>Investment Date</b>	November 2019	December 2019	December 2019
<b>Property Photos</b>			

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

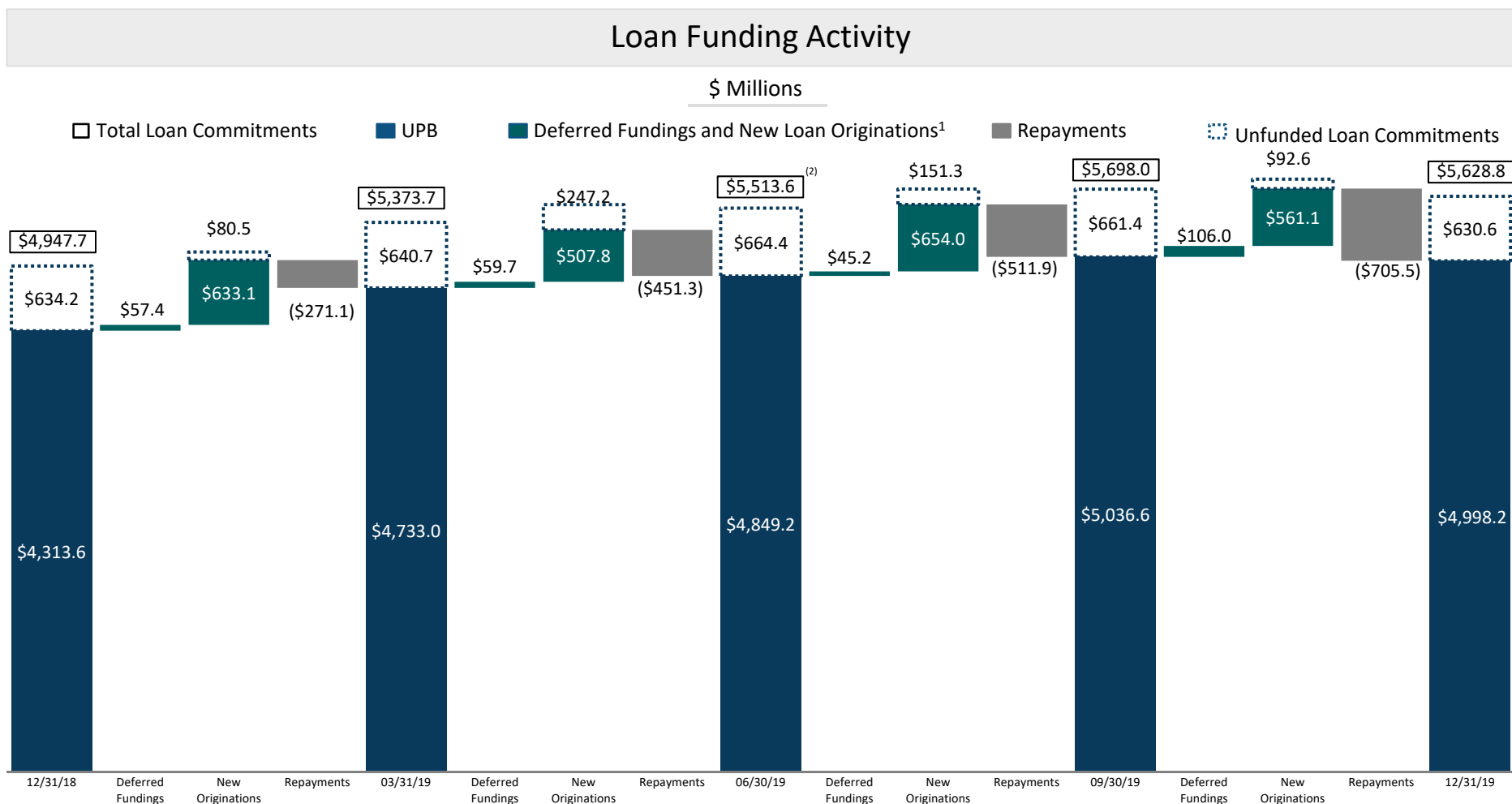
2. In-place debt yield for loans originated during the three months ended December 31, 2019 is defined as the ratio of in-place net cash flow (annualized) divided by the initial funding amount, both as of the closing date

Note: Select 4Q19 Loan Originations or acquisitions represent 56.1% of total loan originations during 4Q19 based on total commitments. See slide 9 for Loan Origination data for 4Q19



# Loan Funding Activity through December 31, 2019

- 4Q19 activity was \$653.7 million of new loan commitments, offset by loan repayments and sales of \$705.5 million
- Loan UPB grew to \$5.0 billion, an increase of 15.9% YoY
- Ratio of initial funding to total loan commitments for new originations was: 80.5% for 2019; 82.7% for 2018; and 85.8% for 4Q 2019



1. New loan originations include initial loan funding amounts at the transaction close date. All subsequent loan fundings are included in Deferred Fundings

2. Total loan commitments and unfunded loan commitments for the three months ended June 30, 2019 includes \$132.0 million related to a non-consolidated senior interest co-originated during the period

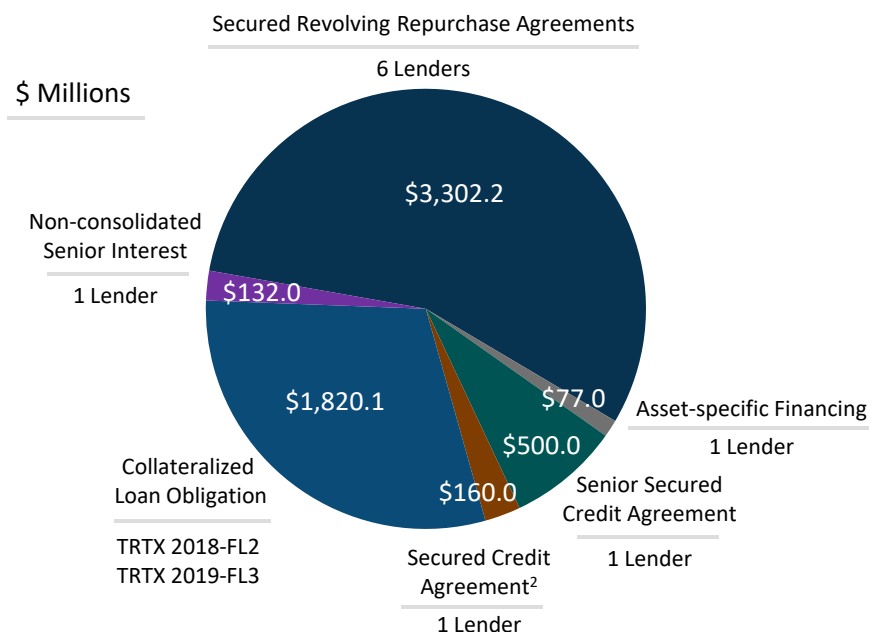
Note: Totals may not sum due to rounding

# Loan Portfolio Financing

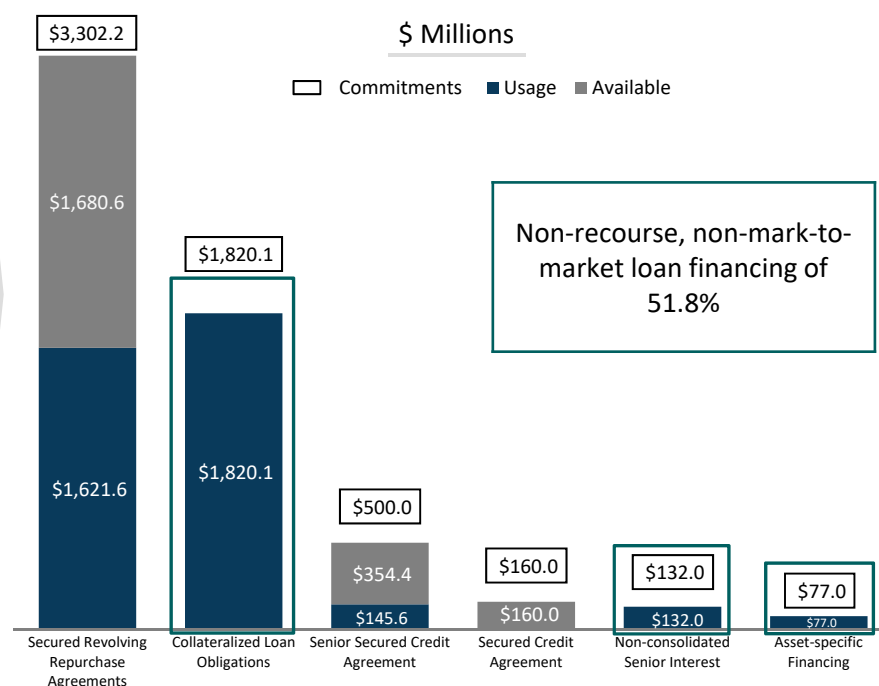
## Non-recourse, Matched-term Financing Mitigates Risk and Sustains Levered Returns

- Matched-term, non-mark-to-market financings represent 51.8% of total financing
- Loan financing commitments totaled \$6.0 billion at December 31, 2019, including available financing capacity of \$2.2 billion
- On October 25, 2019, closed TRTX 2019 FL-3, a \$1.2 billion managed CRE CLO, with a 24-month reinvestment period, an advance rate of 84.5%, and a weighted average interest rate at issuance of LIBOR plus 1.44%, before transaction costs
- At December 31, 2019, Debt to Equity and Total Leverage Ratios were 2.84x and 2.93x respectively

### Loan Financing Commitments: \$6.0 Billion



### Loan Financing Utilization<sup>(1)</sup>



1. Total Loan Portfolio Financing Capacity and Financing Utilization relates only to the financing of the Company's loan investments. Excludes items related to CMBS and CRE CLO investments. Totals may not sum due to rounding. Proforma Loan Financing Utilization does not take into account additional borrowings under our loan portfolio financings subsequent to December 31, 2019

2. Borrowings are 100% recourse to the Company

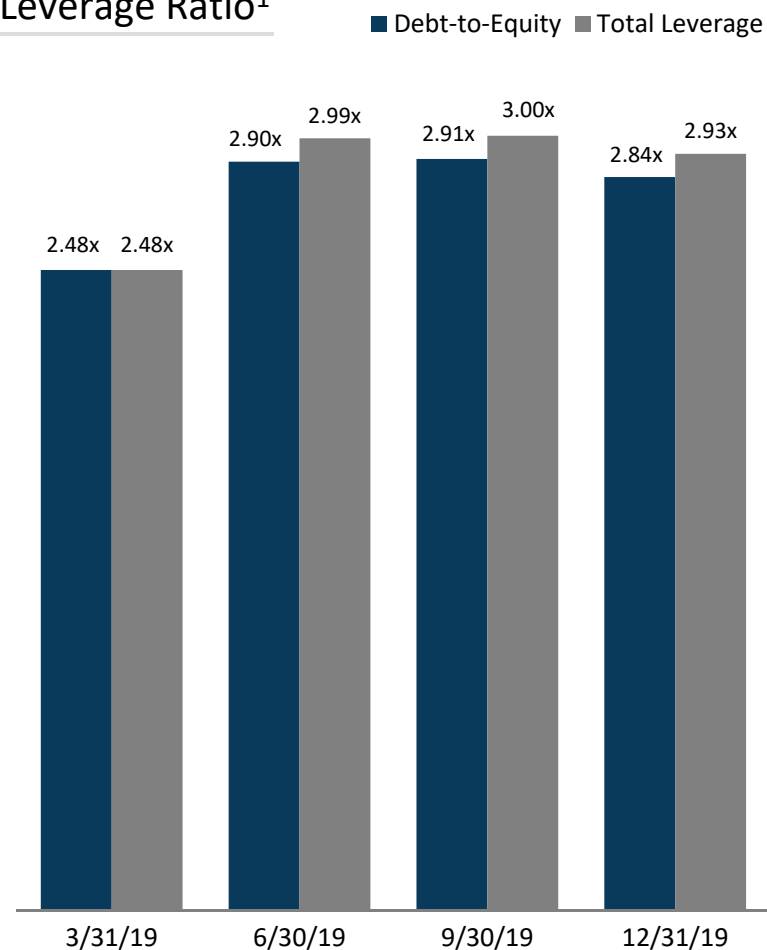
Note: Totals may not sum due to rounding

# Capital Deployment

- Potential Net Loan Capacity of \$1.1 billion available to drive future loan portfolio growth

## Strong, Diverse Capital Base Drives Portfolio Growth & Attractive Asset-Level Returns

### Leverage Ratio<sup>1</sup>



### Investment Capacity

	Sep 30, 2019	Dec 31, 2019
<b>Loan UPB</b>	<b>\$5,036.6</b>	<b>\$4,998.2</b>
Total Stockholders' Equity	\$1,466.3	\$1,504.0
Targeted Leverage	3.5:1	3.5:1
<b>Potential Gross Loan Investment Capacity</b>	<b>\$6,598.4</b>	<b>\$6,767.8</b>
Less: Outstanding Total Loan Commitments <sup>2</sup>	(\$5,698.0)	(\$5,628.8)
<b>Potential Net Loan Capacity<sup>3</sup></b>	<b>\$900.4</b>	<b>\$1,139.0</b>
<b>Potential Gross Loan Investment Capacity Utilization Rate<sup>4</sup></b>	<b>86.4%</b>	<b>83.2%</b>

1. See Appendix for definitions, including definitions of Debt-to-Equity and Total Leverage

2. Outstanding total loan commitments as of the reporting date

3. Excludes near term liquidity including cash-on-hand and potential loan repayments. Assumes existing CRE Debt Securities portfolio is sold at par with net proceeds redeployed into loan investments. There can be no assurance the Company will originate or acquire this volume of loan investments during future periods

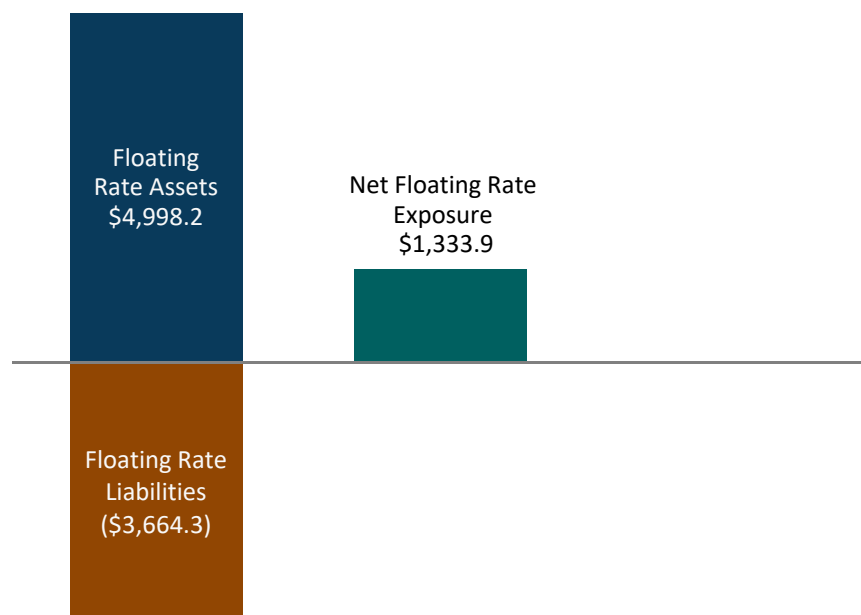
4. Potential Gross Loan Investment Capacity Utilization Rate is equal to Outstanding Total Loan Commitments as a percentage of Potential Gross Loan Investment Capacity

# Interest Rate Sensitivity

- 100% floating rate loan portfolio that benefits from contractual interest rate floors with a weighted average strike LIBOR rate of 1.63% portfolio-wide
- Net floating rate mortgage loan exposure of \$1.3 billion generates an annualized increase in net interest income of approximately \$6.7 million for every 50 basis point increase in 1-month LIBOR<sup>1</sup>

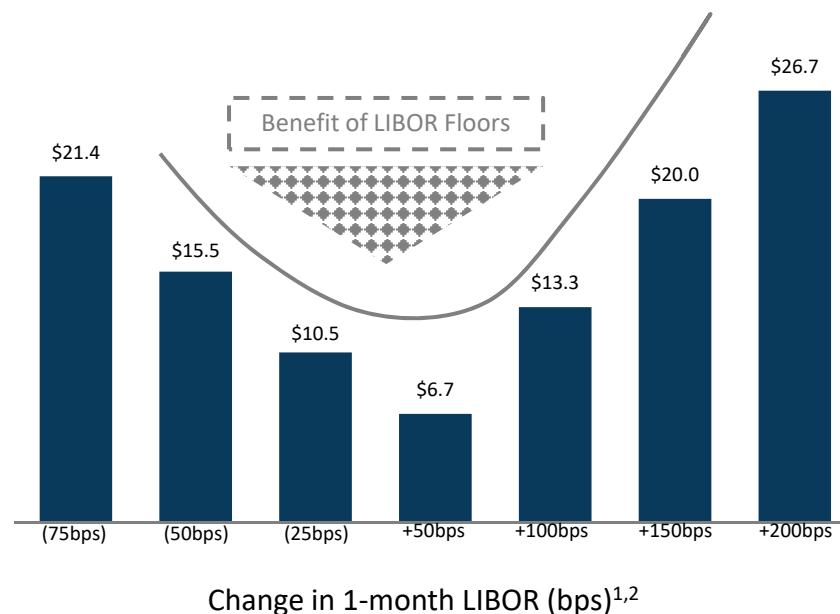
## Loan Portfolio Composition

\$ Millions



## Loan Portfolio Income Sensitivity

\$ Millions



Impact on Annualized Net Interest Income per Common Share						
\$0.28	\$0.20	\$0.14	\$0.09	\$0.18	\$0.26	\$0.35

1. See Part II, Item 7A of the Company's Form 10-K for additional details related to the Company's interest rate risk for the period ended December 31, 2019

2. Based on 1-month LIBOR at December 31, 2019 of 1.76%

Note: Excludes items related to CMBS and CRE CLO investments

A decorative L-shaped line consisting of a vertical bar on the left and a horizontal line extending to the right, both in a light gray color.

# Appendix

# Per Share Calculations

## Earnings and Dividends per Common Share

	Year Ended	Three Months Ended (unaudited)			
	Dec 31, 2019	Dec 31, 2019	Sep 30, 2019	Jun 30, 2019	Mar 31, 2019
Net Income Attributable to Common Stockholders <sup>1</sup>	\$125,622	\$32,618	\$32,909	\$31,827	\$28,268
Weighted-Average Number of Common Shares Outstanding, Basic and Diluted <sup>2</sup>	72,743,171	74,504,278	74,126,890	73,963,337	68,294,736
Basic and Diluted Earnings per Common Share	\$1.73	\$0.44	\$0.44	\$0.43	\$0.42
<b>Dividends Declared per Common Share</b>	<b>\$1.72</b>	<b>\$0.43</b>	<b>\$0.43</b>	<b>\$0.43</b>	<b>\$0.43</b>

## Per Share Calculations / Core Earnings Reconciliation

	Year Ended	Three Months Ended (unaudited)			
	Dec 31, 2019	Dec 31, 2019	Sep 30, 2019	Jun 30, 2019	Mar 31, 2019
Net Income Attributable to Common Stockholders <sup>1</sup>	\$125,622	\$32,618	\$32,909	\$31,827	\$28,268
Non-Cash Compensation Expense	2,556	590	452	881	633
Depreciation and Amortization Expense	—	—	—	—	—
Unrealized Gains (Losses)	—	—	—	—	—
Other Items	—	—	—	—	—
Core Earnings	128,178	33,208	\$33,361	\$32,708	\$28,901
Weighted-Average Number of Common Shares Outstanding, Basic and Diluted <sup>2</sup>	72,743,171	74,504,278	74,126,890	73,963,337	68,294,736
<b>Core Earnings per Common Share, Basic and Diluted</b>	<b>\$1.76</b>	<b>\$0.45</b>	<b>\$0.45</b>	<b>\$0.44</b>	<b>\$0.43</b>

## Book Value Per Common Share

	For the Period Ended (unaudited)			
	Dec 31, 2019	Sep 30, 2019	Jun 30, 2019	Mar 31, 2019
Total Stockholders' Equity	\$1,503,954	\$1,466,295	\$1,464,757	\$1,443,549
Preferred Stock	125	125	125	125
Stockholders' Equity, Net of Preferred Stock	\$1,503,829	\$1,466,170	\$1,464,632	\$1,443,424
Number of Common Shares Outstanding at Period End <sup>2</sup>	76,022,778	74,125,051	74,139,409	73,161,376
<b>Book Value per Common Share</b>	<b>\$19.78</b>	<b>\$19.78</b>	<b>\$19.76</b>	<b>\$19.73</b>

1. Represents GAAP net income attributable to the common and Class A common stockholders

2. Includes common stock and Class A common stock. Please see Note 17 to the Consolidated Financial Statements included in the Company's Form 10-K for the year ended December 31, 2019 for a description of the conversion of all Class A shares to common shares in January 2020.

Note: Amounts shown in thousands, except share and per share data. Totals may not sum due to rounding

# TRTX Loan Portfolio

\$ Millions

Loan Name	TRTX Loan Commitment <sup>1</sup>	TRTX Loan Balance <sup>2</sup>	Interest Rate	Extended Maturity	Location	Property Type	Commitment Per Sq. ft. / Unit	LTV <sup>3</sup>
Loan 1	\$350.8	\$316.1	L+ 2.9%	4.7 years	New York, NY	Office	\$692 Sq. ft.	72.8%
Loan 2	\$223.0	\$167.8	L+ 3.4%	4.6 years	Atlanta, GA	Office	\$214 Sq. ft.	61.4%
Loan 3	\$210.0	\$151.9	L+ 3.6%	4.0 years	Detroit, MI	Office	\$217 Sq. ft.	59.8%
Loan 4	\$206.5	\$198.4	L+ 2.9%	4.0 years	Various, FL	Multifamily	\$181,299 / Unit	76.6%
Loan 5	\$200.0	\$165.7	L+ 2.9%	4.7 years	New York, NY	Office	\$904 Sq. ft.	65.2%
Loan 6	\$190.1	\$168.8	L+ 3.0%	4.9 years	San Diego, CA	Office	\$248 Sq. ft.	51.9%
Loan 7	\$190.0	\$182.9	L+ 2.7%	3.5 years	Philadelphia, PA	Office	\$177 Sq. ft.	73.6%
Loan 8	\$180.0	\$180.0	L+ 3.8%	2.9 years	Charlotte, NC	Hotel	\$257,143 / Unit	65.5%
Loan 9	\$173.3	\$165.1	L+ 4.3%	2.8 years	Philadelphia, PA	Office	\$213 Sq. ft.	72.2%
Loan 10	\$165.0	\$160.0	L+ 3.8%	3.2 years	Various, NJ	Multifamily	\$132,850 / Unit	78.4%
<b>Loans 11 – 70</b>	<b>\$3,540.1</b>	<b>\$3,141.5</b>	<b>L + 3.6%<sup>4</sup></b>	<b>3.7 years</b>				<b>63.7%</b>
<b>Total Loan Portfolio</b>	<b>\$5,628.8</b>	<b>\$4,998.2</b>	<b>L + 3.5%<sup>4</sup></b>	<b>3.8 years</b>				<b>65.4%</b>

1. Represents TRTX's potential maximum loan commitment/balance

2. Represents TRTX's current loan balance and excludes pari passu and junior positions in the same capital structure

3. See Appendix for definitions, including definition of LTV

4. Represents the weighted average interest rate as of December 31, 2019, which are all floating rate loans. Interest rate includes LIBOR plus the loan credit spread at December 31, 2019

Note: As of December 31, 2019. Excludes CRE Debt Securities investments. 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

# Consolidated Balance Sheets

All amounts in thousands except share and per share amounts

ASSETS	December 31, 2019	December 31, 2018
Cash and Cash Equivalents	\$79,182	\$39,720
Restricted Cash	484	1,000
Accounts Receivable	2,344	38
Accounts Receivable from Servicer/Trustee	13,741	96,464
Accrued Interest Receivable	28,107	20,731
Loans Held for Investment, net (includes \$2,601,152 and \$2,219,574 pledged as collateral under secured revolving repurchase and secured credit agreements)	4,980,389	4,293,787
Investment in Available-for-Sale CRE Debt Securities (includes \$786,408 and \$36,307 pledged as collateral under secured revolving repurchase agreements)	787,552	74,381
Other Assets, Net	<u>1,071</u>	<u>669</u>
<b>Total Assets</b>	<b>\$5,892,870</b>	<b>\$4,526,790</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Liabilities</b>		
Accrued Interest Payable	\$6,665	6,146
Accrued Expenses	8,176	8,151
Secured Revolving Repurchase, Senior Secured, and Secured Credit Agreements (net of deferred financing costs of \$11,632 and \$10,448)	2,448,422	1,494,078
Collateralized Loan Obligations (net of deferred financing costs of \$13,632 and \$12,447)	1,806,428	1,509,930
Term Loan Facility (net of deferred financing costs of \$0 and \$758)	—	113,504
Asset-Specific Financings (net of deferred financing costs of \$294 and \$129)	76,706	32,371
Payable to Affiliates	9,520	5,996
Deferred Revenue	164	463
Dividends Payable	<u>32,835</u>	<u>28,981</u>
<b>Total Liabilities</b>	<b>\$4,388,916</b>	<b>\$3,199,620</b>
Commitments and Contingencies		
<b>Stockholders' Equity:</b>		
Preferred Stock (\$0.001 par value per share; 100,000,000 shares authorized; 125 and 0 shares issued and outstanding, respectively)	—	—
Common Stock (\$0.001 par value per share; 300,000,000 shares authorized; 74,886,113 and 66,020,387 shares issued and outstanding, respectively)	75	67
Class A Common Stock (\$0.001 par value per share; 2,500,000 shares authorized; 1,136,665 and 1,143,313 shares issued and outstanding, respectively)	1	1
Additional Paid-in-Capital	1,530,935	1,355,002
Retained Earnings (Accumulated Deficit)	(28,108)	(25,915)
Accumulated Other Comprehensive Income (Loss)	1,051	(1,985)
<b>Total Stockholders' Equity</b>	<b><u>1,503,954</u></b>	<b><u>1,327,170</u></b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$5,892,870</b>	<b>\$4,526,790</b>



# Consolidated Statements of Income and Comprehensive Income

All amounts in thousands except share and per share amounts (three months ended December 31 is unaudited)

	Three Months Ended Dec 31,		Year Ended Dec 31,	
	2019	2018	2019	2018
<b>INTEREST INCOME</b>				
Interest Income	\$82,597	\$71,673	\$339,814	\$265,594
Interest Expense	(41,174)	(35,576)	(174,841)	(126,025)
<b>Net Interest Income</b>	<b>41,423</b>	<b>36,097</b>	<b>164,973</b>	<b>139,569</b>
<b>OTHER REVENUE</b>				
Other Income, net	760	487	1,754	1,307
<b>Total Other Revenue</b>	<b>760</b>	<b>487</b>	<b>1,754</b>	<b>1,307</b>
<b>OTHER EXPENSES</b>				
Professional Fees	1,007	503	3,719	3,162
General and Administrative	1,033	877	5,562	4,039
Servicing and Asset Management Fees	(67)	345	1,837	2,646
Management Fee	5,623	5,018	21,571	19,364
Incentive Management Fee	1,629	1,144	7,146	4,384
<b>Total Other Expenses</b>	<b>9,225</b>	<b>7,887</b>	<b>39,835</b>	<b>33,595</b>
<b>Income Before Income Taxes</b>	<b>32,958</b>	<b>28,697</b>	<b>126,892</b>	<b>107,281</b>
Income Tax (Expense) Income, net	(51)	(132)	(579)	(340)
<b>Net Income</b>	<b>\$32,907</b>	<b>\$28,565</b>	<b>\$126,313</b>	<b>\$106,941</b>
Preferred Stock Dividends	(5)	-	(15)	(3)
<b>Net Income Attributable to TPG RE Finance Trust, Inc.</b>	<b>\$32,902</b>	<b>\$28,565</b>	<b>\$126,298</b>	<b>\$106,938</b>
Basic Earnings per Common Share	\$0.44	\$0.43	\$1.73	\$1.70
Diluted Earnings per Common Share	\$0.44	\$0.43	\$1.73	\$1.70
Weighted Average Number of Common Shares Outstanding				
Basic:	74,504,278	67,185,646	72,743,171	63,034,806
Diluted:	74,504,278	67,185,646	72,743,171	63,034,806
Dividends Declared per Common Share	\$0.43	\$0.43	\$1.72	\$1.71
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Net Income</b>	<b>\$32,907</b>	<b>\$28,565</b>	<b>\$126,313</b>	<b>\$106,941</b>
Unrealized Gain (Loss) on Available-for-Sale CRE Debt Securities	74	(836)	3,036	(1,951)
<b>Comprehensive Net Income</b>	<b>\$32,981</b>	<b>\$27,729</b>	<b>\$129,349</b>	<b>\$104,990</b>

# Consolidated Statements of Cash Flows

All amounts in thousands	Year Ended	
	Dec 31, 2019	Dec 31, 2018
<b>Cash Flows from Operating Activities:</b>		
Net Income	\$126,313	\$106,941
Adjustment to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Amortization and Accretion of Premiums, Discounts and Loan Origination Fees, net	(16,331)	(15,915)
Amortization of Deferred Financing Costs	19,040	17,157
Stock Compensation Expense	2,556	665
Loss on Sale of Loans Held for Investment and Available-for-Sale CRE Debt Securities	278	524
Cash Flows Due to Changes in Operating Assets and Liabilities:		
Accounts Receivable	(2,306)	103
Accrued Interest Receivable	(6,549)	(5,270)
Accrued Expenses	(4,678)	1,626
Accrued Interest Payable	519	761
Payable to Affiliates	3,524	769
Deferred Fee Income	(299)	146
Other Assets	(402)	190
Net Cash Provided by Operating Activities	<b>\$121,665</b>	<b>\$107,697</b>
<b>Cash Flows from Investing Activities:</b>		
Origination and Acquisition of Loans Held for Investment	(2,341,692)	(2,071,391)
Advances on Loans Held for Investment	(268,356)	(258,308)
Principal Repayments of Loans Held for Investment	1,961,906	1,131,294
Purchase of Commercial Mortgage-Backed and Commercial Real Estate Collateralized Loan Obligation Securities	(815,037)	(143,503)
Sale Proceeds from Loans Held for Investment	59,759	2,174
Principal Repayments and Sales of Commercial Mortgage-Backed and Commercial Real Estate Collateralized Loan Obligation Securities	<u>94,790</u>	<u>146,869</u>
Net Cash (Used in) Investing Activities	<b>(\$1,308,630)</b>	<b>(\$1,192,865)</b>
<b>Cash Flows from Financing Activities:</b>		
Payments on Collateralized Loan Obligations	(732,103)	(13,800)
Proceeds from Collateralized Loan Obligations	1,039,627	1,541,037
Payments on Secured Financing Agreements	(3,823,037)	(2,544,583)
Proceeds from Secured Financing Agreements	4,708,802	2,070,584
Payment of Deferred Financing Costs	(16,154)	(29,279)
Payments to Redeem Series A Preferred Stock	-	(125)
Payments to Repurchase Common Stock	(42)	(8,842)
Proceeds from Issuance of Preferred Stock	125	-
Proceeds from Issuance of Common Stock	174,549	139,440
Payment of Equity Issuance and Equity Distribution Agreement Transaction Costs	(1,246)	(1,074)
Dividends Paid on Common Stock	(122,631)	(101,283)
Dividends Paid on Class A Common Stock	(1,964)	(1,921)
Dividends Paid on Preferred Stock	<u>(15)</u>	<u>(3)</u>
Net Cash Provided by Financing Activities	<b>\$1,225,911</b>	<b>\$1,050,151</b>
Net Change in Cash, Cash Equivalents, and Restricted Cash	38,946	(35,017)
Cash, Cash Equivalents, and Restricted Cash at Beginning of Period	<u>40,720</u>	<u>75,737</u>
Cash, Cash Equivalents, and Restricted Cash at End of Period	<b>\$79,666</b>	<b>\$40,720</b>
<b>Supplemental Disclosure of Cash Flow Information:</b>		
Interest Paid	\$155,282	\$108,106
Taxes Paid	394	341
<b>Supplemental Disclosure of Non-Cash Investing and Financing Activities:</b>		
Principal Repayments of Loans Held for Investment Held by Servicer/Trustee, net	\$12,950	\$ 94,633
Principal Repayments of Available-for-Sale CRE Debt Securities Held by Servicer/Trustee, net	-	213
Dividends Declared, not paid	32,835	28,981
Accrued Deferred Financing Costs	5,411	2,926
Unrealized Gain (Loss) on Available-for-Sale CRE Debt Securities	3,036	(1,951)
Accrued Common Stock Repurchase Costs	-	95

# Definitions

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## Asset-Level Estimated Return on Equity

- TRTX defines Asset-Level Estimated Return on Equity (ALEROE) as a non-discounted estimate of a loan investment's average annual return on equity during its initial term to maturity. ALEROE is determined for each loan, on a stand-alone basis, using the loan's stated credit spread, spot LIBOR rate, origination and exit fees (if any) amortized on a straight line basis, the maximum advance rate approved by our lender against the loan investment, the all-in cost of funding (including commitment fees and amortized deferred financing costs), and estimates of MG&A, asset management and loan servicing costs, base management fee, and incentive fee, if any. TRTX's calculation of ALEROE for a particular loan investment assumes deferred fundings related to such investment, if any, in accordance with TRTX's underwriting of the borrower's business plan, and that the all-in cost of funding for the investment is constant from origination through the initial maturity date. There can be no assurance that the actual asset-level return on equity for a particular loan investment will equal the ALEROE for such investment

## Core Earnings

- TRTX uses Core Earnings to evaluate its performance excluding the effects of certain transactions and GAAP adjustments it believes are not necessarily indicative of its current loan activity and operations. Core Earnings is a non-GAAP measure, which TRTX defines as GAAP net income (loss) attributable to its stockholders, including realized gains and losses not otherwise included in GAAP net income (loss), and excluding (i) non-cash equity compensation expense, (ii) depreciation and amortization, (iii) unrealized gains (losses), and (iv) certain non-cash items. Core Earnings may also be adjusted from time to time to exclude one-time events pursuant to changes in GAAP and certain other non-cash charges as determined by TRTX's Manager, subject to approval by a majority of TRTX's independent directors. The exclusion of depreciation and amortization from the calculation of Core Earnings only applies to debt investments related to real estate to the extent TRTX forecloses upon the property or properties underlying such debt investments
- TRTX believes that Core Earnings provides meaningful information to consider in addition to its net income and cash flow from operating activities determined in accordance with GAAP. Although pursuant to the Management Agreement TRTX calculates the incentive and base management fees due to its Manager using Core Earnings before incentive fee expense, TRTX reports Core Earnings after incentive fee expense, because TRTX believes this is a more meaningful presentation of the economic performance of TRTX's common and Class A common stock. For additional information on the fees TRTX pays the Manager, see Note 10 to the Consolidated Financial Statements included in TRTX's Form 10-K
- Core Earnings does not represent net income or cash generated from operating activities and should not be considered as an alternative to GAAP net income, or an indication of TRTX's GAAP cash flows from operations, a measure of TRTX's liquidity, or an indication of funds available for TRTX's cash needs. In addition, TRTX's methodology for calculating Core Earnings may differ from the methodologies employed by other companies to calculate the same or similar supplemental performance measures, and accordingly, TRTX's reported Core Earnings may not be comparable to the Core Earnings reported by other companies

# Definitions (cont.)

## Deferred Fundings

- Borrower fundings 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 Form 10-K at December 31, 2019 follows (dollars in millions):

Region	Form 10-K	Reclassification	Supplemental	% Total Commitment
East	\$2,182.7	-	\$2,182.7	38.7%
South	1,342.8	(1,342.8)	-	-
West	1,397.4	-	1,397.4	24.8%
Midwest	482.8	-	482.8	8.6%
Various	223.1	-	223.1	4.0%
Southeast	-	656.4	656.4	11.7%
Southwest	-	686.4	686.4	12.2%
<b>Total</b>	<b>\$5,628.8</b>	<b>\$-</b>	<b>\$5,628.8</b>	<b>100.0%</b>

*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 revolving repurchase agreements, senior secured and secured credit agreements, a term loan facility, and an asset-specific financing agreement, 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 revolving repurchase agreements, senior secured and secured credit agreements, a term loan facility, and an asset-specific financing agreement, plus non-consolidated senior interests sold or co-originated (if any), less cash, to (ii) total stockholders' equity, at period end

# Definitions (cont.)

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## 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

## Loan Portfolio Leverage

- Loan portfolio leverage is the total outstanding borrowings divided by the aggregate unpaid principal balance of the loans pledged 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 real estate value 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 interests determined in accordance with our Manager's underwriting standards and consistent with third-party appraisals obtained by our Manager

# Definitions (cont.)

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## Loan Risk Ratings

- Using on a 5-point scale, TRTX's loans are rated "1" through "5," from least risk to greatest risk, respectively, on a quarterly basis. The loan risk 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: Risk of Impairment/Default—Collateral performance is significantly worse than underwriting; major variance from business plan; loan covenants or technical milestones have been breached; timely exit from loan via sale or refinancing is questionable.

## Mixed-Use Loan

- 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 multiple use is the principal driver of the property's aggregate net operating income

## 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 the Company's balance sheet. When TRTX creates structural leverage through the co-origination or non-recourse syndication of a senior loan interest to a third party, the Company retains on its balance sheet a mezzanine loan

# Company Information

TPG RE Finance Trust, Inc. (“TRTX” or the “Company”) is a commercial real estate finance company that focuses primarily on originating, acquiring, and managing first mortgage loans and other commercial real estate-related debt instruments 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 TPG. TPG is a global alternative asset firm with a 25-year history and more than \$119 billion of assets under management.

For more information regarding TRTX, visit [www.tpgrefinance.com](http://www.tpgrefinance.com).

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