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SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III

|                 |
|-----------------|
| SEC FILE NUMBER |
| 8-69684         |

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17(a) of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

SEC Mail Processing  
MAR 27 2021  
Washington, DC

REPORT FOR THE PERIOD BEGINNING 1/01/2020 AND ENDING 12/31/2020  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALERS: Tritower Real Estate Capital, LLC

|                   |
|-------------------|
| OFFICIAL USE ONLY |
| FIRM I.D. NO.     |

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
60 State Street, Suite 2250

Boston (No. and Street) MA 02109  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Patrick Gorman 781-222-5905  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Grant Thornton LLP

(Name - if individual, state last, first, middle name)

757 Third Avenue, 9<sup>th</sup> Floor New York NY 10017  
(Address) (City) (State) (Zip Code)

CHECK ONE:

- Certified Public Accountants
- Public Accountant
- Accountant not resident in United States or any of its possessions.

|                              |
|------------------------------|
| <b>FOR OFFICIAL USE ONLY</b> |
|                              |

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1410 (11-05)

OATH OR AFFIRMATION

I, Patrick Gorman, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Tritower Real Estate Capital, LLC, as of December 31, 2020, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

No Exceptions

Patrick Gorman

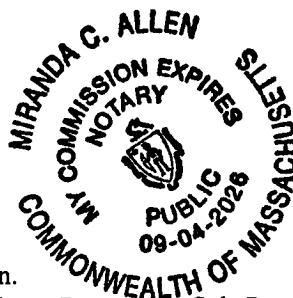
Signature

CEO

Title

Miranda C. Allen

Notary Public



This report \*\* contains (check all applicable boxes):

- (a) Facing Page.
(b) Statement of Financial Condition.
(c) Statement of Income (Loss).
(d) Statement of Changes in Financial Condition.
(e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
(f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
(g) Computation of Net Capital.
(h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
(i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
(j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
(k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
(l) An Oath or Affirmation.
(m) A copy of the SIPC Supplemental Report.
(n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.
(o) Exemption Report pursuant to Securities and Exchange Commission Rule 17a5(d)(4)

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

**Tritower Real Estate Capital, LLC**  
**(A Wholly Owned Subsidiary of TFG BD Holdco, LLC)**

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**GRANT THORNTON LLP**  
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New York, NY, 10017

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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Member  
Tritower Real Estate Capital, LLC

### Opinion on the financial statements

We have audited the accompanying statement of financial condition of Tritower Real Estate Capital, LLC (a Delaware corporation) (the "Company") as of December 31, 2020, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

### Basis for opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

We have served as the Company's auditor since 2016.

New York, New York  
February 24, 2021

**Tritower Real Estate Capital, LLC**  
**(A Wholly Owned Subsidiary of TFG BD Holdco, LLC)**

**Statement of Financial Condition**  
**December 31, 2020**

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**ASSETS**

|              |    |                |
|--------------|----|----------------|
| Cash         | \$ | 443,592        |
| Other assets |    | <u>32,966</u>  |
| Total assets | \$ | <u>476,558</u> |

**LIABILITIES AND MEMBER'S EQUITY**

**Liabilities**

|                     |    |                |
|---------------------|----|----------------|
| Due to Parent       | \$ | 188,276        |
| Accrued liabilities |    | <u>14,430</u>  |
| Total liabilities   |    | <u>202,706</u> |

**Member's equity**

|                                       |    |                |
|---------------------------------------|----|----------------|
|                                       |    | <u>273,852</u> |
| Total liabilities and member's equity | \$ | <u>476,558</u> |

The accompanying notes are an integral part of this financial statement.

**Tritower Real Estate Capital, LLC**  
**(A Wholly Owned Subsidiary of TFG BD Holdco, LLC)**

**Notes to the Financial Statement**  
**December 31, 2020**

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**1. Description of Business**

Tritower Real Estate Capital, LLC (the "Company"), was incorporated in the State of Delaware on September 22, 2015. The liability of its member is limited to the member's enforceable obligation to make capital contributions and the member's obligation to return any prohibited or illegal distributions. On February 11, 2016, the Company became a broker-dealer and as such, is registered with the U.S. Securities and Exchange Commission ("SEC") and is a member of the Financial Industry Regulatory Authority ("FINRA").

The Company is wholly owned by TFG BD Holdco, LLC. TFG BD Holdco, LLC is wholly owned by Tritower Financial Group, LLC (the "Parent") and Patrick Gorman (the "CEO").

The Company serves as the Parent's principal selling agent for certain real estate investment vehicles sponsored by the Parent.

**2. Summary of Significant Accounting Policies**

**Basis of presentation**

The Company's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

The following is a summary of the significant accounting policies followed by the Company.

**Cash and cash equivalents**

The Company considers all unrestricted deposits and highly liquid investments, which are readily convertible to cash, with original maturities of three months or less at acquisition, to be cash equivalents.

**Income taxes**

The Company is a single-member limited liability company that, to the extent permitted by law, is treated as a "disregarded entity" for federal and state income tax purposes. The Company is included in the US federal income tax return for the Parent. The Company accounts for income taxes in accordance with ASC 740. ASC 740 provides guidance for the financial accounting and reporting for income taxes, and requires that when a member of a consolidated group issues separate financial statements, that the consolidated amount of current and deferred tax expense be allocated to such member using a method that is systematic, rational and consistent with the broader principles of ASC 740. Since the parent company is a pass-through entity, there is no income tax expense recorded on the parent company financial statements. As such, the Company has reflected no tax expense in the financial statements attributable to the Company's stand-alone operations.

ASC 740 also provides guidance regarding how certain tax positions should be recognized, measured, presented and disclosed in the financial statements. ASC 740 requires evaluation of tax positions taken or expected to be taken in the course of preparing the tax returns to determine whether the tax positions are "more likely than not" of being sustained by the applicable tax authority. The Company concluded that it does not have any unrecognized tax benefits or any additional tax liabilities for any uncertain positions as of December 31, 2020. The earliest tax year of the Parent open for examination by tax authorities is 2017.

**Tritower Real Estate Capital, LLC**  
**(A Wholly Owned Subsidiary of TFG BD Holdco, LLC)**

**Notes to the Financial Statement**  
**December 31, 2020**

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**2. Summary of Significant Accounting Policies (continued)**

**Use of estimates**

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from these estimates.

**Credit Losses**

Effective January 1, 2020, the Company adopted ASC Topic 326, Financial Instruments – Credit Losses (“ASC 326”). ASC 326 impacts the impairment model for certain financial assets measured at amortized cost by requiring a current expected credit loss (“CECL”) methodology to estimate expected credit losses over the entire life of the financial asset, recorded at inception or purchase.

An allowance for credit losses is based on the Company’s expectation of the collectability of financial instruments carried at amortized cost, including other receivables utilizing the CECL framework. The Company considers factors such as historical experience, credit quality, age of balances and current and future economic conditions that may affect the Company’s expectation of the collectability in determining the allowance for credit losses.

The Company does not have any receivables as of December 31, 2020, therefore no reserve is necessary.

**3. Related Party Transactions**

On May 23, 2017, the Company and the Parent entered into an amended and restated Expense Sharing Agreement (the “ESA”). The Company reimburses the Parent periodically for a proportional share of payroll and employee-related expenses of personnel employed by the Parent performing services on behalf of the Company, as well as a proportional share of 10% for rent and office expenses. During the year ended December 31, 2020, the Company incurred expenses under the ESA and \$108,156 is included in Due to Parent. The parties to the ESA agree that the Company has no obligation to any third party for the services that the Parent provides. The Company reimburses the Parent for all direct payroll expenses such as commissions, payroll tax and bonuses paid by the Parent to the registered representatives and employees on behalf of the Company. As of December 31, 2020, the Company owed the Parent \$80,120 in accrued bonus, and payroll tax payments, which is included in Due to Parent. The Parent is solely responsible for any amounts owed relating to costs incurred by it in providing services on behalf of the Company. Registered representatives that receive commission compensation from the Company are also partners or employees of the Parent. Commissions earned were from REITs sponsored by the Parent.

**4. Credit, Concentration and Business Risk**

The Company maintains cash with a financial institution with investment grade credit ratings. At times, the Company may maintain deposits in federally insured financial institutions in excess of federally insured (“FDIC”) limit of \$250,000. At December 31, 2020, the Company had \$443,592 in cash held at Citizens Bank. However, the Company believes that it is not exposed to significant credit risk related to the financial position of the depository institution in which those deposits are held.

**Tritower Real Estate Capital, LLC**  
**(A Wholly Owned Subsidiary of TFG BD Holdco, LLC)**

**Notes to the Financial Statement**  
**December 31, 2020**

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**4. Credit, Concentration and Business Risk (continued)**

During 2020, the World Health Organization declared COVID-19 to constitute a "Public Health Emergency of International Concern." The spread of COVID-19 has caused business disruption domestically in the United States, the area in which the Company operates. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of this uncertainty. Therefore, while the Company does not expect this matter to negatively impact the Company's financial condition, results of operation, or cash flows, the extent of the financial impact and duration cannot be reasonably estimated at this time.

**5. Net Capital Requirements**

As a registered broker-dealer, the Company is subject to the SEC Uniform Net Capital Rule 15c3-1 (the "Rule") of the Securities Exchange Act of 1934, which requires the maintenance of minimum net capital. In accordance with the Rule, the Company is required to maintain minimum net capital, as defined, equal to the greater of \$5,000 or 6.6667% of aggregate indebtedness. At December 31, 2020, net capital of \$240,886, exceeded the required minimum net capital of \$13,514 by \$227,372. Aggregate indebtedness at December 31, 2020 totaled \$202,706. The ratio of aggregate indebtedness to net capital was 0.84 to 1.

**6. Subsequent Events**

The Company has evaluated the possibility of subsequent events existing in the Company's financial statement through the date the financial statement was issued and has determined that there are no material events that would require disclosure in the Company's financial statement.