

TPG Real Estate Advisors, LLC

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Part 2A of Form ADV: Firm Brochure
December 1, 2023

This brochure provides information about the qualifications and business practices of TPG Real Estate Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at (817) 871-4000. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about TPG Real Estate Advisors, LLC also is available on the Securities and Exchange Commission's website at www.adviserinfo.sec.gov.

An investment adviser's registration with the United States Securities and Exchange Commission does not imply a certain level of skill or training.

ITEM 2 – MATERIAL CHANGES

This brochure, dated December 1, 2023, updates our brochure dated March 30, 2023 to reflect TPG's (as defined herein) acquisition of Angelo Gordon, an alternative investment firm focused on credit and real estate investing. This brochure contains certain updates related to such acquisition including:

- **Item 10** has been updated to add certain related advisers as a result of TPG's acquisition of Angelo Gordon; and
- **Item 11** includes updated disclosure regarding potential and/or actual conflicts of interest faced by us due to Angelo Gordon's affiliation with TPG and its clients, including, but not limited to, those involving information barriers and investments in common issuers.

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ITEM 4 – ADVISORY BUSINESS

For purposes of this brochure, “we,” “us” and “our” refer to TPG Real Estate Advisors, LLC, together (where the context permits) with our subsidiaries that provide investment advisory services and our affiliates that serve as general partners of the TPGRE Vehicles (as defined below).

Advisory Clients. As set forth below, our only advisory clients are the Funds and certain fee-paying Co-Investment Vehicles (each as defined below), which we refer to collectively as the “TPGRE Vehicles.” In particular,

- We provide investment advisory services to the following, which we refer to collectively as the “Funds”:
 - pooled investment vehicles that are not registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”), and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”), and
 - certain individual investors through separately managed account arrangements.

The Funds’ investors are primarily “qualified purchasers,” as defined in the Investment Company Act, and may include, among others, pension and profit sharing plans, trusts, estates, high net worth individuals, banks, thrift institutions, charitable organizations, corporations, limited partnerships and limited liability companies.

We also serve as the sponsor of entities that act as feeder vehicles into certain Funds or Funds into which other Funds invest. Additionally, in order to meet tax, regulatory or other requirements, certain investors invest in substantially the same portfolio as the applicable Funds through specially formed investment vehicles, which we also advise.

The Funds include both investment vehicles that invest primarily in real estate equity investments (the “TPG Real Estate Funds”) and investment vehicles that invest primarily in real estate debt investments (the “TPG Real Estate Credit Funds”).

- From time to time, we also form capital around particular or multiple investment strategies or themes, or establish, on a transaction-by-transaction basis, investment vehicles, separately managed accounts or other accounts or arrangements through which certain persons generally invest alongside one or more Funds (each, a “Co-Investment Vehicle”). When a Co-Investment Vehicle is established for a particular transaction, it generally will invest in the transaction on the same terms as the applicable Fund that also is invested in such transaction. In certain cases, Co-Investment Vehicles may also pursue investments that are not pursued by a Fund.

Organization. TPG Real Estate Advisors, LLC was formed as a Delaware limited liability company in 2013 and is part of a private investment firm originally founded in 1992, which we refer to, together with its affiliates, including us, as “TPG.” Our ultimate principal owners are, indirectly, David Bonderman and James Coulter. In addition, TPG Real Estate Advisors, LLC is an indirect subsidiary of TPG Inc. (the “Public Company”), whose Class A common stock is listed on Nasdaq under the symbol “TPG.”

The Public Company qualifies as a “controlled company” within the meaning of Nasdaq’s corporate governance standards. Each share of the Public Company’s Class A common stock generally entitles its holder to one vote and each share of Class B common stock entitles its holder to ten votes. TPG Group Holdings (SBS), L.P. holds a majority of the Public Company’s outstanding voting power by virtue of its ownership of Class B common stock, which voting power is exercised by the Control Group as the members of TPG GP A, LLC, the general partner of TPG Group Holdings (SBS), L.P. The “Control Group” consists of David Bonderman, James Coulter and Jon Winkelried. Additional information about the Public Company is available in its current public filings with the SEC. Unless specifically stated otherwise, references in this Brochure to “we,” “us” and “our” do not include the Public Company. The term “investors” as used herein does not reference stockholders of the Public Company.

Nature of Advisory Services. As an investment adviser, we identify investment opportunities and participate in the acquisition, management, monitoring and disposition of investments for each TPGRE Vehicle. We primarily provide investment advisory services related to investments in a range of real estate-related strategies, including

- private platform;
- single-asset acquisition and/or development;
- corporate control or non-control;
- acquisition of loans;
- origination of high yield senior and subordinate loans; and
- public company investments, including
 - private investment in public equities (also known as “PIPEs”);
 - corporate “carve-outs”; and
 - public-to-private transactions relating to, among other things,
 - office;
 - industrial;
 - retail;
 - condominium;
 - apartment;
 - hotel and/or other hospitality;
 - single-family residential;

- self-storage;
- senior living properties;
- student housing; and
- mixed-use

in the United States and certain non-U.S. jurisdictions. Such investments take the form of various instruments, including

- equities and other securities (including asset-backed and other structured securities);
- loans (including bank loans, mortgage loans and mezzanine loans);
- receivables;
- assets;
- claims;
- derivatives (including those that derive their value from the foregoing); and
- interests in the foregoing instruments

all from a broad range of issuers and counterparties, and in each case to the extent consistent with the applicable TPGRE Vehicle’s investment objectives and strategies (please see “*Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss*”).

Advisory Services and Related Agreements. We generally provide investment advisory services to each TPGRE Vehicle pursuant to a separate advisory services agreement, each of which we refer to as an “Advisory Services Agreement.” Each TPGRE Vehicle’s Advisory Services Agreement sets forth the terms of the investment advisory services we provide to the TPGRE Vehicle, including any specific investment guidelines or restrictions. Investment guidelines for each TPGRE Vehicle, if any, are generally established in its organizational or offering documents, the Advisory Services Agreement and/or side letter agreements negotiated with its investors. We provide investment advice directly to the TPGRE Vehicles, and not individually to the investors in the TPGRE Vehicles.

As described more fully in Item 11 below, we and our related entities routinely enter into side letter agreements with certain investors in the TPGRE Vehicles providing such investors with customized terms, which often results in preferential treatment.

Amount of Client Assets. As of June 30, 2023, we managed on a discretionary basis a total of approximately \$14,630,300,000 of client assets.

ITEM 5 – FEES AND COMPENSATION

Fees Generally. We generally charge asset-based investment management fees and incentive fees from the applicable TPGRE Vehicle pursuant to each Advisory Services Agreement. Management fees paid by a TPGRE Vehicle are indirectly borne by its investors. Such TPGRE Vehicles' management fees are deducted from TPGRE Vehicle assets and generally payable quarterly in advance or in arrears. The amount of any TPGRE Vehicle's management fee is prorated for periods of less than a full billing cycle at the beginning or end of our provision of investment advisory services, and any prepaid amount in excess of the prorated fee will be returned upon termination of our investment advisory services. To the extent the base upon which we charge management fees changes during the course of the relevant period (e.g., due to an increase/reduction in actively invested capital), we generally are not required to make any adjustment, true-up or refund. As a result, we have an incentive to time the termination of the applicable TPGRE Vehicle's commitment period or the disposal of a particular investment in a manner that increases the aggregate amount of management fees we receive.

We establish and negotiate with investors in the applicable TPGRE Vehicle the precise amount of, and the manner and calculation of, the management fees. Such TPGRE Vehicle's Advisory Services Agreement, organizational documents, offering documents and/or other documentation, which we refer to collectively as, together with any applicable side letters, the "Governing Documents," set forth the precise amount of, and the manner and calculation of, the management fees.

Certain investors in a Fund, including, for example, a Fund's general partner, its affiliates and certain "friends of the firm" (including any related entity established by any of the foregoing, such as trusts, charitable programs, endowments or related programs, family investment vehicles and other estate planning vehicles), pay reduced or no management fees at our discretion (though these investors generally pay their pro rata share of certain Fund expenses).

Please see Item 11 for a description of the side letter agreements we and our Related Advisers (as defined below) enter into with certain investors in TPGRE Vehicles that provide such investors with customized terms, including with respect to reduced management fees.

Please see Item 6 for more information on incentive compensation.

Fund Expenses. In addition to the management fees described above,

- certain Funds reimburse us or our affiliates for certain organizational expenses, generally up to a specified cap, that are incurred in connection with the formation of the Funds and the offering of interests in them to potential investors, including
 - fees and expenses of our counsel, including for preparing offering materials and preparing and negotiating the Governing Documents and other documents such as engagement letters for placement agents and all other documents attendant to a Fund's formation and organization;

- travel and related expenses incurred in connection with meetings with prospective investors regarding possible investments in the Funds;
- printing, legal, capital raising, accounting, regulatory compliance (including the initial compliance contemplated by the European Union's Directive 2011/61/EU on Alternative Investment Fund Managers (the "AIFMD") or any similar law, rule or regulation) and any administrative or other filings (including the preparation, distribution or filing of any filings or reports contemplated by AIFMD or any similar law, rule or regulation); and
- other expenses related to a Fund's formation;
- each Fund, and hence all of its investors, also generally bears all of the expenses incurred in relation to its activities, operations, meetings, termination and eventual liquidation (other than expenses resulting from the fraud, gross negligence or willful misconduct of us or its general partner). These include most expenses related to the Fund (and its alternative investment vehicles ("AIVs"), special purpose vehicles and subsidiaries, including any subsidiaries that elect to be taxed as REITs and any foreign subsidiaries), such as the following expenses, costs and fees:
 - fees, costs and expenses incurred in connection with discovering, investigating, pursuing, negotiating (including on negotiated trading platforms (e.g., ISDA contracts)), rating and structuring of investment opportunities (whether or not the investment is consummated) and making investments, including, for example,
 - fees, costs and expenses associated with the organization, operation, administration, restructuring or dissolution, liquidation, winding-up and termination of a Fund, any subsidiaries, any special purpose vehicles or any AIVs, including the formation and administration of a liquidating trust;
 - legal fees for drafting and negotiating agreements related to the making and financing, refinancing, structuring or restructuring of an investment, conducting due diligence and securing regulatory approvals;
 - fees of accountants that provide due diligence and other services, including analyses with respect to accounting or performance reporting standards such as International Financial Reporting Standards (IFRS) and Global Investment Performance Standards (GIPS);
 - fees of tax specialists that advise on the optimal structuring of an investment;
 - fees of investment banks and related bank charges, placement, syndication and solicitation fees, arranger fees, sales commissions, investment, execution, closing and administrative fees, costs and expenses;

- fees of advisors, consultants and other third-party service providers that advise, among other things, on various aspects of sourcing, investigating, and pursuing possible investments, including industry and subject-matter experts;
- fees and expenses relating to potential but not consummated investments, including costs that could have been allocated to prospective co-investors (including affiliated co-investors) had the deal been consummated;
- startup costs and organizational expenses relating to potential platform investments that a Fund ultimately does not invest in;
- startup costs relating to potential platform companies that a Fund ultimately does not pursue;
- fees and expenses related to the travel of our employees, including airfare, hotel and meal expenses; and
- loan origination, loan servicing and loan agency services and similar services;
- fees, costs and expenses incurred in rating, holding, developing, operating, trading and hedging, managing, financing (including providing guarantees and other credit support), refinancing, monitoring, structuring, restructuring, servicing, collecting on, disposing of and otherwise realizing upon investments, which can include amounts incurred in pursuing secondary liquidity transactions on behalf of a Fund or its assets, whether or not consummated;
- fees, costs and expenses of compensating co-venturers;
- fees, costs and expenses related to a Fund's borrowing, such as interest, commitment fees, upfront fees, legal fees, hedging fees, structuring fees and underwriting fees, fees in connection with margin loans and total return swaps and other fees and expenses;
- fees, costs and expenses related to conferences and other professional development activities for portfolio investment executives (including those we organize);
- fees, costs and expenses related to business development activities, including meals and events;
- fees and expenses of
 - custodians;
 - depositaries (including a depositary appointed pursuant to the AIFMD);
 - advisors (including Senior Advisory Professionals (as defined below));
 - consultants (including, but not limited to, consulting fees incurred by the applicable Fund for the benefit of its portfolio investments);

- economists;
- sourcing persons;
- brokers;
- local paying agents,
- licensed local distributors and similar persons or entities,
- outside counsel,
- intermediaries;
- administrators;
- alternative investment fund managers,
- valuation firms;
- lawyers and legal professionals;
- tax professionals;
- accountants;
- auditors;
- investment bankers,
- lenders,
- loan originators,
- loan servicers,
- loan agencies,
- asset managers,
- expert networks and
- other services or professionals for services rendered to the Funds

(in each case, regardless of whether TPG employees have provided similar services to the Funds or Related Funds (as defined below))

- of Y Analytics (a public benefit organization currently controlled by TPG) and similar impact consultants;
- expenses relating to advisory committee meetings and activities, including
 - venue expenses;
 - fees, costs and expenses associated with any legal counsel or other third-party service providers or advisors or a Fund's advisory committee; and
 - travel of advisory committee members;
- expenses relating to other meetings of the limited partners of a Fund in connection with such Fund, including venue expenses, and fees, costs and expenses associated with any legal counsel or other third-party service providers or advisors;
- expenses relating to the travel of our employees in connection with advisory committee or limited partner meetings and other Fund-related travel;
- the cost of insurance coverage, including general partner liability/director and officer insurance and crime/fidelity insurance and cybersecurity insurance (including fees, costs and expenses related to any retention or deductibles and broker costs, and commissions) and any consultants or other advisors utilized in the procurement, review, maintenance and analysis of insurance (see "*Item 11 – Allocation of Other Fees and Expenses*");
- relating to third-party joint venture partners, operating partners and other similar persons or entities;
- information technology system expenses, including the costs of acquiring, development, implementing and maintaining computer software (including, but not limited to, specialty and custom software) and hardware and other technological systems for the benefit of a TPGRE Vehicle (including third-party diligence software and service providers);
- fees and expenses of servicers engaged to provide asset management, due diligence and underwriting services, asset and loan servicing and operational or other services with respect to portfolio investments;
- sales, leasing, underwriting, origination and brokerage commissions and any other investment costs actually incurred in connection with actual portfolio investments;
- for clearing and settlement charges;
- principal, interest, commitment fees, upfront fees, legal fees and other fees and expenses in connection with or arising out of all indebtedness and borrowings made by the Fund, including the arrangement thereof;

- any taxes, fees or other governmental charges levied against the Fund or its subsidiaries;
- expenses relating to any audit, investigation, regulatory or governmental inquiry or public relations undertaking;
- fees, costs and expenses of any administrator and valuation experts (including in relation to calling capital from and making distributions to a Fund's limited partners, the administration of assets, financial planning, and treasury activities);
- relating to Foreign Office Services, as described below;
- fees, costs and expenses relating to compliance with tax or regulatory requirements applicable to a Fund or AIVs and/or relating to their operation (including the preparation and delivery of Fund financial statements, tax returns, Schedule K-1s or equivalent forms, registration as a "private fund" with the Cayman Islands Monetary Authority under the Cayman Islands Private Funds Act (As Revised), engagement of alternative investment fund managers, depositaries, administrators and other service providers in connection with our compliance with obligations arising from the European Union's Directive 2011/61/EU on Alternative Investment Fund Managers or any law, rule, or regulation relating to the implementation thereof in any relevant jurisdiction with respect to a Fund or AIVs, engagement of local representatives or paying agents, the preparation and submission of regulatory filings of a Fund and its affiliates (including Form PF, Form SHLA and other regulatory filings relating to a Fund's activities including those with the U.S. Commodity Futures Trading Commission ("CFTC") and the SEC) and our compliance with obligations arising from the European Union's Directive 2011/61/EU on Alternative Investment Fund Managers with respect to a Fund or AIVs or any law, rule, regulation, policy, directive or special measure (including in relation to privacy, data protection, know-your-customer, anti-money laundering, sanctions or anti-terrorism considerations, including the engagement of administrators and/or similar persons to provide services in connection therewith));
- relating to the implementation of, and compliance with, legal, regulatory, environmental, social, governance ("ESG") and other similar standards, requirements and commitments applicable to a Fund, its investments and potential investments, including diligence, monitoring and reporting with respect thereto and any requirements relating to the foregoing set forth in one or more side letters or investor policies ("Portfolio Compliance");
- relating to establishing, implementing, monitoring and/or measuring the impact of ESG policies and programs with respect to a Fund or its investments or prospective investments or the ESG-related impact of its investments on the environment or people;
- relating to the representation of a Fund or investors with respect to tax compliance or controversy matters (including fees, costs and other expenses incurred by the tax matters partner and/or partnership representative acting in such capacity or in connection with any tax audit, investigation, settlement or review of a Fund and expenses incurred in connection with tax preparation and filings);

- fees, costs and expenses relating to compliance (or monitoring compliance) with the Governing Documents, side letters (including “most favored nation” provisions) and any related document, and preparation of related materials including the preparation and distribution of side letters, definitive documents and other materials to investors as “closing sets” or other post-closing distributions, and the preparation of internal manuals, summaries, guides and other documents to facilitate our compliance with and organization of our Fund-related documents;
- fees, costs and expenses relating to exploring, evaluating, structuring, negotiating and/or consummating any potential liquidity transaction, including any costs related to offering or otherwise making available any of the foregoing to one or more partners (including any costs related to initial set up, ongoing subscriptions, compliance, tax analysis and/or maintenance of secondary matching programs and/or qualified matching services);
- the costs and expenses of litigation or arbitration relating to the activities or operations of the Fund (including the costs of discovery related thereto) and any related judgments or settlements (including any indemnification paid pursuant to the Governing Documents and any extraordinary expenses or liabilities relating to the Fund’s affairs);
- fees, costs and expenses relating to administrative and accounting services (including limited partner information databases) and the creation of financial reports, and other responses to reporting requests from a Fund’s limited partners, including the costs incurred to audit and provide access (whether through the Fund’s website or other portal) to such reports and any other related operational, secretarial or postage expenses and expenses related to protecting the confidential or non-public nature of any information or data;
- relating to any costs and expenses incurred by the general partner, us or our or their respective personnel with respect to conferences, training programs and similar meetings;
- relating to any activities with regards to protecting the confidential or non-public nature of any information or data (including any costs incurred in connection with the U.S. Freedom of Information Act, or any similar statutory or regulatory disclosure requirement of any state or other jurisdiction) or relating to privacy or the processing or protection of personal data or personal information (including any costs incurred in connection with any applicable legislation or regulation relating to the protection of personal data in force from time to time in the United States, the European Union, the European Economic Area or the United Kingdom, including the California Consumer Privacy Act 2020, the General Data Protection Regulation (EU 2016/679) (GDPR) and the GDPR as it forms part of the Laws of England and Wales, Scotland and Northern Ireland by virtue of section 3 of the European Union (Withdrawal) Act 2018, the UK Data Protection Act 2018, the Privacy and Electronic Communications (EC Directive) Regulations 2003, the ePrivacy Directive (2002/58/EC), and any implementing, predecessor or successor legislation, and any amendments or re-enactments of the foregoing);

- technology-related expenses, including any computer software or hardware, electronic equipment or purchased information technology services utilized in connection with a Fund's investments and operations;
- fees, costs and expenses relating to any amendments, restatements or other modifications to the Governing Documents and any other related documents of a Fund and any other related documents of the applicable Fund, including the solicitation of any consent, approval, waiver or similar acknowledgement from the Fund's partners and/or the advisory committee and preparation of related materials;
- any other fees, costs, expenses, liabilities or obligations approved by a Fund's advisory committee; and
- all third-party fees, costs and other expenses related to any of the items described above; and
- any other expense not specifically identified in the Governing Documents as being borne by us; and
- certain Funds reimburse us or our affiliates for certain expenses, including, among other things, expenses related to in-house services (as described below) and employees or consultants providing Real Estate Services (as defined below) (as described below – see “*Item 11 – Providers of Real Estate Services to Portfolio Investments*”) to the TPGRE Vehicles or their portfolio investments. These expense reimbursements are generally disclosed to investors.

The Funds' Governing Documents generally permit the Funds, subject to certain limitations, to borrow to pay the expenses described above.

We incur some expenses on an aggregate basis for the benefit of multiple TPGRE Vehicles, Related Funds and/or TPG. For example, we purchase, on a firm-wide basis, insurance that covers TPG, the TPGRE Vehicles and Related Funds. We allocate the aggregate costs of these items across the applicable TPGRE Vehicles, Related Funds and TPG in a manner we determine to be reasonable and fair in our sole discretion. Generally, the allocation method across multiple TPGRE Vehicles or Related Funds is pro rata in accordance with assets under management, but we vary this approach in particular instances if we believe another method is more equitable. For instance, when allocating amounts (including firm-wide insurance) to TPG, TPG's allocable portion may be based on some other metric and may be a fixed percentage that we determine to be equitable. See “*Item 11 – Allocation of Other Fees and Expenses*” for more information.

In addition, although some expenses are incurred on behalf of a TPGRE Vehicle, they are likely to benefit other TPGRE Vehicles, Related Funds or TPG more broadly. For example, information and data TPG obtains in connection with a TPGRE Vehicle's research, due diligence and investment activities will be valuable to other TPGRE Vehicles, Related Funds and TPG's other businesses. In addition, tools and resources developed at a TPGRE Vehicle's expense will be the intellectual property of TPG and not the TPGRE Vehicle. If TPG licenses or sells their intellectual

property to third parties in the future, the relevant TPGRE Vehicle will not benefit from such license or sale.

For information on brokerage practices, see Item 12 below.

Co-Investment Vehicles. In certain instances we will evaluate investment opportunities that, if consummated, we would likely offer in part to a Co-Investment Vehicle or prospective co-investors, including affiliated co-investors. Investors in a Co-Investment Vehicle typically bear all expenses related to the vehicle's formation and operation similar to those described above for a Fund, and the vehicle generally bears its pro rata portion of expenses incurred in the making of an investment. However, if such a potential investment is not consummated, the full amount of any expenses relating to the potential but not consummated investment and co-investment (including reverse termination fees, extraordinary expenses such as litigation costs and judgments and other expenses) will typically be borne entirely by the Fund or Funds we select as proposed investors for such investment, rather than the Co-Investment Vehicle or any such prospective co-investors. Alternatively, such co-investors could independently pursue such transaction, without reimbursing a Fund for its broken deal costs. See "*Item 11 – Allocation of Fees and Expenses for Broken Deals*" for more information.

With respect to Co-Investment Vehicles, any fees we receive, and expenses borne by the Co-Investment Vehicle, are generally negotiated on a vehicle-by-vehicle basis, but sometimes include asset-based fees and expense reimbursements, reimbursements for Real Estate Services, non-advisory administrative fees and/or management fees similar to those described above for the Funds.

Fees for Services Provided to Portfolio Investments. Typically, certain net fees we receive in respect of our management of the TPGRE Vehicles, which we refer to as "portfolio fees," allocable to fee-paying investors, will offset the management fee due from such investors. For certain TPGRE Vehicles, there is no management fee offset applicable to investors who do not pay management fees. Accordingly, we retain amounts of portfolio fees allocable to fee-free investors without further offsetting the management fee of fee-paying investors.

Portfolio fees include the cash and other consideration:

- received by any of the following (except Senior Advisory Professionals, those providing Real Estate Services or those receiving underwriting, private placement or arranging fees, discounts or commissions):
 - us;
 - the Funds' general partners;
 - any of their respective employees or affiliates (other than a TPGRE Vehicle, any parallel investment entity, lockstep vehicle and any side-by-side separate account); or
 - any of a Fund's general partner's partners;
- from or in respect of a TPGRE Vehicle's portion of an investment as:

- origination fees, lending fees or “points”;
- acquisition and disposition fees;
- directors’ fees;
- financial consulting fees;
- advisory fees;
- monitoring fees (including accelerated monitoring fees in certain circumstances as described below);
- any other fees earned on or relating to the making, disposition or management of investments; and
- break-up fees received in connection with the termination, cancellation or abandonment of a potential investment.

For purposes of calculating the amount that offsets the management fees, portfolio fees are net of any reimbursement for Real Estate Services from portfolio fees. In addition, amounts constituting portfolio fees may be used in our sole discretion to pay or reimburse out-of-pocket expenses related to the investment giving rise to such amounts instead of applying such amounts as a management fee offset.

Generally, the Governing Documents of a TPGRE Vehicle stipulate that only those individuals who are employees are our affiliates, and therefore we exclude from portfolio fees the fees non-employees earn from portfolio companies. Whether an individual is an employee generally turns on whether certain indicia of employment are present. This determination is highly fact dependent and involves complex judgments within varying legal and regulatory frameworks. As a general matter, we do not expect to treat our Senior Advisory Professionals or other advisors, consultants or strategic business partners as employees or otherwise consider them our affiliates. Some of these individuals are our former employees.

Although these portfolio fees are in addition to the management fees, we will in some circumstances be obligated to reduce the amount of management fees paid by the applicable TPGRE Vehicle by an amount equal to all or a portion of such portfolio fees. The specific amount and nature of this reduction varies among TPGRE Vehicles and is generally set forth in the Governing Documents of the applicable TPGRE Vehicle. Furthermore, a TPGRE Vehicle will, in most cases, only benefit with respect to its allocable portion of any such fee and not the portion of any fee allocable to another entity, including, if applicable, another TPGRE Vehicle, Related Fund or other co-investor. As some TPGRE Vehicles do not pay management fees or do not have offset provisions requiring the reduction of management fees, we will retain portfolio fees allocable to these TPGRE Vehicles without reduction.

Certain fees and reimbursements are generally not considered portfolio fees under the terms of the applicable Governing Documents, and are not subject to the reduction arrangements described above. These amounts include but are not limited to :

- reimbursement payments from portfolio investments and/or TPGRE Vehicles for Real Estate Services (as described below – see “*Item 11 – Providers of Real Estate Services to Portfolio Investments*”);
- reimbursement payments to us for in-house services or Foreign Office Services provided by us or an affiliate (as described below) (see “*Item 5—Fund Expenses*”);
- any amounts paid by a platform investment to its management team (as described below – see “*Item 11—Platform Companies*”).
- any profits interests or other compensation or amounts payable by a portfolio investment or a TPGRE Vehicle to an affiliate of ours (including former Senior Advisory Professionals) pursuant to an arrangement that was entered into prior to such person becoming an affiliate of TPG, regardless of when the interests, compensation or amounts crystallize or vest;
- any amounts paid by a former portfolio investment, such as directors’ fees a former portfolio investment pays one of our professionals who remains on the investment’s board of directors following the TPGRE Vehicles’ disposition of its investment;
- any underwriting, private placement, arranging or similar broker-dealer fees, discounts or commissions paid by portfolio investments to TPG Capital BD, LLC (“TPG BD”), our broker-dealer affiliate (or other affiliated broker-dealers) in connection with securities offerings or loan syndications (as described below – see “*Item 5— Compensation Received by TPG Capital BD, LLC and Related Entities for Capital Markets Activity*”);
- any fee paid to a co-underwriter or co-sponsor of an investment;
- a portion of a transaction or other fee received from an actual or prospective portfolio company that we in our sole discretion agree to pay to a third party, such as a consultant, advisor, Senior Advisor, finder, broker and/or investment bank (as the third-party fee is not a fee that we are entitled to retain);
- any amounts paid by a TPGRE Vehicle or by portfolio companies to persons designated in the Governing Documents as unaffiliated with us, such as Y Analytics;
- any amounts paid by our portfolio investments as reimbursement for any out-of-pocket costs and expenses we incur in connection with a transaction, including travel expenses, whether or not these expenses would be payable by a TPGRE Vehicle if not for such reimbursement;
- any amounts paid by a TPGRE Vehicle or by portfolio investments to persons designated in the Governing Documents as unaffiliated with us; and

- any amounts a TPGRE Vehicle's advisory committee consents not to treat as portfolio fees.

Receiving amounts that do not offset the management fee gives us an incentive to maximize such amounts and to make and structure and potentially syndicate investments that could generate such amounts, even if we otherwise would not make such an investment in their absence. For example, origination fees with respect to certain TPGRE Vehicle's portfolio investments can be paid to us, in which case management fees will typically be offset by 100% of the amount of the TPGRE Vehicle's share of such net origination fees, but not by amounts attributable to investments by other TPGRE Vehicles and/or Related Funds or any third parties. Alternatively, a TPGRE Vehicle could receive the origination fees directly, in which case there will typically be no management fee offset. We generally receive a greater economic benefit by structuring origination fees to be paid to us directly, subject to the management fee offset, and are authorized to do so in our sole discretion. Origination fees paid to us or a TPGRE Vehicle in connection with a transaction could be allocated, or not, to other TPGRE Vehicles and/or Related Funds, including separate accounts, lock step vehicles, side cars or other co-investment vehicles that invest (or are expected to invest) alongside a TPGRE Vehicle, as determined by us to be appropriate given the circumstances.

Governing Documents generally allow us to receive portfolio fees from or in respect of from a TPGRE Vehicle's portfolio investments, and we expect to receive such portfolio fees over the life of a TPGRE Vehicle. The amount, structure, timing and other terms of any portfolio fee will vary depending on the terms of our agreement with each portfolio investment. Some portfolio fees are payable upon closing of a particular transaction or other events, whereas other portfolio fees are payable in annual installments, with the possibility that those annual payments accelerate upon specified events. For example, we from time to time charge a portfolio investment annual monitoring fees under a management services agreement. The monitoring fees can be a fixed annual amount or a floating amount, sometimes based on a percentage of the investment's earnings. There can be no assurance that the amount of fees charged will be proportional to the amount of hours or value of work performed on behalf of the portfolio investment. A management services agreement typically has a stated term of ten years, though we expect a management services agreement to terminate when the TPGRE Vehicle ceases to hold a material interest in the relevant portfolio investment. In certain circumstances (such as the occurrence of an initial public offering or a sale where the TPGRE Vehicle maintains a material interest), the termination of the management services agreement may result in the acceleration of the payment of all or a portion of the monitoring fees or may result in the payment of other exit, performance-based or termination fees. The portfolio fees paid by portfolio investments in these situations may be significant. In general, we typically do not negotiate portfolio fees with portfolio investments on an arm's-length basis. Portfolio fees could adversely affect a portfolio investment's financial performance.

The Governing Documents provide for management fees to be paid by the TPGRE Vehicles to us, for allocation of certain expenses and portfolio fees to us and for certain indemnification and exculpation of us and certain related persons. In addition, we, or our employees on our behalf, may receive stock of certain portfolio investments as a portfolio fee due to the service of our employees on the boards of such portfolio investments. Although such fees may be subject to offset as described above, the recipients (including us) of such stock generally will be able to determine the timing of the stock's disposition, which creates in certain circumstances a conflict of interest between us, as an adviser to the TPGRE Vehicle, and our related persons, on the one hand, and the TPGRE Vehicle, on the other.

We and our affiliates also engage and retain Senior Advisory Professionals, advisors, consultants and other similar professionals as independent contractors who, from time to time, receive payments from, or allocations with respect to, portfolio investments, TPGRE Vehicles and/or other entities. In such circumstances, such amounts generally will not be deemed paid to or received by us and our affiliates and such amounts will not be subject to the offset arrangements described above. We describe these relationships further below. See “*Item 11 – Conflicts Relating to Activities and Compensation of Senior Advisory Professionals and Other Consultants*,” and “*Item 11 – Activities and Compensation of Other Third Parties*.”

Receiving amounts that do not offset the management fees gives us an incentive to maximize such amounts and to cause TPGRE Vehicles to make investments that could generate such amounts even if we otherwise would not have caused TPGRE Vehicles to make such investments in their absence.

Certain In-House Services. Certain TPGRE Vehicles are responsible, either directly or by reimbursing us for the fees, costs and other expenses related to certain legal, regulatory, tax, finance and accounting, information technology, fund administration and similar services (including all fees, costs and other expenses relating to Portfolio Compliance) provided by us or an affiliate to or for the benefit of the TPGRE Vehicle (including an allocable portion of personnel and related overhead expenses) if certain conditions are met, which generally include but are not limited to:

- the fees, costs and other expenses of these services would be paid by the TPGRE Vehicle if the services were provided by third-party service providers;
- we reasonably believe it is in the TPGRE Vehicle’s best interests to have in-house personnel perform such services; and
- the costs of providing such services in-house are less than the amount that would be charged by a third party in an arm’s-length transaction.

These services include, but are not limited to, for example:

- legal, regulatory and tax services in connection with the organization, operation and activities of a TPGRE Vehicle, including preparation, negotiation, interpretation and implementation of a TPGRE Vehicle’s Governing Documents, investment due diligence, structuring, negotiation, execution, monitoring and exit related activities, and tax and regulatory compliance, analysis, reporting and filings;
- financial management activities, including calculation of management fees and carried interest, financial tracking and reporting, preparing and recording capital activity,

performing bank account reconciliations, and calculating and maintaining track records, and preparing and presenting fund reporting to investors;

- opening and administering bank accounts and brokerage accounts, custody administration, obtaining and administering or otherwise managing lines of credit, foreign exchange and other hedging and execution (where applicable);
- assisting in and administering deal closings, distributions, capital calls and other funds flows, managing credit lines, fund expense review, fund performance monitoring and reporting and fund working capital management;
- accounts payable and receivable processing and process development, expense analysis and fund invoice execution and cash collection;
- portfolio investment valuation for fund financial reporting, reporting and analysis of portfolio investment information;
- fund administration activities such as investor onboarding and transfer related activities, maintaining investor databases, coordinating responses to investor requests, processing investor audit confirmations and account updates, coordinating investor mailing and communications, publishing investor documents and meeting materials and oversight of operational due diligence processes;
- information technology development, maintenance and support services in connection with fund accounting and reporting software and other systems and programs used to provide services to a TPGRE Vehicle; and
- services related to the implementation of, and compliance with, legal, regulatory, ESG and other similar standards and commitments applicable to a TPGRE Vehicle, its investments and/or potential investments, including diligence thereof and any requirements relating to such standard and commitments that are included in investor side letters or investor policies.

The amount of fees, costs and expenses of in-house services that a TPGRE Vehicle bears on an annual basis will typically be subject to a cap.

Occasionally, whether a service meets the criteria for payment or reimbursement from a TPGRE Vehicle is not clear. In such circumstances, we will determine in our sole discretion whether payment or reimbursement is appropriate.

From time to time, our in-house professionals work alongside third-party service providers on the same matter or engagement. When this occurs, although a third party is also engaged on the matter, a TPGRE Vehicle is still expected to reimburse us for the work performed in house to the extent we determine that the in-house work meets the criteria for reimbursement. Our determinations regarding the types of activities we seek reimbursement for will likely change over time, and additional activities not set forth in the examples above but that satisfy the criteria of in-house

services are expected to be subject to reimbursement in the future. We expect that the services provided by us or an affiliate in-house will expand over time.

We have developed processes to monitor the allocation of expenses relating to in-house services. Currently a monthly time allocation is prepared for each individual service provider (e.g., TPG employee or other affiliate) to reflect the services he or she provided to TPGRE Vehicles and/or Related Funds, certain Co-Investment Vehicles managed by us and/or us or Related Advisers as applicable. Senior professionals in the relevant service group and our legal or compliance professionals review the allocations on a quarterly basis for reasonableness. We determine the monetary value of services performed by a TPG employee providing in-house services by reference to the aggregate annual compensation paid to the employee (including benefits, profits interests, equity interests (including restricted stock units or other equity awards in TPG Inc.) or other incentive-based compensation), plus an estimate of the overhead and other fixed costs allocable to the employee, and the amount of time spent by the employee providing the in-house services. Our internal compensation team adjusts recorded time as necessary, and we review the assigned monetary value against third-party benchmarks on an annual basis, which may, for the avoidance of doubt, be at the top of the range we determine to be reflective of rates in the applicable market and similar markets. The TPGRE Vehicles and Related Funds will bear their share of the cost of benchmarking and the calculations described above, including research of third-party rates. For time allocated to a TPGRE Vehicle, it bears the lesser of the third-party benchmark and the actual in-house service cost. Because our in-house expense allocation process relies on certain judgments and assessments that in turn are based on information and estimates from various individuals, the allocations that result are not likely to be exact and we do not represent that any benchmarking ultimately will be accurate, comparable or relate specifically to the assets or services to which such rates or terms relate. Where such rates or terms include hourly components, we reserve the right to rely on approximations or estimates of time spent for purposes of allocating or charging for services. Any methodology, or choice among methodologies, involves potential conflicts of interest. In the future we could use additional or different methods to allocate in-house expenses.

Foreign Office Services. Non-U.S. vehicles and portfolio investments of a Fund from time to time receive operational, investment monitoring and risk management, director (or analogous function), entity administration, legal, regulatory, tax, accounting and similar services from TPG's Luxembourg, Singapore and other non-U.S. offices, if applicable. We refer to such services provided by such non-U.S. offices as "Foreign Office Services." Each non-U.S. vehicle of a Fund and each portfolio investment receiving Foreign Office Services will reimburse our relevant affiliates for the allocable share of the expenses incurred by such affiliates in providing Foreign Office Services to it (including any value added taxes or other sales taxes thereon). Reimbursements include personnel and related overhead expenses related to Foreign Office Services, including establishment costs of any new applicable non-U.S. offices, but do not include any amounts incurred in performing the investment advisory functions (e.g., the services customarily performed by investment professionals), which will not be reimbursable. These reimbursements will not constitute "portfolio fees" and will not be shared with a Fund or the investors in a Fund or reduce the advisory fee payable by any investor in a Fund. We are developing processes for the allocation of Foreign Office Services expenses, and currently expect they will be similar to the in-house services processes described above. We could use additional or different allocation methods over time.

Y Analytics. Y Analytics is a public benefit company currently affiliated with TPG that provides impact assessment, underwriting and due diligence services to the TPGRE Vehicles and will support our activities. Y Analytics also provides ESG-related real estate services to the TPGRE Vehicles, Related Funds and portfolio investments, including diligence, screening and portfolio-level initiatives. We may utilize the services of Y Analytics in our discretion. To the extent Y Analytics provides such services to the TPGRE Vehicles in connection with assessing an investment's impact, the TPGRE Vehicles will bear the fees, costs and expenses incurred for the provision of these services notwithstanding the fact that Y Analytics is currently our affiliate. Amounts paid to Y Analytics will not reduce management fees payable by investors, will not count toward the annual cap on in-house expenses borne by the TPGRE Vehicles and otherwise are not limited by the Governing Documents. The relationship between Y Analytics and the TPGRE Vehicles gives rise to conflicts of interest. For example, we would have an incentive to engage Y Analytics in connection with a prospective investment even if a third party could provide similar services. Any such payments to Y Analytics would not trigger the advisory committee disclosure, review or consent provisions of the Governing Documents applicable to transactions with affiliates. In addition, TPG is entitled to reimbursement for ESG-related real estate services provided by Y Analytics to the TPGRE Vehicles or their portfolio investments either as a Real Estate Service (see "Item 11 – *Providers of Real Estate Services to Portfolio Investments*") or as an in-house service (see "*Certain In-House Services*" above) and such reimbursements are not subject to management fee offsets or otherwise shared with the TPGRE Vehicles. Y Analytics also provides impact assessment, underwriting and due diligence services to TPGRE Vehicles and Related Funds.

Overhead. In calculating reimbursement amounts for certain Real Estate Services (i.e., those for which a fee is not paid), in-house services and Foreign Office Services, we include an estimate of overhead costs for the individuals providing the services. Our estimate sometimes varies depending on the nature and location of the work being performed. Overhead charges currently include but are not limited to:

- location costs: rent and other office costs, such as electricity, facilities services, catering charges and property taxes;
- administrative costs: administrative personnel costs;
- IT costs: information technology costs relating to hardware, software and technology costs of our infrastructure;
- HR and recruiting costs: in-house human resource-related costs, and expenses paid to third-party talent agencies for recruiting; and
- research-related costs: research costs and other miscellaneous expenses associated with items such as subscriptions to trade journals and databases.

We review our overhead estimates on a periodic basis, typically annually. We expect to change our overhead methodology over time.

Travel Expense Reimbursements. As described above, Funds reimburse us for Fund-related travel expenses of our personnel, including travel relating to a Fund’s organization, investment activities, investor conferences and advisory committee meetings. Portfolio investments also often reimburse us for travel expenses, including travel relating to transactions, board service and other monitoring activities, and Real Estate Services. Travel reimbursements currently include, but are not limited to, items such as:

- hotel accommodations and other forms of lodging;
- air and ground transportation;
- meals; and
- incidental travel expenses.

We expect some of the Fund-related and portfolio investment-related travel, and the reimbursements we receive, to include “business class,” “first class” or other forms of premium travel and accommodation and could include the use of chartered travel or private air travel, as appropriate and in accordance with our travel policies. In addition, we and our personnel will from time to time receive personal benefits and perquisites arising from Fund-related and portfolio investment-related travel, including special credits and discounts provided from service providers. For example, airline travel or hotel stays may result in frequent flyer or loyalty “miles” or “points” for use by us and our personnel. These benefits will not be shared with the Fund or portfolio investments and will not offset the advisory fee.

Compensation Received by TPG Capital BD, LLC and Related Entities for Capital Markets Activity. Our affiliate TPG BD is a broker-dealer registered with the U.S. Securities and Exchange Commission (the “SEC”) and a member of the Financial Industry Regulatory Authority (“FINRA”).

TPG BD and related entities typically receive compensation for the services we provide in connection with capital markets services. See “*Participation of TPG BD and Related Entities in Capital Markets Activity*” in Item 11 for additional information on such compensation and related conflicts of interest.

While we believe such fees, commissions and other compensation are reasonable and generally charged at market rates for the relevant activities, such compensation may not in each case be negotiated at arm’s length and from time to time may be in excess of fees, commissions or other compensation that may be charged by an unaffiliated third party. TPGRE Vehicles generally will not have the right to share in, or have management fee offsets for, any compensation received by TPG BD. TPG BD will only serve as a broker-dealer in a transaction for a TPGRE Vehicle if we determine it is consistent with our fiduciary duties.

TPG BD’s business continues to evolve and expand. It is possible that TPG BD would earn fees for engaging in other transactions that relate to a TPGRE Vehicle or its portfolio investments. For example, TPG BD could place interests in vehicles formed for the purpose of making co-

investments or exercising our rights or discharging our obligations under the Governing Documents.

When TPG BD acts as the placement agent for a TPGRE Vehicle in respect of securities or instruments issued by the TPGRE Vehicle, no commission or other compensation is received by TPG BD from such TPGRE Vehicle or their investors for such service.

Leveraged Procurement. Additionally, certain portfolio investments of TPGRE Vehicles may be counterparties or participants in agreements, transactions or other arrangements that involve payments, discounts, reimbursements or other benefits to us or our affiliates. For example, we currently may afford certain portfolio investments the opportunity to participate in a program with us, our affiliates or other portfolio investments pursuant to which one of our affiliates negotiates favorable procurement arrangements. We and our affiliates, together with participating portfolio investments, receive the favorable procurement terms, which we are able to secure due in part to the involvement of our portfolio investments. This program is a Real Estate Service provided to participating portfolio investments, and therefore our affiliates receive payments or reimbursements from the participating TPGRE Vehicles and their portfolio investments to cover some or all of the cost of administering the program through the method described in “*Item 11 – Providers of Real Estate Services to Portfolio Investments*” and such payments or reimbursements are not subject to management fee offsets or otherwise shared with the TPGRE Vehicles. Because the cost of administering this program is shared among the participants, we will disproportionately benefit from it to the extent we utilize a greater number of favorable procurement arrangements to a greater degree than any of the participating portfolio investments and as a result of not all of the portfolio investments availing themselves of the benefits.

With respect to all of the services described above in Item 5, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

The Funds generally allocate a portion of their investment profits to their general partners, which are affiliated with us, as a carried interest, as set forth in each Fund’s Governing Documents. Co-Investment Vehicles also, in some cases, allocate a portion of their investment profits to their general partners, which are affiliated with us, as a carried interest, as set forth in the relevant organizational documents for each Co-Investment Vehicle.

There is a reduced allocation or no allocation of carried interest with respect to certain investors in certain Funds, including, for example, the Fund’s general partner, its affiliates and certain “friends of the firm.”

The allocation of carried interests at different rates, or subject to different hurdle rates, creates an incentive for us or our affiliates to disproportionately allocate time, services or functions to vehicles allocating carried interests at a higher rate (or subject to a lower hurdle rate), or to allocate investment opportunities to such vehicles. We have adopted policies and procedures that, among other things, seek to ensure that investment opportunities are allocated in a manner that we believe

is consistent with the relevant Governing Documents and otherwise fair and reasonable under the circumstances, considering such factors as we deem relevant, but in our sole discretion.

Since the amount of carried interest allocable to a TPGRE Vehicle's general partner depends on the TPGRE Vehicle's performance, we have an incentive to approve and cause the TPGRE Vehicle to make more speculative investments than it would otherwise make in the absence of such performance-based allocation. We also have an incentive to dispose of a TPGRE Vehicle's investments at a time and in a sequence that would generate the most carried interest, even if it would not be in the TPGRE Vehicle's interest to dispose of the investments in that manner. In addition, tax reform enacted in 2017 in the United States has generally increased, to three years, the holding period required in order for professionals to treat carried interest as capital gain and further changes have recently been under discussion in the U.S. Congress that could increase such required holding period. This creates an incentive for us to hold a TPGRE Vehicle's investments for longer periods in order for the gain from their dispositions to qualify for capital gain treatment under the carried interest rules, even if it would be in the TPGRE Vehicle's interest to hold the investments for shorter periods. See Item 11 below for additional information relating to how we generally address conflicts of interest.

ITEM 7 – TYPES OF CLIENTS

See “*Item 4 – Advisory Business.*”

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Methods of Analysis and Investment Strategies – Real Estate

We pursue two strategies within real estate: an opportunistic one and a core-plus one. Both strategies focus on control-oriented investing within highly thematic sectors and geographies of interest. In both risk-return profiles, we primarily pursue strategies focused on investments in property-rich platforms and real estate portfolios. In the future, we may pursue other real estate-related strategies as well.

Through our theme-based approach and proactive sourcing of potential investment opportunities, we seek to capitalize on situations where we believe we can achieve attractive acquisition bases and drive value creation during our ownership. We seek investments with the following characteristics with a view to downside protection and upside potential:

- a research and data-driven approach to theme generation and investment sourcing, with the objective of executing on investment strategies around which we have developed conviction;
- execution of a primary strategy built around strategic real estate portfolio aggregations and property-rich platform investing; and
- a value-added ownership model whereby – in conjunction with management teams – we believe we can create value at the property, portfolio, and platform levels.

Methods of Analysis and Investment Strategies – Real Estate Credit

We pursue an opportunistic credit strategy focused on real estate-related high yield senior and subordinate loans and securities. In the future, we may pursue other real estate-related credit strategies as well.

Through our theme-based approach and proactive sourcing of potential investment opportunities, we seek to capitalize on situations where we believe we can identify and underwrite attractive relative value.

Material Risks of Significant Investment Strategies

The investment strategies described above, and other strategies that TPGRE Vehicles pursue, involve a substantial degree of risk, and the TPGRE Vehicles may lose all or a substantial portion of the value of their investments. Material risks relating to the investment strategies and methods of analysis described above are described in more detail in the applicable TPGRE Vehicle's offering documents, and our representatives are available to discuss with potential investors the risks involved in the strategies a TPGRE Vehicle pursues. Such material risks include those set forth below.

While the following discusses the risks as they relate to the "Funds," Co-Investment Vehicles will be subject to some or all of the following risks, depending on the risks associated with the applicable transaction or investment strategy. To the extent certain Co-Investment Vehicles pursue investments or strategies that are not pursued by the Funds, such Co-Investment Vehicles will likely be subject to additional risks, as described in their respective offering documents.

Market Conditions and Financial Market Fluctuations. Market and economic conditions throughout the world will materially affect a Fund's investments. These conditions and related factors include but are not limited to:

- interest rates;
- availability and terms of credit;
- credit defaults;
- inflation rates;
- economic uncertainty;
- changes in laws (including laws relating to taxation of a Fund's investments);
- regulatory interventions and changes in regulations;
- changes in fiscal and monetary policies;
- trade barriers;
- commodity prices;

- currency exchange rates and controls; and
- national and international political, environmental and socioeconomic circumstances, including the risks of war and the effects of terrorist attacks.

Our view on these matters may prove to be incorrect, in which case a Fund's investments may perform worse than anticipated. Difficult market conditions also adversely affect a Fund and its returns by reducing the value or performance of its investments or by reducing its ability to raise or deploy capital. Investments made by the Funds involve a high degree of business and financial risk that can result in substantial losses. Investors should not invest unless they can readily bear the consequences of partial or total loss of capital.

A significant general economic downturn would adversely affect a Fund's financial condition and we may be subject to legal, regulatory, reputational, and other unforeseen risks that could have a material adverse effect on our businesses and operations (including those of a Fund). Moreover, a sustained downturn in the U.S. or global economy (or any particular segment thereof) or weakening of credit markets (including a perceived increase in counterparty default risk) could adversely affect a Fund's profitability, impede the ability of a Fund's portfolio investments to perform under or refinance their existing obligations, impair a Fund's ability to effectively deploy its capital or realize investments on favorable terms and have an adverse impact on the availability of credit to businesses generally, which in turn may adversely affect the business and operations of a Fund. Any of the foregoing events could result in substantial or total losses to a Fund in respect of certain of a Fund's investments, which losses will likely be exacerbated by the presence of leverage in a portfolio investment's capital structure. Difficult conditions in the capital markets and any overall weakening of the financial services industry could also affect us. A weakening of credit markets could adversely affect our funding obligations to a Fund, and a Fund could encounter other detrimental consequences, any of which could adversely affect the business of a Fund, restrict a Fund's investment activities and impede a Fund's ability to effectively achieve its investment objective.

Unspecified Investments. An investor must rely on our ability to make investments consistent with a Fund's investment objectives and policies. A Fund may be unable to find a sufficient number of attractive opportunities to invest its committed capital or meet its investment objectives. Further, we cannot assure that what we perceive as an attractive investment opportunity will not, in fact, result in substantial losses due to one or more of a wide variety of factors. Even if a Fund is never fully invested, investors will be required to pay advisory fees for an extended period of time based in part on the entire amount of their respective commitments.

Competition for Investments. The Funds compete for investment opportunities with individuals, funds and other investment vehicles having similar investment objectives or strategies. Potential competitors include other investment funds (including other TPGRE Vehicles and Related Funds), publicly traded or non-listed real estate investment trusts ("REITs"), real estate operating companies, financial institutions (such as mortgage banks and pension funds), sovereign wealth funds, strategic industry acquirers, special purpose acquisition companies and other financial investors investing directly or through affiliates as well as individuals and other institutional

investors. Certain of these individuals or entities possess competitive advantages over a Fund, including:

- greater financial, technical, marketing and other resources;
- higher risk tolerances;
- different risk assessments;
- lower return thresholds;
- lower cost of capital;
- access to funding sources unavailable to a Fund; and
- an ability to achieve synergistic cost savings in respect of an investment.

In addition, many real estate investment funds and publicly traded and non-listed REITs have been formed over the past several years, and others have been consolidated or grown substantially in size, for the purpose of investing in real estate assets. These funds and other vehicles are able to deploy a significant amount of capital available for investment in such opportunities. Additionally, the “cost of capital” of such funds and other vehicles could be lower (in some cases materially) than a Fund’s, allowing such funds and other vehicles to make more attractive bids in a competitive process. Other unrelated parties will likely form in the future additional real estate funds and publicly traded and non-listed REITs with similar investment objectives, and we expect further consolidations to occur, resulting in larger funds and vehicles and further increased competition for the Funds.

The Funds will face significant competition from other developers, owners, and operators of similar properties in the same markets and asset classes. This competition could affect a portfolio investment’s ability to attract and retain tenants and/or reduce the rents such portfolio investment is able to charge. Additionally, when a Fund seeks to sell its properties, it will compete with other owners of commercial properties.

Reliance on Our Management. The success of a Fund will depend in large part upon the skill and expertise of our professionals and those of our affiliates. We cannot assure that any individual professional will continue to be associated with a Fund or that replacements will perform well and, in the event of the departure of any or all of such persons, investors will nevertheless be required to continue to fund certain capital contributions. Our ability to recruit, retain and motivate qualified investment professionals is dependent in part on our ability to offer attractive incentive opportunities. There is competition among alternative asset firms, financial institutions, private equity firms, investment managers and other industry participants for hiring and retaining qualified investment professionals. Should any of our professionals join or form a competing firm, become incapacitated or in some other way cease to participate in investment activities of a Fund, such Fund’s performance could be adversely affected.

Cayman Islands Regulatory Oversight. In the event we determine to form an AIV, parallel investment entity or feeder in the Cayman Islands (each, a “Cayman Entity”), such entity may be required to register and be regulated as private funds under the Private Funds Act (As Revised) (the “Private Funds Act”) of the Cayman Islands. Once registered, the Cayman Islands Monetary Authority (the “Authority”) will have supervisory and enforcement powers to ensure Cayman Entity’s compliance with the Private Funds Act. The Authority may take certain actions if it is satisfied that a regulated private fund is or is likely to become unable to meet its obligations as they fall due, or is carrying on business fraudulently or otherwise in a manner detrimental to the public interest or to the interests of its investors or creditors, or is carrying on or is attempting to carry on business or is winding up its business voluntarily in a manner that is prejudicial to its investors or creditors. The powers of the Authority include, inter alia, the power to require the substitution of the general partner, to appoint a person to advise Cayman Entity on the proper conduct of its affairs or to appoint a person to assume control of the affairs of Cayman Entity. There are other remedies available to the Authority including the ability to apply to court for approval of other actions.

Increased Regulatory Oversight. The financial services industry generally, and the activities of private investment funds and their managers, in particular, have in recent years been subject to intense and increasing regulatory oversight. Such scrutiny may increase the Funds’, the general partners’ and our exposure to potential liabilities and to legal, compliance and other related costs. As a result of such oversight, we anticipate that, in the normal course of business, our officers will have contact with governmental authorities and/or need to respond to inquiries or examinations and/or implement new, or enhance existing, policies and procedures. We would also expect the Funds to be subject to regulatory inquiries concerning their securities positions and trading.

The implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”) has resulted in extensive rulemaking and regulatory changes that affect private fund managers, the funds that they manage and the financial industry as a whole. Pursuant to the Dodd-Frank Act, the SEC adopted rules that require reporting by registered investment advisers to private funds, which have added costs to our legal, operations and compliance obligations, and those of the Funds and their general partners, and have increased the amount of time that we spend on non-investment-related activities.

The Dodd-Frank Act and other regulatory reform initiatives affect a broad range of market participants with whom the Funds interact or may interact, including banks, non-bank financial institutions, rating agencies, mortgage brokers, credit unions, insurance companies, broker-dealers, futures commission merchants and swap dealers. It is difficult to predict future changes to the regulatory obligations of these market participants and the Funds, their general partners, and us, and such continued uncertainty may increase volatility, making it increasingly difficult for us to execute the Funds’ investment strategy.

The SEC has indicated an intention to change numerous regulations that affect the business of the Funds. In particular, the SEC has proposed a number of new rules that, if adopted, would impose significant changes on private fund advisers, and we expect the SEC to propose additional changes in the future. We would expect these changes to materially impact us, the Funds and/or their investments. For example, complying with new regulations would require significant time, expense and other resources.

In addition, on August 25, 2015, the U.S. Treasury Department's Financial Crimes Enforcement Network released a notice of proposed rulemaking that would impose anti-money laundering compliance obligations on registered investment advisers. Though this proposed rule was not adopted, other rules that may be proposed in the future may further increase our compliance obligations and related costs, require us to obtain certain information or representations from investors and increase the amount of time we spend on non-investment-related activities.

The AIFM Directive, related national implementing legislation and interpretive rules could increase the operating expenses of and otherwise adversely affect the Funds. The AIFM Directive will apply to us to the extent investor interests are marketed (within the meaning of the AIFM Directive as implemented in the relevant member states of the EEA and in the UK) to investors domiciled, resident or with a registered office in the EEA or the UK ("EEA and UK Investors"). We are not, and are not able to become, authorized under the AIFM Directive. However, our marketing of investor interests to EEA and UK Investors who are professional investors (within the meaning of the AIFM Directive) may lead to the application of certain AIFM Directive registration and transparency requirements, as well as any additional requirements imposed by private placement regimes ("PPRs") of individual member states of the EEA or of the UK. The conditions applicable to marketing in the EEA and the UK under PPRs described above may limit the Funds' ability to attract EEA and UK investors, which may result in a reduction in the overall amount of capital that a Fund is able to raise, and thus affect the Funds' investment strategy or limit the range of investments that the Funds are able to pursue and make. In addition, compliance with the AIFM Directive and PPRs would result in the Funds incurring additional costs and expenses and making certain disclosures, and may otherwise adversely affect the management of the Funds and their investments.

There remains some uncertainty as to the manner in and extent to which the various EEA member states or the UK interpret the AIFM Directive. This uncertainty increases the risk that a Fund's general partner will fail to comply with the requirements imposed by the AIFM Directive in a particular EEA member state or the UK. A Fund's general partner's failure to comply may result in a regulatory authority or court in that or another EEA member state or the UK requiring the general partner to return any capital or other funds to investors or otherwise seeking to take other enforcement or remedial action against a Fund, its general partner, or us.

Potential Reporting Obligations. Acquisitions by a Fund of equity securities are expected to result from time to time in reporting and compliance obligations under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and the Hart-Scott-Rodino Antitrust Improvements Act of 1976, or their equivalent regimes in non-U.S. jurisdictions. Portfolio companies may also subject a Fund and, in limited circumstances, its partners, to other regulatory and reporting requirements. Investments in the communications, insurance, financial services, healthcare and mortgage industries would typically require a Fund or its affiliates to secure regulatory approvals or licenses, or to disclose information about itself or its equity holders. Applying for and obtaining these licenses could take several months, and there is no assurance a Fund will obtain all desired licenses, in which case its investment options could be restricted. In addition, a Fund will be subject to tax reporting requirements in the United States and likely in other jurisdictions. The Fund will bear the costs of compliance.

U.S. Sanctions and FCPA Considerations. Economic sanction laws in the United States and other jurisdictions may prohibit us or the Funds from transacting with certain countries, individuals and companies. In the United States, the U.S. Department of the Treasury's Office of Foreign Assets Control administers and enforces laws, Executive Orders and regulations establishing U.S. economic and trade sanctions, which prohibit, among other things, transactions with, and the provision of services to, certain non-U.S. countries, territories, entities and individuals. These types of sanctions may significantly restrict or completely prohibit certain investment activities, and if the Funds were to violate any such laws or regulations, they may face significant legal and monetary penalties. These laws are complex and subject to frequent revision, and there is no guarantee that the activities of the Funds will not be materially affected by unforeseen changes to U.S. sanctions laws.

The U.S. Foreign Corrupt Practices Act ("FCPA") and other anti-corruption laws and regulations may also apply to and restrict the activities of certain Funds. If the Funds were to violate any such laws or regulations, the Funds may face significant legal and monetary penalties. Even if an investigation or proceeding does not result in a finding of a violation of any such laws or regulations, or the penalties a regulator imposes against the Funds were small in monetary amount, the costs associated with regulatory investigations or adverse publicity relating to the investigation or proceeding could adversely affect the business, financial condition or results of operations of the Funds. The U.S. government has indicated that it is particularly focused on FCPA enforcement, which may increase the risk that the Funds become the subject of such actual or threatened enforcement. As such, a violation of the FCPA or other applicable regulations by the Funds could have a material adverse effect on the Funds.

Foreign Direct Investment Considerations. We expect investors in the Funds to be both U.S. and non-U.S. investors. Depending on a variety of factors, including the nationalities of the investors, ties between investors and any non-U.S. governments, the size of the investor investments (either individually or as a group under common control), and the rights that investors receive with respect to the Funds, certain Fund investments may be within the jurisdiction of one or more foreign direct investment review regimes and potentially of interest to regulatory authorities if the investments are made into targets involved in more sensitive sectors, such as critical infrastructure and critical technology, involve businesses with access to personal identifiable information or sensitive personal data, and/or involve businesses that are located or have facilities or land in close proximity to sensitive government or military sites or facilities. For example, we expect certain investors to be non-U.S. investors that could comprise a substantial portion of the Funds' aggregate capital commitments. Depending on the percentage of investor voting rights held by non-U.S. investors, this potentially could result in certain investments by the Funds in U.S. businesses or businesses with operations in the United States being within the jurisdiction of the Committee on Foreign Investment in the United States ("CFIUS"). In the event that a foreign direct investment regulator (including CFIUS) reviews one or more of the Funds' proposed or existing investments, the Funds may require investors to provide additional information to be disclosed to the applicable regulatory agency and there can be no assurances that the Funds will be able to maintain or proceed with such investments on terms acceptable to the Funds. In addition, such a regulator may seek to impose limitations on or prohibit one or more of the Funds' investments, or the Funds may invest in a company that is already subject to (or may in the future become subject to) certain restrictions or conditions based on prior CFIUS reviews and/or historical investments in the company by one or more foreign investors. Because CFIUS and other foreign direct investment regulators are more

actively reaching out on transactions that are not voluntarily notified, including credit and lending transactions, the likelihood of inquiries in connection with an investment is generally higher than has been the case historically. We may restrict a investor's or a group of investors' ability to invest in or receive information with respect to that investment, even if doing so would not ensure that the Funds could maintain, proceed with, or dispose of the investment. Heightened scrutiny of investments in companies by U.S. and non-U.S. national security and other regulatory authorities may constrain the universe of suitable buyers for a portfolio investment and thus may limit the ability of the Funds to successfully exit investments.

Disclosure of Information. Certain investors in certain Funds are subject to state public records, similar freedom of information or other laws that compel public disclosure of confidential information regarding the Funds, their investments and their other investors, and these Funds may be required to disclose confidential information in connection with transactions. There has been an increase in the number of requests under such laws for contracts (including partnership agreements, subscription agreements and any side letters) that investors that are subject to such laws have in place with private investment funds, as well as offering and other materials related to such funds. A Fund may incur expenses in connection with responding to any such disclosure requests, even if the Fund ultimately succeeds in asserting confidentiality for any requested documents and other materials. Moreover, notwithstanding the obligation that an investor may have pursuant to a Fund's Governing Documents to maintain the confidentiality of a Fund's information, there can be no assurance that such information will not be disclosed either publicly or to regulators, law enforcement or otherwise. We may also, in certain circumstances, in an effort to protect against any such potential disclosure, withhold all or any part of the information we would otherwise provide such an investor. The public disclosure of this information may adversely affect a Fund and its investment activities.

In addition, a Fund could be required to disclose certain confidential information regarding some or all of its investors, including but not limited to, their names (including the names of their beneficial owners) and jurisdictions or formation or operation and the categories of investor type to which such investors belong, in connection with a public offering of a portfolio company or other transactions, including to regulators, stock exchanges, self-regulatory organizations and investment banks, legal counsel and other advisors and in disclosure documents.

Risk Management; Operational Controls. The operational controls and risk management techniques we use involve third parties over whom we do not exercise control, including outsourced providers of fund administration and custody services. The proper operation of a Fund and safekeeping of its assets depend on the performance and financial wherewithal of these third parties, as well as the continued operation and security of their systems.

The operational controls and risk management techniques we use also necessarily include subjective elements, making the judgment and discretion of our investment and control-side professionals fundamental to the risk management process. The greater the importance of subjective factors, the more challenging it becomes for us to control for risk, which in turn increases the likelihood of unpredictable results with respect to a portfolio investment and a Fund's overall performance.

An investment in a Fund can involve operational risks arising from such factors as processing errors, human errors, inadequate or failed internal or external processes, failures in systems and technology, changes in personnel, errors caused by third parties or other disruptive events. While we have adopted a business continuity program designed to minimize the disruption these events could otherwise cause to normal business operations, business continuity programs are inherently limited. For example, we could experience unanticipated contingencies or our controls and oversight may not function as intended. In addition, certain circumstances, including natural disasters, war, terrorism, public health crises, power or utility shortages and other system failures and malfunctions, could prevent us and our service providers from performing certain tasks, potentially for extended periods of time, including sending and executing trade orders, processing investor transactions and calculating the Funds' net asset value. Any such failure could cause losses to a Fund.

Non-Controlling Investments. Funds often hold minority interests in certain portfolio investments and, therefore, may have a limited ability to protect their investments in such portfolio investments. If appropriate given the Fund's ownership stake, the Fund may negotiate representation on the board of directors of a portfolio investment or other minority shareholder and supervisory rights to protect the Fund's investment. However, there can be no assurance that these measures will give the Fund the influence it would need to protect its investment. As a result, the Fund will be subject to the risk that a portfolio investment it does not control, or in which it does not have a majority ownership position, may make decisions with which it disagrees, and the equity holders and management of such a portfolio investment may take risks or otherwise act in ways that are adverse to the Funds' interests. Liquidity constraints could preclude the Fund from disposing of its investments in a timely manner in the event that it disagrees with the actions of such portfolio investments, and may therefore suffer a decrease in the value of its investment. In addition, a Fund may make minority equity investments in portfolio investments where there is the possibility that the portfolio investments may be controlled or influenced by persons who have economic or business interests or goals or tax or other considerations that differ from or are inconsistent with those of the Fund or its limited partners or may be in a position to take action contrary to the Fund's business, tax or other interests, and the Fund may not be in a position to limit such contrary actions or otherwise protect the value of the Fund's investment. When taking non-control positions, a Fund will generally seek to obtain negative controls and veto rights on major decisions, but there can be no assurance that a Fund will be able to control the timing or occurrence of an exit strategy for such portfolio investments in a manner that maximizes or protects value.

Non-U.S. Investments. The Funds will likely invest a substantial portion of its assets outside of the United States, including in certain developing non-U.S. markets. Non-U.S. real estate-related investments require consideration of risks typically not associated with investing in real estate-related investments in the United States, including risks relating to

- currency exchange matters, including
 - fluctuations in the rate of exchange between the U.S. dollar and the various non-U.S. currencies in which a Fund's non-U.S. portfolio investments are denominated, and
 - costs associated with conversion of investment principal and income from one currency into another and/or the repatriation of capital from such jurisdictions;

- inflation matters, including rapid fluctuations in inflation rates;
- differences between U.S. and non-U.S. real estate markets, including potential price volatility in, and relative illiquidity of, some non-U.S. real estate markets;
- the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements and differences in government supervision and regulation;
- certain economic, social and political risks, including
 - potential exchange-control regulations,
 - potential restrictions on non-U.S. investment and repatriation of capital,
 - the risks associated with political, economic or social instability, including the risk of sovereign defaults, regulatory change, and the possibility of expropriation or confiscatory taxation, or the imposition of withholding or other taxes on dividends, interest, capital gains, other income or gross sale or disposition proceeds, and
 - adverse economic and political developments;
- the possible imposition of non-U.S. taxes on income and gains and gross sales or other proceeds recognized with respect to such portfolio investments;
- less developed corporate laws regarding stakeholder rights, creditors' rights (including the rights of secured parties), fiduciary duties, the protection of investors and the protection of property owners;
- differences in the legal and regulatory environment or enhanced legal and regulatory compliance;
- political hostility to investments by non-U.S. or private equity investors;
- less publicly available information; and
- differences in conventions relating to documentation, settlement, corporate actions, stakeholder rights and other matters.

In addition, investments located in non-U.S. jurisdictions that are involved in restructurings, bankruptcy proceedings and/or reorganizations generally are not subject to laws and regulations similar to the U.S. Bankruptcy Code and the rights of creditors afforded in U.S. jurisdictions. To the extent such non-U.S. laws and regulations do not provide a Fund with equivalent rights and privileges necessary to promote and protect the Fund's interest in any such proceeding, portfolio investments would be adversely affected. We analyze risks in the applicable non-U.S. countries before making such investments, but there can be no assurance that adverse developments with respect to these risks will not adversely affect the assets of a Fund that are held in certain countries.

The risks described above are heightened in respect of investments made in developing market countries. Developing market countries generally are subject to greater risks of expropriation, confiscatory taxation, nationalization, political, economic or social instability and other negative developments.

Borrower Fraud. The Funds' investments will be subject to the risk of material misrepresentation or omission on the part of borrowers or sponsors. Such inaccuracy or incompleteness may adversely affect the valuation of the collateral underlying the loans or may adversely affect the ability of a Fund to perfect or effectuate a lien on the collateral securing the loan. A Fund will rely upon the accuracy and completeness of representations made by borrowers to the extent reasonable, but cannot guarantee such accuracy or completeness.

Governmental Actions Affecting Mortgages, Mortgage Foreclosures, Evictions and Rent. Following the 2008 financial crisis, the federal government, state governments, consumer advocacy groups and others urged mortgage servicers to be aggressive in modifying mortgage loans to avoid foreclosure. COVID-19 and the resulting federal, state, and local governmental policies and initiatives (including the Coronavirus Aid, Relief, and Economic Security Act) resulted in protections for certain eligible homeowners, including hardship mortgage forbearance and a temporary halt to foreclosures. In addition, numerous other laws, regulations, and rules were proposed recently by federal, state, and local governmental authorities that would delay foreclosure or evictions, reduce or delay payments by homeowners or renters, forgive debt, and increase prepayments due to the availability of government-sponsored refinancing initiatives. Also, several courts, state and local governments, and elected or appointed officials took steps to slow or prevent foreclosures and evictions, including certain federal and state legislators calling for a more broad-based moratorium on foreclosures and evictions generally, and impose rent regulations on multifamily properties. If a substantial amount of a Fund's capital is invested in residential mortgage loans or loans secured by multifamily properties, many of these policies, initiatives and regulations (and similar policies, initiatives and regulations enacted in the future in connection with future financial crises) would likely adversely affect the Fund, including as result of restrictions on the Fund's ability to foreclose on the collateral securing its investments. In addition, such policies, initiatives and regulations would likely adversely impact the ability of the issuers of the Fund's portfolio investments to meet their debt service obligations and ultimately reduce the Fund's net investment income, including as a result of the inability of such issuers to timely collect rent.

Nature of Real Estate Investments Generally. The Funds' portfolio investments will be subject to the risks inherent in the ownership and operation of real estate and real estate-related businesses and assets. Deterioration of real estate fundamentals generally, and in North America and Europe in particular, would negatively impact the performance of the Funds. Additional risks include those associated with:

- the burdens of ownership of real property;
- local, national or international economic conditions (such as an oversupply of space or a reduction in demand for space);

- changes in applicable laws, government regulations (including those governing usage, improvement and zoning) and fiscal policies;
- uninsured or uninsurable losses;
- regulatory limitations on rents;
- decreases in property values;
- changes in tenant demand;
- changes in supply of and demand for competing properties in a particular area;
- fluctuations in the rates and occupancy for hotel properties;
- changes in housing policy;
- changes in the financial condition of tenants, buyers and sellers of properties;
- changes in availability of debt financing, which would render the sale or refinancing of properties difficult or impracticable;
- changes in building and similar laws;
- energy and supply shortages;
- terrorist attacks, war, natural disasters and other “acts of God”;
- work stoppages, shortages of labor, strikes, union relations and contracts, fluctuating prices and supply of labor, and/or other labor-related factors;
- changes in real property tax rates and operating expenses;
- changes in interest rates and the availability of mortgage funds, which may render the sale or refinancing of properties difficult or impracticable;
- increased mortgage defaults;
- increases in borrowing rates;
- environmental liabilities;
- contingent liabilities on disposition of assets;
- successor liability for investments in existing entities (e.g., buying out a distressed partner or acquiring an interest in an entity that owns a real property);
- quality and philosophy of management;

- competition based on rental rates;
- attractiveness and location of the properties and changes in the relative popularity of property types and locations; and
- other factors that are beyond our control.

Most of the potential portfolio investments will be difficult to value, and if our opinion as to the value of an investment is incorrect or not shared by other market participants, a Fund's returns will be adversely affected.

Commercial Mortgage Loans. A Fund may hold directly or indirectly (e.g., through investments in commercial mortgage-backed securities or companies that originate, service or invest in mortgage loans) or be exposed to commercial mortgage loans. Commercial mortgage loans are generally secured by multi-family or commercial property and are subject to risks of delinquency and foreclosure, and risks of loss. The ability of a borrower to repay a loan secured by an income-producing property is dependent primarily upon the successful operation of such property. If the net operating income of the property is reduced, the borrower's ability to repay the loan may be impaired. Net operating income of an income-producing property can be affected by, among other things,

- tenant mix;
- success of tenant businesses;
- property management decisions;
- property location and condition;
- competition from comparable types of properties;
- changes in laws that increase operating expenses or limit rents that may be charged;
- environmental contamination at the property;
- the occurrence of any uninsured casualty at the property;
- changes in national, regional or local economic conditions and/or specific industry segments;
- declines in regional or local real estate values;
- declines in regional or local rental or occupancy rates;
- increases in interest rates, real estate tax rates and other operating expenses;
- changes in governmental rules, regulations and fiscal policies, including environmental legislation; and

- “acts of God,” terrorism, social unrest and civil disturbances.

A commercial property may not readily convert to an alternative use in the event that the operation of such commercial property for its original purpose becomes unprofitable. In such cases, the conversion of the commercial property to an alternative use would generally require substantial capital expenditures. The liquidation value of any such commercial property may be substantially less, relative to the amount outstanding on the related commercial mortgage loan, than would be the case if such commercial property were readily adaptable to other uses.

Residential Mortgage Loans. A Fund may hold (e.g., through investments in residential mortgage-backed securities or companies that originate, service or invest in mortgage loans) or be exposed to residential mortgage loans. Residential mortgage loans are secured by single-family residential property and are subject to risks of delinquency and foreclosure and risks of loss. The ability of a borrower to repay a loan secured by a residential property is dependent upon various factors, including the income or assets of the borrower. A Fund may hold or be exposed to non-prime or sub-prime residential mortgage loans (which are subject to higher delinquency, foreclosure and loss rates than prime residential mortgage loans), which could result in higher losses to such Fund. Non-prime and sub-prime residential mortgage loans are made to borrowers who have poor or limited credit histories and, as a result, do not qualify for traditional mortgage products. Because of the poor, or lack of, credit history, non-prime and sub-prime borrowers have materially higher rates of delinquency, foreclosure and loss compared to prime credit quality borrowers. Loans to non-owner occupied properties may present a greater risk of loss because these borrowers may be more likely to default on a mortgage loan than a mortgage loan secured by a primary residence of a borrower.

Risks of Acquiring Real Estate Loans and Participations. A Fund may hold direct or indirect investments in certain real estate-related debt instruments. In addition to the risks of borrower default (including loss of principal and nonpayment of interest) and the risks associated with real estate investments generally, real-estate related debt investments are subject to a variety of risks, including

- the risks of illiquidity;
- lack of control, mismanagement or decline in value of collateral;
- contested foreclosures;
- bankruptcy of the debtor;
- claims for lender liability;
- violations of usury laws; and
- the imposition of common law or statutory restrictions on the exercise of contractual remedies for defaults of such investments.

Debt investments have special inherent risks relative to collateral value. In the event of default, the source of repayment is limited to the value of the collateral and may be subordinate to other lien holders (and the collateral value of the property may be less than the outstanding amount of the investment).

Certain Funds at times will acquire real estate loans or participation interests that are nonperforming at the time of their acquisition or later become nonperforming for a wide variety of reasons. Such nonperforming real estate loans generally require a substantial amount of workout negotiations and/or restructuring, which typically would entail, among other things, a substantial reduction in the interest rate and a substantial write-down of the principal of such loan. To the extent that a Fund purchases partial interests in nonperforming loans, the Fund may not have control over the workout process and the management of real estate assets. Even in such circumstances, replacement “takeout” financing may not be available upon maturity of such real estate loan. Purchases of participations in real estate loans raise many of the same risks as direct investments in real estate loans and also carry risks of illiquidity and lack of control. In addition, loan participations involve credit exposure to the financial institutions participating in the loan. It is possible that a Fund will foreclose on collateral securing one or more real estate loans purchased by such Fund. The foreclosure process varies between jurisdictions and can be lengthy (taking up to several years or more to conclude in some jurisdictions) and expensive. Borrowers resist foreclosure actions by asserting numerous claims and defenses against the holder of a loan, including numerous lender liability claims and defenses, even when such assertions have no basis in fact, which can significantly prolong and increase the costs of the process. At any time during the foreclosure proceedings, a borrower may file for bankruptcy, which would stay the foreclosure action and further delay the foreclosure process. Foreclosure litigation tends to create a negative public image of the collateral property and result in disrupting ongoing leasing and management of the property. Moreover, certain of the real estate loans in which a Fund may invest may be structured so that all or a substantial portion of the principal will not be paid until maturity, which increases the risk of default at that time. Investing in real estate-related loans will subject a Fund to many of the risks of investment in real estate generally, especially where the loans are acquired in distressed or “loan to own” situations. If a Fund acquires a loan participation, it will generally be unable to enforce its rights against the borrower or the collateral directly, and will instead be dependent on the participating financial institution.

Some of a Fund’s investments in real estate loans and participations will not be rated by any recognized rating agency. Generally, the value of unrated classes is more subject to fluctuation due to economic conditions than rated classes, and there is increased risk of nonpayment or of a significant delay in payments on unrated classes. Should assets be downgraded, it would adversely affect their value and that of such Fund.

Mortgage-Backed Securities. A Fund may acquire senior and subordinated tranches of mortgage-backed securities (“MBS”) issuances. In general, subordinated tranches of MBS are entitled to receive repayment of principal only after all principal payments have been made on more senior tranches and also have subordinated rights as to receipt of interest distributions. Subordinated tranches are subject to a greater risk of nonpayment than senior tranches of MBS or MBS-backed by third-party credit enhancement. In addition, the secondary market for such subordinated securities is not as active and well-developed as the market for certain other MBS. Accordingly, such subordinated MBS would have limited marketability, and there can be no assurance that a

more efficient secondary market will develop. Although senior tranches of MBS are less risky than subordinated tranches of the same issue, they are still subject to the risk of loss.

Predatory and Other Lending Laws. Loans that a Fund originates may be directly or indirectly subject to U.S. federal, state or local governmental laws. Real estate lenders and borrowers may be responsible for compliance with a wide range of laws intended to protect the public interest, including the Truth in Lending, Equal Credit Opportunity, Fair Housing and Americans with Disabilities Acts and local zoning laws (including zoning laws that allow permitted non-conforming uses).

In addition, under the anti-predatory lending laws of some states, the origination of certain residential mortgage loans must satisfy a net tangible benefits test with respect to the related borrower. This test can be highly subjective and open to interpretation. As a result, a court could determine that a residential mortgage loan, for example, does not meet the test even if the related originator reasonably believed that the test was satisfied.

A Fund would be subject to liability in the event that it violates predatory and other lending laws, which could adversely impact the Fund's operations, financial conditions and business. In the future, new laws may be enacted or imposed by U.S. federal, state or local governmental entities, and such laws could have a material adverse effect on the Funds.

Interest Rate Risks. We expect the Funds, both directly and indirectly through portfolio investments, to have exposure to interest rate risks, meaning that changes in prevailing interest rates could negatively affect a Fund. Over any defined period of time, the Funds' interest-bearing assets may be more sensitive to changes in market interest rates than the Fund's interest-earning liabilities, or vice versa. For example, an increase in interest rates could increase the debt service burden on a Fund's portfolio investments, make it more costly to refinance the debt of a Fund's portfolio investments and cause a decrease in value in a Fund's debt investments. Factors that affect market interest rates include without limitation

- inflation;
- slow or stagnant economic growth or recession;
- unemployment;
- money supply and the monetary policies of the Board of Governors of the U.S. Federal Reserve System, the European Central Bank and other monetary system participants;
- international disorders; and
- instability in domestic and non-U.S. financial markets.

We expect to periodically experience imbalances in the interest rate sensitivities of a Fund's assets and liabilities and the relationships of various interest rates to each other. In a changing interest rate environment, we may not be able to manage this risk effectively. Failure to manage interest rate risk effectively could adversely affect the Fund's performance.

Risks of Investing in REITs. We expect to organize one or more entities treated as a REIT through which the Funds will make investments. Qualification as a REIT involves the application of highly technical and complex provisions of the U.S. Internal Revenue Code of 1986, as amended (the “Code”) for which there are only limited judicial or administrative interpretations, and the determination of various factual matters and circumstances not entirely within the REIT’s control. If any REIT fails to maintain its qualification as a REIT in any taxable year, and certain relief provisions do not apply, the REIT would be subject to tax on its taxable income at regular corporate rates. In such an event, distributions by the REIT to a Fund or investors would, to the extent of earnings and profits, be taxable to investors as ordinary dividends and would not be deductible by the REIT. If a corporation’s status as a REIT is terminated, the corporation generally may not be eligible to elect REIT status again prior to the fifth taxable year following the year in which it fails to qualify under the Code as a REIT. Future legislation, new regulations, administrative interpretations or court decisions may significantly change the tax laws or the application of the tax laws with respect to qualification as a REIT. Any such change could adversely affect a REIT’s ability to qualify as a REIT or the federal income tax consequences of such qualification. Even if a REIT qualifies as a REIT, a REIT may be subject to federal income tax in certain circumstances.

Bridge Financings. From time to time, a Fund expects to provide financing to portfolio investments (which may include equity and/or debt financing) on a short term, unsecured basis in anticipation of a future issuance of more permanent financing or co-investment. However, for reasons not always in a Fund’s control, such financing or co-investment may not be consummated, and such bridge financing may remain outstanding. If that happens, the rate of return on such financings generally would not adequately reflect the risk associated with the unsecured position taken by a Fund. Further, if a Fund provides bridge financing in anticipation of a co-investment that is not consummated, a Fund may exceed an investment concentration limitation which would not be considered a breach of the Governing Documents but would increase exposure of investors to the portfolio investment.

Convertible Securities. Certain Funds may invest in convertible securities. Convertible securities include bonds, debentures, notes, preferred stock or other securities that may be converted into or exchanged for a specified amount of equity securities of the same or different issuer within a particular period of time at a specified price or formula. A convertible security entitles its holder to receive interest that is generally paid or accrued on debt or a dividend that is paid or accrued on preferred stock until the convertible security matures or is redeemed, converted or exchanged.

The investment value of a convertible security is subject to, among others, credit risk, the risk of shifts in the market price of the underlying securities and changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline. For instance, adverse or unexpected shifts in interest rates, particularly near the time when a Fund aims to exit any investment in convertible securities, may affect the value of the Fund’s investments. The credit standing of the issuer and other factors may also have an effect on the convertible security’s investment value. The conversion value of a convertible security is determined by the market price of the underlying equity securities. To the extent the value of the underlying equity securities approaches or exceeds the conversion price, the price of the convertible security will be increasingly influenced by its conversion value. A convertible security generally will sell at a premium over its conversion value by the extent to which investors place value on the right to

acquire the underlying equity securities while holding a fixed-income security. Generally, the amount of the premium decreases as the convertible security approaches maturity. The value of the underlying security may be volatile and may be impacted by a variety of business, industry, economic, legal and other factors.

A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security held by a Fund is called for redemption, the Fund will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third party. Issuers may have an incentive to call convertible securities for redemption when conditions are not advantageous to a Fund, including when the value of the underlying securities is relatively low.

Hedging. Subject to any limitations in a Fund's Governing Documents, a Fund at times will, but typically will not be required to, employ hedging techniques intended to reduce the risks of certain investments, including, for example, adverse movements in interest rates, asset prices and currency exchange rates. While such transactions reduce certain risks, they entail certain other risks and costs. For example, while a Fund generally will benefit from the use of these hedging mechanisms, unanticipated changes in interest rates, asset prices or currency exchange rates could result in a poorer overall performance for such Fund than if it had not entered into such hedging transactions.

The success of a Fund's hedging strategy will depend, in part, upon our ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the portfolio investments being hedged. Because the characteristics of many investments change as markets change or time passes, the success of a Fund's hedging strategy will also be subject to our ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While a Fund generally would enter into hedging transactions to seek to reduce risk, it is possible that such transactions would result in a poorer overall performance for the Fund than if it had not engaged in such hedging transactions. In addition, hedging transactions have inherent risks, including the possible default by the counterparty to the transaction and the illiquidity of the hedging instrument a Fund acquires. For a variety of reasons, we at times will not seek to establish a perfect correlation between the hedging instruments utilized and the portfolio holdings being hedged. Such an imperfect correlation may prevent a Fund from achieving the intended hedge or expose the Fund to risk of loss. We will not hedge against a particular risk when we do not regard the probability of the risk occurring to be sufficiently high as to justify the cost of the hedge, or when we do not foresee the occurrence, probability or magnitude of the risk. The successful utilization of hedging and risk management transactions requires skills complementary to those needed in the selection of a Fund's portfolio investments. In addition, although such hedging transactions generally hedge economic risks, they are not always effective hedges for tax purposes. For example, the tax character of the gain or loss on the hedging transaction may differ from the character of the gain or loss on the investment, or the timing of the gain or loss for tax purposes may differ between the hedging transaction and the investment. Finally, changes to the regulations applicable to the financial instruments a Fund uses to accomplish its hedging strategy, including the U.S. Commodity Futures Trading Commission's current and proposed rules on position limits for derivatives, could limit the effectiveness of that strategy or require more onerous reporting.

With respect to any investments in synthetic instruments, a Fund will have a contractual relationship only with the synthetic instrument counterparty and no direct rights with respect to the underlying asset. A Fund may not have any voting, information, or other rights of ownership with respect to the underlying asset. In addition, a Fund will be subject to the credit risk of the synthetic instrument counterparty, and, in the event of the insolvency of that counterparty, generally will be treated as a general creditor of that counterparty and will not have any claim of title with respect to the underlying asset.

Portfolio investments may also employ hedging techniques, and such hedging activities would be subject to the same risks and limitations discussed above.

Market Structure Requirements Applicable to Derivatives. The Dodd-Frank Act enacted, and the CFTC and SEC have issued or proposed rules to implement, both broad new regulatory requirements and broad new structural requirements applicable to OTC derivatives markets and, to a lesser extent, listed commodity futures (and futures options) markets. Similar changes are in the process of being implemented in the European Union, Japan and other major financial markets.

These changes include, but are not limited to:

- requirements that many categories of the most liquid OTC derivatives (currently limited to specified interest rate swaps and index credit default swaps) be executed on qualifying, regulated exchanges and be submitted for clearing;
- real time public and regulatory reporting of specified information regarding OTC derivative transactions;
- enhanced documentation requirements;
- margin requirements for uncleared derivatives;
- position limits; and
- recordkeeping requirements.

While these changes are intended to mitigate systemic risk and to enhance transparency and execution quality in the OTC derivative markets, we do not know the full impact of these changes at this time. For instance, cleared OTC derivatives are subject to margin requirements established by regulated clearinghouses, including daily exchanges of cash variation (or mark to market) margin and an upfront posting of cash or, in some cases, securities initial margin to cover the clearinghouse's potential future exposure to the default of a party to a particular OTC derivative transaction. Furthermore, "financial end users," such as the Funds, that enter into OTC derivatives that are not cleared are generally required to exchange margin to collateralize such derivatives. Under the new rules, the level of margin required to be exchanged in connection with uncleared OTC derivatives in many cases is substantially greater than the level typically required by market participants or clearinghouses.

These changes could significantly increase (to the extent relevant to the Funds' investments) the costs to the Funds of utilizing OTC derivatives, reduce the level of exposure the Funds are able to

obtain (whether for risk management or investment purposes) through OTC derivatives and reduce the amounts available to the Funds to make non derivative investments. These changes could also impair liquidity in certain OTC derivatives and adversely affect the quality of execution pricing the Funds obtain. As a result, these changes could adversely impact the Funds' investment returns. Furthermore, the margin requirements for cleared and uncleared OTC derivatives may require that we, in order to maintain our exemptions from CPO registration under CFTC Rule 4.13(a)(3), limit the Funds' ability to enter into hedging transactions or to obtain synthetic investment exposures, in either case adversely affecting the Funds' ability to mitigate risk.

In addition, the tax environment for derivative instruments and funds is evolving, and changes in the taxation of derivative instruments or funds may adversely affect the value of certain derivatives contracts entered into by the Funds and the ability of the Funds to pursue their investment strategies. There can be no assurance that new legislation or regulation, including changes to existing laws and regulations, will not have a material negative impact on the Funds' investment performance.

LIBOR and Other "IBOR" Rates. LIBOR, the London Inter Bank Offered Rate, is an estimate of the interest rates to borrow U.S. dollars, sterling, euros and certain other currencies in the London unsecured interbank market, and has been widely used as a reference for setting the interest rate on loans, bonds, and derivatives globally. The United Kingdom's Financial Conduct Authority ("FCA"), which regulates LIBOR, announced its intention to phase out the creation of LIBOR estimates by the end of 2021, including transitioning to alternative reference rates. However, in March 2021, ICE Benchmark Administration Limited, the LIBOR administrator, announced that it will cease the publication of all British pound, euro, Swiss franc and Japanese yen LIBOR settings and cease the publication of the one-week and two-month U.S. dollar ("USD") LIBOR settings immediately following the LIBOR publication on December 31, 2021 and the remaining USD LIBOR settings immediately following the LIBOR publication on June 30, 2023. Concurrently, the FCA confirmed that all LIBOR setting will either cease to be provided by any administrator or no longer be representative after such dates with respect to such LIBOR settings.

The U.S. Federal Reserve (the "Federal Reserve"), in conjunction with the Alternative Reference Rates Committee, is also recommending replacing U.S. dollar LIBOR with a new reference rate derived from short-term repurchase agreements backed by Treasury securities, the Secured Overnight Financing Rate ("SOFR"). However, certain market constituencies have criticized SOFR's suitability as a LIBOR replacement, and the extent of SOFR-based instruments issued or trading in the market remains a fraction of LIBOR-based instruments. As such, there remains uncertainty regarding the future utilization of LIBOR and other "IBORS," and the nature of any replacement rates.

Certain Funds' investments may have interest rates with a LIBOR reference. As a result, the transition away from LIBOR could adversely impact the Funds. Even if replacement conventions (e.g., SOFR) are adopted in the lending and bond markets, it is uncertain whether they might affect the Funds as investors in floating-rate instruments, including by: (a) affecting liquidity of the Funds' investments in the secondary market and their market value; (b) reducing the interest rate earned by the Funds as holders of such investments (either generally or in certain market cycles) due to the use of a collateralized, overnight rate and credit spread adjustments instead of an unsecured, term rate; or (c) causing the Funds or a portfolio investment to incur expenses to

manage the transition away from LIBOR. Also, while it is common for recently issued instruments to contemplate a scenario where LIBOR is no longer available by providing for an alternative rate setting methodology and mechanisms to amend the applicable reference rate, there are significant uncertainties regarding the effectiveness of any such alternative methodologies. As such, the Funds or a portfolio investment may need to renegotiate the terms of credit agreements with certain issuers of investments that utilize LIBOR in order to replace it with the new standard convention that is established, which could result in increased costs for the Funds.

The Funds and the Funds' investments may also enter into swaps and similar instruments that reference LIBOR, including swaps used to manage long-term interest rate risk related to assets and/or liabilities. In addition to the Funds or a portfolio investment potentially needing to renegotiate some of those instruments to address a transition away from LIBOR, there also may be different conventions that arise in different but related market segments, which could result in mismatches between different assets and liabilities and, in turn, cause possible unexpected gains and/or losses for the Funds directly or such portfolio investment (and in which case, in turn, the Funds). In addition and as further described above, some of the standard conventions under consideration, including SOFR, are conceptually different than LIBOR, in that they are overnight, secured rates instead of unsecured, term rates, which could behave differently from LIBOR in ways that cause the Funds or a portfolio investment to owe greater payments or receive less payments under its derivatives, at least during certain market cycles. Some of these replacement rates may also be subject to compounding or similar adjustments that cause the amount of any payment referencing a replacement rate not to be determined until the end of the relevant calculation period, rather than at the beginning, which could lead to administrative challenges for the Funds or such portfolio investment (in which case, in turn, the Funds).

Furthermore, even though the terms of the Funds' credit facilities may provide for mechanics to amend the credit facilities in order to reflect a replacement rate in the event of a transition away from LIBOR, the determination of such replacement rate may require further negotiation, including between the general partner and the applicable lender. There can be no assurance that an agreement between the parties will be reached, and the terms of the Funds' credit facilities may also provide that, during any applicable transition period, the amounts drawn under the Funds' credit facilities may bear interest at a higher rate. In addition, even if an agreement is reached with respect to a replacement rate for LIBOR, the applicable lender may have the ability to make certain changes to the terms of a Fund's credit facility to implement the new rate, which the Fund may have no control over.

Finally, on October 23, 2020, the International Swap and Derivatives Association ("ISDA") launched (i) Supplement number 70 to the 2006 ISDA Definitions ("IBOR Supplement") and (ii) the ISDA 2020 IBOR Fallbacks Protocol ("IBOR Protocol"). The IBOR Supplement is intended to enhance the robustness of derivatives contracts traded on or after January 25, 2021 by addressing the risk that some IBORs are permanently discontinued or, in the case of LIBOR, cease to be representative, by applying fallbacks to specified alternative references rates upon such a trigger. The IBOR Protocol permits adhering parties to amend in-scope transactions entered into prior to January 25, 2021 on similar terms. These documents are a critical element to industry efforts to facilitate the derivatives markets' transition away from LIBOR and other IBORs.

If the transition from LIBOR results in an overall increase to borrowing costs, higher interest expense could negatively affect the financial results and valuations of a Fund's portfolio companies. Transition to a new reference rate also requires an upgrade to the software and systems that our third-party vendors use to properly record and process loans and other instruments based on the new rate. Such upgrade may not become available in time or its implementation could be delayed because of the uncertainty regarding the transition from LIBOR. Any failure to timely implement the necessary software or systems upgrade could negatively impact our business operation. There is no guarantee that a transition from LIBOR to an alternative will not result in financial market disruptions, significant increases or volatility in risk-free benchmark rates or borrowing costs to borrowers, any of which could have a material adverse effect on our results of operations, financial condition and cash flow.

In-Kind Distributions. The Funds may make distributions in cash, in-kind or in a combination thereof. During the term of the Funds, in-kind distributions to investors may generally only take the form of marketable securities (as described in the Governing Documents) subject to certain exceptions. Following the expiration of a Fund's term, in-kind distributions may also take the form of securities or assets that are not easily disposable, including but not limited to interests in underlying illiquid investments, special purpose vehicles, or liquidating trusts. The risk of loss and delay in liquidating in-kind distributions will be borne by investors, with the result that such investors may ultimately receive less cash than was reflected in the fair value of such assets as determined pursuant to the Governing Documents and may be required to hold the asset distributed in-kind for an indefinite amount of time. The general partner's carried interest will be determined based on the valuation procedures described in the Governing Documents, regardless of the ultimate amount of cash received by the investors upon a sale or other liquidation of the asset distributed in-kind. We and our affiliates may also take actions with respect to such securities (including the exercise of voting or other rights in connection therewith) that are different than the actions taken by investors. The general partners, and their affiliates or their direct or indirect owners could ultimately receive a return on their share of an investment distributed to them in-kind that is higher than the return achieved by the investors with respect to their share of such investment and is higher than the amount they would have received (including with respect to both their carried interest and their capital interest) had they taken their distribution in cash. In connection with in-kind distributions of marketable securities, if we agreed to use our good faith efforts to assist such investor in administering a sale on behalf of such investor of the marketable securities that would otherwise be distributed to such investor in-kind. The distribution will still be made in accordance with the valuation provisions set forth in the Governing Documents and the investor will bear the full risk of loss or delay in connection with any such disposition, and the net proceeds received by the investor from such sale may differ significantly from (a) the net proceeds ultimately obtained from a sale by the general partner or any investor that received such distribution in-kind or (b) the value assigned to such assets for purposes of determination of the general partner's carried interest. Furthermore, in circumstances where we are assisting an investor in administering a sale, it will likely be the case that the general partner and its affiliates also received an in-kind distribution with respect to carried interest or other amounts distributable to the general partner or its affiliates with respect to the investment. The general partner, its affiliates or their direct or indirect owners may dispose of their securities at a different time than the disposition in respect of the investors that they are assisting in administering a sale, and may ultimately receive more proceeds than the investors we are assisting.

Co-Investment Warehousing. A Fund from time to time will acquire and temporarily set aside, or “warehouse,” a portion of an investment opportunity in order to facilitate a co-investment by one or more co-investors (including affiliated co-investors). If the co-investment of the “warehoused” portion is not ultimately consummated, the Fund or the participating investors, as applicable, would end up holding a larger portion of the investment than they otherwise expected or desired to hold. The risk of a co-investment not being consummated generally would increase in the event an investment decreases in value during the warehousing period, potentially requiring the Fund to bear the losses in connection with the investment. We typically determine the cost of the co-investment in our sole discretion, taking into account its cost to the Fund, the cost of capital and other factors, and from time to time expect not to charge the co-investors an amount that accurately reflects any appreciation in the value of the investment or appropriately compensates the Fund for the costs and risks incurred during the holding period. Therefore, depending on the change in value of the investment during such interim period, a Fund may not receive the full benefit of any increase in value. However, to the extent such amounts are not so charged or reimbursed, they generally will be borne by the Fund.

Uncertainty of Financial Projections. We will generally make Fund investments on the basis of financial projections for such portfolio investments, which in turn are normally based primarily on management judgments. In all cases, projections are only estimates of future results that rely upon assumptions made at the time that the projections are developed. There can be no assurance that a portfolio investment will achieve its projected results, and actual results can vary significantly from the projections. General economic conditions, which are not predictable, can have a material adverse impact on the reliability of projections.

Cybersecurity Risk. We rely on technology, particularly internet-based programs and data storage applications and, we may be susceptible to operational risks specific to this technology, including ransomware, system disruptions, and unauthorized access to our information and technology systems or those of joint-venture partners or third-party service providers that hold our information and/or have access to our technology systems. Security breaches could result in the misappropriation of confidential information, destruction or corruption of data and/or disruption of our operations. We, our service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect the Funds and their investors, despite our efforts and those of our service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of our computer systems, software, networks and other technology assets, as well as the security, confidentiality, integrity and availability of information belonging to the Funds and their investors. For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of encrypt or otherwise prevent access to our systems and those of our service providers and counterparties as well as the data stored by these systems. Third parties, including nation-state or terrorist actors, may also attempt to fraudulently induce employees, customers, third-party service providers or other users of our systems to disclose sensitive information in order to gain access to our data or that of a Fund’s investors or otherwise inflict harm. Likewise, our systems could be vulnerable to supply-chain attacks, wherein attackers may target third parties providing us software or services in order to introduce vulnerabilities in our network systems. Whether

intentional or unintentional, a cybersecurity breach of our system or the systems of portfolio investments or portfolio companies may cause us, the Funds or portfolio companies to lose proprietary information, suffer data corruption or deletion, expose information to misuse or force us to pay ransom to retrieve data or face its loss. Unauthorized access could lead to:

- physical damage to a computer or network system (and costs associated with system repairs);
- loss or theft of investors' funds;
- the inability to access electronic systems;
- a failure to maintain the confidentiality and privacy of sensitive information (including the loss of investors' confidential or personal information);
- loss of capabilities essential to our, the Funds' and/or the portfolio company's operations;
- ransomware payments,
- increases in insurance premiums;
- financial losses from remedial actions;
- loss of business;
- reputational harm; or
- potential liability.

Cybersecurity risks also require investment in ongoing preventative measures and compliance costs, including costs related to investigating the origin and scope of any cybersecurity incident, as well as increased and upgraded cybersecurity.

Furthermore, the international nature of our business operations can result in additional risks to our technology and information. At times we are required to disclose or store certain information locally in jurisdictions with relatively weaker protections of corporate proprietary information and assets. We may also transmit information in countries that do not respect the privacy of communications or that restrict the transmission of certain information. Non-U.S. legal or administrative regimes may compromise our control over proprietary data and/or personal information by requiring us to cede to regulators rights over, or allow regulatory inspections of, it. The risk of data theft generally increases in these instances. The foregoing risks are equally applicable to us, our service providers and portfolio investments.

Data Privacy and Security Laws. Jurisdictions in which the Funds operate have recently adopted, or are considering adopting, stringent data privacy and cybersecurity laws, including the General Data Protection Regulation in the European Union (or "GDPR"), Data Protection Act (As Revised) of the Cayman Islands, the Personal Information Protection Law of the People's Republic of

China, the California Consumer Privacy Act and California Privacy Rights Act, the New York SHIELD Act and a range of proposed additional laws at the federal level and in California, New York, Texas, Utah, Washington and other states. The cumulative effects of the recently adopted laws include, but are not limited to:

- heightened transparency and accountability surrounding the collection, use and disclosure of personal information;
- an enhanced ability of individuals, relative to companies, to control the use of their personal data;
- in certain circumstances, increased obligations to obtain individuals' consent to the processing of their personal data;
- restrictions on the cross-border transfer of personal data to third countries;
- increased obligations to maintain the security of data; and
- additional exposure to fines or damages for companies that do not accord individuals their specified privacy rights, that experience data breaches or that fail to maintain cybersecurity at certain levels.

We will endeavor to maintain systems that promote compliance with data privacy and security laws, both those adopted to date and those that may be adopted in the future, but there can be no assurance that these systems will be effective. Failure to comply with such laws could result in significant fines or damages that could have a material adverse effect on the Funds.

Data privacy laws may also affect the companies that the Funds invest in. For example, China has placed increasing focus on companies' data privacy and cybersecurity practices in recent years, including by adopting significant new laws and regulations in 2017 (the Cyber Security Law) and in 2021 (the Provision on Protection of Personal Information of Telecommunications and Internet Users and the Data Security Law). The implications of these and other new laws and regulations remain uncertain, and they could materially and adversely affect companies in which the Funds invest.

Risks of Pandemics. The spread of infectious disease, together with any resulting travel restrictions or quarantines, could have a significant negative impact on the economy and the Funds and their portfolio investments, including the operations and business activities of any borrower or issuer of the Funds' portfolio investments. In turn, this could reduce the Funds' net investment income. Examples include the outbreaks of Severe Acute Respiratory Syndrome in Asia in 2003, avian influenza, or "bird flu," in Asia in 2004 and 2005 and Influenza A more recently. There can be no assurance that any precautionary measures taken against infectious disease would be effective.

Most recently, COVID-19 spread globally beginning in early 2020. The global outbreak of COVID-19 and the measures governmental agencies and the private sector took to contain it, including business closures, limitations on public gatherings, travel restrictions and quarantines, significantly disrupted the global economy and caused severe market dislocation and volatility.

While we cannot accurately forecast COVID-19's ultimate impact at this time, we expect the severe market dislocation and volatility caused by COVID-19 and responses thereto will continue to have a profound and lasting effect on the Funds and their portfolio investments and our ability to manage the Funds' portfolios and pursue Fund investments. The effects of COVID-19 and other future public health emergencies may materially and adversely impact (a) the value and performance of the Funds' portfolio investments, (b) the ability of a Funds' portfolio investments to meet loan covenants, post margin or repay loans provided by the Funds on a timely basis or at all or (c) the Funds' ability to source, manage and divest investments and the Funds' ability to achieve its investment objectives, all of which could reduce the Funds' net investment income.

In addition, the rapid and broad-based shift to a more generally accepted hybrid work and remote work environment creates inherent productivity, connectivity and oversight challenges. In response to the spread of COVID-19, many businesses, including TPG, encouraged or mandated that their personnel work from home in an effort to help slow the spread of the pandemic, and hybrid work and remote work models have become more prevalent as a result. To the extent our personnel, as a result of working remotely, rely more heavily on external sources for information and technology systems for their business-related communications and information sharing, our business will be more vulnerable to cybersecurity incidents and cyberattacks, and other weaknesses in our operational and control environment, and could have more difficulty resuming normal operations in the event it is the target of such incident or attack, or otherwise suffers a breakdown of operations or control. See "*Cybersecurity Risk*" for additional discussion of cybersecurity. Given the extraordinary nature of COVID-19 and its inherent unpredictability, it may take years to understand the full scope of its ramifications.

Future outbreaks of infectious disease or any other serious public health concern could have a similar material adverse impact on the Funds and their portfolio investments.

Changes in the Political Environment of the United Kingdom and Europe. The United Kingdom left the European Union on January 31, 2020 (commonly referred to as "Brexit"). During an 11-month transition period, the United Kingdom and the European Union agreed to a Trade and Cooperation Agreement which sets out the agreement for certain parts of the future relationship between the European Union and the United Kingdom from January 1, 2021. The Trade and Cooperation Agreement does not provide the United Kingdom with the same level of rights or access to all goods and services in the European Union as the United Kingdom previously maintained as a member of the European Union and during the transition period. In particular the Trade and Cooperation Agreement does not include an agreement on financial services, which is yet to be agreed. Accordingly, uncertainty remains in certain areas as to the future relationship between the United Kingdom and the European Union.

From January 1, 2021, European Union laws ceased to apply in the United Kingdom. However, many European Union laws have been transposed into English law and these transposed laws will continue to apply until such time that they are repealed, replaced or amended. Depending on the terms of any future agreement between the European Union and the United Kingdom on financial services, substantial amendments to English law may occur, and it is impossible to predict the consequences on the Funds and their investments. Such changes could be materially detrimental to investors.

Although one cannot predict the full effect of Brexit, it could have a significant adverse impact on the United Kingdom, European and global macroeconomic conditions and could lead to prolonged political, legal, regulatory, tax and economic uncertainty. This uncertainty is likely to continue to impact the global economic climate and may impact opportunities, pricing, availability and cost of bank financing, regulation, values or operations of companies or assets based, doing business, or having service or other significant relationships in, the United Kingdom or the European Union, including companies or assets whose securities are held by the Funds or to whom the Funds have extended credit.

Trade Policy. Political leaders in the United States and certain European nations have in the past been elected on protectionist platforms, fueling doubts about the future of global free trade. For example, the U.S. government has indicated its intent to alter its approach to international trade policy and in some cases to renegotiate, or potentially terminate, certain existing bilateral or multi-lateral trade agreements and treaties with non-U.S. countries. In addition, the U.S. government has recently imposed tariffs on certain non-U.S. goods, including steel and aluminum and has indicated a willingness to impose tariffs on imports of other products. Some non-U.S. governments, including China, have instituted retaliatory tariffs on certain U.S. goods and have indicated a willingness to impose additional tariffs on U.S. products. Governments of other countries have introduced, or may in the future introduce, protectionist and other similar trade policies that could adversely affect free trade. Global trade disruption, significant introductions of trade barriers and bilateral trade frictions, together with any resulting future downturns in the global economy, could adversely affect the financial performance of the Funds and their investments.

Recently, there have been a number of developments and events that have increased tensions between the U.S. and China, including in respect of trade policies, technology transfers, human rights, the status of Taiwan, sanctions and countersanctions and the handling of the COVID-19 outbreak. Any future actions by the U.S. or China arising from or contributing to the further deterioration of relations between the U.S. and China could result in significant disruption in regional and global markets and could have material adverse consequences on the investments of the Funds, including on borrowers or issuers in respect of the Funds' portfolio investments that could be affected or targeted by any sanctions or other regulatory actions. In addition, these policies are likely to change as a result of political developments in the United States and China, as well as globally. Further, trade disputes may develop between other countries, which may have similar or more pronounced risks and consequences for the Funds or their investments.

Eurozone Risks. The Funds may invest from time to time in and extend credit to, European companies and companies that have operations affected by the Eurozone economy. In 2010 and 2011, concerns emerged over potential default of certain European Union member states and the stability of the Eurozone as a whole. Actions taken by European leaders and the European Central Bank served to mitigate these risks, but these concerns could re-emerge which would likely have an adverse impact on the European and global economy and, consequently, on the Funds.

Consumer, corporate and financial confidence could be adversely affected by current or future tensions around the world (see "*Russian Invasion of Ukraine*"), fear of terrorist activity and/or

military conflicts, localized or global financial crises or other sources of political, social or economic disturbance or unrest. Such uncertainty could have an adverse effect upon the Funds' portfolio companies and portfolio investments.

Currency Risk. Certain of the Fund's investments and the income received by the Funds with respect to such investments might be denominated in various non-U.S. currencies. However, the books of the Funds will be maintained, and capital contributions to and distributions from the Funds will be made, in U.S. dollars. Accordingly, fluctuations in currency values could adversely affect the U.S. dollar value of portfolio investments, interest, dividends and other revenue streams received by the Funds, gains and losses realized on the sale of portfolio investments and the amount of distributions, if any, to be made by the Funds.

Among the factors that could affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political and economic developments. The general partners of the Funds could try to hedge these risks by investing directly in foreign currencies, buying and selling forward foreign currency exchange contracts and buying and selling options on foreign currencies, but there can be no assurance such strategies will be effective.

Monetary Policy and Governmental Intervention. As part of the response to the global financial crisis that began in 2008, governmental actions were taken to stabilize markets and to encourage economic growth. The Federal Reserve and global central banks, including the European Central Bank, have, in addition to other governmental actions to stabilize markets and to encourage economic growth, acted to hold interest rates to historic lows.

In particular, with respect to Federal Reserve actions, beginning in 2013, the Federal Reserve began tapering down its "quantitative easing" program of purchasing long-term securities. The quantitative easing program was originally designed to keep U.S. long-term interest rates at low levels in the wake of the 2008 financial crisis. In 2015, the Federal Reserve began a series of increases to the federal funds rate that continued through 2018. In July 2019, the Federal Reserve lowered the federal funds rate for the first time since 2008, and then subsequently lowered the federal funds rate further. However, since March 2022, the Federal Reserve has instituted a series of increases to the federal funds rate again, resulting in the rise of interest rates across the U.S. financial system.

In September 2017, the Federal Reserve also announced it would reduce its holdings of mortgage-backed securities gradually over time, which process may also result in an overall higher-interest environment for long-term securities. It is possible that, if interest rates were to rise substantially and the U.S. economy were to begin to deteriorate, the Federal Reserve could decide to reinstate its asset purchase program or institute other measures designed to further reduce interest rates. These measures could lead to a flattening in the yield curve, increased prepayment rates (resulting from lower long-term interest rates), and a narrowing of the net interest margin. The Federal Reserve initiated a new round of large-scale purchases of securities as a result of the COVID-19 outbreak. However, in September 2021 the Federal Reserve indicated that it would likely begin reducing its monthly bond purchases, and such reduction began in late 2021 as an effort by the Federal Reserve to unwind its balance sheet.

It cannot be predicted with certainty when, or how, these policies will change, but actions by the Federal Reserve and other central bankers may have a significant effect on interest rates and on the U.S. and world economies generally, which in turn may affect the performance of the Funds' investments. Further financial crises may result in additional governmental intervention in the markets. In addition, the consequences of the extensive changes to the regulation of various markets and market participants that may result from changes in the U.S. government and policies are difficult to predict or measure with certainty.

Tax and Regulatory Risk. Investment by private equity, private credit and other investment firms in certain countries has attracted, and may continue to attract, scrutiny by tax and other regulatory authorities in such countries. Although TPG will continue to use reputable legal and tax advisors in connection with the investment activities of the Funds, there can be no assurance that such authorities will not audit, investigate or otherwise inquire as to the Funds' investment activities or that such authorities will not impose fines or penalties in connection therewith.

Inflation. Many world governments, as well as inter-governmental institutions, have in recent years undertaken and in some cases may still be undertaking various and in some case unprecedented forms of fiscal stimulus, including setting interest rates that were (and had been for extended periods) at historic lows. It cannot be predicted with certainty when, or how, these policies will change, but actions by the U.S. Federal Reserve and other central bankers may have a significant effect on interest rates and on the U.S. and world economies generally, which in turn may affect the performance of the Funds' investments. As of the date hereof, interest rates have increased significantly in the United States and other developed countries, which have experienced significant levels of inflation that have not been seen in several decades, and the inflation trend is expected to continue at least in the near and medium-term, and possibly the long term. Inflation and rapid fluctuations in inflation rates have recently had, and may continue to have, negative effects on the economies and financial markets (including securities markets) of various countries, including those with emerging economies. In an attempt to stabilize inflation, certain countries have imposed wage and price controls at times and certain central banks have raised interest rates. Governmental efforts to curb inflation often have negative effects on the level of economic activity. It remains uncertain whether substantial inflation in the U.S. and other developed economies will be sustained over an extended period of time or have a significant effect on the U.S. or other economies. In addition, there is significant concern in macroeconomic terms about the general levels of indebtedness carried by certain governments. While bringing with it a range of issues, one of the consequences of an extended period of a higher than desired level of inflation is often to erode in real terms the value of government debt in a manner that reduces the economic cost in real terms of their payment obligations on such debt. This element of debt erosion may create an incentive for governments to be less robust in seeking to deal with inflation than might otherwise have been the case had the government concerned not suffered from a high level of indebtedness. If such inflation occurs it would have the negative consequences for the Fund set out above.

Further financial crises may result in additional governmental intervention in the markets. In addition, the consequences of the extensive changes to the regulation of various markets and market participants contemplated by the legislation and increased regulation arising out of the financial crisis are difficult to predict or measure with certainty.

Financial Institution Risk; Distress Events. An investment in the Funds is subject to the risk that one or more banks, brokers, hedging counterparties, lenders, custodians or other companies in the financial services industry (each, a “Financial Institution”) used by the Funds or a portfolio company fail to timely perform their obligations or experience insolvency, closure, illiquidity, receivership or other financial distress or difficulty, similar to that experienced by Silicon Valley Bank and Signature Bank in March 2023 (each, a “Distress Event”). Distress Events can be caused by factors including eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance or accounting irregularities. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation (“FDIC”), in the case of banks, and the Securities Investor Protection Corporation (“SIPC”), in the case of certain broker-dealers, amounts in excess of the relevant insurance are subject to risk of total loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose increased risk of loss. While in recent years governmental intervention has often resulted in additional protections for depositors and counterparties during Distress Events such as providing access to uninsured deposits in a timely manner and chartering bridge banks for banks experiencing a Distress Event to continue performing under prior obligations (including credit agreements and letters of credit), there can be no assurance that any intervention will occur in a future Distress Event or that any intervention undertaken will be successful or avoid the risks of loss, substantial delays or negative impact on banking or brokerage conditions or markets.

Any Distress Event (or concerns among market participants of such a Distress Event) may lead to market-wide liquidity problems that could adversely affect the general partner’s ability to manage the Funds and their investments, and on the ability of the general partner, the Funds and any portfolio company to access cash and cash equivalents in amounts adequate to finance and maintain their operations, which in each case could result in significant losses and in unconsummated investment acquisitions and dispositions. Such losses could include: a loss of funds; an obligation to pay fees and expenses in the event a Fund is not able to close a transaction (whether due to the inability to draw capital on a credit line provided by a Financial Institution experiencing a Distress Event, the inability of a Fund to access capital contributions or otherwise); the inability of a Fund to acquire or dispose of investments, or acquire or dispose of such investments at prices that the general partner believes reflect the fair value of such investments; and the inability of portfolio companies to make payroll, fulfill obligations or maintain operations. If a Distress Event leads to a loss of access to a Financial Institution’s services, it is also possible that a Fund or a portfolio company will incur additional expenses or delays in putting in place alternative arrangements or that such alternative arrangements will be less favorable than those formerly in place (with respect to economic terms, service levels, access to capital or otherwise). Although the general partner expects to exercise contractual remedies under agreements with Financial Institutions in the event of a Distress Event, there can be no assurance that such remedies will be successful or avoid losses or delays. The Funds and their portfolio companies are subject to similar risks if a Financial Institution utilized by investors in the Funds or by suppliers, vendors, service providers or other counterparties of the Funds or a portfolio company becomes subject to a Distress Event, which could have a material adverse effect on the Funds. In addition, investor concerns regarding the U.S. or international financial systems could result in less favorable commercial financing terms, including higher interest rates or costs and tighter financial and operating covenants, or systemic limitations on access to credit and liquidity sources, thereby

making it more difficult to acquire financing on acceptable terms or at all. Any decline in available funding or access to cash and liquidity resources could adversely impact the Funds and their investments.

Many Financial Institutions require, as a condition to using their services (including lending services), that the general partner and/or a Fund maintain all or a set amount or percentage of their respective accounts or assets with the Financial Institution, which heightens the risks associated with a Distress Event with respect to such Financial Institutions. Although the general partners seeks to do business with Financial Institutions that they believe are creditworthy and capable of fulfilling their respective obligations to the Funds, the general partners are under no obligation to use a minimum number of Financial Institutions with respect to the Funds or to maintain account balances at or below the relevant insured amounts.

Interdependence of Securities Markets. The market and the economy of a particular country in which the Funds invest are influenced to varying degrees by economic and market conditions in other countries in the region. Investors' reactions to developments in one country can have adverse effects on the securities of companies and the value of property and related assets in other countries in which the Funds invest. Economic problems in a single country are increasingly affecting other markets and economies. A continuation of this trend could result in problems in one country adversely affecting regional and even global economic conditions and markets. A significant adverse change in the economy of one country, or a loss of investor confidence in the financial systems of emerging and other markets generally, could cause increased volatility in the economies and financial markets of such country and countries throughout the region and, as a result, have an adverse effect on the investments of the Funds. No assurance can be given that the Funds' investment will not be adversely affected by effects in countries outside of where investments are located. Prospective investors should note that the actual market conditions, outlook and opportunities (and returns on investments) in any single country may vary significantly from the descriptions contained herein regarding market conditions, outlook and opportunities (and returns on investments) generally.

The economic performance of the Funds' portfolio investments and the Funds' investment income could be adversely affected by any global economic downturn and by any worsening of the economic conditions in global economies.

Risks Associated with Publicly Traded Securities; Illiquidity. From time to time Funds invest in publicly traded securities. When investing in publicly traded securities, a Fund may be unable to obtain financial covenants or other contractual rights, including creditor rights, that it might otherwise be able to obtain in making privately negotiated investments. Moreover, a Fund may not have the same access to information in connection with investments in publicly traded securities, either when investigating a potential investment or after making an investment, as compared to privately negotiated investments. Furthermore, a Fund would be limited in its ability to make investments, and to sell existing investments, in publicly traded securities if we have material, non-public information regarding the issuers of those securities or as a result of other internal policies. The inability to acquire or sell publicly traded securities in these circumstances could materially adversely affect the investment results of a Fund. Investments in securities of publicly traded securities may be sensitive to movements in the stock market and trends in the overall economy. In addition, the Funds may hold a significant portion of the publicly traded securities and there is no

guarantee that the Funds will be able to dispose of such securities at the price and at the time they wish to do so.

Uncertainty Regarding Investments. Although we dedicate substantial time and resources to conduct appropriate due diligence prior to making an investment, the due diligence process is subjective at times and may be undertaken on an expedited basis and/or on the basis of imperfect information in order to take advantage of available investment opportunities. The due diligence process also at times requires the Funds to rely on the limited resources available to them, including information provided by the target of the investment, prospective borrowers or issuers or their respective affiliates and third-party consultants, legal advisors, accountants and investment banks. As a result, the due diligence investigation may not reveal or highlight all relevant facts that are necessary or helpful in evaluating an investment opportunity. The Funds' due diligence investigations cannot ensure the success of their investments.

Tax Uncertainty. The Funds may invest in jurisdictions in which the tax treatment of the Funds and the taxation of their activities or income are uncertain. Similarly, tax authorities may change (including retroactively) their interpretations or enforcement approach to the applicable tax rules.

Depending on the interpretation or enforcement of the relevant tax rules by a tax authority or a counterparty, an investor may be required to provide more information to a Fund or a tax authority than was originally required or to file a tax return with the authority. In addition, if a tax authority prevails in a reassessment, a Fund may need to take reserves or require investors to return some of the proceeds received from prior distributions to satisfy these reassessments.

Furthermore, in recognition of certain tax practices determined to be harmful, including base erosion and profit shifting ("BEPS"), and to mitigate the effect of these practices and of BEPS globally, there is an ongoing project spearheaded by the G-20 countries and the Organization for Economic Co-operation and Development ("OECD") to refocus the taxation of profits so that they coincide with the substantial activities producing them and to improve transparency among nations globally with respect to information related to taxes. A set of recommendations (referred to as the BEPS reports) was released in 2015 by the OECD and the OECD has since continued to evaluate BEPS and related tax practices globally. Ultimately, any recommendations or lists published would have to be implemented through domestic legislation, via bilateral tax treaties or via multilateral instrument, but several jurisdictions have implemented legislation to adopt some of these recommendations. Furthermore, as a result of this effort, a number of other jurisdictions are in the process of amending their regimes.

In addition, similar types of measures not formally connected through the BEPS reports may also be introduced at the level of individual countries or through multilateral groups. For example, U.S. tax legislation enacted in 2017 included rules similar to some of the recommendations of the BEPS reports (e.g., instituting certain proposals to limit base erosion). Similarly, the EU Council approved Directive 2017/952/EU ("ATAD II"), which includes rules similar to some of the recommendations of the BEPS reports (e.g., denying various deductions and benefits in the case of certain hybrid instruments or arrangements), and Directive 2011/16/EU, as amended by Council Directive (EU) 2018/822 of 25 May 2018 ("DAC6") (establishing a mandatory disclosure regime which imposes mandatory reporting of certain cross-border arrangements, intended to place controls on, and enhance reporting in respect of, such arrangements). The application of these

regimes to assets held by a Fund will depend on the specific facts and circumstances and available guidance (and interpretations thereof). It is possible that further legislation at the individual country level or through multilateral groups will be enacted.

In the United States, a “Global Minimum Tax” is currently under discussion, with over one hundred nations agreeing in principle to the framework outlined by the Biden administration. This is part of the larger package of the Biden administration’s proposed tax reforms, including increasing the rate applicable to GILTI and introducing a possible new SHIELD tax aimed at reducing the incentive to shift profits to low-tax jurisdictions. Both the OECD and United States initiatives were put forward in July 2021 and 136 countries announced in October 2021 that they reached a high-level agreement on certain key components of the OECD’s two-pillar initiative. If such reforms are enacted, it could significantly affect a Fund’s operations, including the tax regimes and ultimate tax rates that a Fund is subject to. Prospective investors should consult their tax advisors regarding the impact of any such reforms on their investment in the Funds.

Finally, several bodies (including the OECD and the EU Economic and Financial Affairs Council) have established working groups to monitor tax practices globally and identify non-cooperative jurisdictions or harmful tax practices (e.g., by facilitating offshore structures that would attract profits away from the location of the real economic activity). In some cases, certain countries may be put on “grey” or “black” lists. The implications for the Funds or their investors of a country being put on such lists depend on the specific laws of the jurisdictions in which the Fund or AIVs, intermediary holding vehicles, or portfolio investments are organized as well as the laws to which an investor is subject.

The details and scope of any operative rules described in this section (including when and whether issued) are therefore unclear, but it is possible that they may increase the amount of taxes borne by investors including by denying the availability of treaty benefits for the Funds and/or their investors or by increasing taxes payable by or with respect to portfolio investments. In addition, any such rules may significantly impact the tax liability incurred by a Fund and any special purpose vehicles through which a Fund invests, or may require additional information reporting. We may cause a Fund and possibly special purpose vehicles to restructure in order to comply with (or mitigate the application of) any such rules, but no assurances can be provided that such efforts will be successful.

U.S. Taxation of Carried Interest. U.S. federal income tax law treats certain allocations of capital gains to service providers by partnerships such as the Funds as short-term capital gain (taxed at higher ordinary income rates) unless the partnership has held the asset which generated such gain for more than three years. It is possible that additional legislation could be proposed in the U.S. that would tax carried interest as ordinary income rather than as capital gain. In each case, this could reduce the after-tax returns of our professionals who were or may in the future be granted direct or indirect interests in carried interest, which could make it more difficult for the general partner and its affiliates to incentivize, attract and retain individuals to perform services for the Funds. This could also create an incentive for our professionals to cause the Funds to hold investments for a longer period than would be the case if such three-year holding period requirement did not exist.

Changes in the U.S. Federal Income Tax System. In 2017, tax legislation was enacted containing significant changes to U.S. federal income tax law. Any recent, as well as possible future U.S. tax legislation and administrative guidance, could materially affect the tax consequences of an investor's investment in a Fund and the tax treatment of a Fund's investments. In addition, no assurance can be given that the currently anticipated tax treatment of an investment in a Fund, or of investments made by a Fund, will not be modified by legislative, judicial or administrative changes, possibly with retroactive effect, to the detriment of investors.

While some of these changes may be beneficial, others could negatively affect the after-tax returns of a Fund and investors. Future changes in U.S. tax laws may materially and adversely affect a Fund, the tax treatment of a Fund's investments or holding structures and/or investors. For example, the tax treatment of non-U.S. entities and transactions with non-U.S. entities have been the subject of discussion and legislative proposals in the U.S. Congress. Changes in tax law may adversely affect a Fund and its investors or limit a Fund's ability to execute its investment strategy.

Environmental, Social and Governance Matters. We maintain a Global ESG Performance Policy, which we intend to apply, as applicable, to the Funds' investment portfolios. Depending on the investment, the impact of developments connected with ESG factors, including product quality and safety, selling practices and product labeling, and bribery and corruption, could have a material effect on the return and risk profile of any investment. The act of selecting and evaluating material ESG factors is subjective by nature, and there is no guarantee that the criteria utilized or judgment exercised by us, Y Analytics, or a third-party ESG advisor will reflect the beliefs or values, internal policies or preferred practices of any particular investor, other asset managers or with market trends. Considering ESG factors when evaluating an investment in certain circumstances may, to the extent material risks associated with an investment are identified, cause us not to make an investment that we would have made or to make a management decision with respect to an investment differently than we would have made in the absence of such consideration, which carries the risk that the Funds may perform differently than investment funds that do not take ESG factors into account. Additionally, ESG factors are only some of the many factors we consider in making an investment. Although we consider application of our ESG policy to be an opportunity to enhance or protect the performance of investments over the long-term, there is no guarantee that we will make investments in companies that enhance long-term value and financial returns for any investor. Similarly, to the extent we, Y Analytics, or a third-party ESG advisor engages with portfolio companies on ESG-related practices and potential enhancements thereto, there is no guarantee that such engagements will improve the performance of the investment. Successful engagement efforts on the part of us, Y Analytics, or a third-party ESG advisor will depend on our skill in properly identifying and analyzing material ESG and other factors and their value, and there can be no assurance that the strategy or techniques employed will be successful.

The materiality of ESG risks and impacts on an individual asset or issuer and on a portfolio as a whole depends on many factors, including the relevant industry, location, asset class and investment style. ESG factors, issues and considerations do not apply in every instance or with respect to each investment held, or proposed to be made, by the Funds, and will vary greatly based on numerous criteria, including, but not limited to, location, industry, investment strategy, and issuer-specific and investment-specific characteristics. In evaluating a prospective investment, we often depend upon information and data provided by the entity or obtained via third-party reporting or advisors, which may be incomplete or inaccurate and could cause us to incorrectly identify,

prioritize, assess or analyze the entity's ESG practices and/or related risks and opportunities. We do not intend to independently verify certain of the ESG information reported by investments of the Funds, and may decide in its discretion not to utilize certain information provided by such investments. To the extent that we provide reports of material ESG issues to investors, such reports will be based on our or our applicable investment management team's sole and subjective determination of whether a material ESG issue has occurred in respect of an investment.

In addition, our ESG framework, including the Global ESG Performance Policy and associated procedures and practices, is expected to change over time. We are permitted to determine in our discretion that it is not feasible or practical to implement or complete certain of its ESG initiatives based on cost, timing or other considerations. It is also possible that market dynamics or other factors will make it impractical, inadvisable or impossible for us to adhere to all elements of the Funds' investment strategies, including with respect to ESG risk and opportunity management and impact, whether with respect to one or more individual investments or to the Funds' portfolios generally. Finally, there is also growing regulatory interest, particularly in the U.S., UK and EU (which may be looked to as models in growth markets), in improving transparency around how asset managers define and measure ESG performance, in order to allow investors to validate and better understand sustainability claims. There may also be an increase in related enforcement through efforts such as those of the SEC's Climate and ESG Enforcement Task Force, established in March 2021. We and our ESG program could become subject to additional regulation in the future, and we cannot guarantee that our current approach (including the Global ESG Performance Policy) or the Funds' investments will meet future regulatory requirements, reporting frameworks or best practices, increasing the risk of related enforcement.

European Sustainability-Related Disclosure and Reporting Frameworks May Lead to Increased Compliance Costs. On June 22, 2020, the Official Journal of the European Union published a classification system that establishes a list of environmentally sustainable economic activities and sets out four overarching conditions that an economic activity has to meet in order to qualify as environmentally sustainable (Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, "Taxonomy Regulation"). The Taxonomy Regulation, amongst other things, introduces mandatory disclosure and reporting requirements and supplements the framework set out in the Sustainable Financial Disclosure Regulation (Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, "SFDR"), which requires certain disclosures in relation to whether and, if so, how sustainability risks and negative impacts on environmental and social factors are taken into account in the investment process. Financial products that have a sustainable investment objective or which promote environmental or social characteristics have an obligation to disclose such an objective or characteristics in pre-contractual disclosures and report on an ongoing basis their performance in achieving those commitments, among other things.

The disclosure requirements in the SFDR are supplemented by the Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards ("RTS") which specify the details of the content and presentation of the information in relation to the principle of 'do no significant harm', the content, methodologies and presentation of information

in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports.

Compliance with frameworks of this nature may create an additional compliance burden and increased legal, compliance, governance, reporting and other costs to funds, fund managers and/or portfolio companies because of the need to collect certain information to meet the disclosure requirements. In addition, where there are uncertainties regarding the operation of the framework, a lack of official, conflicting or inconsistent regulatory guidance, a lack of established market practice and/or data gaps or methodological challenges affecting the ability to collect relevant data, funds and/or fund managers may be required to engage third-party advisors and/or service providers to fulfill the requirements, thereby exacerbating any increase in compliance burden and costs. Compliance with requirements of this nature also increase risks relating to financial supervision and enforcement action. To the extent that any applicable jurisdictions enact similar laws and/or frameworks, there is a risk that the Funds may not be able to maintain alignment of a particular investment with such frameworks, and/or may be subject to additional compliance burdens and costs, which might adversely affect the investment returns of the Funds.

Availability of Insurance Against Certain Catastrophic Losses. A Fund's investments may be susceptible to the effects of "Acts of God," including earthquakes, floods, hurricanes, tropical storms, fires or other natural disasters, pandemics electricity shortages or other similar national or local emergencies, that are beyond our control and not easily foreseeable. Funds seek to ensure that portfolio investments maintain appropriate liability, flood, extended coverage and other insurance. However, certain losses of a catastrophic nature, such as those caused by wars, earthquakes, severe weather, terrorist attacks or other similar events, will either be uninsurable or insurable at such high rates that to maintain such coverage would cause an adverse impact on the related investments. In general, losses related to terrorism can be hard and expensive to insure against. Some insurers are excluding terrorism coverage from their all-risks policies. In some cases, the insurers are offering significantly limited coverage against terrorist acts for additional premiums, which can greatly increase the total costs of casualty insurance for a portfolio investment. As a result, not all investments will be insured against terrorism or other catastrophes. If a major uninsured loss occurs, a Fund could lose both invested capital in, and anticipated profits from, the affected investments.

Weather and Climate Risk. Global climate change is widely considered to be a significant threat to the global economy. Real estate assets in particular may face risks associated with climate change, including risks related to the impact of climate-related legislation and regulation (both domestically and internationally), risks related to climate-related business trends, and risks stemming from the physical impacts of climate change, such as the increasing frequency or severity of extreme weather events and rising sea levels and temperatures. Additionally, the Paris Agreement and other regulatory and voluntary initiatives launched by international, federal, state, and regional policymakers and regulatory authorities as well as private actors seeking to reduce greenhouse gas emissions may expose real estate assets to so-called "transition risks" in addition to physical risks, such as: (i) political and policy risks (e.g., changing regulatory incentives and legal requirements, including with respect to greenhouse gas emissions, that could result in increased costs or changes in business operations), (ii) regulatory and litigation risks (e.g.,

changing legal requirements that could result in increased permitting, tax and compliance costs, changes in business operations, or the discontinuance of certain operations, and litigation seeking monetary or injunctive relief related to impacts related to climate change), (iii) technology and market risks (e.g., declining market for assets, products and services seen as greenhouse gas intensive or less effective than alternatives in reducing greenhouse gas emissions) and (iv) reputational risks (e.g., risks tied to changing investor, customer or community perceptions of an asset's relative contribution to greenhouse gas emissions). We cannot rule out the possibility that climate risks, including changes in weather and climate patterns, could result in unanticipated delays or expenses and, under certain circumstances, could prevent completion of investment activities or the effective management of real estate assets once undertaken, any of which could have a material adverse effect on an investment, or the Funds.

Russian Invasion of Ukraine. On February 24, 2022, the Russian military commenced a full-scale invasion of Russia's forces into Ukraine. In response, the United States, United Kingdom, the European Union and other countries imposed sanctions designed to target the Russian financial system. Further sanctions may be forthcoming, and the United States and allied countries have announced they are committed to taking steps to prevent certain Russian banks from accessing international payment systems. Russia's invasion of Ukraine, the resulting displacement of persons both within Ukraine and to neighboring countries and the increasing international sanctions have had and could continue to have a negative impact on the economy and business activity globally (including in the countries in which the Funds or their portfolio investments could invest), and therefore could adversely affect the performance of the Funds' or their portfolio investments' investments or reduce the Funds' net investment income. Furthermore, given the ongoing and evolving nature of the conflict between the two nations and its ongoing escalation (such as Russia's recent decision to place its nuclear forces on high alert and the possibility of significant cyberwarfare against military and civilian targets globally), it is difficult to predict the conflict's ultimate impact on global economic and market conditions, and, as a result, the situation presents material uncertainty and risk with respect to the Funds and the performance of their investments or operations, and the ability of the Funds to achieve their investment objectives.

Risks to the TPG Real Estate Funds

Potential Lack of Diversification. While diversification is generally a Fund objective, there is no assurance as to the degree of diversification that a Fund will actually achieve. Because a substantial portion of a Fund's committed capital could be invested in a single portfolio investment without (subject to any limitations in a Fund's Governing Documents) the consent of the Fund's advisory committee, a loss with respect to any single portfolio investment could have a significant adverse effect on a Fund's returns. Even if a Fund achieves significant diversification, such diversification would not necessarily provide meaningful risk control, and may reduce a Fund's profit potential.

Reliance on Third Parties. Our investment strategies in certain investments depend on our ability to enter into relationships with established and sophisticated joint venture partners or other third parties. For example, Funds generally expect to invest through partnerships, joint ventures or other entities alongside one or more third parties as a co-venturer, which may include the seller of a property, a person involved in the selling or acquisition of a property, a limited partner in a Fund

(or other vehicle that we control) or other third parties. Such investments may involve risks not present in investments where a third party is not involved, including the possibility that:

- a Fund and a co-venturer may reach an impasse on a major decision that requires the approval of both parties;
- a co-venturer may at any time have economic or business interests or goals that are inconsistent with those of a Fund;
- a co-venturer may encounter liquidity or insolvency issues or may become bankrupt;
- a co-venturer may be in a position to take action contrary to a Fund's investment objective;
- a co-venturer may take actions that subject the property to liabilities in excess of, or other than, those contemplated; or
- in certain circumstances a Fund may be liable for actions of a co-venturer.

To the extent that a co-venturer is able to significantly influence the affairs of the companies or assets in which a Fund invests, such Fund will be required to rely upon the abilities and management expertise of such co-venturer.

There can be no assurance that our current relationship with any such person will continue with respect to a particular Fund or that we will establish in the future any relationship with other such persons on terms favorable to a Fund.

Reliance on the Management of Portfolio Investments. Although we intend to ensure that a Fund enters into joint ventures with skilled partners and invests in portfolio investments that have strong management teams and/or to assist in enhancing management teams, there can be no assurance that any joint venture partner, existing management team, successor or other third party will be able to operate successfully. With respect to emerging platforms, we may have limited ability to evaluate their management based on past performance, and such platforms may rely more on individual members of the management team than more established companies do. In addition, instances of fraud, other deceptive practices and/or other misconduct committed by joint venture partners, management teams of portfolio investments or other third parties upon which we rely may undermine our due diligence efforts with respect to such investments or otherwise adversely affect the operations of a portfolio investment. If such fraud, other deceptive practices and/or other misconduct is discovered, it could adversely affect the valuation of a Fund's investments and may contribute to overall market volatility that can negatively impact a Fund's investment portfolio.

Furthermore, portfolio investments need to attract, retain, and develop executives and members of their management teams. There can be no assurance that portfolio investments will be able to do so, in which case a Fund would likely be adversely affected.

Possibility of Fraud or Other Misconduct of Employees and Service Providers. Misconduct by our employees, portfolio investment officers or employees, service providers to the foregoing and/or their respective affiliates could cause significant losses to a Fund. Misconduct may include entering into transactions without authorization, the failure to comply with operational and risk

procedures, including due diligence procedures, misrepresentations as to investments being considered by a Fund, the improper use or disclosure of confidential or material non-public information, which could result in litigation or serious financial harm, including limiting a Fund's business prospects or future marketing activities, and non-compliance with applicable laws or regulations and the concealing of any of the foregoing. Such activities may result in reputational damage, litigation, business disruption and/or financial losses to such Fund. We have controls and procedures through which we seek to minimize the risk of such misconduct occurring. However, no assurances can be given that we will be able to identify or prevent such misconduct.

Risks Associated with Structured Securities. The Funds' portfolios may include investments in structured securities, which may take the form of complex convertible instruments that pay a fixed income stream and offer a liquidity preference prior to conversion. Investing in structured securities entails various risks, including credit risks, liquidity risks, interest rate risks, market risks, operations risks, structural risks, basis risks and legal risks. Structured securities are subject to the significant credit risks inherent in the underlying collateral and to the risk that the underlying company may fail to perform. Such securities may include credit enhancements or other upside protections designed to raise the overall credit quality of the security above that of the underlying collateral, but these credit enhancements or upside protections may fail to protect from a loss of capital.

We expect that some structured securities the Funds may hold may be subordinate in right of payment and rank junior to other securities that are secured by or represent an ownership interest in the same portfolio investment. In addition, many of the related transactions have structural features that divert payments of interest and/or principal to more senior classes when the delinquency or loss experience of the underlying company exceeds certain levels. Consequently, such securities have a higher risk of loss as a result of delinquencies or losses relating to the underlying assets. In certain circumstances, payments of interest may be reduced or eliminated for one or more payment dates. Additionally, as a result of cash flow being diverted to payments of principal of more senior classes, the average life of such securities may lengthen.

Structured securities are also subject to the risks of the securities underlying the structured opportunity, in particular those related to the quality of the underlying securities. Deficiencies in company management or company operations may negatively affect the value of the underlying securities, including by resulting in lower-than-expected returns or the inability of the company to effectively pursue a public exit strategy.

Sourcing of Investments. We expect to source a substantial volume of a Fund's investment opportunities through our personnel, relationships and various platforms. To the extent these sourcing channels do not present us with a sufficient volume of investment opportunities, or the opportunities presented are not suitable for investment by a Fund, the Fund's performance will be adversely affected.

Risk of Leverage – Portfolio Investments. A Fund's portfolio investments will often borrow funds or enter into other financing arrangements. The use of borrowed funds creates the opportunity for greater total returns, but at the same time involves risks. Because a Fund's portfolio investment often will be required to pay the principal of, and/or interest on, its borrowings prior to making any distributions to the Fund, an increase or decrease in capital or income of the portfolio

investment will have an increased effect on the returns to the Fund. Leverage will increase the exposure of a portfolio investment to adverse economic factors such as rising interest rates, downturns in the economy or deteriorations in the condition or performance of the portfolio investment. In addition, a Fund is authorized to guarantee portfolio investment indebtedness, which increases risks of leverage to the Fund. In such situations, it is not expected that a Fund would be compensated for providing such guarantee or exposure to liability.

A portfolio investment's ability to obtain financing would be adversely affected if the performance or capacity of the portfolio investment or lenders is impaired by unfavorable economic conditions or changes to the laws and regulations governing their operations. For example, the portfolio investment's lenders may have the ability to terminate or reduce available financing in the event that there is a material adverse change in market conditions. These factors generally would also impact the terms on which the portfolio investment is able to borrow, and lenders often have rights to discontinue lending arrangements or require the portfolio investment to effectuate partial paydowns or post additional collateral. To the extent that a portfolio investment relies on short-term financing arrangements, it will be dependent on lenders renewing such arrangements on maturity. A decrease in the availability of financing (or an increase in the interest cost) for leveraged transactions, whether due to adverse changes in economic or financial market conditions or a decreased appetite for risk by lenders, would impair a Fund's ability to consummate these transactions and would adversely affect the Fund's returns.

In the event that a portfolio investment's financing arrangements are terminated or not renewed beyond their initial terms, the portfolio investment generally would need to seek additional or replacement financing expeditiously in order to meet its repayment or other contractual obligations. If performance or market conditions have deteriorated, the portfolio investment likely will only be able to obtain necessary financing at considerable extra cost, if at all.

An inability of a Fund's portfolio investment to obtain a desired amount of leverage would limit the Fund's overall investment exposure, thereby potentially reducing the Fund's performance. The use of leverage entails interest, transaction and other costs. The use of leverage will decrease investment returns if the cost of such leverage is not recovered.

Illiquidity; Limited Market for Fund Investments. Most, if not all, of a Fund's portfolio investments will be highly illiquid, and there can be no assurance that a Fund will be able to realize on such portfolio investments in a timely manner. Although portfolio investments typically generate some current income, the return of capital and the realization of gains, if any, from a portfolio investment will generally occur only upon the partial or complete disposition or refinancing of such portfolio investment. While we may sell a portfolio investment at any time, we generally would not expect this to occur for a number of years after the Fund makes the investment. Furthermore, it is unlikely that there will be a public market for the portfolio investments at the time of their acquisition. A Fund and its general partner generally will not be able to sell portfolio investments publicly unless we register their sale under applicable securities laws, or unless an exemption from such registration requirements is available. In some cases, contractual, legal or regulatory reasons will prohibit a Fund from selling certain portfolio investments for a period of time.

Environmental Matters. The ordinary operation of, or the occurrence of an accident with respect to, a portfolio investment or asset could cause major environmental damage, which may result in significant financial distress to such asset or portfolio investment if not covered by insurance. In addition, persons who arrange for the disposal or treatment of hazardous materials may also be liable for the costs of removal or remediation of these materials at the disposal or treatment facility, whether or not that facility is or ever was owned or operated by those persons.

Certain environmental laws and regulations may require that an owner or operator of an asset address prior environmental contamination, which could involve substantial cost. Such laws and regulations often impose liability without regard to whether the owner or operator knew of, or was responsible for, the release or presence of environmental contamination. The Funds could therefore be exposed to substantial risk of loss from environmental claims arising in respect of their investments. Furthermore, changes in environmental laws or regulations or the environmental condition of an investment have the potential to create liabilities that did not exist at the time of its acquisition and that could not have been foreseen. Community and environmental groups may protest about the development or operation of portfolio investment assets, which may induce government action to the detriment of the Funds. New and more stringent environmental or health and safety laws, regulations and permit requirements, or stricter interpretations of current laws, regulations or requirements, could impose substantial additional costs on a portfolio investment, or could otherwise place a portfolio investment at a competitive disadvantage compared to other companies, and failure to comply with any such requirements could have an adverse effect on a portfolio investment.

Even in cases where the Funds are indemnified by the seller with respect to an investment against liabilities arising out of violations of environmental laws and regulations, there can be no assurance as to the financial viability of the seller to satisfy such indemnities or the ability of the Funds to achieve enforcement of such indemnities.

Contingent Liabilities and Liabilities Upon Disposition of an Investment. From time to time, a Fund may incur contingent liabilities in connection with an investment. For example, a Fund may enter into agreements pursuant to which it assumes responsibility for default risk presented by a third party or may enter into agreements through which third parties offer default protection to a Fund. In connection with the disposition of an investment in a portfolio investment, a Fund may be required to make representations about the business and financial affairs of that investment typically made in connection with the sale of assets or a business and may be responsible for the content of disclosure documents under applicable securities laws. It may also be required to indemnify the purchasers of the investment to the extent such representations or disclosure documents turn out to be inaccurate. These arrangements may result in contingent liabilities, which will be borne by the Fund. A Fund may incur numerous other types of contingent liabilities, and there can be no assurance that the Fund will adequately reserve for its contingent liabilities or that such liabilities will not have an adverse effect on the Fund. A Fund's investors may be required to return amounts distributed to them to fund obligations, including indemnity obligations.

Risks of Acquiring Real Property. The Funds' portfolio investments will be subject to various risks that cause fluctuations in occupancy, rental rates, operating income and expenses or that render the sale or financing of the portfolio investments' properties difficult or unattractive. For

example, following the termination or expiration of a tenant's lease, there could be a period of time before a Fund's portfolio investments will begin receiving rental payments under a replacement lease. During that period, the portfolio investments (and indirectly, the Funds) will continue to bear fixed expenses such as interest, real estate taxes, maintenance and other operating expenses. In addition, declining economic conditions could impair the portfolio investments' ability to attract replacement tenants and achieve rental rates equal to or greater than the rents paid under previous leases. Increased competition for tenants would require the portfolio investments to make capital improvements to properties that we would not otherwise have planned. Any unbudgeted capital improvements that a Fund undertakes may divert cash that would otherwise be available for distribution to investors. To the extent that the portfolio investments are unable to renew leases or re-let spaces as leases expire, decreased cash flow from tenants will result, which would adversely impact the relevant Fund's returns.

Additionally, a Fund occasionally will be required to spend funds to correct defects or make improvements before a property can be sold. We cannot assure that a Fund will have the necessary funds for such projects. On an acquisition, a Fund may agree to lock-out provisions that materially restrict it from selling that property for a period of time or impose other restrictions, such as a limitation on the amount of debt that can be placed on that property. These factors and others that could impede a Fund's ability to respond to adverse changes in the performance of such Fund's portfolio investments could significantly affect such Fund's financial condition and operating results.

In some instances, the only asset of the tenant of a portfolio investment's property may be its improvements on the property, or the liability of the tenant may be limited to its interest in such improvements. In these cases, the portfolio investment will be required to rely on the tenant's equity interest in the improvements for its security. In the event of a default by a tenant or other premature termination of a lease, the portfolio investment generally would experience delays in enforcing its rights as lessor, incur substantial costs in protecting its investment and experience an impairment of value.

Due to the relatively illiquid nature of real estate investments, we expect to have limited ability to vary a Fund's portfolio promptly in response to changes in economic or other conditions.

In addition, adverse changes in the operation of any property, or the financial condition of any tenant, could have an adverse effect on a Fund's ability to collect rent payments and, accordingly, on its ability to make distributions to investors. Tenants will experience, from time to time, a downturn in their businesses or operations that could weaken their financial condition and result in their failure to make rental payments when due. At any time, a tenant may seek the protection of applicable bankruptcy or insolvency laws, which could result in the rejection and termination of such tenant's lease or other adverse consequences and thereby cause a reduction in the distributable cash flow of a Fund.

Residential Real Estate Investments. A Fund may invest from time to time in residential development projects and financing opportunities relating to certain residential real estate or residential real estate-related assets or portfolios thereof. In such circumstances, the performance of such investments may become increasingly susceptible to adverse changes in prevailing economic and employment conditions in the United States and the other jurisdictions where such

properties are located. Our ability to invest in residential real estate-related opportunities (including providing financing for potential owners and operators of residential real estate or residential real estate-related assets or portfolios thereof) may depend upon our ability to strategically partner with established and sophisticated joint venture partners and other third parties. Any downturn in the U.S. or global economies may adversely affect the financial condition of residential owners and tenants, making it more difficult for them to meet their periodic repayment obligations relating to certain residential real estate properties, which could adversely impact a Fund's investment performance. In addition, there can be no assurance that a Fund will be able to effectively partner with suitable joint venture partners or other third parties in connection with its residential real estate-related investment activities, which may impact the Fund's ability to effectively identify and consummate such investments.

Ground Lease Investments. A Fund may invest from time to time in real estate properties that are subject to ground leases. As a lessee under a ground lease, a portfolio investment may be exposed to the possibility of losing the property upon termination, or an earlier breach by such portfolio investment, of the ground lease, which may adversely impact a Fund's investment. Furthermore, ground leases generally provide for certain provisions that limit the ability to sell certain properties subject to the lease. In order to assign or transfer rights and obligations under certain ground leases, a Fund will generally need to obtain consent of the landlord of such property, which, in turn, could adversely impact the price realized from any such sale.

Impact of Government Regulations. Government authorities at all levels are actively involved in the regulation of land use and zoning, environmental protection and safety, and other matters affecting the ownership, use and operation of real property. Regulations may be promulgated that could restrict or curtail certain usages of existing structures, or require that such structures be renovated or altered in some manner. The promulgation and enforcement of such regulations could increase expenses, and lower the income or rate of return, as well as adversely affect the value of any, of a Fund's investments. Operators are also subject to laws governing their relationship with employees, including minimum wage requirements, overtime, working conditions and work permit requirements. Compliance with, or changes in, these laws could reduce a Fund's returns.

Pools of Whole Loans. In connection with the acquisition of whole loans, a Fund may be required to purchase other types of mortgage assets as part of an available pool of mortgage assets in order to acquire the desired whole loans. These other mortgage assets may include mortgage assets that subject a Fund to additional risks. Acquisition of less desirable mortgage assets may impair the performance of the Fund and reduce returns to investors.

Harmful Mold and Other Air Quality Issues. When excessive moisture accumulates in buildings or on building materials, mold may grow, particularly if the moisture problem remains undiscovered or is not addressed over a period of time. Some molds may produce airborne toxins or irritants. Indoor air quality issues can also stem from inadequate ventilation, chemical contamination from indoor or outdoor sources and other biological contaminants such as pollen, viruses and bacteria. Indoor exposure to airborne toxins or irritants above certain levels can be alleged to cause a variety of adverse health effects and symptoms, including allergic or other reactions. As a result, the presence of significant mold or other airborne contaminants at any of a Fund's properties could require such Fund to undertake a costly remediation program to contain or remove the mold or other airborne contaminants from the affected property or increase indoor

ventilation. In addition, the presence of significant mold or other airborne contaminants could expose a Fund to liability from its tenants, employees of its tenants, and others if property damage or health concerns arise.

Americans with Disabilities Act and Similar Laws. Under the Americans with Disabilities Act of 1990 (the “ADA”), all public accommodations must meet federal requirements related to access and use by disabled persons. If one of the properties in a Fund’s portfolio does not comply with the ADA, such Fund may incur costs to bring the property into compliance, which may or may not have been foreseen at the time of acquisition. Future changes to federal, state and local laws also may require modifications to a Fund’s properties, or restrict a Fund’s ability to renovate its properties. A Fund cannot predict the ultimate cost of compliance with the ADA or other legislation. If a Fund incurs substantial costs to comply with the ADA and any other similar legislation, such Fund’s financial condition, operations, cash flow, cash available for distribution and ability to satisfy its debt service obligations could be materially adversely affected.

Changes in Prepayment Rates. Changes in prepayment rates could reduce the value of mortgage loans directly held by a Fund or underlying a security held by such Fund. In the case of residential mortgage loans, there are seldom any restrictions on borrowers’ abilities to prepay their loans. Borrowers tend to prepay loans faster when interest rates fall. Consequently, owners of the loans have to reinvest the money received from the prepayments at the lower prevailing interest rates. Conversely, borrowers tend not to prepay loans when interest rates rise. Consequently, owners of the loans are unable to reinvest money that would have otherwise been received from prepayments at the higher rates. The negative effect of the rate increase on the market value of MBS is usually more pronounced than it is for other types of fixed-income securities.

Risks Associated with Service Providers. In addition to risks associated with attempting to predict default and recovery rates on mortgages that a Fund may acquire or to which it otherwise has exposure, the creditworthiness, servicing practices and viability of the service providers of such mortgages are also significant risks. Illiquidity and unpredictability in these markets make it difficult to determine whether such service providers have sufficient capital and adequate staffing levels to fulfill their servicing obligations and the extent to which such service providers are subject to regulatory risks and risk of error.

A Fund will also be exposed to these and other risks to the extent it has a financial interest in a service provider or otherwise engages in servicing activities. While a Fund may utilize (or replace existing service providers with) affiliated service providers, there can be no assurance that any such affiliated service provider will be successful or will have a positive impact on such Fund’s performance.

Investments in Operating Turnarounds. In some cases, the success of a Fund’s investment strategy will depend in part on our ability to restructure and effect improvements in the operations of a portfolio company. The activity of identifying and implementing restructuring programs and operating improvements at portfolio companies entails a high degree of uncertainty. There can be no assurance that we will be able to successfully identify and implement such restructuring programs and improvements.

Investments in Troubled Assets. Certain Funds may make substantial investments in nonperforming, underperforming or undercapitalized real estate companies or other troubled assets that involve a degree of financial risk and are experiencing, or are expected to experience, severe financial difficulties, which they may never overcome, therefore leading to a loss of some or all of the Fund's investment. Portfolio investments may have been originated or sponsored by financial institutions that are insolvent, in serious financial difficulty or no longer in existence. As a result, the recourse to the selling institution may be adversely affected. In addition, certain of a Fund's investments may become subject to compromise and/or discharge under the U.S. Bankruptcy Code. Further, investments in entities that later file for relief as debtors in proceedings under Chapter 11 of the U.S. Bankruptcy Code may, in certain circumstances, be subject to litigation that could further impair the value of the investment. For example, under U.S. law, in certain circumstances, lenders that have inappropriately exercised control of the management and policies of a debtor may have their claims subordinated or disallowed or may be found liable for damages suffered by parties as a result of such actions. In addition, under certain circumstances under U.S. law, payments to a Fund and distributions by a Fund to its investors may be reclaimed in such proceedings if any such payment or distribution is later determined to have been a fraudulent conveyance or a preferential payment or the equivalent under the laws of certain other jurisdictions. Non-U.S. jurisdictions present analogous or different credit issues. Bankruptcy laws typically would delay the ability of a Fund to realize on collateral for loan positions held by it or adversely affect the priority of such loans through doctrines such as equitable subordination. Bankruptcy laws generally also permit the restructuring of debt without a Fund's consent under the "cramdown" provisions of the bankruptcy laws and may also result in a discharge of all or part of the debt without payment to such Fund.

Investments in Land / New Development; Risk of Fraud. Certain Funds expect to acquire direct or indirect interests in undeveloped land or underdeveloped real property, which often is non-income producing. To the extent that a Fund invests in such assets, it will be subject to the risks normally associated with such assets and development activities. Such risks include those risks relating to the availability and timely receipt of zoning and other regulatory or environmental approvals, the cost and timely completion of construction (including risks beyond the control of a Fund, such as weather or labor conditions or material shortages) and the availability of both construction and permanent financing on favorable terms. These risks could result in substantial unanticipated delays or expenses and, under certain circumstances, could prevent completion of development activities once undertaken, any of which could have an adverse effect on a Fund and on the amount of proceeds available for distribution to the Fund's partners. Properties under development or properties acquired for development generally produce little or no cash flow from the date of acquisition through the date of completion of development and may experience operating deficits after the date of completion. Further, if market conditions change during the course of development, it would make such development less attractive than at the time it was commenced.

Moreover, investments in new development activities could be susceptible to irregular accounting or other fraudulent practices. In the event of fraudulent activity related to any portfolio investment, the applicable Fund may suffer a partial or total loss of capital invested in that investment. There can be no assurance that any such losses will be offset by gains (if any) realized on such Fund's other portfolio investments.

Environmental and Similar Liabilities. A Fund may be exposed to substantial risk of loss from claims arising from portfolio investments involving undisclosed or unknown environmental, health or occupational safety matters, or problems with inadequate reserves, insurance or insurance proceeds for such matters that have been previously identified. A Fund intends to explore obtaining environmental liability insurance on a case-by-case basis. Under various federal, state and local laws, ordinances and regulations, an owner of real property is liable for the costs of removal or remediation of certain hazardous or toxic substances on or in such property. Some laws impose joint and several liability, which can result in a party being obligated to pay for greater than its share, or even all, of the liability involved. Such liability may also be imposed without regard to whether the owner knew of, or was responsible for, the presence of such hazardous or toxic substances. The cost of any required remediation and the owner's liability therefor as to any property are generally not limited under such laws and could exceed the value of the property and/or the aggregate assets of the owner. The presence of such substances, or the failure to properly remediate contamination from such substances, would adversely affect the owner's ability to sell the real estate or to borrow funds using such property as collateral, which generally would have an adverse effect on a Fund's return from such portfolio investment. Environmental claims with respect to a specific portfolio investment may exceed the value of such portfolio investment, and, under certain circumstances, subject the other assets of a Fund to such liabilities. In addition, even in cases where a Fund is indemnified or insured against liabilities arising out of violations of environmental laws and regulations, there can be no assurance as to the financial viability of the indemnitor or insurer to satisfy such indemnities or insurance or the ability of the Fund to achieve enforcement of such indemnities or insurance.

Litigation at the Property Level. The acquisition, ownership and disposition of real properties entails litigation risks, including in relation to activities that took place prior to a Fund's acquisition of such property. In addition, buyers of the portfolio investments may later sue a Fund for breaches of representations and warranties, losses associated with latent defects or other problems not uncovered in due diligence.

Investments in Developing or Emerging Market Countries. Certain Funds make investments in developing or emerging market countries, which could be more volatile and the costs and risks associated with investments in them are generally higher than for investments in other countries. Investments in developing or emerging market countries may be subject to more substantial risks in political and macro-economic conditions, such as significant currency fluctuations, interest rate volatility, stock market volatility, changes in governmental controls over the economy and high rates of inflation and risks associated with limited liquidity, high concentration of investors, issuers and financial intermediaries in such markets, political affairs, judicial independence, corporate governance, political corruption, changes in rules and regulations and interpretation of them, any of which could contribute to a decline in business and consumer spending in addition to other adverse market conditions. Many developing or emerging market countries have experienced these problems in the past. We cannot assure that a recurrence of such problems will not have a material adverse effect on the Funds' investments or make it more difficult for the Funds to identify appropriate investment opportunities. Moreover, the economies of developing or emerging market countries generally are more heavily dependent upon international trade than developed market countries and, accordingly, have been, and could continue to be, adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade.

Expropriation, confiscatory taxation, nationalization, political, economic or social instability or other developments could adversely affect the assets of the Funds held in particular developing or emerging market countries.

Political/Sovereign Risk. With respect to any emerging market country, there is a heightened risk of nationalization, expropriation or confiscatory taxation, political changes, government regulation, economic or social instability or diplomatic developments (including war) which could affect adversely the economies of such countries and the value of the Funds' investments in those countries. In addition, the inter-relatedness of the economies in emerging market countries has deepened over the years, with the effect that economic difficulties in one country often spread throughout the region. No assurance can be given that the Funds' investments will not be adversely affected by circumstances in countries outside of where investments are located.

Restrictions on Foreign Investment. Foreign investment in the securities of issuers operating in non-U.S. countries is restricted or controlled to varying degrees. These restrictions or controls could at times limit or preclude foreign investment in certain issuers and increase the costs and expenses of the Funds. Certain countries require governmental approval prior to investments by foreign persons, or limit the amount of investment by foreign persons in a particular company, or limit investment by foreign persons to a specific class of securities of a company that could have less advantageous terms than the classes available for purchase by nationals. Certain countries restrict investment opportunities in issuers or industries deemed important to national interests. Some countries require governmental approval for the repatriation of investment income, capital or the proceeds of sales of securities by foreign investors. In addition, if there is deterioration in a country's balance of payments or for other reasons, a country could impose temporary restrictions on foreign capital remittances abroad. Non-convertibility of certain currencies could introduce an additional degree of uncertainty to determining values of investments held by the Funds. The Funds could be adversely affected by delays in, or a refusal to grant, any required governmental approval for repatriation of capital or earnings, as well as by the application to the Funds of restrictions on investments or by the required use of financing and structuring alternatives that differ significantly from those customarily used in more developed countries in order to account for the foregoing.

Governmental Licenses. Portfolio investments in non-U.S. countries could be dependent upon the grant, renewal or continuance in force of appropriate contracts, licenses, permits and regulatory approvals and consents which might be valid only for a defined time period, might be subject to limitations and might provide for withdrawal in certain circumstances. There can be no assurance that such contracts, licenses, permits and regulatory approvals and consents would be granted, renewed or continue in force, or if so, on what terms. Additionally, governments and other regulators might impose conditions on the operations and activities of a portfolio investment as a condition of granting its approval or to satisfy regulatory requirements. Such conditions, which could be statutory or commercial in nature, could limit a portfolio investment's ability to invest in competing industries or acquire significant market power in a particular market, or provide a disincentive to do so. Further, a governmental agency might impose conditions of ongoing ownership or equivalent requirements on a portfolio investment in respect of underlying projects. This could include a requirement that certain assets remain managed by a portfolio investment, the Funds or their affiliates. Such conditions could be susceptible to revision or cancellation and legal redress could be uncertain or delayed. There can be no assurance that joint ventures, licenses,

license applications or other legal arrangements will not be adversely affected by the actions of government authorities or others and the effectiveness of and enforcement of such arrangements cannot be assured.

Investments through Offshore Holding Companies. The Funds could invest in portfolio investments operating in a non-U.S. country indirectly through holding companies organized outside of such target country. Government regulation in the target country could, however, restrict the ability of the portfolio investments to pay dividends or make other payments to a foreign holding company. Additionally, any transfer of funds from a holding company to its operating subsidiary, either as a shareholder loan or as an increase in equity capital, could be subject to registration or approval with or by government authorities in the target countries. Such restrictions could materially and adversely limit the ability of any holding company in which the Funds invest to grow, make investments or acquisitions that could be beneficial to its businesses, pay dividends, or otherwise fund and conduct its business.

Controlling Interests and Provision of Managerial Assistance. Through equity ownership, representation on the board of directors and/or contractual rights (if applicable), a Fund may be deemed to control, participate in the management of or otherwise influence substantially the conduct of portfolio companies. The designation of our professionals and/or Senior Advisory Professionals as directors and the exercise of control over a company imposes additional risks of liability for environmental damage, product defects, pension and other fringe benefits, failure to supervise management, violation of laws and governmental regulations (including securities laws) and other types of liability, for which the limited liability generally afforded to investors may be ignored. If these liabilities were to arise, a Fund may suffer a significant loss, exposing the assets of the Fund to claims by a portfolio company, its other security holders, its creditors or governmental agencies, which may exceed the value of the Fund's initial investment in that portfolio company. While we intend to reduce exposure to these risks to the extent practicable, the possibility of successful claims cannot be precluded.

A relatively recent court decision found that, in certain circumstances, a fund could be treated as a "trade or business" for purposes of determining pension liability under the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Therefore, where an investment fund owns 80% or more (or possibly, under certain circumstances, less than 80%) of a portfolio company, such fund (and any other 80%-owned portfolio companies of such fund) might be found liable for certain pension liabilities of such a portfolio company to the extent the portfolio company is unable to satisfy such liabilities. A Fund may, from time to time, invest in a portfolio company that has unfunded pension fund liabilities, including structuring the investment in a manner where a Fund may own an 80% or greater interest in such a portfolio company. If the Fund (or other 80%-owned portfolio companies of the Fund) were deemed to be liable for such pension liabilities, this could have a material adverse effect on the operations of the Fund and the companies in which the Fund invests. This discussion is based on current court decisions, statute and regulations regarding control group liability under ERISA as in effect as of the date of this memorandum, which may change in the future as the case law and guidance develops.

Investments in Restructurings. The Funds may invest in restructurings involving portfolio investments that are experiencing or are expected to experience financial difficulties. These portfolio investments may never overcome these financial difficulties and may become subject to

bankruptcy proceedings. Investments in restructurings may be adversely affected by laws relating to, among other things, fraudulent conveyances, voidable preferences and lender liability and by a bankruptcy court's discretionary power to disallow, subordinate or disenfranchise particular claims or recharacterize investments. Such investments could, in certain circumstances, subject a Fund to certain additional potential liabilities that have the potential to exceed the value of its original investments. For example, under certain circumstances, a lender who has inappropriately exercised control over the management and policies of a debtor will have its claims subordinated or disallowed or found liable for damages suffered by parties as a result of such actions. In addition, under certain circumstances, a bankruptcy court could reclaim a payment to the Funds or the Funds' distributions to investors if the court determines that the payment or distribution is a fraudulent conveyance, preferential payment or similar transaction under applicable bankruptcy or insolvency laws.

Debt Securities and Private Debt Instruments. Certain Funds may invest in debt securities and private debt instruments of unrated or non-investment grade companies. Investments in debt are subject to the ability of the issuer or the borrower to meet principal and interest payments on the obligation and may be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer or the borrower and the general market conditions. Such risks are greater for investments in non-investment grade, non-rated or lower credit quality debt than for investments in higher rated debt. There are generally no restrictions on the credit quality of the investments of the Funds. In addition, private debt instruments have significant liquidity risks and market value risks since they are not generally traded in organized exchange markets but are traded by banks and other institutional investors.

There may be limitations on the ability of a Fund to directly enforce its rights with respect to these types of investments, and a Fund may, in addition to assuming the credit risk of the borrower, assume the credit risk associated with the lender or an interposed financial intermediary. Investments in debt may also expose the Funds to unfavorable outcomes in the event of a bankruptcy proceeding. Successful claims by third parties arising from these and other risks will be borne by the Funds.

Default of Borrowers. Loans that the Funds may make are subject to credit, liquidity and interest rate risk. In the event of any default on the Funds' investments in debt obligations by a borrower, the Funds will bear a risk of loss of principal and accrued interest on the debt obligation, which could have a material adverse effect on the Funds' investment and results of operations. Credit risks associated with the investments include (among others): (i) the possibility that earnings of a borrower may be insufficient to meet its debt service obligations; (ii) a borrower's assets declining in value; and (iii) the declining creditworthiness, default and potential for insolvency of a borrower during periods of rising interest rates and economic downturn.

A defaulted investment may become subject to workout negotiations or may be restructured by, for example, reducing the interest rate, a write-down of the principal, and/or changes to its terms and conditions. Any such process may be extensive and protracted over time, and therefore may result in substantial uncertainty with respect to the ultimate recovery on the defaulted investment, and significant costs might be incurred by the Funds. In addition, the liquidity in defaulted loans may also be limited, and to the extent that defaulted loans are sold, it is highly unlikely that the

proceeds from such sale will be equal to the amount of unpaid principal and interest thereon, which would adversely affect the value of the Funds' investment portfolio.

Antitrust Risk. The Funds and their portfolio investments will be subject to antitrust and competition rules that apply in the United States and the countries or regions where they do business, and there has been increased scrutiny from antitrust regulators around the world. The application of those rules and the increased scrutiny by authorities could result in sanctions, fines or penalties, including civil damage actions, or delays or other difficulties in consummating the Funds' investments or divestments. This could also negatively affect our brand and reputation and could be distracting to management. In some cases, private equity sponsors could be held jointly and severally liable for any sanctions or penalties imposed on current or former portfolio investments for breach of antitrust rules or regulations. This has become particularly true in Europe. Also, there have been governmental investigations and lawsuits alleging that certain club deals or consortium bids constituted an illegal attempt to collude and drive down the price on acquisitions. There can be no assurances that we, the Funds, the general partners, or the portfolio investments will not be subject to litigation or investigations involving consortium bids or allegations of other anticompetitive activity.

Risks to the TPG Real Estate Credit Funds

Industry Concentration. The Funds' investments will be concentrated in the real estate industry and will be subject to numerous risks that affect the real estate industry as a whole, or specific sectors within that industry. In addition, because of the concentration of the Funds' investments in a single industry, an investment in the Funds may be subject to greater risk than an investment in a portfolio representing a broader range of industries. Even within the real estate industry, there is no requirement that the collateral underlying the Funds' investments be diversified by asset class. As such, during periods of difficult market conditions or economic slowdown in one or more real estate asset classes, the adverse effect on the Funds' net investment income could be exacerbated by the concentration of the issuers of a Fund's portfolio investments in such real estate asset classes.

Third-Party Involvement. The Funds may co-invest with third parties through joint ventures or other arrangements. These investments involve risks in connection with such third party involvement, including the possibility that a third party co-investor or co-venturer has financial, legal or regulatory difficulties that negatively affect the investment, has economic or business interests or goals that are inconsistent with those of a Fund or is in a position to take (or block) action in a manner contrary to a Fund's investment objectives. In addition, a Fund may in certain circumstances be liable for the actions of its third party co-investors or co-venturers. In circumstances in which third parties involve a management group, these third parties may receive compensation relating to the investments, including incentive compensation arrangements or fees based on the value of assets managed that could cause their interests to diverge from those of a Fund.

Illiquid and Long-Term Investments. An investment in the Funds should be viewed as illiquid. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The Funds' ability to dispose of investments may be limited for several reasons. The types of debt investments targeted by the

Funds generally are not traded on organized exchanges and may be private, direct investments with no trading market at all. The liquidity of the portfolio investments will therefore depend on the private market and the ability of the borrowers to refinance the loans. Dispositions of certain investments may be subject to significant delays as transfers of debt instruments may require extensive and customized documentation, the payment of significant fees and the consent of third parties, including an agent bank or underlying obligor. Dispositions of investments also may be subject to contractual and other limitations on transfer or other restrictions that would interfere with subsequent sales of such investments or adversely affect the terms that could be obtained upon any disposition thereof.

Although most Fund debt investments are expected to generate current income, such investments will typically take years from the date of a Fund's initial investment to reach a state of maturity when realization of such investments can be achieved. In addition, there can be no assurances that any distributions of current income will be made due to various factors, including incurrence of expenses and liabilities, potential non performance or write downs of portfolio investments, paying down outstanding credit facilities or changes in the market for debt obligations. Furthermore, the expenses of operating a Fund (including the management fee payable by investors) may exceed its income, thereby requiring that the difference be paid from the Fund's capital, including, uninvested capital commitments.

Structural Considerations Related to Investments in Real Estate Debt. The debt securities and instruments in which the Funds may invest include secured or unsecured debt at various levels of an issuer's capital structure.

As part of the Funds' investment strategies, the Funds can invest in a range of mezzanine, junior tranches of debt securities in an issuer's capital structure and MBS comprised of securities that are subordinated or otherwise junior in an issuer's capital structure. To the extent a Fund invests in unsecured or relatively junior debt securities in an issuer's capital structure, such investments may be subordinated to substantial amounts of senior indebtedness. Investments in subordinated debt securities involve greater credit risk of default than the more senior classes of such issuance or series. Subordinated or junior tranches in an issuer's capital structure absorb losses from default before other more senior tranches to which such junior tranches are subordinate. As a result, to the extent a Fund invest in such debt, the Fund would potentially receive payments or interest distributions after, and must bear the effects of losses or defaults on the underlying mortgage loans before, the holders of other more senior tranches of debt.

In addition, the ability of a Fund to influence an issuer's affairs in its capacity as a junior creditor is likely to be substantially less than that of senior creditors. Mezzanine and B-note loans are typically subject to intercreditor arrangements, the provisions of which may prohibit or restrict the ability of the holder of a mezzanine or B-note loan to (i) exercise remedies against the collateral with respect to their loans; (ii) challenge any exercise of remedies against the collateral by the first lien lenders with respect to their first liens; (iii) challenge the enforceability or priority of the first liens on the collateral; and (iv) exercise certain other secured creditor rights, both before and during a bankruptcy of the issuer. Accordingly, when a Fund holds a mezzanine or B-note loan, the ability of the Fund to influence an issuer's affairs, especially during periods of financial stress or distress or following an insolvency, is likely to be substantially less than that of a senior creditor.

Consequently, the Fund may not be able to take the steps necessary to protect such investments in a timely manner or at all.

Further, unlike mortgage financings in which a lender makes a loan to a property owner in exchange for a security interest in the underlying real property, real estate mezzanine financing is generally made to a direct or indirect parent of the property owner in exchange for a direct or indirect pledge of the equity interest in the property owner. The parent of the property owner is commonly set up as a single purpose entity intended to be a “bankruptcy remote” entity which owns only the equity interest in the property owner. In such a circumstance, a Fund’s remedy in the event of non-performance would include foreclosure on the equity interests pledged by the owner of such property. While the foreclosure process on such equity interests is generally faster and less cumbersome than foreclosure on real property, such foreclosure process may nevertheless involve the foreclosure risks discussed above in *“Risks of Acquiring Real Estate Loans and Participations”*. Furthermore, such mezzanine financing may involve multiple levels of mezzanine loans to multiple levels of mezzanine borrowers (each pledging its equity interest in the borrower under the more senior financing as collateral), and therefore a Fund’s investments may be negatively affected by separate levels of mezzanine financing. There can also be no guarantee that in such circumstances the Fund will be able to negotiate favorable intercreditor rights between itself as mezzanine lender and the senior lenders. In order to realize on its collateral, a mezzanine lender may need to repay the mezzanine borrower’s indebtedness to more senior lenders to which the assets of such borrower or its subsidiaries are pledged. If the Fund forecloses on collateral for a mezzanine loan, it may need to draw down capital commitments from investors to effect such a payoff of senior indebtedness, which may occur after the end of the commitment period.

The debt securities and instruments in which the Funds may invest may not be protected by financial covenants or limitations upon additional indebtedness, may have limited liquidity and may not be rated by a credit rating agency. Debt investments are also subject to other creditor risks, including (i) the possible invalidation of an investment transaction as a “fraudulent conveyance” under relevant creditors’ rights laws, (ii) so called lender liability claims by the issuer of the obligations and (iii) environmental liabilities that may arise with respect to collateral securing the obligations. A Fund’s investments may be subject to early redemption features, refinancing options, prepayment options or similar provisions which, in each case, could result in the issuer repaying the principal on an obligation held by the Fund earlier than expected and thereby limiting the amount of income earned by the Fund from such investments. Alternatively, investments acquired at a discount may be extended in term thereby impairing the projected discount margin or overall yield to an investment. In addition, depending on fluctuations of the equity markets and other factors, warrants and other equity securities received by a Fund may become worthless.

Structured Products. The Funds may invest in structured products, including pools of mortgages, loans and other real estate-related interests. These investments may include debt securities issued by a private investment fund that invests, on a leveraged basis, in bank loans, high yield debt or other asset groups, as well as certificates issued by a structured investment vehicle that holds pools of commercial mortgage loans, as well as synthetic MBS in the form of credit default swaps (e.g., CMBX). MBS may include swaps for which the reference obligation is an MBS or related index, such as the CMBX Index (a tradeable index referencing a basket of commercial mortgage-backed

securities (“CMBS”), the TRX Index (a tradeable index referencing total return swaps based on CMBS) or the ABX Index (a tradeable index referencing a basket of sub-prime MBS).

The Funds’ investments in structured products will be subject to a number of risks, including credit risks, liquidity risks, interest rate risks, market risks, operations risks, structural risks (including related to the fact that the structured products in which a Fund invests may be structurally leveraged (i.e., such products may have built-in leverage features that can increase or decrease the value thereof by a greater degree than any corresponding increase or decrease in value of the underlying investments)), basis risks and legal risks. Utilization of leverage (including investing in structurally-leveraged securities) is a speculative investment technique and will generally magnify the opportunities for gain and risk of loss borne by an investor in the subordinated debt securities issued by a structured product. Structured products may include credit enhancements or other upside protections designed to raise the overall credit quality of the security above that of the underlying collateral, but these credit enhancements or upside protections may fail to protect from a loss of capital. Many structured products contain covenants designed to protect the providers of debt financing to such structured products. A failure to satisfy those covenants could result in the untimely liquidation of the structured product and a complete loss of a Fund’s investment therein. In addition, if the particular structured product is invested in a security in which a Fund is also invested, this would tend to increase such Fund’s overall exposure to the credit of the issuer of such securities, at least on an absolute, if not on a relative basis.

The value of an investment in a structured product will depend on the investment performance of the assets in which the structured product invests and will, therefore, be subject to all of the risks associated with an investment in those assets. These risks include the possibility of a default by, or bankruptcy of, the issuers of such assets or a claim that the pledging of collateral to secure any such asset constituted a fraudulent conveyance or preferential transfer that can be subordinated to the rights of other creditors of the issuer of such asset or nullified under applicable law.

We expect that some structured securities the Funds may hold from time to time will be subordinate in right of payment and rank junior to other securities or interests that are secured by or represent an ownership interest in the same portfolio investment. In addition, many of the related transactions have structural features that divert payments of interest and/or principal to more senior classes when the delinquency or loss experience of the underlying company exceeds certain levels. In certain circumstances, payments of interest may be reduced or eliminated for one or more payment dates. Additionally, as a result of cash flow being diverted to payments of principal of more senior classes, the average life of such structured products may lengthen.

Any such structured products may include one or more underlying issuers that are portfolio investments of one or more other TPGRE Vehicles, which may give rise to certain conflicts of interest.

For the avoidance of doubt, any structural leverage inherent in a structured product will not be included in the calculation of a Fund’s leverage limitation.

Loan Origination. The Funds or subsidiaries thereof (including subsidiaries treated as corporations for U.S. federal income tax purposes) may originate loans consistent with the Funds’ investment objectives and strategy. In making loans, the Funds will compete with a broad

spectrum of lenders, some of which may be willing to lend money on better terms (from a borrower's standpoint) than the Funds. Increased competition for, or a diminution in the available supply of, qualifying borrowers may result in lower yields on such loans, which could reduce returns to the Funds.

In addition, loan origination involves a number of particular risks, including:

- when originating loans, we will generally have to rely more on its own resources to conduct due diligence of the borrower;
- if a Fund engages in loan origination with the intent of selling a portion of, or assigning participations in, such investment to other TPGRE Vehicles or Related Funds or third parties, there is no guarantee that such sale or assignment will be successful and the Fund may be forced to hold a greater portion of such investment than intended, which would expose the Fund to the risk of greater losses if such loans decline in value. A Fund's ability to engage in certain loan originations above a certain size and to structure such loans in a certain way may also depend on its ability to partner with other investors;
- loan origination may involve additional regulatory risks given the requirement to hold a license for certain types of lending in some jurisdictions. It is expected that the Funds generally will conduct their activities in such a manner so as not to require any entities associated with the Funds to obtain banking or lending licenses, but certain jurisdictions may require such licenses. In the event that a Fund fails to comply with any such regulations, it could result in the imposition of fines, prohibitions on activities or other sanctions that could materially impair the Fund's ability to carry out loan origination or lead to financial losses of the Fund;
- the borrowers for such loans may in some circumstances be higher credit risks who could not obtain debt financing in the syndicated markets;
- the Funds may originate loans that allow for voluntary prepayments, and the timing of any such prepayments cannot be predicted with any accuracy. Early payments of loans originated by a Fund could cause the Fund not to achieve its expected returns on such investments, and such prepayments may be made during a period of declining interest rates or otherwise unfavorable market conditions for the Fund;
- the value of collateral securing a loan can be extremely difficult to predict, and adverse changes in the value of the collateral could materially and adversely affect the value of a Fund's investments in such loans, or the amounts it would recover in the event of a borrower's default; and
- the terms of the loans that a Fund originates or in which they otherwise invest may restrict the Fund from bringing an enforcement action against the relevant borrower or issuer until a prescribed period after a default by that borrower or issuer has elapsed. The financial strength of the borrower or issuer may, however, continue to deteriorate during this standstill period, thereby potentially affecting the Fund's ability to recover all or any of its investment.

Non-Qualifying Mortgage Loans and Securities. The Funds may invest in mortgage loans and securities backed by mortgage loans that do not meet the definition of “qualified mortgages” (“Non-QM Loans”) under the Consumer Financial Protection Bureau’s Ability-to-Repay Rule (the “ATR Rule”). A Non-QM Loan is a loan that does not meet one of the following criteria: (1) terms of the mortgage loan must not include any negative amortization, interest-only payments or balloon payments other than certain limited circumstances, (2) the loan term cannot exceed 30 years, (3) points and fees paid by the borrower cannot exceed certain ceilings, based on loan amount (3% of the total loan amount in most cases), (4) the lender must calculate monthly payments based on the highest monthly payments required any time during the first five years after the date on which the first regular periodic payment will be due, and periodic payments of principal and interest that will repay the loan over the loan term (or the remaining term after recast, if applicable); (5) the total “back end” debt-to-income (“DTI”) ratio cannot exceed 43% or (6) the verification of income and assets and determination of the DTI ratio must be in accordance with the “Standards for Determining Monthly Debt and Income” in the ATR Rule.

The ATR Rule includes a “safe harbor” for a covered transaction that meets the definition of “qualified mortgage” and that is not a “higher-priced covered transaction.” For any covered transaction that meets the definition of a “qualified mortgage” and is not a “higher-priced covered transaction,” the creditor or assignee will be deemed to have complied with the ability-to-repay requirement (i.e., will be conclusively presumed to have made a good faith and reasonable determination of the consumer’s ability to repay), although the mortgagor could still subsequently contend that the covered transaction did not actually meet the factual criteria of a “qualified mortgage.” Higher-priced covered transactions that meet the definition of a “qualified mortgage” are subject to a rebuttable presumption of compliance with the ability-to-repay requirements; the mortgagor could subsequently contend that they are left with insufficient residual income or assets to meet living expenses. The Funds have no way to verify whether any mortgage loan is a qualified mortgage loan.

Non-QM Loans are subject to the potential for increased challenges to the ATR Rule analysis used in approving a borrower. Even if the borrower does not succeed in the challenge, additional costs may be incurred by the Fund in connection with challenging and defending such claims. These borrower claims may be more likely and costlier in judicial foreclosure jurisdictions than in non-judicial foreclosure jurisdictions, and there may be more of a likelihood such claims are made since the borrower is already exposed to the judicial system to process the foreclosure. Importantly, there is little, if any, established case law as of yet with respect to both: (i) the substance of the ATR Rule, analyzing the consumer’s ability to repay and the weight and mechanics given to the rebuttable presumption of compliance, and (ii) the damages provisions and how they will be determined and allocated by a court. Various state and local jurisdictions may also adopt similar or more onerous provisions in the future. The lack of judicial precedent regarding the ATR Rule and potential claims increases the risk of loss to the Funds with respect to Non-QM Loans. In addition, the securitization of Non-QM Loans is likely to give rise to longer “non-call” periods than the securitization of other types of mortgage loans.

Whole Loans. The Funds may invest in commercial mortgages and senior loans secured by all property types and in residential whole loan mortgages. These whole loans may include subprime, non-performing and sub-performing mortgage loans which are subject to increased risks as opposed to prime whole loans. Whole loans generally are not government guaranteed or privately

insured, though in some cases they may benefit from private mortgage insurance. A whole loan mortgage (and certain senior loans) are directly exposed to losses resulting from default and foreclosure. Therefore, the value of the underlying property, the creditworthiness and financial position of the borrower, and the priority and enforceability of the lien are each of great importance. The mortgage loans in which the Funds may invest would be secured by underlying real property interests. In addition, when a Fund invests in whole loans, such investments will be subject to bankruptcy risk (i.e., reduction in a borrower's mortgage debt due to a borrower's bankruptcy or the staying of a foreclosure action), and the Fund will be subject to numerous claims and defenses against it as holder of the whole loan, including numerous lender liability claims and defenses, even when such assertions have no basis in fact. Further, as whole loans are not securities, they may be less liquid than interests in structured finance vehicles. Whether or not we or our affiliates have participated in the negotiation of the terms of any such mortgages, there can be no assurance as to the adequacy of the protection of the terms of the loan, including the validity or enforceability of the loan and the maintenance of the anticipated priority and perfection of the applicable security interests. Furthermore, claims may be asserted that might interfere with enforcement of the rights of the Funds.

Collateralized Loan Obligation Products and Other Securitizations. The Funds may invest in pools and/or tranches of collateralized loan obligation (“CLO”) products (including “equity” or residual tranches) and other securitizations, which are generally limited recourse obligations of the issuer payable solely from the underlying assets of the issuer or proceeds thereof. Consequently, holders of equity or other securities issued by these issuers must rely solely on distributions on its underlying assets or proceeds thereof for payment in respect thereof. CLOs may include, among others, domestic and foreign senior secured loans, senior unsecured loans and subordinate corporate loans, including loans that may be rated below investment grade or equivalent unrated loans. The underlying assets of issuers of CLOs may include broadly-syndicated leverage loans, middle-market bank loans, collateralized debt obligation debt tranches, trust preferred securities, insurance surplus notes, asset-backed securities, mortgages, REITs, high-yield bonds, mezzanine debt, second-lien leverage loans, credit default swaps and emerging market debt and corporate bonds, which are subject to liquidity, market value, credit, interest rate, reinvestment and certain other risks, and may also include assets and/or properties that are owned, directly or indirectly, by one or more other TPGRE Vehicles or Related Funds. The aggregate return on CLO equity securities will depend in part upon the ability of each investment manager to actively manage the related portfolio of the assets of such issuers of CLOs.

High Yield and Preferred Securities and Distressed Debt. The Funds may invest in “high yield” bonds, preferred securities, convertible notes and distressed debt that are rated in the lower rating categories by the various credit rating agencies or comparable non-rated securities. The market for high yield securities has experienced periods of volatility and reduced liquidity. Securities in the lower rated categories and comparable non-rated securities are subject to greater risk of loss of principal and interest than higher rated and comparable non-rated securities and are generally considered to be predominantly speculative with respect to the issuer's capacity to pay interest and repay principal. Such issuers typically are highly leveraged, with significant burdens on cash flow and, therefore, involve a high degree of financial risk. During an economic downturn or recession, securities of financially troubled or operationally troubled issuers are more likely to go into default than securities of other issuers. Because investors generally perceive that there are greater risks associated with the lower rated and comparable non-rated securities, the yields and prices of such

securities may be more volatile than those for higher rated and comparable non-rated securities. The market for lower rated and comparable non-rated securities is thinner, often less liquid and less active than that for higher rated or comparable non-rated securities and the market prices of such securities are subject to erratic and abrupt movements. The spread between bid and asked prices for such securities may be greater than normally expected. Such factors can adversely affect the prices at which these securities can be sold and may even make it difficult to sell such securities.

Investment in the securities of financially troubled issuers and operationally troubled issuers involves a high degree of credit and market risk. These financial difficulties may never be overcome and may cause issuers to become subject to bankruptcy proceedings.

B-Notes and A/B Structures. The Funds may invest in B-notes (including by originating a whole loan and selling the A-note to a third party or another TPG fund), which are mortgage loans typically (i) secured by a first mortgage on a commercial property or group of related properties and (ii) subordinated to an A-note secured by the same first mortgage on the same collateral. As a result, if a borrower defaults, there may not be sufficient funds remaining to repay B-note holders after payment to the A-note holders. Since each transaction is privately negotiated, B-notes can vary in their structural characteristics and risks. For example, the rights of holders of B-notes to control the process following a borrower default may be limited in certain investments. Certain additional risks apply to B-note investments, including those described herein. The B-note portion of a loan is typically small relative to the overall loan, and is in the first loss position. As a means to protect against the holder of the A-note from taking certain actions or receiving certain benefits to the detriment of the holder of the B-note, the holder of the B-note often (but not always) has the right to purchase the A-note from its holder in a default situation. If available, this right may not be meaningful to the Fund. For example, a Fund may not have the capital available to protect its B-note interest or purchasing the A-note may alter the Fund's overall portfolio and risk/return profile to the detriment of investors. In addition, a B-note may be in the form of a "rake bond." A "rake bond" is a CMBS backed solely by a single promissory note secured by a mortgaged property, which promissory note is subordinate in right of payment to one or more separate promissory notes secured by the same mortgaged property.

Preferred Equity. The Funds may invest in preferred equity interests which generally rank junior to all existing and future indebtedness, including mezzanine and mortgage loans. To the extent a Fund invests in preferred equity, such investments and the Fund's remedies with respect thereto will be subject to the rights of holders of more senior tranches in the issuer's capital structure (including mezzanine and other junior debt holders) and, to the extent applicable, contractual co-lender, intercreditor, and/or participation agreement provisions, which will expose the Fund to greater risk of loss. In the event of a bankruptcy, liquidation or other winding up with respect to any issuer in which a Fund holds a preferred equity investment, the Fund is expected to bear a greater risk of loss of principal as compared to holders of more senior tranches in the issuer's capital structure with secured investments (as preferred equity interests are generally not secured). When investing in preferred equity, a Fund may be limited to recovering proceeds from the forced sale of the underlying asset (which may come at an inopportune time) net of the satisfaction of claims of more senior interest holders.

Construction Loans. The Funds may originate and/or otherwise invest in construction loans. Construction lending generally is considered to involve a higher degree of risk of non payment and loss than other types of lending due to a variety of factors. If the costs to complete a project financed by a construction loan are higher than anticipated, the borrower may not be able to raise sufficient additional capital to complete the project. Similarly, if the time to complete a project is longer than is anticipated, there is a risk that the borrower will not be able to complete the project by maturity of the loan or that the borrower will not have sufficient funds to pay the carrying costs of the project. Because construction loans depend on timely, successful completion and the lease up and commencement of operations post completion, a Fund may need to increase its allowance for loan losses in the future to account for the likely increase in probable incurred credit losses associated with such loans. Further, as the lender under a construction loan, a Fund may be obligated to fund all or a significant portion of the loan at one or more future dates. The Fund may not have the funds available at such future date(s) to meet its funding obligations under the loan. In that event, the Fund would likely be in breach of the loan unless it is able to raise the funds from alternative sources, which it may not be able to achieve on favorable terms or at all. If a Fund fails to fund its commitment on a construction loan or if a borrower otherwise fails to complete the construction of a project, there could be adverse consequences associated with the loan, including: (i) a loss of the value of the property securing the loan, especially if the borrower is unable to raise funds to complete construction from other sources; (ii) a borrower's claim against the Fund for failure to perform under the loan documents; (iii) increased costs to the borrower that the borrower is unable to pay; (iv) a bankruptcy filing by the borrower; and (v) abandonment by the borrower of the collateral for the loan.

Derivatives. The Funds may invest in derivative instruments of any kind (e.g., CMBX, options contracts, futures contracts, options on futures contracts, forward contracts, interest rate swaps, total return swaps, credit default swaps and other swap agreements). Investing in derivative instruments presents various risks, including lack of liquidity and risks of purchasing outside of an exchange. Derivative instruments, especially when purchased in large amounts, may not be liquid in all circumstances, so that in volatile markets a Fund may not be able to close out a position without incurring a loss. The use of derivative instruments involves investment risks and transaction costs to which the Funds would not be subject absent the use of these instruments. The prices of derivative instruments, including swaps, futures, forwards and options, are highly volatile and such instruments may subject the Funds to significant losses. The value of such derivatives also depends upon the price of the underlying instrument or commodity. Such derivatives and other customized instruments also are subject to the risk of non-performance by the relevant counterparty (whether a clearing corporation in the case of exchange-traded instruments or another third party in the case of over-the-counter ("OTC") instruments). In addition, actual or implied daily limits on price fluctuations and speculative position limits on the exchanges or OTC markets in which the Funds may conduct their transactions in derivative instruments may prevent prompt liquidation of positions, subjecting the Funds to the potential of greater losses. Derivative instruments that may be purchased or sold by the Funds may include instruments not traded OTC or on an exchange. The risk of non-performance by the obligor on such an instrument may be greater and the ease with which a Fund can dispose of or enter into closing transactions with respect to such an instrument may be less than in the case of an exchange-traded instrument. In addition, significant disparities exist between bid and asked prices for derivative instruments that are traded OTC and not on an exchange. Such OTC derivatives are also subject to types and levels of investor protections or governmental regulation that may differ from exchange-traded instruments.

The use of derivative investments may require a Fund to acquire or originate investments at inopportune times or for prices above the current market values, may limit the amount of income a Fund receives from an investment or may cause a Fund to hold a security that the Fund might otherwise want to sell. The Funds will also be subject to credit risk with respect to the counterparties to derivative contracts (whether a clearing corporation in the case of exchange-traded instruments or another third party in the case of OTC instruments). In addition, the use of derivatives will be subject to unique risks associated with such instruments, including a lack of sufficient asset correlation, heightened volatility in reference to interest rates or prices of reference instruments and duration/term mismatch, each of which may create additional risk of loss.

Finally, the Funds may take advantage of investment opportunities with respect to derivative instruments that are neither presently contemplated nor currently available, but which may be developed in the future, to the extent such opportunities are both consistent with the Funds' investment objectives and legally permissible. Any such investments may expose the Funds to unique and presently indeterminate risks, the impact of which may not be capable of determination until such instruments are developed and/or the Funds makes such an investment.

Lender Liability Claims. In recent years, a number of judicial decisions have upheld the right of borrowers to sue lending institutions on the basis of various evolving legal theories, collectively termed "lender liability." Generally, lender liability is founded on the premise that a lender has either violated a duty, whether implied or contractual, of good faith and fair dealing owed to the borrower or has assumed a degree of control over the borrower resulting in the creation of a fiduciary duty owed to the borrower or its other creditors or stockholders. We cannot assure that such claims will not arise or that the Funds will not be subject to significant liability and losses if a claim of this type were to arise.

Appraisals. Deficiencies in appraisal quality in the loan origination or investment process could reduce the Funds' net investment income. During the loan underwriting process, appraisals may be obtained on the collateral underlying each prospective loan. The quality of these appraisals may vary widely in accuracy and consistency. The appraiser may feel pressure to provide an appraisal in the amount necessary to enable the originator to make the loan, whether or not the value of the property justifies such an appraised value. If appraisals result in an inflated value of the underlying real estate that proves to be inaccurate, this may result an increase in the severity of losses on the loans, and, in turn, the Funds may incur losses that could materially and adversely affect their financial condition.

Risks Relating to Rating Agencies. The Funds may invest in debt securities that have been rated by nationally recognized rating organizations. In general, the ratings of these organizations represent the opinions of such agencies as to the quality of investments that they rate. Such ratings are relative and subjective and are not statements of fact; they are not absolute standards of quality and do not evaluate the market value risk of the investments that are rated. Therefore, there can be no assurance that any such rating will accurately quantify risk. Such agencies may change their method of valuation of, and the ratings of, securities held by the Funds at any time. The sale price of MBS is highly correlated with the rating such MBS receive from the rating agencies. If an existing investment of a Fund is downgraded, the value of such investment may be adversely affected which in turn may adversely affect the returns to investors.

Risks Relating to Non-Rated Investments. It is anticipated that at least some of the Funds' investments in real estate loans and participations will not be rated by any recognized rating agency. Generally, the value of unrated classes of MBS is more subject to fluctuation due to economic conditions than rated classes, and there is increased risk of nonpayment or of a significant delay in payments on unrated classes.

Failure of Servicers to Effectively Service Loans. Most loans and securitizations thereof require a servicer to be responsible for the resolution of delinquent and defaulted loans, including managing collections in respect thereof. In most situations, we expect that the servicer will be unaffiliated with us. However, in some situations, we may act as servicer (which could result in conflicts of interest when one of our employees provides such services or when another Fund holds an interest in the applicable portfolio investment. In any event, the servicer quality is of significant importance in the management of mortgage loans (or pools thereof) and default issues related thereto, and judgments made by a special servicer could significantly alter the probability and amount of recovery in a default situation. In the case of pools of securitized loans, servicers may be required to advance interest on delinquent loans to the extent the servicer deems those advances recoverable. In the event the servicer does not advance, interest payments may be interrupted even on more senior securities. Servicers may also advance more than is in fact recoverable once a defaulted loan is disposed, and the loss to the trust may be greater than the outstanding principal balance of that loan. The failure of servicers to effectively service the loans and/or pools thereof in which a Fund has an investment would materially and adversely affect the Fund.

Transitional Loans. The Funds may originate and acquire transitional loans on commercial real estate. These loans provide interim financing to borrowers seeking short-term capital for the acquisition, lease up or repositioning of commercial real estate and generally have a maturity of three years or less. A borrower under a transitional loan has usually identified an asset that has been under-managed and/or is located in a recovering market. If the market in which the asset is located fails to recover according to the borrower's projections, or if the borrower fails to improve the operating performance of the asset or the value of the asset, the borrower may not receive a sufficient return on the asset to satisfy the transitional loan, and a Fund will bear the risk that it may not recover some or all of its investment.

In addition, borrowers often use the proceeds of a conventional mortgage loan to repay a transitional loan. A Fund may therefore be dependent on a borrower's ability to obtain permanent financing, or another transitional loan, to repay a transitional loan, which could depend on market conditions and other factors. In the event of any failure to repay under a transitional loan held by a Fund, the Fund will bear the risk of loss of principal and non-payment of interest and fees to the extent of any deficiency between the value of the mortgage collateral and the principal amount and unpaid interest of the transitional loan.

Difficulties Redeploying Proceeds from Repayments. As a Fund's loans and other investments are repaid, we will attempt to redeploy the proceeds the Fund receives during the commitment period into new loans and investments and repay borrowings under the Fund's secured credit facilities and other financing arrangements. It is possible that we will fail to identify reinvestment options that would provide a yield and/or a risk profile that is comparable to the asset that was repaid. If we fail to redeploy the proceeds a Fund receives from repayment of a loan or other investment in equivalent or better alternatives, the Fund could be materially and adversely affected. If we cannot

redeploy the proceeds a Fund receives from repayments into funding loans in property types or geographic markets that we have identified as priorities, such repayments may cause the composition of the Fund's loan portfolio to skew towards less favored property types or geographies and prevent the Fund from achieving its portfolio construction objectives.

Equity Positions. In certain circumstances the Funds may take an equity position in a property-owning entity (for example, if a Fund forecloses on a loan). In this situation, a Fund's interests will be subordinated to both general and secured creditors of the asset. This subordination could increase the Fund's risk of loss. Moreover, acquisition of minority equity interests involves certain risks not present in real property loans or direct property ownership. For example, there is the possibility that other equity owners may have economic or business interests or goals that are inconsistent with those of the Funds.

Leverage. The Funds intend to utilize significant leverage, which involves a high degree of financial risk and will increase Funds' exposure to adverse economic factors such as rising interest rates, downturns in the economy or deteriorations in the performance of portfolio investments. Although borrowings by a Fund have the chance to enhance overall returns, they will further diminish returns (or increase losses) to the extent overall returns on investments are less than a Fund's cost of funds. This leverage may also subject a Fund to restrictive covenants with respect to its portfolio investments, which may limit flexibility in responding to changing business and economic conditions.

In addition, each leveraged investment will involve interest rate risk, including to the extent that financing charges for such leveraged investment are based on a predetermined interest rate (when variable rates are more attractive). Inversely, to the extent that the financing charges for such leveraged investment are based on variable rates, increases in such rates could adversely affect the ability of a Fund to meet its debt obligations.

A Fund's use of leverage may also create a mismatch with the duration and index of the investments that such Fund is financing. We will generally seek to structure a Fund's leverage such that we minimize the differences between the term of the Fund's investments and the leverage used by the Fund to finance such an investment. However, under certain circumstances, we may determine not to do so or the Fund may otherwise be unable to do so. Accordingly, the extended term of the financed loan or other investment may not correspond to the term to extended maturity of the financing for such loan or other investment. In the event that a Fund's leverage is for a shorter term than the financed loan or other investment, we may not be able to extend or find appropriate replacement leverage and that would have an adverse impact on the Fund's liquidity and its returns. In the event that a Fund's leverage is for a longer term than the financed loan or other investment, the Fund may not be able to repay such leverage or replace the financed loan or other investment with an optimal substitute or at all, which would negatively impact the Fund's returns.

A Fund's assets, including any investment made by the Fund and any capital held by the Fund, are available to satisfy all liabilities and other obligations of such Fund. If a Fund defaults on secured indebtedness, the lender may foreclose and the Fund could lose its entire investment in the collateral for such loan. If the Fund itself becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to the Fund's assets generally and not be limited to any

particular asset, such as the investment giving rise to the liability. Furthermore, to the extent that a Fund draws capital from a subscription line or NAV Facility (as defined below) to fund investments (rather than drawing down capital from investors' undrawn commitments), the amount and timing of contributions and distributions to the general partners may be affected in a manner that may have potentially adverse consequences to investors.

No assurance can be given that financing for a Fund's investments will be obtained by the Fund, or obtained on favorable or acceptable terms, including terms which reflect the financing provided by the Fund. In addition, once initial financing is obtained by a Fund, no assurance can be given that such financing will subsequently be available throughout the life of the Fund or any individual investment, or that replacement financing can be obtained as intended by us. If a Fund is unable to obtain financing, this may have a material adverse effect on the Fund's ability to achieve its investment objectives and the return on invested capital.

Subscription Line. The Funds expect to enter into a subscription line with one or more lenders in order to finance their operations (including the acquisition of the Funds' investments and the payment of expenses). A subscription line subjects investors to certain risks and costs, including many of those discussed above in "*Leverage*". For example, because amounts borrowed under a subscription line typically are secured by pledges of the general partners' rights to call capital from investors, investors may be obligated to contribute capital on an accelerated basis if a Fund fails to repay the amounts borrowed under a subscription line or experiences an event of default thereunder. Moreover, any investors claims against a Fund would likely be subordinate to the Fund's obligations to a subscription line's creditors.

In addition, a subscription line will result in incremental expenses that will be borne by investors. These expenses typically include interest on the amounts borrowed, unused commitment fees on the committed but unfunded portion of a subscription line, an upfront fee for establishing a subscription line, and other one-time and recurring fees and/or expenses, as well as legal fees relating to the establishment and negotiation of the terms of the borrowing facility. Because a subscription line's interest rate is based in part on the creditworthiness of the investors and the terms of the Governing Documents, it may be higher than the interest rate an investor could obtain individually. Conflicts of interest may arise in that the use of such facilities may, and likely would, delay the need for investors to make certain contributions to a Fund, which has the potential to enhance a Fund's performance figures and thereby benefit us and our affiliates. To the extent a particular investor's cost of capital is lower than a Fund's cost of borrowing, Fund-level borrowing can negatively impact an investor's overall individual financial returns even if it increases a Fund's reported net returns in certain methods of calculation.

A credit agreement for a subscription line may contain other terms that restrict the activities of a Fund and investors or impose additional obligations on them. For example, a subscription line may impose restrictions on the general partner's ability to consent to the transfer of an investor's interest in a Fund. In addition, in order to secure a subscription line, we may request certain financial information and other documentation from investors to share with lenders. We will have significant discretion in negotiating the terms of any subscription line and may agree to terms that are not the most favorable to one or more investors.

A subscription line involves a number of additional risks. For example, drawing down on a subscription line allows us to fund investments and pay partnership expenses without calling capital, potentially for extended periods of time. To the extent provided in the Governing Documents, any such borrowing may remain outstanding for such time as we deem appropriate, potentially including through disposition of such investment, and the interest expense and other costs of any such borrowings will be Fund expenses that may decrease net returns of a Fund. Calling a large amount of capital at once to repay the then-current amount outstanding under a subscription line could cause short-term liquidity concerns for investors that would not arise had we called smaller amounts of capital incrementally over time as needed by a Fund. This risk would be heightened for an investor with commitments to other funds that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring the investor to meet the accumulated, larger capital calls at the same time. A Fund may also utilize Fund-level borrowing when we expect to repay the amount outstanding through means other than investor capital, including as a bridge for equity or debt capital with respect to an investment. If a Fund ultimately is unable to repay the borrowings through those other means, investors would end up with increased exposure to the underlying investment, which could result in greater losses.

NAV Facilities. The Funds and/or one or more subsidiaries or special purpose vehicles may enter into “NAV” facilities (each such facility, a “NAV Facility”), which generally will be secured in whole or in part by any or all of a Fund’s or a borrowing subsidiary’s assets, including portfolio investments or distributions in respect thereof. A NAV Facility subjects investors to certain risks and costs, including many of those discussed above in “*Leverage*” and “*Subscription Line*”. In connection with such transactions, we have authority to pledge all or certain of a Fund’s portfolio investments, including on a cross-collateralized basis, without taking into account the potential for non-pro rata investments by investors as a result of any particular investor’s opt-out rights. An investor may also be required to fund amounts to repay NAV Facility borrowings incurred in connection with an investment or managing a Fund’s investment portfolio even if such investor did not participate in the relevant investment(s) in connection with which such borrowings were incurred. NAV Facility lenders may foreclose on a Fund’s assets if a Fund fails to repay the amounts borrowed under a NAV Facility or experiences another event of default, which could have a material adverse effect on the value of an investor’s investment in a Fund.

Availability of Financing. The Funds’ ability to invest in portfolio investments may depend on the availability and terms of any borrowings that are required or desirable with respect to such investments. A decrease in the availability of financing (or an increase in the interest cost) for leveraged transactions, whether due to adverse changes in economic or financial market conditions or a decreased appetite for risk by lenders, would impair a Fund’s ability to consummate these transactions and would adversely affect a Fund’s returns.

Licenses or Other Authorizations. Certain federal and local banking and other regulatory bodies or agencies inside or outside the United States may require a Fund to obtain licenses or similar authorizations to engage in various types of lending activities, including investment in senior loans. Such licenses or authorizations may take a significant amount of time to obtain, and may require the disclosure of confidential information regarding the Fund, or us or our affiliates, including financial information and/or information regarding officers and directors of such investor, and the Fund may or may not be willing or able to comply with these requirements. In addition, there can

be no assurance that any such licenses or authorizations would be granted or, if so, would not impose restrictions on the Fund. Alternatively, a Fund may be able to structure potential investments in a manner which would not require such licenses and authorizations, but which would be inefficient or otherwise disadvantageous for the Fund and/or the borrower. The inability of a Fund to obtain such licenses or authorizations, or the structuring of an investment in an inefficient or otherwise disadvantageous manner, could adversely affect the Fund's ability to implement the strategy for the Fund and the Fund's results.

Position Limits. The Dodd Frank Act significantly expanded the scope of the CFTC's authority and obligation to require reporting of, and adopt limits on, the size of positions that market participants may own or control in commodity futures and futures options contracts and swaps. The Dodd Frank Act also narrowed existing exemptions from such position limits for a broad range of risk management transactions.

In accordance with the requirements of the Dodd-Frank Act, the CFTC has adopted additional speculative position limits on additional specified agricultural, energy and metals futures contracts, futures contracts and options on futures contracts that are linked to these specified contracts, and economically equivalent swaps. The CFTC's newly adopted position limits rules also restrict the availability of exemptions from position limits for certain hedging activity and impose new requirements on U.S. futures exchanges and swap execution facilities to administer position limits and related exemptions. Market participants were required to comply with the new position limits on future contracts by January 1, 2022 and the new position limits on swaps and the new hedging restrictions by January 1, 2023. The Dodd-Frank Act also authorizes the CFTC to establish, but the CFTC has not yet established position limits applicable to other types of swaps that are economically equivalent to United States listed futures and futures options contracts, including contracts on non physical commodities, such as rates, currencies, equities and credit default swaps, and aggregate position limits for a broader range of derivatives contracts based on the same underlying commodity, including swaps and futures and futures options contracts.

A person (including us or the general partners) is generally required to aggregate positions it owns or controls (including held indirectly through entities in which a person has a 10% or greater ownership interest) for purposes of current and new position limits, subject to certain exemptions for, among other things, independently traded positions.

We do not know the full impact of these recent changes at this time. Individually and collectively, current and new position limits and associated aggregation requirements could increase the costs to the Funds of maintaining positions in commodity futures and futures option contracts and swaps and reduce the level of exposure the Funds are able to obtain (whether for risk management or investment purposes) through commodity futures and futures option contracts and swaps. These requirements could also impair liquidity in certain swaps and adversely affect the quality of execution pricing obtained by the Funds, all of which could adversely impact the Funds' investment returns.

Asset Valuations. With certain limited exceptions, we determine valuations with respect to Fund investments in our sole discretion. The process of valuing investments for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active market existed for such investments

and may differ from the prices at which such investments ultimately may be sold or disposed of. The exercise of discretion in valuation by the general partner gives rise to potential conflicts of interest, including in connection with determining the amount and timing of distributions of carried interest and the calculation of management fees. See also “*Item 11 – Conflicts Related to the Valuation of Assets*” for a discussion of the conflicts of interests the Fund’s valuation methodology presents.

ITEM 9 – DISCIPLINARY INFORMATION

Not applicable.

In the ordinary course of business, TPG and its affiliates are parties to litigation, investigations, inquiries, employment-related matters, disputes and other potential claims. Additional information regarding such matters is from time to time also disclosed in public filings with the SEC for the Public Company (see <https://shareholders.tpg.com/financial-information/sec-filings>).

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

TPG Capital BD, LLC. Our affiliate TPG BD is a broker-dealer registered with the SEC and a member of FINRA.

For a description of compensation TPG BD and other affiliates receive and material conflicts of interest created by our relationships with TPG BD, please see Item 11 below.

Other Investment Advisers. The following investment advisers are related persons of ours:

- TPG Global Advisors, LLC;
- TPG Capital Advisors, LLC;
- TPG PEP Advisors, LLC;
- TPG RE Finance Trust Management, L.P.;
- TPG Solutions Advisors, LLC;
- Angelo, Gordon & Co., L.P.; and
- AGTB Fund Manager, LLC,

along with their respective relying advisers.

For a description of material conflicts of interest created by the relationship among us and our affiliated advisers, as well as a description of how such conflicts are addressed, please see Item 11 below.

General Partners of TPGRE Vehicles. Various entities serve as general partners of the TPGRE Vehicles, and are our related persons. For a description of material conflicts of interest created by

the relationship among us and the general partners, as well as a description of how such conflicts are addressed, please see Item 11 below.

ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

We have adopted a comprehensive Code of Ethics that is applicable to, among others, all of our officers and employees, certain temporary personnel and certain of our affiliates and their officers and employees (collectively, “TPGRE Personnel”). The Code of Ethics, which is designed to comply with Rule 204A-1 under the Investment Advisers Act of 1940, as amended (the “Advisers Act”), establishes guidelines for professional conduct and personal trading procedures, including certain pre-clearance and reporting obligations.

Subject to any restrictions and/or terms set forth in our Code of Ethics, TPGRE Personnel and their families and households will from time to time purchase investments for their own accounts, including the same or similar types of investments as may be purchased or sold by a TPGRE Vehicle. The Code of Ethics generally permits such transactions only if

- the transaction is “pre-cleared” by our Chief Compliance Officer or his/her designee; or
- the transaction is exempt from pre-clearance under the Code of Ethics.

The investment policies, fee arrangements and other circumstances of these personal investments often vary from those of the TPGRE Vehicles. As our officers, principals and employees typically also make investments in or alongside the TPGRE Vehicles, they have conflicting interests with respect to these investments.

Under the Code of Ethics, TPGRE Personnel also are required to file certain periodic reports with the Chief Compliance Officer or his/her designee as required by Rule 204A-1 under the Advisers Act. The records of any such trades by TPGRE Personnel will not be open to inspection by investors. Our management may from time to time implement additional internal policies or restrictions on trading by TPGRE Personnel and their family/household that are in addition to the requirements of our Code of Ethics.

We will provide a copy of the Code of Ethics to any TPGRE Vehicle or prospective client upon request.

Participation or Interest in Client Transactions; Related Person Investments

Please see “*Conflicts of Interest*” below for information regarding circumstances in which we or a related person

- recommends to TPGRE Vehicles, or buys or sells for TPGRE Vehicles’ accounts, securities in which we or a related person has a material financial interest;
- invests in the same securities that we or a related person recommends to TPGRE Vehicles;

- recommends securities to TPGRE Vehicles, or buys or sells securities for TPGRE Vehicle accounts, at or about the same time that we or a related person buys or sells the same securities for our own (or the related person's own) account; and
- encounters related conflicts of interest.

Conflicts of Interest

As discussed further below, we and our related entities engage in a broad range of activities, including pursuing investments for the Funds, other investment funds and other accounts, and providing investment advisory, broker-dealer and other related services to these funds, other accounts and their portfolio investments.

We have a number of related investment advisers (including those advisers listed in Item 10 and their relying advisers) and may in the future have additional related investment advisers, that focus primarily on different investment strategies (collectively, the “Related Advisers”), although such investment strategies overlap with ours from time to time. We refer to the funds and accounts managed by the Related Advisers as the “Related Funds.”

In the ordinary course of conducting its activities, the interests of a TPGRE Vehicle will from time to time conflict with our interests and those of

- other TPGRE Vehicles;
- Related Funds;
- Related Advisers; and
- the affiliates of the foregoing.

We describe below certain of these conflicts of interest, as well as how we seek to address them.

Resolution of Conflicts

When conflicts arise between a TPGRE Vehicle and another TPGRE Vehicle or a Related Fund, we will seek to resolve the conflict or represent the interests of such TPGRE Vehicle, respectively, and the applicable Related Adviser will represent the interests of the Related Fund. In addressing conflicts, we and the other Related Adviser, as applicable, will consider various factors, including the interests of such TPGRE Vehicles, the other TPGRE Vehicle and the Related Fund, as applicable, in the context of both the immediate issue at hand and the longer-term course of dealing among such TPGRE Vehicle and the Related Fund. In the case of all conflicts involving a TPGRE Vehicle, our determination as to which factors are relevant, and the attempted resolution of such conflicts, will be made in our sole discretion.

The following may help mitigate potential or actual conflicts of interest:

- a TPGRE Vehicle will not make any investment unless we and the TPGRE Vehicle's general partner believe that such investment is an appropriate investment considered from the viewpoint of such TPGRE Vehicle;
- many important conflicts of interest may be resolved pursuant to set procedures, restrictions or other provisions contained in the relevant Governing Documents for the TPGRE Vehicles;
- with respect to the Funds, the advisory committee for a Fund, whose members are not affiliated with the general partner of the Fund, generally play an important role in resolving conflicts of interest by, for example, overseeing certain activities that could give rise to conflicts of interest or approving or consenting to decisions that involve certain conflicts of interest referred to it by the Fund's general partner in accordance with the relevant Governing Documents;
- when we deem it appropriate in our sole discretion, unaffiliated third-party service providers will be used to help resolve conflicts, such as the use of an investment banker to opine as to the fairness of a purchase or sale price. In addition, the willingness of a third-party investor to make an investment on the same or similar terms as a TPGRE Vehicle may demonstrate the fairness of the transaction to such TPGRE Vehicle;
- prior to subscribing for interests in a Fund, each investor receives information relating to significant potential conflicts of interest arising from the proposed activities of the Fund; and
- in certain circumstances, we erect temporary or permanent information barriers to restrict the transfer of non-public information between business units.

While we endeavor to resolve all conflicts in a fair and impartial manner, there can be no assurance that our own interests will not influence our conduct and decisions. There can be no assurance that we will identify or resolve all conflicts in a manner that is favorable to the TPGRE Vehicles and the TPGRE Vehicles' investors may not, subject to any requirements set forth in a TPGRE Vehicle's Governing Documents, be entitled to receive notice or disclosure of the actual occurrence of conflicts or have any right to consent to them as they arise.

Potential Conflicts of Interest

The material conflicts of interest that a TPGRE Vehicle encounters include those discussed below and elsewhere in this brochure. The following summary is not intended to be an exhaustive list of all actual, potential, or apparent conflicts or their potential consequences. Identifying potential conflicts of interest is complex and fact-intensive, and it is not possible to foresee every conflict of interest that will arise during a TPGRE Vehicle's life. In particular, we expect in the future to identify additional conflicts of interest that currently are not apparent to us or the broader alternative investments industry, as well as conflicts of interest that arise or increase in materiality as we develop new investment platforms or business lines and otherwise adapt to dynamic markets

and an evolving regulatory environment. Moreover, we are an affiliate of the Public Company and we and our personnel have duties or incentives related to the interests of the Public Company's stockholders that could differ from, and that could conflict with, the interest of TPGRE Vehicles and their investors. Accordingly, as a consequence of the Public Company's status as a public company, we and our personnel may take into account certain considerations and other factors in connection with the management of the business and affairs of a TPGRE Vehicle that would not necessarily be taken into account if the Public Company were not a public company. To the extent we identify conflicts of interest in the future, we may, but assume no obligation to, disclose these conflicts and their implications to investors in TPGRE Vehicles through a variety of channels, including in subsequent brochures or in other written or oral communications to the advisory committee or investors more generally.

Principal Transactions

Section 206 of the Advisers Act regulates principal transactions among an investment adviser and its affiliates, on the one hand, and the investment adviser's clients, on the other. The Advisers Act generally requires that, when an investment adviser or its affiliate proposes to purchase a security from, or sell a security to, an advisory client (what is commonly referred to as a "principal transaction"), the adviser must make certain disclosures to the client of the terms of the proposed transaction and obtain the client's consent.

In connection with our management of the TPGRE Vehicles, we and/or the TPGRE Vehicles may, in certain limited circumstances, engage in principal transactions, as described below.

Also, from time to time, our affiliates or those of the Related Advisers who control, are controlled by or are under common control with us, the Related Advisers and/or our respective affiliates, may provide seed capital to a new Fund. In doing so, we, the Related Advisers and/or our respective affiliates may purchase securities that are later transferred into the Fund in exchange for a percentage ownership in such Fund. We review such transactions with outside counsel in an effort to ensure that we comply with the requirements of Section 206(3) of the Advisers Act in respect of principal transactions.

We have established certain policies and procedures reasonably designed to comply with the requirements of the Advisers Act as they relate to principal transactions, including that the requisite disclosures be made to the applicable TPGRE Vehicle regarding any proposed principal transactions, if required by the Advisers Act or applicable law, and the TPGRE Vehicle's prior consent to the transaction be received. In addition, the Governing Documents relating to the TPGRE Vehicles typically contain additional restrictions on our ability or that of the TPGRE Vehicles to engage in principal transactions and disclosures regarding principal transactions that are likely to arise in the operations of TPGRE Vehicles.

Participation of TPG BD and Related Entities in Capital Markets Activity

We leverage our internal expertise in structuring and executing a wide array of capital markets transactions across TPG, including those involving existing, prospective and former portfolio investments (including their affiliates and related entities such as holding companies and

subsidiaries). Examples of the ways in which we deploy our capital markets expertise include but are not limited to

- structuring, executing and at times underwriting initial public offerings, follow-on primary offerings and secondary offerings (including “block trades”) and private placements of equity securities;
- structuring, executing and at times underwriting high yield and other bond offerings;
- structuring, arranging and placing interests in loans, credit facilities, asset-based facilities, securitizations and similar debt instruments;
- structuring and arranging amendments to existing securities, credit facilities and other instruments;
- structuring and implementing interest rate, foreign exchange and other hedging or derivative strategies;
- structuring and executing other similar transactions to finance the Fund’s acquisition of a portfolio investment or to enable the Fund to monetize its interest in a portfolio investment;
- providing capital markets advice with respect to any of the foregoing transactions; and
- providing any other capital markets services that a third party may render to or with respect to an existing, prospective or former portfolio investment and/or their affiliates or related entities.

We expect the types of capital markets services we provide to evolve in light of market developments and industry trends.

Our registered broker-dealer, TPG BD and related entities typically receive compensation for the services we provide in connection with capital markets activities, including but not limited to those listed above. The compensation may take a variety of forms, including, for instance, a portion of the compensation paid to the investment banks that underwrite a securities offering, a fee for arranging the syndication or placement of debt financing or an advisory fee for facilitating the efficient execution by a TPGRE Vehicle of a “block trade” or other secondary sale to monetize its interest in a pre-IPO or publicly traded portfolio investment. Depending on the nature of the transaction, the TPGRE Vehicle, the portfolio investment or other parties to the transaction will pay the related fee or fees to TPG BD and/or a related entity. Where legal and regulatory circumstances permit outside the United States, other TPG affiliates may perform such capital markets services and receive compensation for the provision of such services. Any compensation we receive for providing capital markets services will not, in accordance with the Governing Documents, offset the management fee or require the approval of the advisory committee. We intend to disclose annually to investors in the applicable TPGRE Vehicles the amount of compensation we receive for capital markets services rendered in respect of Fund portfolio investments.

While we believe that our internal capital markets capabilities help maximize value for our funds, our ability to utilize TPG BD or a related entity in connection with the foregoing transactions gives rise to conflicts of interest. In general, we have an incentive to retain, or to exercise our control or influence over a portfolio investment's management team so that it retains TPG BD (or a related entity) or otherwise transacts with TPG BD (or a related entity) instead of other unaffiliated broker-dealers or counterparties. For instance, TPG BD (or a related entity) could take the place of another investment bank in the syndicate underwriting a securities offering or act as the sole or lead financial institution on a transaction instead of a third-party bank. When involved in a particular transaction, TPG BD (or a related entity) has the incentive to seek higher fees or other favorable terms from the TPGRE Vehicle, the portfolio investment or other counterparties, as well as to structure a transaction so that it benefits certain investors in the TPGRE Vehicles or other third parties that are of strategic importance. For example, TPG BD could influence the placement of portfolio investment securities or debt instruments so that investors who are sizeable investors in multiple TPGRE Vehicles or Related Funds or who pay TPG BD a placement fee receive an allocation ahead of others. To the extent that our capital markets personnel face competing demands for their time and attention, we have an incentive to devote our limited capital markets resources to portfolio investments and transactions that would generate the highest fee for TPG BD (or related entities). TPG employees who provide capital markets services are under no obligation to prioritize the interests of a particular TPGRE Vehicle or its investors in determining how to allocate their time across various projects within TPG.

TPG BD from time to time acts as placement agent in respect of investment funds that are sponsored and managed by third-party investment managers, including funds that may compete with the TPGRE Vehicles. In providing such services to, or with respect to, a competitor fund or company, TPG BD will not take into consideration the interests of the relevant portfolio investments or the TPGRE Vehicles.

We generally will evaluate any such transactions on a case-by-case basis to address any such conflicts. Transactions involving a TPGRE Vehicle and TPG BD are also reviewed with regard to the appropriateness of the transaction and any fiduciary obligations. In addition, we review such transactions with outside counsel in an effort to ensure compliance with the requirements of Section 206(3) of the Advisers Act, in respect of principal transactions between any TPGRE Vehicle and us and our affiliates (including TPG BD).

Third-Party Placement Agents

We from time to time enter into arrangements with third parties to raise capital for a TPGRE Vehicle. Such placement agents will likely receive placement fees and/or other compensation (the "Fees") for providing solicitation and other services with respect to certain investors that invest in a TPGRE Vehicle, and such Fees are generally based upon the size of an investor's capital commitment to a TPGRE Vehicle, although also have the potential to include flat fees and bonuses. The Fees typically are expected to be paid by an affiliate of the applicable general partner. As a result of the Fees, placement agents have a significant economic incentive to solicit investors to invest in the TPGRE Vehicles, resulting in a material conflict of interest. Placement agents also seek to do business with and earn fees or commissions from the general partners and/or their affiliates, as well as with other third-party fund sponsors that may have similar or different

investment objectives from the TPGRE Vehicles. Examples of such business include placement, underwriting, investment banking, lending, consulting, advisory, valuation, personal banking and/or asset management. Accordingly, potential investors should recognize that a placement agent's participation as placement agent for interests in a TPGRE Vehicle potentially will be influenced by its interest in such current or future fees and commissions, including differentials in the placement fees that are offered by us or other third-party fund sponsors for which the placement agent acts as placement agent. We also reserve the right to allow placement agents and their personnel to invest in a TPGRE Vehicle, Related Funds and/or their respective portfolio companies, including on preferential economic terms, which gives rise to potential conflicts of interest.

Allocation of Investment Opportunities

We engage in a broad range of investment and advisory activities for our own account and for the accounts of investment funds. In connection with these activities, investment opportunities will arise that fall within the investment objectives or strategies of two or more TPGRE Vehicles or Related Funds. We therefore expect to encounter situations in which we must determine how to allocate investment opportunities among various TPGRE Vehicles and other persons, which typically include the following:

- the Funds and Related Funds;
- any Co-Investment Vehicles formed to invest side-by-side with one or more Funds in particular transactions entered into by such Funds or for the purpose of pursuing a specific investment strategy. The investors in such TPGRE Vehicles typically include individuals and entities that are also investors in one or more Funds (which we refer to collectively as “TPGRE Investors”) and/or individuals and entities that are not investors in any Funds;
- TPGRE Investors and/or third parties that wish to make direct investments side-by-side with one or more TPGRE Vehicles in particular transactions; and
- TPGRE Investors and/or third parties acting as “co-sponsors” with us with respect to a particular transaction.

In addition, we and our related persons expect to form, sponsor or acquire in the future additional investment funds, separate accounts or other investment vehicles with investment objectives or strategies substantially similar to, or different from, those of the current TPGRE Vehicles, including additional hedge funds, credit funds, collateralized loan obligation issuers, infrastructure funds, life sciences funds, emerging market funds and other regional or sector-focused vehicles. With every new fund, vehicle or account that we form or acquire there is an increased likelihood of overlapping investment objectives.

In addition, a successor fund limitation in the Governing Documents does not prohibit, restrict or otherwise limit us in any way from engaging in strategic transactions on our own behalf, including the investment in, acquisition of, or combination with, other investment platforms, including investment platforms that sponsor, manage or advise funds, vehicles or accounts with investment mandates that are the same as, or similar to, a TPGRE Vehicle's investment mandate. Any such

funds, vehicles or accounts managed, sponsored or advised by us as a result of any such strategic transaction (including predecessor and successor funds; vehicles, co-investing funds, side cars and separate accounts related to any of them; and successors to all of these entities), regardless of whether such strategic transaction occurs prior to, during or after a TPGRE Vehicle's commitment period, would typically be excluded from a TPGRE Vehicle's successor fund limitation.

The TPGRE Vehicles and Related Funds are generally subject to contractual investment allocation requirements, such as "duty to offer" provisions or clauses stipulating a specified allocation for certain types of investments. Many, though not all, TPGRE Vehicles and Related Funds have "duty to offer" provisions. These provisions typically carve out certain types of investment opportunities, including follow-on investments or dispositions by other TPGRE Vehicles or Related Funds and overlap situations as described below. In certain cases, these "duty to offer" provisions will give a TPGRE Vehicle or Related Fund contractual priority over certain investments even though such investments may fall within the "duty to offer" provisions or investment objectives of other TPGRE Vehicles or Related Funds. We refer to these contractual investment allocation requirements, which are typically set forth in the Governing Documents of the TPGRE Vehicles and Related Funds, as the "Investment Allocation Requirements."

When making allocation decisions, we are guided by our contractual obligations to the TPGRE Vehicles and Related Funds, as well as our allocation procedures and principles. For each allocation decision, we first apply the relevant Investment Allocation Requirements. Historically, applying the Investment Allocation Requirements has tended to result in the identification of a single TPGRE Vehicle or Related Fund to pursue an investment opportunity. That is, we often conclude that an investment opportunity falls within the "duty to offer" of a single TPGRE Vehicle or Related Fund and not any other TPGRE Vehicle or Related Fund, based on it being suitable for, and satisfying the other "duty to offer" criteria of, that TPGRE Vehicle alone.

A TPGRE Vehicle's Governing Documents may not impose on us a "duty to offer" to such TPGRE Vehicle any potential investment opportunity, meaning we have no obligation to pursue through the TPGRE Vehicle (as opposed to another TPGRE Vehicle, Related Fund or TPG and/or its affiliates) an opportunity that fits within a TPGRE Vehicle's investment objective. If we determine that an opportunity is suitable in whole or in part for one or more other TPGRE Vehicles and/or Related Funds, we may offer that opportunity to such other TPGRE Vehicle and/or Related Fund before offering it to a TPGRE Vehicle, and a TPGRE Vehicle will participate only after such other TPGRE Vehicles and/or Related Funds have received its or their suitable and/or contractually required allocations, as determined by us in our sole discretion. In addition, we may determine that an investment is suitable for another TPGRE Vehicle and/or Related Fund, taking into account the investment objectives or other relevant provisions of the Governing Documents or marketing materials of such TPGRE Vehicle and/or Related Fund, even where such other TPGRE Vehicle and/or Related Fund does not have a contractual "duty to offer" with respect to such investment. Similarly, we may determine that an investment in a portfolio investment should be made on behalf of us or our affiliates (for our or their own account), or would be more appropriate as a business combination with us or our affiliates, even where such investment is suitable for a TPGRE Vehicle (see "*Conflicts Related to Strategic Transactions*").

Accordingly, investment opportunities allocated to a TPGRE Vehicle will generally be those that satisfy the investment objective of such TPGRE Vehicle and that we conclude are: (i) sourced by

a member of a TPGRE Vehicles' team; (ii) more appropriate for a TPGRE Vehicle than another TPGRE Vehicle or Related Fund; (iii) too large for another TPGRE Vehicle or Related Fund to make on its own, in which case a TPGRE Vehicle could be offered the opportunity to co-invest alongside such other TPGRE Vehicle or Related Fund; (iv) too small for another TPGRE Vehicle or Related Fund, in which case the entire opportunity could be offered to a TPGRE Vehicle; and/or (v) otherwise not suitable for other TPGRE Vehicles or Related Funds, given factors that could include, for example, those set forth below, in which case a TPGRE Vehicle could pursue the entire opportunity by itself or alongside other TPGRE Vehicles and/or Related Funds with overlapping strategies. We have significant discretion in allocations of investments to the TPGRE Vehicles, and as a result of other TPGRE Vehicles' or Related Funds' priority rights, a TPGRE Vehicle likely will not be offered the opportunity to participate in certain investment opportunities, and participation by a TPGRE vehicle in such opportunities may be limited or curtailed to the extent required by the priority rights of such other TPGRE Vehicles or Related Funds. In addition, our allocation of investment opportunities among the TPGRE Vehicles and Related Funds potentially will result in the allocation of all or none of an investment opportunity to a TPGRE Vehicle (including in connection with follow-on investments), or a disproportional allocation among a TPGRE Vehicle and other TPGRE Vehicles and/or Related Funds, with such allocations being less advantageous to a TPGRE Vehicle relative to other TPGRE Vehicles and/or Related Funds. As described in *Conflicts Arising from Other Investment Activities of the TPGRE Vehicles and Related Funds – Walled-Off Businesses*, certain Related Advisers are on the other side of a permanent information barrier from us, and a TPGRE Vehicle generally will not be allocated any opportunity sourced by such Related Advisers.

Depending on the circumstances, any suitable investment opportunity could be (i) allocated entirely to a TPGRE Vehicle, (ii) allocated entirely to another TPGRE Vehicle or Related Fund or other parties (iii) shared between a TPGRE Vehicle and one or more other TPGRE Vehicles and/or Related Funds, including co-investors.

We allocate each investment opportunity in accordance with our contractual obligations and/or allocation principles. These principles reflect factors that we determine in good faith to be fair and reasonable. Factors we currently consider include, but are not limited to:

- the relevant TPGRE Vehicles' and Related Funds' investment focuses and objectives (e.g., investment strategy, asset class, industry focus, control orientation, etc.);
- the TPG professionals who sourced the investment opportunity;
- the professionals who are expected to oversee and monitor the investment;
- the expected amount of capital required to make the investment as well as the relevant TPGRE Vehicles' and Related Funds' current and projected capacity for investing (including for any potential follow-on investments);
- the relevant TPGRE Vehicles' and Related Funds' targeted rate of return and investment holding period;

- expected cash characteristics (such as cash-on-cash yield, distribution rates or volatility of cash flows);
- loan-to-value ratio or debt service coverage ratio of the portfolio investment;
- the stage of development of the prospective portfolio investment;
- the existing portfolio of investments of the relevant TPGRE Vehicles and Related Funds;
- the investment opportunity's risk profile;
- portfolio diversification and concentration concerns (including, but not limited to (i) allocations necessary for the TPGRE Vehicles or other Related Funds to maintain a particular concentration in a certain type of investment (e.g., if another TPGRE Vehicle or Related Fund follows a liquid strategy pursuant to which it sells a type of investment more or less frequently than a TPGRE Vehicle and the other TPGRE Vehicle or such other Related Fund needs a non-pro rata additional allocation to maintain a particular concentration in that type of investment) and (ii) whether the TPGRE Vehicles or other Related Funds already have desired exposure to the investment, sector, industry, geographic region or markets in question);
- the credit and default profile of an investment or borrower (e.g., FICO score of a borrower for residential mortgage loans; the credit rating of an issuer of debt instruments; etc.);
- the expected life cycle and duration of commitment period of the relevant TPGRE Vehicles and Related Funds;
- any investment targets or restrictions (e.g., industry, concentration, size, etc.) for the relevant TPGRE Vehicles and Related Funds;
- investment target sizes for the relevant TPGRE Vehicles and Related Funds, including any predetermined maximum and minimum investment sizes for the TPGRE Vehicles and Related Funds;
- the applicable sector, geography/location or jurisdiction of the investment and any attendant impact on credit, perfection, enforcement rights or other factors;
- the ability of the relevant TPGRE Vehicles and Related Funds to accommodate structural, timing and other aspects of the investment process;
- the ability of the relevant TPGRE Vehicles and Related Funds to employ leverage, hedging, derivatives or other similar strategies in connection with acquiring, holding, disposing of or otherwise realizing upon the particular investment opportunity, and any requirements or other terms of any existing leverage facilities; and
- legal, tax, contractual, regulatory or other considerations that we deem relevant.

The relevance of each allocation principle will vary from investment opportunity to investment opportunity, with no single factor consistently outweighing the others. While we seek to apply a generally consistent framework and approach, the facts and circumstances of each allocation decision remain determinative.

In addition, we expect our allocation principles, and procedures more generally, to change over time, including during the TPGRE Vehicles' commitment period. For example, we have and could continue to establish allocation criteria to apply more mechanically to particular categories of investments. We do not intend to notify investors of any changes we make to our allocation policies, procedures or principles.

TPG has established a committee, which we refer to as the "Allocation Committee," to apply the above principles and make allocation decisions in situations where the investment interests of multiple TPGRE Vehicles or Related Funds overlap. The composition of the Allocation Committee includes senior TPG professionals representing major investment platforms with the exception of platforms on the other side of a permanent information barrier (see "*Conflicts Arising from Other Investment Activities of the TPGRE Vehicles and Related Funds – Walled-Off Businesses*") and TPG as a whole. We expect the Allocation Committee's composition and role in the allocation process to evolve over time.

The application of our allocation principles is a fact-intensive exercise. While we base our allocation decisions on the information available to us at the time, this information could prove, in retrospect, to be incomplete or otherwise flawed. Furthermore, the weight we ascribe to certain considerations will evolve over time in response to, among other things, changes in market conditions, the competition we face for investments and the mix of opportunities available to the TPGRE Vehicles. The Allocation Committee makes allocation determinations based solely on its expectations at the time investments are made, however investments and their characteristics may change and there can be no assurance that an investment may not prove to have been more suitable for another TPGRE Vehicle or Related Fund in hindsight. Additionally, because the TPGRE Vehicles and other Related Funds are advised by different personnel that may have differing views regarding the attractiveness of a particular investment, the TPGRE Vehicles are expected from time to time to decline to pursue an investment that is then pursued by another Related Fund, us and/or our affiliates or vice versa. The allocation of opportunities requires us to make subjective judgments. Any such judgments and their application involve inherent conflicts and risks that assumptions regarding investment opportunities will not ultimately prove correct and accordingly, there can be no assurance that our subjective judgments will prove correct in hindsight.

We have established a committee, which we refer to as the "Suitability Committee," to make a suitability determination with respect to certain TPGRE Vehicles for which an investment opportunity may be suitable to the extent we are not clearly required to offer such investment opportunity to a specific Related Fund pursuant to such Related Fund's "duty to offer" provision. Such suitability determination is subject to the conflicts and considerations described above in respect of allocation decisions. The current composition of the Suitability Committee includes senior TPGRE Personnel. We expect the Suitability Committee's members and role in the allocation process to evolve over time. Once a suitability determination is made by the Suitability Committee, such determination is presented to the Allocation Committee. If such suitability determination is approved by the Allocation Committee, then the Allocation Committee will make

an allocation decision among the TPGRE Vehicles selected by the Suitability Committee and other Related Funds with an overlapping strategy (if any) in accordance with the allocation principles and factors described above.

In making an allocation decision, additional potential conflicts of interest are expected to arise. Specifically, because the TPGRE Vehicles and Related Funds have different fee, expense and compensation structures, we have an incentive to allocate an investment opportunity to the TPGRE Vehicle or Related Fund that would generate a higher fee or more carried interest. In addition, our professionals will generally participate indirectly in investments made by TPGRE Vehicles in which they invest (see “*Conflicts Arising from Interests of Our Professionals in the TPGRE Vehicles and Related Funds*”). We do not explicitly take such considerations into account in making allocation decisions and expect that our procedures and principles will help mitigate the risk that these incentives implicitly influence our allocation decisions.

An allocation decision could result in a single TPGRE Vehicle or Related Fund being allocated an entire investment opportunity, or in multiple TPGRE Vehicles and/or Related Funds sharing an investment opportunity on a basis approved by the Allocation Committee. Allocating all or any portion of an investment opportunity to one or more Related Funds and/or us and/or our affiliates instead of a TPGRE Vehicle will reduce the amount available to the TPGRE Vehicle for investment. In certain cases, a TPGRE Vehicle would likely decline to pursue an investment opportunity if it determines its allocation is too small to be appropriate for it.

Even when we determine that all or part of an investment opportunity should be allocated to a particular TPGRE Vehicle or Related Fund, the Governing Documents of certain TPGRE Vehicles allow us, in our complete discretion and notwithstanding our other allocation principles, to offer to other TPGRE Vehicles, Related Funds or co-investors a certain amount of the portion of such opportunity allocated to such TPGRE Vehicle. This right is separate from and in addition to our ability to allocate co-investment from “overage” after the TPGRE Vehicle receives its appropriate allocation. We typically are able to exercise this right in a variety of ways, including on a deal-by-deal or more systematic basis. If we elect to exercise this right with respect to any investment opportunity, we could be awarding the other TPGRE Vehicles or Related Funds (and their respective investors) or co-investors greater exposure to the investment than they would otherwise receive. Such TPGRE Vehicles, Related Funds or co-investments may generate more fees, carried interest or other compensation than we would have received from the Fund to which the investment opportunity should be allocated.

We, a TPGRE Vehicle and/or a Related Fund from time to time invest in the securities offerings of portfolio investments or portfolio companies held by another TPGRE Vehicle or a Related Fund (including through initial public offerings), which would result in us and/or a TPGRE Vehicle receiving an allocation of portfolio investment or portfolio company securities, as applicable. In addition to potential conflicts of interest arising from the allocation of such securities, this arrangement also leads to similar conflicts described below, among other places, under “*Conflicts Related to Investing in Different Levels of the Capital Structure*.”

From time to time, we expect to determine final allocations among TPGRE Vehicles and/or Related Funds only after certain expenses or other amounts have already become due and payable. In these circumstances, a TPGRE Vehicle would be expected initially to bear the full amount of

an upfront payment or expense, even if another TPGRE Vehicle or Related Fund ultimately participates in the investment. In such a circumstance, the other TPGRE Vehicle or Related Fund would reimburse the TPGRE Vehicle for its proportionate share of such payment or expense when we determine the final allocation of the investment opportunity among the TPGRE Vehicle and the other TPGRE Vehicle or Related Fund. Prior to a final allocation decision, we or an affiliate thereof may enter into a purchase and sale agreement in connection with the acquisition of an investment. After a final allocation decision, we or an affiliate may assign all or any portion of such purchase and sale agreement to one or more TPGRE Vehicles. While highly unlikely, it is possible that the other TPGRE Vehicle or Related Fund could default on its obligation to reimburse the TPGRE Vehicle.

As described herein, TPG's founders and certain other senior personnel have established family offices (each, a "Family Office" and collectively the "Family Offices") to provide investment advisory and other services to their respective family accounts (including certain charitable accounts) in connection with their personal investment activities. Certain firms considered Family Offices for this purpose may also provide services to other third-party clients. The investment activities of the Family Offices and the involvement of TPG's founders and other senior personnel in these activities give rise to potential conflicts between the personal financial interests of such personnel and the interests of TPGRE Vehicles. For example, a Family Office could make an investment that falls within a TPGRE Vehicle's investment objectives, could invest in a company in which a TPGRE Vehicle also holds an interest (which may be at a different level of the company's capital structure), could invest in a company that competes or has another business relationship with a portfolio investment of a TPGRE Vehicle, or could otherwise engage in an activity that would be inconsistent with the interests of TPG, a TPGRE Vehicle, or a portfolio investment. While we seek to mitigate certain of these potential conflicts of interest, our efforts will not necessarily reduce or eliminate them.

We organize and sponsor separate public investment vehicles whose purpose is to make a single investment (each such vehicle, a "Special Purpose Acquisition Company"). We typically acquire "founder" shares and occasionally other securities of such Special Purpose Acquisition Companies. Any return or other amounts we earn with respect to those securities or otherwise as sponsor of a Special Purpose Acquisition Company will not reduce the advisory fees or carried interest payable by the TPGRE Vehicles. As Special Purpose Acquisition Companies could be organized when the TPGRE Vehicles have an active commitment period, they may raise potential conflicts of interest similar to those that arise among TPGRE Vehicles and Related Funds, including with respect to the allocation of investment opportunities and expenses. For example, a Special Purpose Acquisition Company could invest in an opportunity a TPGRE Vehicle initially considered and may therefore benefit from the TPGRE Vehicles' prior diligence, potentially without any corresponding obligation to reimburse the TPGRE Vehicle for the cost of the diligence or related expenses. In addition, a TPG-sponsored Special Purpose Acquisition Company may acquire or combine with a portfolio company or portfolio investment of a TPGRE Vehicle or Related Fund, including a portfolio investment of a TPGRE Vehicle (assuming the receipt of any necessary approvals under the Governing Documents of the applicable TPGRE Vehicles).

Allocation of Co-Investment Opportunities

From time to time, we have the option to offer one or more TPGRE Investors, Co-Investment Vehicles, investors in Related Funds or third parties (including investors in other Related Funds) the opportunity to invest alongside a Fund, or “co-invest,” in an investment a Fund is making either directly or through a TPG-controlled vehicle established to invest in one or more co-investment opportunities. With respect to TPGRE Investors, the situation generally arises when the amount of equity capital necessary to complete a transaction exceeds the amount we determine is appropriate for the Fund, after taking into account additional capital to be contributed by other Funds and any

- co-underwriters;
- co-sponsors (including other third-party managed pooled investment vehicles in which we or our affiliates or TPGRE Personnel personally may hold an interest) or co-venturers;
- Senior Advisory Professionals (and the funds they manage);
- TPG employees and other affiliated personnel; and
- other parties or consultants that assisted in sourcing or completing the transaction or provide other strategic value.

In addition, some of our Governing Documents require us in certain circumstances to offer preferential access to co-investment opportunities to certain limited partners on a systematic basis. We will offer co-investments pursuant to the procedures included in such Funds’ Governing Documents and as described in the following paragraphs.

Subject to any requirement to offer limited partners co-investment opportunities in certain circumstances and any other restrictions contained in the Governing Documents of the relevant TPGRE Vehicle or any side letter or other terms negotiated with respect to such TPGRE Vehicle, in general we have complete discretion to determine to whom we will offer and award co-investment opportunities. In particular,

- we expect to give co-investment opportunities to
 - TPGRE Investors;
 - Senior Advisory Professionals (and the funds they manage);
 - TPG employees and other affiliated personnel;
 - TPGRE Personnel;
 - Co-Investment Vehicles;
 - investors in Related Funds;
 - prospective investors in one or more Related Funds;
 - consultants;

- advisors;
- strategic partners; and
- other third parties;
- we are under no obligation to offer to TPGRE Investors any co-investment opportunities;
- we can offer co-investment opportunities selectively to some TPGRE Investors and not offer them to all TPGRE Investors;
- allocations of co-investment opportunities between TPGRE Investors will not correspond to their pro rata interests in the relevant TPGRE Vehicle;
- we are authorized to offer certain TPGRE Investors preferential access to co-investment opportunities on a systematic basis (for example, by granting a TPGRE Investor either the right to co-invest in each investment that meets specific criteria or a certain amount of co-investment opportunities over the life of the TPGRE Vehicle), including in connection with anchor investments, broader strategic relationships or other arrangements where investors agree to invest in a TPGRE Vehicle or Related Fund;
- we are authorized to form vehicles to pursue opportunities on behalf of investors with a particular sector or other strategy focus; and
- non-binding acknowledgements of interest in co-investment opportunities are not Investment Allocation Requirements and do not require us to notify the recipients of such acknowledgements if there is a co-investment opportunity.

While the criteria we use in making discretionary co-investment decisions vary from opportunity to opportunity, in our view the most important factors are:

- certainty of funding—that is, whether the potential co-investor has the financial resources to provide the requisite capital in a timely fashion;
- certainty of execution—that is, the sophistication and experience of the potential co-investor and its ability to promptly respond to and complete a co-investment opportunity, including if any investor has granted TPG investment discretion in respect of its co-investments or has committed to any non-discretionary co-investment vehicles;
- any contractual obligations to provide co-investment opportunities and related rights or remedies or whether we have previously expressed a general intention to seek to offer co-investment opportunities to the potential co-investor;
- the size of the potential co-investor’s actual or proposed commitment to TPGRE Vehicles and/or Related Funds (including concurrently with the applicable co-investment) and the anticipated importance of the potential co-investor to future TPG fundraising campaigns, including whether such person has demonstrated a long-term and/or continuing commitment to the success of TPG and/or its funds;

- the ability of the potential co-investor to invest in potential follow-on investments in respect of the co-investment opportunity;
- any economic arrangements with the potential co-investor, including the payment of any fee, carried interest and/or other compensation to TPG;
- the likelihood that the potential co-investor would require governance rights that would complicate or jeopardize the transaction (or, alternatively, whether the potential co-investor would be willing to assume a more passive role in such co-investment opportunity);
- the tax profile of the potential co-investor and the tax characteristics of the co-investment opportunity;
- whether the potential co-investor has any existing position in the co-investment opportunity;
- the ability of the potential co-investor to make a meaningful contribution to the transaction, such as in sourcing or completing the transaction or providing operational skills or insight; and
- the overall strategic benefit to the transaction, the TPGRE Vehicle or TPG of offering a co-investment opportunity to the potential co-investor.

Other criteria that will from time to time be relevant include but are not limited to:

- the expertise of the potential co-investor with respect to the geographic location, business activities, asset class or industry of the prospective portfolio investment;
- the investment objectives and existing portfolio of the potential co-investor;
- the tax, legal or regulatory constraints to which the proposed investment is expected to give rise;
- any foreign direct investment considerations (including CFIUS);
- the reporting, public relations, competitive, confidentiality or other issues that arise as a result of the co-investment;
- contractual requirements related to allocation of co-investment opportunities; and
- any other facts or circumstances that we deem appropriate or relevant.

We expect that these factors will lead us to favor some potential co-investors over others with respect to the frequency with which we offer them co-investment opportunities. We also expect to allocate certain co-investors a greater proportion of an investment opportunity than others as a result of these factors.

We may offer our employees and other affiliated personnel the opportunity to co-invest in a portfolio investment in a percentage of certain TPGRE Vehicles as stated in the Governing Documents for such TPGRE Vehicle. Such co-investment may be undertaken on a programmatic basis (i.e., across portfolio investments in certain sectors or regions). Amounts Senior Advisory Professionals co-invest would not count against the cap. While we believe this co-investment arrangement helps align the interests of TPG employees and other affiliated personnel with those of investors, this arrangement also gives rise to conflicts of interest. For example, a TPG employee would have an incentive to focus on creating value in the portfolio investments in which such TPG employee made co-investments, even if it would be in a TPGRE Vehicle's interest for the TPG employee to prioritize other portfolio investments that would be more significant drivers of overall TPGRE Vehicle returns.

Moreover, we may enter into agreements with certain Senior Advisory Professionals and other consultants, advisors, strategic partners and other third parties that require us to preferentially offer them (or the funds they manage) on a systematic basis co-investment opportunities. The exercise of these co-investment rights will limit the size of investment opportunities available to the TPGRE Vehicles and the amount of co-investment opportunities available to other potential co-investors. We would also expect the future formation by us of other TPGRE Vehicles and Related Funds (including industry-, geography-, or strategy-focused side cars) to reduce the amount of co-investment opportunities available to investors.

Our exercise of discretion in allocating investment opportunities among potential co-investors and in the manner discussed above often will not result in proportional allocations among such co-investors, and such allocations will likely be more or less advantageous to some relative to others. In addition, co-investments will not necessarily be made on the same terms as a Fund's investment in the portfolio investment. For example, co-investors generally pay no management fees or carried interest in connection with the co-investment, or pay them at a lower rate than the investors in the Fund or Funds with which they are co-investing. The portfolio fees received by us in respect of a co-investor's allocable portion of an investment will not typically offset the management fee payable by a TPGRE Vehicle's investors. Co-investors may also acquire their interest in a portfolio investment at the same time as the TPGRE Vehicles or purchase their interest from the applicable TPGRE Vehicles after such TPGRE Vehicles have consummated the investment in the portfolio investment (also known as a post-closing sell down or transfer). In either case, potential co-investors typically do not bear any transaction costs of investments that are not consummated and are not subject generally to the same risks to which a Fund is throughout the investment process. When co-investors purchase their interest from the TPGRE Vehicle after the TPGRE Vehicle has consummated the investment, we determine the price paid by co-investors in our discretion and the TPGRE Vehicle oftentimes will not be entitled to interest on such amounts or the reimbursement of any carrying costs, such as interest expenses on a credit facility borrowing. The price generally will not reflect the full cost incurred by the TPGRE Vehicle in connection with the investment, any interest charge or other carrying costs on the co-investment amount, the cost of establishing the credit facility utilized to acquire the portfolio investment (if applicable) or the risk borne by the TPGRE Vehicle in connection with purchasing and warehousing the investment. Any such co-investors, although they benefit from a TPGRE Vehicle's subscription credit facility, will also not bear any portion of the costs of maintaining the TPGRE Vehicle's subscription credit facility, which, along with the costs of establishing the facility, will be borne entirely by the TPGRE Vehicle. Additionally, conflicts of interest also have the potential to arise to the extent

that a subscription credit facility is used to make an investment that is later sold in part to co-investors, as to the extent co-investors are not required to act as guarantors under the relevant facility or pay related costs or expenses, co-investors nevertheless stand to receive the benefit of the use of the subscription credit facility and neither the relevant TPGRE Vehicle nor investors generally will be compensated for providing the relevant guarantee(s) or being subject to the related costs, expenses and/or liabilities. In addition, any capital contributed to a TPGRE Vehicle by an investor that is used to purchase and warehouse a portion of an investment and that is returned to the investor following the acquisition of such portion of the investment by co-investors will increase such investor's unused capital commitment and will not be taken into account for purposes of calculating the preferred return.

In the event we are not successful in finding co-investors for a particular opportunity, the relevant TPGRE Vehicle will consequently have greater exposure to the related investment opportunity than was intended, which could make the TPGRE Vehicle more susceptible to fluctuations in value resulting from adverse economic or business conditions. Co-investors, including limited partners, Senior Advisory Professionals and affiliated personnel, are sometimes given the option to participate in follow-on investments with respect to a particular investment but are generally not obligated to participate. When co-investors elect not to participate in a follow-on investment, it would likely have the effect of increasing a TPGRE Vehicle's sharing percentage of such follow-on opportunity and reduce alignment between the co-investor, on one hand, and the TPGRE Vehicle and its investors, on the other hand. In addition, to the extent that we engage in a secondary liquidity transaction in connection with an investment, co-investors may not necessarily receive the same liquidity options as investors in a TPGRE Vehicle and may therefore be compelled to receive cash or continue to hold an interest in the investment, depending on the particular facts of the transaction.

The amount of portfolio fees generated as a result of co-investments in connection with any portfolio investment will often not reduce the management fees paid by the TPGRE Vehicles and will therefore be retained by us. The allocation of co-investment opportunities will, in many or all cases, also involve a benefit to us in addition to the receipt of such portfolio fees including the receipt of advisory fees or allocation of carried interest from the co-investor. As a result of the foregoing, we could be incentivized to allocate a greater portion of an investment to a co-investor than it would have otherwise allocated absent such an arrangement or economic terms.

We could charge investors up-front fees to participate in a co-investment (through TPG BD, our registered broker-dealer, or otherwise) or other one-time or ongoing fixed and/or incentive-based compensation. To the extent we earn fees for placing or managing co-investment interests, we would have an incentive to offer more co-investment through these channels, even if it would limit the amount of co-investment opportunities available to the investors. In addition, we (and not the TPGRE Vehicles) will earn this compensation even if a TPGRE Vehicle initially warehouses a portion of an investment that is intended to be syndicated to co-investors (as described above). As a result, the TPGRE Vehicles, and therefore investors, will bear the risk that a co-investment is not ultimately syndicated but we, and not the TPGRE Vehicles, would receive compensation in the event the syndication is ultimately successful.

In the event that we determine to offer an investment opportunity to co-investors, there can be no assurance that we will be successful in offering a co-investment opportunity to a potential co-

investor, in whole or in part, that the closing of such co-investment will be consummated in a timely manner, that the co-investment will take place on the terms and conditions that will be preferable for a TPGRE Vehicle or that expenses incurred by a TPGRE Vehicle with respect to the syndication of the co-investment will not be substantial. The TPGRE Vehicles bear the risk that any or all excess portion of an investment is not sold or is sold on unattractive terms and that, as a consequence, the TPGRE Vehicles may bear the entire portion of any breakup fee or other fees, costs and expenses related to such investment, hold a larger than expected investment in such portfolio investment or may realize lower than expected returns from such investment. In the event that we are not successful in finding co-investors for a particular opportunity, a TPGRE Vehicle may not be able to consummate such investment, and if consummated, the TPGRE Vehicle will consequently have greater exposure to the related investment opportunity than was intended, which could make the TPGRE Vehicle more susceptible to fluctuations in value resulting from adverse economic or business conditions. Moreover, an investment by a TPGRE Vehicle that is not syndicated to co-investors as anticipated could significantly reduce the TPGRE Vehicle's overall investment returns. Therefore, it is possible that a TPGRE Vehicle that overcommits to an investment will bear a disproportionate allocation of the risks associated with the transaction without being compensated for assuming such risks.

Allocation of Fees and Expenses for Broken Deals

We employ the same procedures and principles as described above under “*Allocation of Investment Opportunities*” when allocating fees and expenses incurred in connection with “broken deals,” or potential investments that we actively consider but do not consummate. That is, we generally make fee and expense allocation decisions while a transaction is pending based on our best judgment of the TPGRE Vehicle or Vehicles and/or Related Fund or Funds to which we will ultimately allocate the transaction. This judgment is necessarily subjective, especially when a transaction is terminated at an early stage. When we abandon an opportunity, absent a factual development to the contrary, we will allocate the fees and expenses for such transaction to such Fund or Funds and/or Related Fund or Funds. An investor bears its pro rata share of fees and expenses for transactions that are terminated, including those terminated before the investor's admission into a TPGRE Vehicle. The allocations of fees and expenses among Funds may not be proportional. For example, to the extent one or more Related Funds were involved in a broken deal with one or more TPGRE Vehicles, the fact that the Related Funds at times have different expense reimbursement terms, including with respect to management fee and similar offsets, could result in the TPGRE Vehicles bearing different levels of expenses with respect to the same investment.

The financial position of the relevant TPGRE Vehicle and/or Related Fund could give us an incentive to allocate such fees and expenses to one such TPGRE Vehicle or Related Fund and not another. For example, it would be advantageous to allocate broken deal fees and expenses to a TPGRE Vehicle and/or Related Fund that is not expected to pay carried interest to its general partner, as the fees and expenses would not affect the amount of carried interest paid—it would be zero in any case. Conversely, it typically would be disadvantageous as an economic matter to allocate broken deal fees and expenses to a TPGRE Vehicle and/or Related Fund that is paying carried interest, as doing so would delay and reduce the amount of carried interest paid to the relevant general partner. As with our other allocation decisions, our allocation procedures and

principles are designed to help mitigate the risk that financial incentives implicitly influence the allocation of broken deal fees and expenses.

In addition, as discussed above in Item 5, in certain instances we will evaluate investment opportunities that, if consummated, we would likely offer in part to prospective co-investors, including affiliated co-investors. If such a potential investment is not consummated, the full amount of any expenses relating to such potential but not consummated investment and co-investment (including reverse termination fees, organizational expenses of a portfolio investment extraordinary expenses such as litigation costs and judgments and other expenses) will typically be borne entirely by the applicable TPGRE Vehicle (and any Related Funds that would have participated in such investment), rather than by any such prospective co-investors (including affiliated co-investors). Alternatively, such co-investors could independently pursue such transaction, without reimbursing the TPGRE Vehicles for their broken-deal costs.

Allocation of Other Fees and Expenses

From time to time, we determine whether to allocate certain other fees and expenses among TPGRE Vehicles, Related Funds and TPG. In exercising our discretion to allocate such fees and expenses, we face a variety of potential conflicts of interest. We will generally allocate fees and expenses to be split between us and the TPGRE Vehicles and/or portfolio investments (including fees and expenses incurred in the offering of the TPGRE Vehicle, management of the TPGRE Vehicle, and investment opportunities), in each case in accordance with the TPGRE Vehicle's Governing Documents. To the extent not addressed in the Governing Documents, we generally will allocate such fees and expenses in our sole discretion, in each case in good faith using our best judgment. Because certain expenses are paid for by a TPGRE Vehicle and/or its portfolio investments or, if incurred by us, are reimbursed by a TPGRE Vehicle and/or its portfolio investments, we will not necessarily seek out the lowest cost options when incurring (or causing a TPGRE Vehicle or its portfolio investments to incur) such expenses.

A TPGRE Vehicle may sell down an interest in its portfolio investments to co-investors. Subject to the applicable Governing Documents, we may charge (or may decide not to charge) a co-investor (such as a TPGRE Investor or third party) interest costs for the time period between the closing of the applicable TPGRE Vehicle's investment in a portfolio investment to the date of the transfer of interests in such portfolio investment to the applicable co-investor.

Please see "*Resolution of Conflicts*" above for a description of the means by which we and our related persons may seek to alleviate conflicts of interest among the TPGRE Vehicles or other accounts or persons.

Allocation of Secondary Transfer Opportunities

To the extent we have discretion over a secondary transfer of interests in a TPGRE Vehicle pursuant to such TPGRE Vehicle's Governing Documents, or if we are asked to identify TPGRE Investors or third parties that could potentially acquire an interest being transferred, we will consider the factors listed above under "*Allocation of Co-Investment Opportunities*" in exercising such discretion or making such identification.

Conflicts Related to Transactions with Other TPGRE Vehicles or Related Funds

In certain rare instances, we may cause a TPGRE Vehicle to purchase investments from another TPGRE Vehicle or a Related Fund, or we may cause a TPGRE Vehicle to sell investments to another TPGRE Vehicle or a Related Fund. In connection with such transactions, we, the Related Advisers and/or our professionals may

- have significant investments or intentions to invest in the TPGRE Vehicle or a Related Fund that is selling and/or purchasing such an investment; or
- otherwise have a direct or indirect interest in the investment (such as through certain other participations in the underlying investment).

We and the Related Advisers may receive management or other fees in connection with our management of the relevant TPGRE Vehicles and/or Related Funds involved in such a transaction or in connection with the transaction itself, and may also be entitled to share in the investment profits of the relevant TPGRE Vehicles and/or Related Funds. We, the Related Advisers and our professionals would be presented with certain conflicts of interest in effecting these transactions. To address these conflicts of interest, we will seek to cause a TPGRE Vehicle to engage in such transactions only if we determine that the terms and conditions of such transaction are substantially as advantageous to such TPGRE Vehicle as the terms it would obtain in a comparable arm's-length transaction with a third party. For additional information regarding transactions between TPGRE Vehicles, including a discussion of related conflicts of interest, please see Item 12, under "*Cross Transactions*."

Conflicts Related to Investing Alongside Other TPGRE Vehicles or Related Funds

We expect a TPGRE Vehicle and one or more other TPGRE Vehicles or Related Funds to make investments in the same company or with respect to the same portfolio investment (either directly or indirectly) in accordance with the TPGRE Vehicles' and/or Related Funds' Governing Documents and our allocation policies or procedures. In many such cases, a TPGRE Vehicle will co-invest in lockstep with the other TPGRE Vehicle or Related Fund, with both funds making and exiting the shared investment at the same time and on substantially the same terms. In some situations, however, the TPGRE Vehicle and the other TPGRE Vehicle or Related Fund will have different entry and/or exit timing in the same portfolio investment, acquire the same or a different security or extend credit on different terms or acquire, originate or otherwise make investments in different parts of a portfolio investment's capital structure (as described in "*Conflicts Related to Investing in Different Levels of the Capital Structure*"). For example, a Related Fund could invest in the publicly traded securities of a TPGRE Vehicle portfolio investment, including by purchasing these securities in an initial public offering, in a secondary offering by the TPGRE Vehicle or in the open market. Alternatively, a TPGRE Vehicle could invest in a subsequent financing round of an existing portfolio investment of the other TPGRE Vehicle or Related Fund, assuming receipt of the necessary approvals (if any) from the advisory committees of the respective funds. In these scenarios, given the different entry points, a TPGRE Vehicle and the other TPGRE Vehicle(s) and/or Related Fund(s) are not required to exit their respective investments at the same time and on substantially the same terms. Even when a TPGRE Vehicle and other TPGRE Vehicle(s) and/or Related Fund(s) participate in the same security, loan or other financing extended to a

particular portfolio investment, having invested at the same time and on the same terms, it is possible that, taking into consideration, among other things, the respective terms, commitment periods, structures and investment strategies of each fund, as well as any applicable tax, regulatory or legal restrictions or considerations, a TPGRE Vehicle could exit the shared investment at a different time, at a different effective price or with differing costs or terms than the other TPGRE Vehicle(s) and/or Related Fund(s). For instance, a Related Fund that is close to the end of its commitment period could make a shared investment with a TPGRE Vehicle when such TPGRE Vehicle is at the very beginning of its commitment period. In any such case, the other TPGRE Vehicle's or Related Fund's view of the investment and its interests may diverge from those of the TPGRE Vehicle. This could cause the Related Fund to dispose of, increase its exposure to or continue to hold the investment at a time when the TPGRE Vehicle has taken a different approach, including the TPGRE Vehicle participating in the extension of additional credit to such portfolio investment which such other Related Fund determines not to participate in such issuance. As a result, the actions of the Related Fund could affect the value of the TPGRE Vehicle's investment. For instance, a sale by the Related Fund of its investment could put downward pressure on the value of the TPGRE Vehicle's interest, which such TPGRE Vehicle has opted to hold longer term. The Related Fund is under no obligation to act in a way that furthers or protects the interests of the TPGRE Vehicle. The Related Fund could earn a return on its investment that exceeds the TPGRE Vehicle's return.

In addition, if one TPGRE Vehicle is unable to fund its share of additional capital (e.g., in the event such TPGRE Vehicle does not have sufficient available capital), the other TPGRE Vehicle may be obligated to fund more than its share of such amount. In such event, one TPGRE Vehicle will gain greater exposure to such investment than may have been intended and the other TPGRE Vehicle will be diluted in such investment. The returns of each TPGRE Vehicle may be negatively impacted as a result of the foregoing. Additionally, to the extent a TPGRE Vehicle invests in the same portfolio investment as another TPGRE Vehicle or Related Fund but at a different time, the TPGRE Vehicle typically would be expected to bear a higher level of diligence and transaction fees, costs and expenses than the other TPGRE Vehicle or Related Fund that invested later. We will, in certain circumstances, have an opportunity to acquire a portfolio or pool of loans, debt securities and other instruments that we determine should be divided and allocated among a TPGRE Vehicle(s) or other Related Fund(s). In this situation, the combined purchase price paid to the seller(s) would be allocated among the multiple loans, securities and other instruments being acquired and therefore among the TPGRE Vehicles and Related Funds acquiring any of the loans, securities and other instruments being acquired and therefore among the TPGRE Vehicles and Related Funds acquiring any of the loans, securities and other instruments, although we could, in certain circumstances, allocate value to the Fund and such other TPGRE Vehicles or Related Funds on a different basis than the contractual purchase price (including based on the underlying values of the loans, securities and other instruments in such portfolio(s)). Regardless of the methodology for allocating value, we will have conflicting duties to the TPGRE Vehicles and Related Funds when loans, securities and other instruments are bought together in a portfolio, including as a result of different financial incentives we have with respect to the TPGRE Vehicles and Related Funds, most clearly when the fees and compensation, including performance-based compensation, earned from the TPGRE Vehicles and Related Funds differ. There can be no assurance that a portfolio investment of the TPGRE Vehicles will not be valued or allocated a purchase price that is higher or lower than it might otherwise have been valued or allocated if such portfolio investment were acquired or sold independently rather than as a component of a portfolio shared with other TPGRE

and Related Funds. Similar considerations could apply where multiple TPGRE Vehicles and Related Funds are selling loans, securities and other instruments to a single purchaser as a portfolio.

A TPGRE Vehicle will from time to time invest in opportunities that other TPGRE Vehicles or Related Funds have declined, and likewise, a TPGRE Vehicle will from time to time decline to invest in opportunities in which other TPGRE Vehicle or Related Funds have invested.

Our employees and related persons and those of the other Related Advisers have made, and expect in the future to make, capital investments in or alongside certain TPGRE Vehicles or Related Funds, or in prospective portfolio investments directly or indirectly, and therefore have additional conflicting interests in connection with these investments.

Conflicts Related to Investing in Different Levels of the Capital Structure

The TPGRE Vehicles and Related Funds invest in a broad range of asset classes throughout the corporate capital structure, including loans and debt securities, preferred equity securities and common equity securities; certain Related Funds also engage in short selling. Accordingly, from time to time a TPGRE Vehicle holds an interest in one part of an investment's capital structure while another TPGRE Vehicle or Related Fund holds an interest in another; similarly, a TPGRE Vehicle may hold a "long" position in a portfolio investment that a Related Fund is "short," or vice versa. As TPG's number and range of products grows, we expect the frequency of such practices to increase. In certain circumstances, TPGRE Vehicles' investment professionals may be unaware, as a result of information barriers, of a Related Fund's participation, the size of the Related Fund's investment or otherwise. Decisions taken by the other TPGRE Vehicle or Related Fund in these circumstances to further its interests may be adverse to the interests of the TPGRE Vehicle.

For example, a TPGRE Vehicle could acquire debt securities in a company or other issuer whose equity securities are already held by a Related Fund or a Related Fund could lend to a company in which a TPGRE Vehicle already holds an equity stake. Equity holders and debt holders have different (and often competing) motives, incentives, liquidity goals and other interests with respect to a portfolio investment. As a creditor of the company, the Related Fund could take actions, consistent with its obligations to maximize the return to its investors, that would be adverse to the interests of the TPGRE Vehicle as a holder of more junior securities. The Related Fund, for instance, could cause the acceleration of such other Related Fund's portfolio investment's debt or exercise other rights it has that could precipitate a sharp decline in the value of the equity held by the other Related Fund (for example, initiating a foreclosure action which could create a negative public perception of such Related Fund's portfolio investment and otherwise diminish the value thereof). Likewise, as an equityholder of the company, the other Related Fund could take actions consistent with its obligations to maximize the return to its investors, that would be adverse to the interests of the TPGRE Vehicle as a creditor of the company, including, without limitation, (1) causing a portfolio investment to resist foreclosure actions by entering into bankruptcy, which would have the effect of staying a foreclosure action and delaying a foreclosure process and could potentially result in a reduction or discharge of such portfolio investment's debt, (2) asserting numerous claims, counterclaims and defenses, including, without limitation, lender liability claims and defenses in an effort to prolong a foreclosure action or to force the TPGRE Vehicle's portfolio investment to be restructured, modified or discounted or (3) making other decisions that result in

the company being unable to meet debt service or which could cause the TPGRE Vehicle's portfolio investment to lose value or otherwise be restructured or modified.

In addition, other Related Funds are permitted to participate in a separate tranche of debt financing with respect to a portfolio investment of a TPGRE Vehicle, including in circumstances where a TPGRE Vehicle originates a whole loan and syndicates a portion of a different tranche of such loan to such other Related Fund or Related Funds, or alternatively, such other Related Fund originates a whole loan and syndicates a portion of such loan to a TPGRE Vehicle. Such a transaction could give rise to conflicts of interest, when, for example, another Related Fund makes an investment that is more senior to a TPGRE Vehicle's portfolio investment and has rights that are (or could in the future be) different from or adverse to, the TPGRE Vehicle's portfolio investment. It is also possible that in a bankruptcy or foreclosure proceeding, a TPGRE Vehicle's interest will be subordinated to the interest of another Related Fund with a more senior interest or otherwise adversely affected by virtue of another Related Fund's involvement in such transaction, particularly when such other Related Fund represents the controlling class or is appointed as a special servicer or collateral manager and, as such, is required to make decisions for all investors, including the TPGRE Vehicle. In the foregoing situations or other situations in which there are more senior instruments issued by other Related Funds, such other Related Funds may take actions for their benefit that further subordinate or adversely impact the value of a TPGRE Vehicle's portfolio investment (particularly in situations where a portfolio investment is distressed or otherwise faces financial difficulties, in which case conflicts of interest may be heightened in the event of default or restructuring).

However, in situations where the TPGRE Vehicle and another Related Fund hold investments in different levels of the capital structure of a portfolio investment, we may, to the fullest extent permitted by applicable law, take other steps to reduce the potential for adversity between the TPGRE Vehicle and the other Related Fund, including by causing the TPGRE Vehicle to take certain actions that, in the absence of such conflict, it would not take, such as (a) remaining passive in certain contexts, such as without limitation, a restructuring, foreclosure, refinancing or similar situation (including electing not to vote or voting pro rata with other security holders), (b) investing in the same or similar classes of securities as the other Related Fund in order to align their interests, (c) divesting portfolio investments, (d) maintaining a non-controlling interest in such portfolio investments, (e) forbearing rights, including certain non-economic rights, relating to the TPGRE Vehicle and other Related Fund, such as where we may cause the TPGRE Vehicle or other Related Fund to decline to exercise certain control- and/or foreclosure-related rights with respect to a portfolio investment (including following the vote of other third-party lenders generally or otherwise recusing itself with respect to decisions), including with respect to defaults, foreclosures, workouts, restructurings and/or exit opportunities, subject to certain limitations or (f) otherwise taking an action designed to reduce adversity. Any such step could have the effect of benefiting another Related Fund (or us) and therefore may not have been in the best interests of, and may have been adverse to, the TPGRE Vehicle (or another Related Fund). A similar standard generally will apply if another Related Fund makes an investment in a company or asset in which a TPGRE Vehicle holds an investment in a different class of such company's or portfolio investment's debt or equity securities or asset. Investments by more than one of our clients in a portfolio investment also raise the risk of using assets of one of our clients to support positions taken by other clients of ours. For example, it raises the risk that we have an incentive to cause a portfolio investment of a TPGRE Vehicle to select a Related Fund as a lender or offer financial or other terms that are

favorable to such Related Fund and less favorable than a TPGRE Vehicle, as an equityholder, would otherwise desire. Similar conflicts could arise to the extent that TPG BD holds securities of a portfolio investment. Other Related Funds are under no obligation to take into account the TPGRE Vehicles' interests in advising their portfolio investments or otherwise managing their assets and are under no obligation to take any action or refrain from taking any action to prevent or mitigate any losses by a TPGRE Vehicle. In addition, as certain Related Funds that invest in loans and debt securities are advised by Related Advisers on the other side of an information barrier from us, it is expected that the Related Fund will not take the TPGRE Vehicle's interest into account in such transactions described above.

In addition to the foregoing, a TPGRE Vehicle may provide financing to third parties that are purchasing real estate or real estate-related assets or businesses from one or more other Related Funds. The approval of the TPGRE Vehicle's advisory committee will not be required for the Fund to provide such financing.

Notwithstanding anything to the contrary, in any of the foregoing circumstances, or in any other circumstance in which the TPGRE Vehicles and another Related Fund (or portfolio investment thereof) hold interests in different parts of the capital structure of a portfolio investment, such funds (and such portfolio investment) are under no obligation to take any action or refrain from taking any action to prevent or mitigate any losses of the other.

In any of the circumstances described above, we will at times take steps to reduce the potential conflicts of interest between the various TPGRE Vehicles and Related Funds, including causing a TPGRE Vehicle to take certain actions that, in the absence of such conflict, it would not take (or abstain from taking certain actions it would otherwise take). Any such steps could have the effect of benefiting one TPGRE Vehicle, Related Fund or us at the expense of a TPGRE Vehicle.

The application of a TPGRE Vehicle's Governing Documents and our policies and procedures are expected to vary based on the particular facts and circumstances surrounding each investment by two or more TPGRE Vehicles or Related Funds in different classes of a company's capital structure (as well as across multiple issuers or borrowers within the same overall capital structure) and, as such, there may be a degree of variation and potential inconsistencies, in the manner in which potential or actual conflicts are addressed.

Conflicts Related to where TPGRE Vehicles or Related Funds Hold Related Investments

Other TPGRE Vehicles and/or Related Funds hold a number of existing real estate and real estate-related investments and will in the future make further such investments. A TPGRE Vehicle is permitted to make investments in those same companies or assets or in related companies or assets. For example, other TPGRE Vehicles and Related Funds have made (or have considered making) investments in, and are expected to continue to invest in (or consider investing in), various tranches of commercial real estate debt securities such as CMBS and commercial real estate CLO debt securities, including subordinated classes of CLOs and other similar structured finance investments secured by a pool of mortgages or loans (collectively, "SFIs"). Certain TPGRE Vehicles are permitted to invest in the same or different tranches of those same CMBS securitizations and other SFIs, purchase loans that are part of the pool of loans relating to a CMBS securitization or other SFI in which another TPGRE Vehicle and/or Related Fund holds an

investment or engage in transactions relating to the real estate assets that secure the pooled loans or with the assets or entities that are the borrowers under those loans.

In the foregoing circumstances, we could have conflicts between our duties to a TPGRE Vehicle and such other TPGRE Vehicle or Related Fund. For example, we could have an incentive to cause a TPGRE Vehicle to pay a higher purchase price (whether in an auction, the exercise of a fair value purchase option or otherwise) for a loan or related property that is collateral for a CMBS security or other SFI held by another TPGRE Vehicle or Related Fund. If a TPGRE Vehicle controls or acts as the operating advisor to a special servicer with respect to a loan in a CMBS securitization in which another TPGRE Vehicle or Related Fund holds CMBS or other SFI in a different tranche of the securitization, we similarly could have conflicting loyalties in directing the actions of the special servicer with respect to the loan if the interests of the TPGRE Vehicle and the other TPGRE Vehicle or Related Fund diverge. Likewise, if another TPGRE Vehicle and/or Related Fund controls or acts as the operating advisor to a special servicer with respect to a loan in a CMBS securitization or other SFI in which a different TPGRE Vehicle holds CMBS or another SFI in a different tranche of the securitization, the other TPGRE Vehicle and/or Related Fund may direct the special servicer or collateral manager to take certain actions with respect to the loan that may not be in the best interests of the other TPGRE Vehicle.

Conflicts Related to Asset Pooling

Certain TPGRE Vehicles may pool certain or all of its portfolio investments with one or more other TPGRE Vehicles and/or Related Funds (any such pool, an “Asset Pool”), including for the purposes of obtaining leverage or other financing, or seeking a full or partial exit from one or more investments including through securitization. In such circumstances an Asset Pool may be managed or controlled by us or any of our affiliates (including other Global Vehicles or Related Funds) and securities or other interests in the Asset Pool will be owned by the TPGRE Vehicles and other Related Funds. The consummation of any such transaction will generally not require the approval of a TPGRE Vehicle’s advisory committee or investors and will involve the exercise of our discretion with respect to a number of material matters, which is expected to give rise to actual or potential conflicts. For example, in connection with such transactions, we will have broad discretion to determine whether and to what extent such a transaction constitutes a disposition of the contributed assets under the terms of the Governing Documents, to determine the proportionate interest of the TPGRE Vehicle and the other Related Funds in the Asset Pool (or particular classes or tranches of securities or other interests in the Asset Pool), which will require us to determine the relative value of assets contributed to the Asset Pool and value of securities or interests (or particular classes or tranches thereof) issued by the Asset Pool, and to determine how interests in or proceeds from the Asset Pool are attributed to those investors and other investors that participated in such contributed assets, each of which may have a material impact on investors’ returns in respect of such portfolio investments or the TPGRE Vehicle more generally. In making these determinations, we reserve the right, but are not required to, engage or seek the advice of a third-party independent expert. However, even if such advice was sought, valuing such assets and interests and, therefore, the value of a TPGRE Vehicle’s interest in, or proceeds received from, any Asset Pool, will be subjective. A TPGRE Vehicle will generally be exposed to the performance of all assets in an Asset Pool and those investments contributed to the Asset Pool by the other TPGRE Vehicles and/or Related Funds may not perform as well as those portfolio investments contributed by a TPGRE Vehicle. Accordingly, the returns of a TPGRE Vehicle in

respect of portfolio investments contributed by it may be lower than if they had not been contributed to the Asset Pool. The receipt, use and recontribution by such Asset Pools of any such proceeds shall not be considered distributions received by, or contributions made by, a TPGRE Vehicle or investors for purposes of the Governing Documents (including, for example, that such proceeds would not reduce or increase, as the case may be, the remaining unfunded capital commitments of investors, will not be subject to the investment limitations applicable to a TPGRE Vehicle's actual or prospective portfolio investments, will not be subject to a TPGRE Vehicle's waterfall, will not be subject to any preferred return and will not be subject to any requirements under the Governing Documents with respect to the timing of distribution of proceeds) and may result in higher or lower reported returns than if such proceeds had otherwise been distributed (or deemed distributed) to a TPGRE Vehicle or investors.

Conflicts Related to Related Securitizations and Other Activities

Certain TPGRE Vehicles may invest in securitizations or asset-backed securities, including (a) CLOs for which we or our affiliate (including another TPGRE Vehicle and/or Related Fund) serves as collateral manager (a "TPG CLO"), (b) securitizations originated or sponsored by other TPGRE Vehicles and/or Related Funds and (c) any other securitizations in which we or another TPGRE Vehicle and/or Related Fund may be involved or hold interests (including any refinancings thereof and purchases on the secondary market) (collectively, "Related Securitizations"). The TPGRE Vehicles are permitted to invest in securitizations alongside other TPGRE Vehicles and/or Related Funds and on different terms than other TPGRE Vehicles and/or Related Funds and other TPGRE Vehicles and/or Related Funds may be sponsoring such securitizations and retaining an interest in the equity and/or debt tranches thereof or participating separately as purchasers in such securitizations. As such, a TPGRE Vehicle is permitted to invest in the same or different tranches of the same securitizations as other TPGRE Vehicle and/or Related Funds or otherwise at different levels of the capital structure and a TPGRE Vehicle or any other TPGRE Vehicle and/or Related Fund may own a substantial portion of any tranche in which it participates. In such circumstances, the TPGRE Vehicle and other TPGRE Vehicle and/or Related Fund are expected to have potentially conflicting interests and may potentially be adverse to each other. An investment by a TPGRE Vehicle may be a minority investment and/or may be in a non-controlling tranche of interests. Another TPGRE Vehicle and/or Related Fund may control the tranche in which the TPGRE Vehicle invests or may hold interests in a different tranche that controls decisions for the entire securitization. In such case, decisions made for such other TPGRE Vehicle and/or Related Fund in such other TPGRE Vehicle's and/or Related Fund's best interest may be directly adverse to the TPGRE Vehicle's best interest (including decisions that result in forced redemptions or refinancings, amendments to securitization terms, rights to direct remedies and other actions or determinations). Accordingly, we reserve the right to take action, give direction or vote on behalf of a TPGRE Vehicle in a manner that is consistent, different or opposite from the action, direction or vote it may take in connection with the investments in the same or different tranches of the same securitization by other TPGRE Vehicles and/or Related Funds.

If, during any period in which any assets of a TPGRE Vehicle are held in a TPG CLO, the TPGRE Vehicle pays or bears any fee payable to us in respect of any such TPG CLO (a "TPG CLO Fee"), then, during such period either (i) such fee will reduce the management fees payable by investors (but not below zero) or (ii) the basis against which such management fees are charged will be deemed to exclude the portion attributable to such TPG CLO, as determined by us in our sole

discretion. We will determine in our reasonable discretion whether any tranche(s) of any TPG CLO are held as part of the assets of a TPGRE Vehicle, and therefore whether the TPGRE Vehicle (through such portfolio investment) bears any such TPG CLO Fee.

In addition, while portfolio investments made by a TPGRE Vehicle in TPG CLOs will provide for a reduction in management fees otherwise payable by investors, to the extent investors pay or bear fees payable to us in respect of a special servicer, collateral manager or sponsor role for any TPG CLO, there will not be any offset for any fees or other compensation payable to us or any other TPGRE Vehicles and/or Related Funds associated with securitizations originated or sponsored by other TPGRE Vehicles and/or Related Funds, including any fees or other benefits other TPGRE Vehicles and/or Related Funds may directly or indirectly receive from any affiliates acting as a servicer in such securitizations. Accordingly, we may receive greater total fees, carried interest and other compensation as a result of a TPGRE Vehicle investing in such Related Securitizations than we would receive if a TPGRE Vehicle invested in other investment products not affiliated with us or any other TPGRE Vehicle and/or Related Fund (including, where we do not receive fees or compensation from any such an Related Securitization itself, by receiving greater fees, carry or other compensation from another TPGRE Vehicle and/or Related Fund that has originated or is otherwise involved with such securitization).

The TPGRE Vehicles will generally be excluded from voting to remove and replace TPG entities as collateral manager, servicer or other parties in certain Related Securitizations.

Conflicts Related to Other Investments by TPGRE Vehicles and Related Funds

Given the breadth of TPG's portfolio across platforms, we expect a TPGRE Vehicle or a Related Fund from time to time to invest in a competitor or customer of, or service provider or supplier to, a portfolio investment of another TPGRE Vehicle. This would give rise to a variety of conflicts of interest. For example, a Related Fund or its portfolio investment may take actions for commercial reasons that have adverse consequences for the TPGRE Vehicle or its portfolio investment, such as developing properties, pursuing tenants or seeking to increase its market share at the TPGRE Vehicle portfolio investment's expense (as a competitor), withdrawing business from one of the TPGRE Vehicle's portfolio investments in favor of a competitor that offers the same product or service at a more competitive price (as a customer), increasing prices in lock-step with other enterprises in the industry (as a supplier) or commencing litigation against one of the TPGRE Vehicle's portfolio investments (in any capacity) all of which could increase such portfolio investment's expenses or negatively impact such portfolio investment's revenues and income from operations thereby making it more difficult for such portfolio investment to meet its debt service obligations. Another TPGRE Vehicle or a Related Fund may also obtain information while dealing with its portfolio investments that it is prohibited from acting on or disclosing to another TPGRE Vehicle or its portfolio investment as a result of confidentiality requirements or applicable law, even though such action or disclosure would be in the TPGRE Vehicle's interests (e.g., when another TPGRE Vehicle or Related Fund holds an interest in a portfolio investment that goes into bankruptcy or reorganization, becomes insolvent or otherwise experiences financial distress or is unable to meet its payment obligations or comply with covenants relating to securities held by a TPGRE Vehicle). In addition, to the extent not restricted by confidentiality requirements, we generally will apply the experience obtained by managing a TPGRE Vehicle to benefit other TPGRE Vehicles and/or Related Funds. Related Advisers are under no obligation to take into

account the other TPGRE Vehicles' interests in advising their portfolio investments or otherwise managing their assets.

Conflicts Related to Providing Debt Financings in Connection with Acquisitions by Third Parties of Assets Owned by Other TPGRE Vehicles or Related Funds (and vice versa)

Certain TPGRE Vehicles may provide financing as part of a third-party purchaser's bid or acquisition of (or investment in) a portfolio investment of another TPGRE Vehicle and/or Related Fund (or in connection with acquisitions by one or more other TPGRE Vehicles and/or Related Funds or their affiliates of assets or interests (and/or portfolios) owned by a third-party). A TPGRE Vehicle may provide financing (1) as part of the bid or acquisition by a third party to acquire interests in (or otherwise make an investment in the underlying assets of) a portfolio investment owned by one or more other TPGRE Vehicles and/or Related Funds or their affiliates and/or (2) with respect to one or more portfolio investments in connection with a proposed acquisition or investment by one or more other TPGRE Vehicles and/or Related Funds or their affiliates relating to such portfolio investments. This may include making commitments to provide financing at, prior to or around the time that any such purchaser commits to or makes such investments. A TPGRE Vehicle may also make investments and provide debt financing with respect to portfolio investments in which other TPGRE Vehicles and/or Related Funds and/or their affiliates hold or propose to acquire an interest. While the terms and conditions of any such arrangements will generally be based on market terms, the involvement of a TPGRE Vehicle and/or such other TPGRE Vehicles and/or Related Funds or affiliates may affect the terms of such transactions or arrangements (including credit decisions) which may affect our decisions with respect to the management of a TPGRE Vehicle and/or our management of other TPGRE Vehicles and/or Related Funds and/or the relevant portfolio investments or otherwise give rise to conflicts of interest which may adversely impact a TPGRE Vehicle. For example, such transactions may involve the partial or complete payoff of such loans (with related proceeds being received by the applicable other TPGRE Vehicles and/or Related Funds) and/or otherwise result in restructurings of terms and pricing relating to such existing loans with the borrowers thereof in respect of which such other TPGRE Vehicles and/or Related Funds may receive refinancing proceeds and/or a retained interest in such loans in accordance with such restructuring arrangements.

Conflicts Related to Loan Refinancings

We may from time to time seek to participate in investments relating to the refinancing of loans held by other TPGRE Vehicles or Related Funds. While it is expected that our participation in connection with such refinancing transactions will be at arms' length and on market terms, such transactions may give rise to potential or actual conflicts of interest.

Conflicts Arising from Other Investment Activities of the TPGRE Vehicles and Related Funds – Possession of Material Non-Public Information

The TPGRE Vehicles, Related Funds and investment platforms regularly obtain non-public information regarding target companies and other investment opportunities. Since we do not currently maintain permanent information barriers among many of its businesses, we generally impute non-public information received by one investment team to all other investment professionals, including all of the personnel who make TPGRE Vehicle investments. In the

absence of an information barrier between businesses, if a TPGRE Vehicle or Related Fund receives non-public information with respect to a company, other TPGRE Vehicles would face, as a result of securities law prohibitions on trading on the basis of material non-public information, restrictions on their ability to pursue a transaction with that company or dispose of an investment. Moreover, the confidentiality agreements the TPGRE Vehicles and Related Funds enter into often include provisions, such as “standstills,” that would prevent the TPGRE Vehicles from making an investment, potentially for extended periods.

In addition, some Related Funds regularly trade securities and debt instruments in the secondary market. In the absence of information barriers, a TPGRE Vehicle’s receipt of non-public information on a particular company would, as a result of securities laws or applicable industry conventions (such as with respect to secondary loan trading), generally restrict the trading activities of these Related Funds with respect to that investment. Moreover, the operation of certain Governing Document provisions could impair another TPGRE Vehicle’s or Related Fund’s ability to trade the securities or debt instruments of a company if a TPGRE Vehicle invests in that company. In certain circumstances, we may have an incentive to avoid taking actions that would impede the operation of another TPGRE Vehicle or Related Fund. For example, a TPGRE Vehicle may decline to receive non-public information on a company or otherwise pursue an investment opportunity if doing so would prevent Related Funds from trading securities or debt instruments currently in their portfolio or of interest to them.

In limited circumstances, we erect temporary information barriers to restrict the transfer of non-public information between Related Funds and TPGRE Vehicles to avoid the restrictions described in the preceding paragraphs. We may also do so for commercial reasons – for instance, if a portfolio investment requires that a TPGRE Vehicle keep information about the portfolio investment and/or its affiliates confidential and not disclose it to other TPG platforms. In these instances, however, a TPGRE Vehicle’s ability to benefit from our expertise outside any such barrier will be limited. In addition, in the event that a temporary information barrier designed to protect a TPGRE Vehicle is breached, even if inadvertently, the TPGRE Vehicle will likely face the same restrictions on its investment activities as it would have faced had the temporary information barrier not been established in the first place.

Conflicts Arising from Other Investment Activities of the TPGRE Vehicles and Related Funds – Walled-Off Businesses

While we generally allow for information to flow freely among many of our investment platforms, we place certain businesses behind information barriers. Currently, for example, Angelo, Gordon & Co., L.P. and AGTB Fund Manager, LLC and their affiliated entities are on the other side of an information barrier from us. Given that we have “walled off” these businesses from TPG’s private equity business, they generally do not have access to information about the TPGRE Vehicles and their investments and have different day-to-day management from the TPGRE Vehicles. Accordingly, these “walled-off” businesses may not be subject to certain restrictions otherwise applicable to our affiliates under certain TPGRE Vehicles’ Governing Documents. For example, these businesses and their dedicated personnel generally are authorized to:

- make investments without regard to the TPGRE Vehicles’ investment allocation provisions or the allocation principles described above;

- invest in portfolio companies of the TPGRE Vehicles;
- receive payments from TPGRE Vehicles' portfolio companies without applying those amounts to offset the management fee payable by investors; and
- enter into transactions with TPGRE Vehicles' portfolio companies.

However, other restrictions relevant to our affiliates will apply to “walled-off” businesses. For example, “walled-off” businesses are typically subject to a TPGRE Vehicle’s successor fund limitation, and we would generally need a TPGRE Vehicles’ advisory committee approval for a TPGRE Vehicle to acquire an investment from or dispose an investment to a “walled-off” business in a transaction that is directly negotiated between a TPGRE Vehicle and any such “walled-off” business. While information barriers are designed to restrict the flow of information between certain businesses, there can be no assurances that such barriers would not be breached, inadvertently or otherwise, including with respect to information regarding investment opportunities, deal pipelines and strategy, which could result in greater restrictions in a TPGRE Vehicle’s or Related Fund’s investment activities, and implicate certain of the risks and conflicts described in *Conflicts Arising from Other Investment Activities of the TPGRE Vehicles and Related Funds – Possession of Material Non-Public Information*. Further, we evaluate the scope and necessity of such information barriers from time to time, and such information barriers may be adjusted or fully removed at any time in our determination.

In addition, there can be no assurance that any such information barrier policies and/or procedures will be effective in accomplishing their stated purpose and/or that they will not otherwise adversely affect the ability of the TPGRE Vehicles to effectively achieve their investment objective by unduly limiting the investment flexibility of the TPGRE Vehicles and/or the flow of otherwise appropriate information between us and other business units at TPG. For example, in some instances, TPG personnel may be unable to assist with the activities of a TPGRE Vehicle as a result of these walls. There can be no assurance that additional restrictions will not be imposed that would further limit our ability to share information internally. As a consequence of an information barrier, information that could be of benefit to a TPGRE Vehicle, might become restricted to those other respective businesses and otherwise be unavailable to such TPGRE Vehicle.

Conflicts Arising from Other Investment Activities of the TPGRE Vehicles and Related Funds – Certain Bankruptcy Implications

TPGRE Vehicles and/or the Related Funds will in certain instances own a significant or controlling percentage of the common equity of portfolio investments which, depending upon the amount of equity owned by them, any relevant contractual arrangements between such portfolio investment and the participating Funds and other relevant factual circumstances, could result in an extension to one year of the ninety-day bankruptcy preference period with respect to payments made to a TPGRE Vehicle and/or subordination of its claims to other creditors and/or recharacterization of debt claims into equity claims. In addition, due to equity ownership, representation on the boards of directors and/or contractual rights, as applicable, the TPGRE Vehicles and the Related Funds will typically be deemed to control, participate in the management of or influence the conduct of portfolio investments. The effect of these relationships will vary from jurisdiction to jurisdiction.

These factors could expose the assets of a TPGRE Vehicle to claims by a portfolio investment, its security holders, its creditors or governmental agencies.

If a TPGRE Vehicle purchases in the secondary market at a discount debt securities of a company in which a TPGRE Vehicle has, for example, a substantial equity interest, (i) a court might require a TPGRE Vehicle to disgorge profit it realizes if the opportunity to purchase such securities at a discount should have been made available to the issuer of such securities or (ii) a TPGRE Vehicle might be prevented from enforcing such securities at their full face value if the issuer of such securities becomes bankrupt. The effect of these transactions will vary from jurisdiction to jurisdiction.

We may serve on committees in proceedings under Chapter 11 of the U.S. Bankruptcy Code or prior to such filings, and this involvement, for which we may be compensated, may limit or preclude the flexibility that the TPGRE Vehicles would otherwise have to make investments.

Conflicts Relating to the Use of Leverage

Certain TPGRE Vehicles utilize various forms of leverage in connection with their investments and operations. The use of borrowed funds creates the opportunity for greater total returns and allows us to better manage a TPGRE Vehicle's cash flows, but at the same time involves risks and potential conflicts of interest. We describe certain of the significant risks and conflicts below.

Fund-Level Borrowing

Governing Document Parameters for Fund-Level Borrowing

From time to time, TPGRE Vehicles (including on a joint and several basis with its related investment entities) incur indebtedness for borrowed money to:

- pay TPGRE Vehicle expenses (including management fees),
- make or facilitate new or follow-on investments,
- make payments under guarantee, surety or hedging transactions,
- fund the payment of any withholding or other tax or governmental charge on behalf of or with respect to any investor,
- cover any shortfall in capital contributions resulting from failure to meet a Fund's capital call timeline, excuse or exclusion, and
- make or facilitate timely distributions of proceeds from investments that have been subject to a disposition .

We refer to borrowings by a TPGRE vehicle as "fund-level borrowing."

Certain Risks and Costs of Fund-Level Borrowing

Fund-level borrowing gives rise to risks and costs. For example, because amounts borrowed under a credit facility will likely be secured by pledges of our right to call capital from a TPGRE Vehicle's investors and, in limited circumstances, may also be secured by other TPGRE Vehicle assets, a lender may foreclose on the pledged collateral, including the investors' capital commitments and, only if applicable, the TPGRE Vehicle's investments, if the Fund fails to repay the amounts borrowed under a credit facility or experiences another event of default. Moreover, any investor claim against the TPGRE Vehicle would likely be subordinate to the TPGRE Vehicle's obligations to the credit facility's creditors.

In addition, fund-level borrowing will result in additional partnership expenses that will be borne by the TPGRE Vehicle's investors. As described below, these expenses include interest on the amounts borrowed, unused commitment fees on the committed but unfunded portion of the credit facility, an upfront fee for establishing a credit facility and other one-time and recurring fees and/or expenses as well as legal fees relating to the establishment, structuring and negotiation of the terms of the credit facility, as well as expenses relating to the maintenance, renegotiating, or terminating the credit facility. Because the credit facility's interest rate is based in part on the creditworthiness of all the TPGRE Vehicle's underlying investors and the terms of the applicable Governing Documents, it may be higher than the interest rate a single investor could obtain individually. To the extent a particular investor's cost of capital is lower than the TPGRE Vehicle's cost of borrowing, fund-level borrowing can negatively impact an investor's overall individual financial returns even if it increases the Fund's reported net returns, as described below.

A credit agreement or borrowing facility frequently will contain other terms that restrict the activities of the TPGRE Vehicle and the investors or impose additional obligations on them. For example, certain lenders or facilities may impose restrictions on the ability of the TPGRE Vehicle's general partner to consent to the transfer of an investor's interest in the TPGRE Vehicle or impose concentration or other limits on the TPGRE Vehicle's investments, and/or financial or other covenants, that could affect the implementation of the TPGRE Vehicle's investment strategy. In addition, in order to secure the credit facility, we may request certain financial information and other documentation from investors to share with lenders. We often have significant discretion in negotiating the terms of any credit facility and reserve the right to agree to terms that are not the most favorable to one or all investors.

The use of fund-level borrowings will differ based on available credit facility capacity and contractual terms applicable to each TPGRE Vehicle and each such credit facility. Therefore, as the subscription credit facilities utilized by the TPGRE Vehicles may have different terms, while the TPGRE Vehicles may be invested in the same investment, and while the valuation of such investment would be consistently determined pursuant to the relevant Governing Documents, the investment return can, in certain circumstances, differ among the TPGRE Vehicles as a result.

Fund-level borrowing involves a number of additional risks. For example, drawing down on a credit facility allows us to fund investments and pay TPGRE Vehicle expenses without calling capital, potentially for extended periods of time. Calling a large amount of capital at once to repay the then-current amount outstanding under the credit facility could cause liquidity concerns for investors that would not arise had we called smaller amounts of capital incrementally over time as

needed by the TPGRE Vehicle. This risk would be heightened for an investor with commitments to other funds that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring the investor to meet the accumulated, larger capital calls at the same time. We may also utilize fund-level borrowing to pay management fees and to reimburse the general partners for expenses incurred on behalf of the TPGRE Vehicles. We may also utilize fund-level borrowing when we expect to repay the amount outstanding through means other than investor capital, including as a bridge for equity or debt capital at a portfolio investment. If we are ultimately unable to repay the borrowings through those other means, investors would end up with increased exposure to the underlying investment, which could result in greater losses in a declining market.

Our Incentives to Engage in Fund-Level Borrowing

We have incentives to engage in fund-level borrowing notwithstanding the expense and risks that accompany it. For example, we intend to present certain performance metrics, such as investor net internal rate of return (“IRR”) and net multiples-of-money, in the TPGRE Vehicle’s periodic reports and marketing materials for other TPGRE Vehicles and Related Funds. These performance metrics measure investors’ actual cash outlays to, and returns from, the TPGRE Vehicle and thus depend on the amount and timing of investor capital contributions to the TPGRE Vehicle and TPGRE Vehicle distributions to investors. To the extent the TPGRE Vehicle uses borrowed funds in advance or in lieu of calling capital, investors make correspondingly later or smaller capital contributions. Also, borrowing to make distributions of proceeds from an investment enables investors to receive distributions earlier. As a result, the use of borrowed funds generally results in the presentation of higher performance metrics than simply calling capital, even after accounting for the attendant interest expense.

Fund-level borrowing can also affect the preferred return investors receive, as well as the carried interest the general partner receives, as preferred return and carried interest generally depend on the amount and timing of capital contributions and distributions of proceeds. In particular, the preferred return typically begins to accrue after capital contributions are due (regardless of when a TPGRE Vehicle borrows, makes the relevant investment or pays expenses) and ceases to accrue upon return of these capital contributions. Using borrowing to shorten the period between calling and returning capital limits the amount of time the preferred return will accrue. Since a TPGRE Vehicle generally does not pay preferred return on funds borrowed in advance or in lieu of calling capital, fund-level borrowing will therefore reduce the amount of preferred return to which a TPGRE Vehicle’s investors would otherwise be entitled had we called capital, and thus could allow the TPGRE Vehicle’s general partner to receive carried interest sooner than it would without borrowing.

Impact on Management Fee Calculation

The management fee payable by investors in certain TPGRE Vehicles depends on the amount of the investors’ “actively invested capital contributions.” An investor’s “actively invested capital contributions” generally includes its share of (i) the unfunded portion of any delayed funding investments and (ii) any outstanding indebtedness, guarantees or other credit support incurred or otherwise provided in respect of investments in lieu of a drawdown of capital commitments. Therefore an investor would generally pay management fees on borrowed amounts used to fund

investments that have not yet been realized even though such amounts would not accrue preferred return as described above.

Fund Credit Facility

We expect the TPGRE Vehicles to enter into one or more credit facilities (commonly referred to as “subscription lines” or a “subscription facility”) as credit parties. For tax, legal, regulatory, administrative or similar reasons, we expect to use special financing subsidiaries of the TPGRE Vehicles to engage directly in borrowing in lieu of, and with full credit support from, the TPGRE Vehicles. In the following discussion, we refer to these facilities collectively as the “credit facility.” We will determine the credit facility’s administrative agent, lenders and terms (and any amendment, extension, refinancing, replacement or termination of the credit facility) without seeking the consent of investors or the TPGRE Vehicle’s advisory committee.

The credit facility will allow revolving borrowings up to a specified principal amount that will be determined based in part on a TPGRE Vehicle’s capital commitments and the lenders’ assessment of the creditworthiness of each investor. The lenders are likely to provide the TPGRE Vehicle varying levels of credit, or no credit at all, for different investors, but all investors would still participate in the benefits and risks associated with the credit facility’s use as described below. Generally, we expect the credit facility to provide for a specified maturity date, but the lender will have the ability to demand early repayment in the event of a default. The TPGRE Vehicle will pay interest on amounts borrowed under the credit facility and will also pay a fee on the undrawn portion of the credit facility. We further expect the TPGRE Vehicles to pay a one-time fee for establishing a credit facility as well as certain other one-time and recurring fees and/or expenses. To the extent provided in the Governing Documents, any such borrowing may remain outstanding for such time as we deem appropriate, potentially including through disposition of such investment.

Amounts borrowed under the credit facility will likely be secured by pledges of the general partner's right to call capital from, and the right of the TPGRE Vehicles to receive amounts funded by, investors. The Governing Documents specifically permits us to make such pledges. The credit facility could also be secured by other collateral, including a TPGRE Vehicle's investments, and any investor claim against the TPGRE Vehicle would likely be subordinate to the TPGRE Vehicle's obligations to the credit facility's creditors.

Utilizing the credit facility to borrow funds in advance or in lieu of calling capital affords us flexibility to manage cash flows to and from investors and ease investors' burden of responding to multiple capital calls. It also allows the TPGRE Vehicles to act more quickly on investment opportunities, since the period of time to draw capital under a credit facility is typically shorter than the period required for calling capital from investors. However, as discussed above, utilizing borrowed funds involves risks and conflicts of interest.

While Funds tend to be the only TPGRE Vehicles to engage in fund-level borrowing, the following discussion assumes that Co-Investment Vehicles also borrow from time to time.

Other Forms of Financing

In addition to fund-level borrowing, we are generally able to utilize leverage at the level of a portfolio investment including the incurrence of debt under a NAV facility, or at the level of one or more borrowing subsidiaries or special purpose vehicles formed to invest in or hold one or more portfolio investments. Borrowings by entities other than a TPGRE Vehicle that are generally not directly, partially or fully recourse to a TPGRE Vehicle in the ordinary course will not constitute indebtedness for the purpose of applying the Governing Documents' limitations on borrowings.

TPGRE Vehicles invest from time to time in portfolio investments whose capital structures have significant leverage. Although we seek to use leverage in a prudent manner, the leveraged capital structure of investments increases the exposure of the portfolio investments to adverse economic factors such as rising interest rates, downturns in the economy or deteriorations in the condition of the portfolio investments or their industries. The incurrence of significant indebtedness could also subject portfolio investments to restrictive covenants, terms and conditions, the violation of which would be viewed by creditors as an event of default and which could require the prepayment of debt using excess cash flow. Any such restrictive covenants, terms and conditions could also limit such portfolio investments' ability to respond to changing industry conditions, make necessary capital expenditures, obtain additional financing, take advantage of growth opportunities or engage in strategic acquisitions.

NAV Facilities

The TPGRE Vehicles and/or one or more borrowing subsidiaries may enter into net asset value-based facilities (each such facility a "NAV Facility"). In connection with such transactions, the general partner may pledge all or certain of a TPGRE Vehicle's or a borrowing subsidiary's investments, including, for the avoidance of doubt, portfolio investments, including on a cross-collateralized basis, without taking into account the potential for non-pro rata investments by investors as a result of any particular investor's opt-out rights. An investor may also be required to fund amounts to repay borrowings under a NAV Facility incurred in connection with an

investment or managing the TPGRE Vehicle's investment portfolio even if such investor did not participate in the relevant investment(s) in connection with which such borrowings were incurred. NAV Facility lenders may foreclose on the TPGRE Vehicle's assets if the TPGRE Vehicle fails to repay the amounts borrowed under a NAV Facility or experiences another event of default.

Special Purpose Vehicle Leverage

A borrowing subsidiary or any other special purpose vehicle we form to hold one or more investments may also engage in borrowing. For example, special purpose vehicles could enter into asset-backed loan arrangements, including a "margin loan" whereby they borrow money from a bank and pledge the interests in one or more portfolio investments (or other assets) as collateral for the loan. The special purpose vehicles could then use the loan proceeds for a variety of purposes, including to make investments (including follow-ons in the portfolio investments subject to the loan arrangement or new and unrelated investments), to pay expenses or to distribute the proceeds to a TPGRE Vehicle for further distribution to investors. Under these arrangements, the special purpose vehicle would typically be subject to a margin call if the value of the underlying assets decreases significantly. In order to meet the margin call, the special purpose vehicle will need additional assets to avoid foreclosure, in which case the TPGRE Vehicle could decide to contribute additional capital to the special purpose vehicle to avoid adverse consequences to the investment(s), including foreclosure on the collateral at a lower valuation. This type of leverage may be incurred by a single special purpose vehicle or by multiple vehicles, and may be collateralized by a single investment or multiple TPGRE Vehicle investments). Similarly, special purpose vehicles that hold one or more investments (including all of a TPGRE Vehicle's investments) may issue preferred equity or other equity- or debt-like instruments to third-parties that have many characteristics of leverage, and use the proceeds thereof for similar purposes. Borrowing pursuant to any such special purpose vehicle financing arrangement, except to the extent such borrowings are directly recourse to the TPGRE Vehicles in the ordinary course, would not constitute indebtedness of a TPGRE Vehicle for purposes of applying the Governing Document's limitations on borrowings. Due to the highly collateralized nature of these arrangements, the negative performance of one asset may materially and adversely impact the performance of other investments or a TPGRE Vehicle as a whole. Investors with no or different interests in certain investments (e.g., due to exercise of excuse rights, for example) would nevertheless be exposed to risks associated with a TPGRE Vehicle's investment in such investments.

Certain Risks and Costs of Leverage Below a TPGRE Vehicle

Even though it presents many of the same risks as fund-level borrowing, except to the extent such indebtedness is recourse to a TPGRE Vehicle, indebtedness of entities other than a TPGRE Vehicle will not be treated as fund-level borrowing for purposes of the Governing Documents, even if the special purpose vehicles or other entities incurring such leverage engage in borrowings that are cross-collateralized with or among multiple investments such that multiple investments and a substantial portion of a TPGRE Vehicles' value is at risk. As a result, these borrowings will not be subject to any tenor or other limitations on fund-level borrowing and a TPGRE Vehicle may use the proceeds of such loans to make a distribution, even in the absence of a disposition of the assets. Since we have more flexibility to engage in these structures, we are incentivized to incur significant leverage at the level of holding vehicles beneath the TPGRE Vehicles. The negative

performance of one asset may materially and adversely impact the performance of other investments or the TPGRE Vehicles as a whole.

Fund Guarantees

In addition to fund-level borrowing, the TPGRE Vehicles expect to act as guarantor or surety when we consider it necessary, appropriate or incidental to the accomplishment of the purposes of the TPGRE Vehicles. While there is no separate limit on guarantees, the principal amount of a TPGRE Vehicle's guarantee of third-party indebtedness for borrowed money outstanding at any given time are subject to the leverage limit (without double counting), subject to certain exceptions set forth in the Governing Documents. A TPGRE Vehicle guarantee is sometimes beneficial for increasing the availability, type or amount of financing for the borrower or allowing the borrower to negotiate more favorable terms from the lenders. Some examples of how we expect to use TPGRE Vehicle guarantees, or other forms of TPGRE Vehicle surety, with respect to the indebtedness of other entities include:

- *Portfolio investment indebtedness:* A TPGRE Vehicle could provide a guarantee of a portfolio investment's indebtedness.
- *Qualified borrower structures:* A portfolio investment (or special purpose vehicle of a TPGRE Vehicle) could join a TPGRE Vehicle's credit facility, and borrow amounts directly under it, as a "qualified borrower," with the TPGRE Vehicle providing a guarantee of the borrowing. The portfolio investment or special purpose vehicle is an obligor under the loan, receives the loan proceeds and has responsibility for its repayment. However, in the event of default, the lender would have recourse to the TPGRE Vehicle under the guarantee without a requirement to first attempt to collect from the portfolio investment or special purpose vehicle.
- *Asset-based loans:* Special purpose vehicles we form to hold one or more investments could incur indebtedness, which may include pledging its investments as collateral for the loan. A TPGRE Vehicle could provide a guarantee of this indebtedness.

Often these arrangements are put in place concurrently with the closing of the applicable TPGRE Vehicle investment and can help finance the TPGRE Vehicle's payment of the purchase price of its investments. Other times, these arrangements can be put in place after the investment(s) have been made, often after they have appreciated in value.

While these arrangements present many of the same risks and conflicts associated with fund-level borrowings, these guarantees and the underlying indebtedness do not constitute fund-level borrowing for purposes of the Governing Documents and are not subject to the restrictions on fund-level borrowing described above. If we utilize a TPGRE Vehicle guarantee where we expect to repay the amount outstanding through means other than investor capital, including as a bridge for equity or debt capital at a portfolio investment or investment holding vehicle, and we are ultimately unable to repay the borrowings through those other means, investors would end up with increased exposure to the underlying investment, which could result in greater losses in a declining market.

We expect to be able to manage TPGRE Vehicles such that there is sufficient liquidity to meet these obligations if they arise. There is a risk, however, that the TPGRE Vehicles will not have sufficient assets to satisfy its obligations if a TPGRE Vehicle guarantees indebtedness in excess of its unused capital commitments.

For the avoidance of doubt, guarantees provided by entities other than a TPGRE Vehicle (including guarantees provided by special purpose vehicles or subsidiaries that hold one or multiple underlying investments) are not TPGRE Vehicle guarantees and are not subject to the restrictions described above.

Other Fund Contractual Obligations

In connection with its investing activities, the TPGRE Vehicles expect to enter into contractual arrangements, including deferred or contingent purchase price payments, staged funding obligations, earn outs, milestone payments or other phased payments or similar arrangements, intercompany loans, equity commitment letters and various other forms of credit support and other contractual undertakings such as indemnification obligations, completion, lease-up, carry, interest rate or similar guarantees, guarantees or indemnification obligations with respect to “non recourse carve outs,” “bad boy acts” or other industry accepted carve outs with respect to indebtedness (including misapplication of funds, bankruptcy and environmental indemnities, in each case that obligate the TPGRE Vehicles to fund amounts to portfolio investments, other subsidiaries, special purpose vehicles or other third parties, or any similar arrangements. These arrangements, as well as various other borrowing and other contingent obligations, do not constitute indebtedness under the applicable Governing Documents and are not subject to the related caps and other restrictions, even though these arrangements pose many of the same risks and conflicts associated with the use of leverage that the caps and other restrictions intend to address.

Interpreting the Fund-Level Borrowing and Guarantee Provisions

Leverage arrangements are complex, often involving detailed, multi-party agreements. Moreover, leverage structures available to the TPGRE Vehicles, portfolio investments and related entities will evolve over time, driven by market developments, economic conditions, a TPGRE Vehicle’s portfolio of investments, a TPGRE Vehicle’s life cycle and other factors. During the life of the TPGRE Vehicles, we will need to make a determination whether under the Governing Document each particular leverage structure constitutes fund-level borrowing (i.e., indebtedness that is recourse to a TPGRE Vehicle). We will make this determination in our discretion. For example, “hybrid” financing arrangements may involve subscription-based and asset-based facilities, with or without TPGRE Vehicle credit support. We will determine the treatment of each arrangement under the Governing Documents in good faith based on its specific terms and structure, in consultation with external legal counsel where appropriate. While we seek to apply a generally consistent framework and approach, the facts and circumstances applicable to each situation are unique and will be determinative.

Cross-Default

TPGRE Vehicles can borrow (or cause its subsidiaries to borrow) on a joint, several or joint and several basis with related vehicles, including any parallel investment entities and any lockstep

vehicles, AIVs, special purpose vehicles and vehicles formed to facilitate a co-investment, including by our employees and affiliated personnel. The TPGRE Vehicles and these vehicles can engage in fund- or asset-level financing whereby (i) the TPGRE Vehicle and/or such vehicles are jointly responsible on a cross-collateralized basis for the repayment of the financing and/or (ii) the commitments of investors in the TPGRE Vehicle and/or such vehicles are pledged to secure the financing obtained for the benefit of such other vehicles. When we call capital to satisfy the indebtedness, it is possible a TPGRE Vehicle investor may contribute in excess of its pro rata share of the indebtedness if other TPGRE Vehicle investors or the investors in the related vehicles fail to honor their commitments. While we intend for the TPGRE Vehicles, where appropriate, to enter into back-to-back agreements with related vehicles in respect of certain types of credit support or otherwise seek to cause such related vehicles to act in a manner as if such a back-to-back agreement were in place, the TPGRE Vehicles would still be subject to the risk of default by such other vehicles. We intend to enforce these arrangements for the benefit of a TPGRE Vehicle's investors, but we may not always be able to do so (including if a related vehicle defaults on its obligations to a TPGRE Vehicle). In addition, to the extent multiple assets or investments are pledged to support a single borrowing, whether or not that borrowing constitutes Fund-level borrowing, multiple assets of a TPGRE Vehicle will be at risk. As a result, negative performance of a single asset may materially and adversely impact the performance of other TPGRE Vehicle investments or a TPGRE Vehicle as a whole. Investors may have interests in certain investments that are disproportionate to their interests in other investments (for example, without limitation, due to excuse, exclusion or opt-outs). As a result, an investor may be indirectly exposed to leverage risks associated with investments in which they do not participate, or in which they participate to a lesser extent, and the distributions they receive may be reduced, and their investment in a TPGRE Vehicle may be materially and adversely impacted, by the negative performance of one or more investments in which they do not otherwise have an interest.

A TPGRE Vehicle may utilize its credit facility and enter into other similar arrangements and extensions of credit for the benefit of co-investors (including affiliated co-investors) that invest alongside the TPGRE Vehicle in one or more investments. For example, a TPGRE Vehicle could draw from a credit facility to fund such co-investor's pro rata share of an investment or expense related to an investment. We have an incentive to cause such co-investment vehicles to engage in these or similar cross-collateralized arrangements, because the commercial terms available to such vehicles would typically be better than those available on a standalone basis.

Similarly, to the extent a TPGRE Vehicle and other Related Funds or vehicles including separate accounts, invest in the same or related assets, we reserve the right to structure the investment financing so that the TPGRE Vehicle is jointly and severally liable for the financing with the other TPGRE Vehicles or Related Funds. We expect this to arise, for example, if a TPGRE Vehicle and Related Fund were to participate in the same special purpose vehicle or asset pool and provide a joint and several guarantee for its indebtedness. Joint and several liability could result in the TPGRE Vehicle repaying all, or more than its proportionate share, of the indebtedness, exacerbating some of the risks and conflicts described above. In addition, certain TPGRE Vehicles are permitted to utilize indebtedness to pay for deposits or other investment expenses and costs in advance of the final determination of the investment allocations among the TPGRE Vehicle and other TPGRE Vehicles, Related Funds and co-investors (including affiliated co-investors). In such a circumstance, the TPGRE Vehicle would be subject to risk of default by the other party. Similarly, certain TPGRE Vehicles are permitted to utilize indebtedness for purposes of

warehousing co-investment opportunities. As described above in “*Allocation of Co-Investment Opportunities*,” this presents additional risks and conflicts of interest.

Tax Effects

To the extent the TPGRE Vehicles borrow or are deemed to borrow for U.S. federal income tax purposes, it may hold debt-financed property that may produce “unrelated business taxable income” as defined in Section 512 of the Code (such income, “UBTI”) for a tax-exempt investor. To the extent a TPGRE Vehicle borrows or is deemed to borrow for U.S. federal income tax purposes, it may lead to adverse tax consequences for U.S. tax-exempt investors

Conflicts Relating to Interests in Non-Affiliated Entities

The Governing Documents’ provisions that relate specifically to our affiliates do not apply to companies, funds or other entities that are not, or are no longer, our affiliates for purposes of the Governing Documents, even if the TPGRE Vehicles and/or Related Funds, us and/or our personnel have significant economic interests and/or non-controlling governance rights in such entities or have agreed to a transaction that would cause us and such entities to become affiliated in the future. For example, TPG and certain other TPG platforms and funds, have and expect to continue to make investments in unaffiliated fund managers or other investment vehicles managed by a third party (including private equity funds, hedge funds, real estate funds and other similar investment vehicles), which may include potential competitors of TPG or the TPGRE Vehicles and which entities may from time to time engage in similar investment transactions as the TPGRE Vehicles, including with respect to the purchase and sale of investments. These unaffiliated fund managers or investment vehicles may invest in similar industries and sectors, or in the same portfolio investments (including in different levels of the company’s capital structure), as the TPGRE Vehicles and there may be situations in which such unaffiliated fund manager or investment vehicle purchases securities from, or sells securities to, the TPGRE Vehicles. Additionally, TPG and its personnel enter into joint ventures or similar arrangements with unaffiliated fund managers that entitle us or our personnel to material amounts of carried interest, management fees and other economics related to the funds they manage and their other activities. We and/or our personnel also often have minority governance rights in these ventures, such as information rights and veto, change of control and other protections. We expect to assist these fund managers and their sponsored funds with their fundraising and investment activities, including by offering them the opportunity to co-sponsor, or co-invest in, Fund investments, potentially on more favorable terms than we offer others. We expect a TPGRE Vehicle to also transact directly with unaffiliated fund managers and their sponsored funds, including in relation to the purchase or sale of fund assets or interests or making investments in vehicles sponsored by such unaffiliated fund managers. In addition to investing in unaffiliated fund managers, we and/or our personnel expect to acquire economic interests and minority governance rights in other companies and interests, including those that provide services to, and receive compensation from, a TPGRE Vehicle and/or its portfolio investments. Transactions described above, including but not limited to those by a TPGRE Vehicle or its portfolio investments with or alongside non-affiliated entities implicate conflicts of interest and generally would not trigger the advisory committee disclosure, review or consent provisions of the Governing Documents applicable to transactions with affiliates, regardless of whether they are on arms’-length terms. Similarly, any fees or compensation a TPGRE Vehicle or its portfolio investments pay to such unaffiliated entities would not offset the

TPGRE Vehicle's advisory fees even if we and/or our personnel have an indirect material economic interest in the entities. In addition, investment opportunities sourced by these ventures generally would not be subject to a TPGRE Vehicle's investment allocation provisions, which only apply to investments presented to our affiliates, notwithstanding the role our employees play in evaluating and consummating such investments.

On May 1, 2020, TPG and Sixth Street Partners announced a mutual agreement to amend their relationship and formally operate as independent, unaffiliated businesses. While Sixth Street Partners and its clients are no longer our affiliates, including for purposes of the Governing Documents (and its funds are not "Related Funds" for purposes of this brochure), TPG has retained a passive minority economic interest in Sixth Street Partners, and is providing it certain transition services, such as IT and accounting services. The two firms have protocols in place to prevent the sharing of information between each other, and provide training as well as periodic reminders regarding the protocols. As a result, we believe the opportunity for a conflict of interest to arise between TPG and Sixth Street Partners is in many cases eliminated. Nonetheless, these ongoing business arrangements, as well as the close business relationship TPG has built with Sixth Street Partners across an eleven-year partnership, including certain legacy investments that TPG's funds and Sixth Street Partners' funds previously invested in alongside one another, could continue to present at least an appearance of conflicts of interest between Sixth Street Partners and TPG, including of the type we highlight in this section and specifically as described in the preceding paragraph. Additional examples of potential conflicts include the possibility that a Sixth Street Partners fund will from time to time invest in a competitor of a TPGRE Vehicle's portfolio investment or in a different part of the capital structure of a TPGRE Vehicle's portfolio investment, giving rise to some extent to the same conflicts described above under "*Conflicts Related to Other Investments by TPGRE Vehicles and Related Funds*" and "*Conflicts Related to Investing in Different Levels of the Capital Structure*," respectively. Certain additional conflicts we discuss in this Item 11 could also continue to arise to some degree, including, for example, those described under *Item 11 – "Diverse Membership;" "Conflicts Relating to Services Provided by Related Persons;" "Platform Companies;" "Conflicts Arising from Interactions with Portfolio Investments;" "Conflicts Related to Transactions with Other TPGRE Vehicles or Related Funds;" "Conflicts Related to Investing Alongside Other TPGRE Vehicles or Related Funds;" "Conflicts Arising from Business with Certain Investors;" "Conflicts Related to Legal Counsel and Other Service Providers Engaged by TPGRE Vehicles and Related Funds;" "Allocation of Co-Investment Opportunities;" "Conflicts Arising from Other Investment Activities of the TPGRE Vehicles and Related Funds – Certain Bankruptcy Implications;" "Conflicts Relating to Rates of Third-Party Advisors and Other Service Providers"*.

Conflicts Relating to Activities and Compensation of TPG Operations/Business Building Professionals

We engage operations and business building professionals to assist our investment team in creating value in our portfolio. Some of these professionals are TPG employees and others are consultants.

The activities and compensation of these individuals vary depending on whether they are Operations Group professionals, Field Operations professionals or Senior Advisory Professionals:

- The TPG Operations Team (sometimes referred to as the “Business Building Team”) is generally comprised of Operations Group professionals and Field Operations professionals.
 - Our Operations Group professionals are TPG employees who provide industry-specific senior-level engagement with portfolio investments and also work directly with our deal professionals on new deal diligence. They typically receive cash compensation from us, and we are authorized to grant them carried interest in TPGRE Vehicles. As described below (see “*Providers of Real Estate Services to Portfolio Investments*”), we receive fees and/or reimbursement from the TPGRE Vehicles or portfolio investments for the Real Estate Services performed by members of our Operations Group, which may include reimbursement for compensation and related expenses associated with the provision of such services, even though they are TPG employees.
 - Our Field Operations professionals have deep, specialized operating experience. Some of these professionals are sector specialists who focus on a particular industry. They are typically embedded within portfolio investments and given responsibility for narrowly defined initiatives that are part of a broader value creation plan, such as lean manufacturing, construction management, property management, sourcing, supply chain management or new product introduction. They sometimes also act as interim members of management for portfolio investments. Field Operations professionals typically have tailored compensation arrangements specific to their engagement. They can receive compensation from us, a portfolio investment, including equity grants from a portfolio investment, depending on their individual arrangement and the services they provide. Most of our Field Operations professionals’ compensation is generally either paid or reimbursed by portfolio investments and TPGRE Vehicles as a Real Estate Service, regardless of whether we engage them as employees or consultants. For more information about Real Estate Services, see “*Providers of Real Estate Services to Portfolio Investments*” below. For more information about Real Estate Services, see “*Providers of Real Estate Services to Portfolio Investments*” below.
- Our Senior Advisory Professionals include consultants who have established industry and/or regional expertise and are available to assist us with transaction sourcing, due diligence, valuation, structuring, consulting and similar matters and to serve on the boards of directors of portfolio investments. We also engage other similar consultants with, for example, more narrow expertise. Senior Advisory Professionals and such other consultants typically have tailored compensation arrangements specific to their engagement. They can receive compensation in multiple forms, depending on their individual arrangement and the services they provide, including cash payments from us, a fund, a portfolio investment, carried interest in our funds, profits interests in a portfolio investment, equity or stock option grants from a portfolio investment, and fees and carried interest relating to a particular transaction. Compensation from portfolio investments to our Senior Advisory

Professionals and other consultants generally do not offset the management fees payable by investors. We discuss Senior Advisory Professionals below (see “*Conflicts Relating to Activities and Compensation of Senior Advisory Professionals and Other Consultants*”).

We determine in our discretion whether to engage an operations professional as a TPG employee or as a consultant. Sometimes, an operations professional is initially engaged as a consultant and later transitions to employee status. Conversely, sometimes an operations professional is initially an employee and later becomes a consultant. Our determination regarding whether to engage an operations professional as either a TPG employee or a consultant can give rise to conflicts of interest because, in general, except with respect to certain in-house, foreign office and Real Estate Services, the compensation costs for TPG employees are borne by us, whereas compensation costs for consultants are permitted to be paid by us, a TPGRE Vehicle or Related Fund or a portfolio investment, as described above. Where an operations professional is performing Real Estate Services for a TPGRE Vehicle or portfolio investments, the Governing Documents of certain TPGRE Vehicles allow us to be paid or reimbursed for the costs of those services, regardless of whether the professional providing the service is a TPG employee or consultant.

Conflicts Relating to Activities and Compensation of Senior Advisory Professionals and Other Consultants

We maintain business relationships with certain advisors and consultants who generally have established asset-class, industry and/or regional expertise and who we expect to assist or advise us with respect to transaction sourcing, due diligence, valuation, structuring, consulting or similar matters or to serve on the board of directors of, or in other similar capacities with respect to, one or more portfolio investments on behalf of the TPGRE Vehicles; in some cases, these individuals are former TPG employees or otherwise have close business and personal relationships with TPG. We generally refer to these individuals as “Senior Advisors,” and the Governing Documents generally refer to them as “Senior Advisory Professionals.” In addition, we also engage other similar consultants with, for example, more narrow expertise.

Senior Advisory Professionals are independent contractors. They are not our employees, even if most or all of their work is performed on our behalf or at our direction, they perform the same or similar activities as our employees, they have more access to and involvement in our business activities than other third-party consultants or they share other attributes with TPG employees, such as TPG-provided administrative support or TPG-related email addresses or business cards. Senior Advisory Professionals are generally not our affiliates for purposes of the Governing Documents and therefore typically are not subject to certain restrictions and conditions that relate specifically to our employees and affiliates. For example, a TPGRE Vehicle expects to make payments to Senior Advisory Professionals, and any fees portfolio investments pay to Senior Advisory Professionals (such as sourcing fees, origination service fees (including “points” or servicing fees) or directors’ fees) or profits interests or other compensation received by Senior Advisory Professionals from portfolio investments or their holding structures will not reduce the management fees payable by investors in the TPGRE Vehicle, even if such amounts would reduce the management fee if they were paid to our affiliates. Furthermore, in the event we hire a Senior Advisory Professional as an employee or otherwise elect to treat such person as our affiliate, any profits interests or other compensation amounts payable by a portfolio investment or a TPGRE Vehicle to such Senior Advisory Professional pursuant to an arrangement that was entered into

prior to such Senior Advisory Professional becoming our affiliate will not be considered “portfolio fees” and will not reduce the management fees payable by investors in the TPGRE Vehicle. In the event a Senior Advisory Professional is paid an annual retainer, the value provided to the relevant TPGRE Vehicle and/or portfolio investment by such Senior Advisory Professional may vary year to year and there can be no assurance that the annual retainer paid will be commensurate with the value provided by the Senior Advisory Professional. In some instances, Senior Advisory Professionals provide real estate and operational services to portfolio investments. Moreover, Senior Advisory Professionals often make personal investments in portfolio investments alongside TPGRE Vehicles, and TPGRE Vehicles are not prohibited from investing, directly or indirectly, in portfolio investments in which Senior Advisory Professionals hold existing material investments. Similarly, a TPGRE Vehicle is permitted to co-invest in portfolio investments alongside funds that are managed by Senior Advisory Professionals or invest, directly or indirectly, in portfolio investments in which such funds have an existing material investment.

We believe that the expertise of Senior Advisory Professionals will benefit the TPGRE Vehicles. Relying on Senior Advisory Professionals, however, creates potential conflicts of interest. For example, we typically determine the amount of compensation that will be paid to Senior Advisory Professionals, but applicable portfolio companies or portfolio investments or the TPGRE Vehicles ultimately pay or reimburse us for such compensation. Senior Advisory Professionals typically have tailored compensation arrangements specific to their engagement and can receive compensation in multiple forms, depending on their individual arrangement and the services they provide, including cash payments from us, a TPGRE Vehicle or Related Fund or a portfolio investment, carried interest in a TPGRE Vehicle or Related Fund, profits interests in a portfolio investment, equity or stock option grants from a portfolio investment and fees and carried interest relating to a particular transaction. To the extent a TPGRE Vehicle or its portfolio investments incur these compensation costs, they would ultimately be borne by the investors in the TPGRE Vehicle, but generally would not offset the management fees payable by them, even if such amounts would reduce the management fee if they were paid to our affiliates. The close business or personal relationships that some Senior Advisory Professionals have with us give us less incentive to negotiate with a prospective Senior Advisory Professional for a lower level of compensation. The appropriate level of compensation for a Senior Advisory Professional can be difficult to determine, especially if the expertise and services he or she provides are unique and/or tailored to the specific engagement. In addition, given that we (and not a TPGRE Vehicle) otherwise pay the salaries of our employees, we have incentives to retain individuals as Senior Advisory Professionals instead of hiring them as employees, or to convert existing employees to Senior Advisory Professionals. Finally, conflicts of interest may arise in the event that a Senior Advisory Professional serves as a director on the board of, or in any similar capacity with respect to, more than one portfolio investment or on behalf of multiple TPGRE Vehicles or Related Funds.

Affiliated Services Companies

We may in the future form, acquire interests in, or otherwise engage one or more entities in which we, or our affiliates, or TPG professionals personally, hold controlling interests may provide some or all of the services contemplated under “*Conflicts Relating to Activities and Compensation of TPG Operations/Business Building Professionals*” and “*Conflicts Relating to Activities and Compensation of Senior Advisory Professionals and Other Consultants*” above to the TPGRE Vehicle and/or its portfolio investments, including but not limited to loan servicing (including,

monitoring, restructuring and work-out of performing, sub-performing and non-performing loans, administrative services and cash management). Any fees or compensation the TPGRE Vehicle or its portfolio investments pays to such entities in connection with the performance of such services and compensation such entities receive in connection with or related to providing such services to a TPGRE Vehicle or its portfolio investment would not offset the TPGRE Vehicle's management fees even though we and/or our personnel have a material economic interest in the entities.

Conflicts Related to Material Non-Public Information

From time to time, we and our personnel are expected to come into possession of material non-public information ("MNPI") concerning specific companies, including as a result of certain of our personnel serving on the boards of directors or in other similar capacities of our portfolio companies and portfolio investments, through other officer or director positions of our personnel, and as a result of information the TPGRE Vehicles receive in their capacity as an investor in a portfolio investment, directly or indirectly, in connection with its investments in any such portfolio investment. As a consequence of our and the general partners' inability to use MNPI for investment purposes under applicable securities laws and/or our internal policies and procedures, such positions and/or portfolio investments, as applicable, could impair the ability of the TPGRE Vehicles to sell the securities of an issuer in the event a director, by virtue of his or her role, or the TPGRE Vehicles, by virtue of their capacity as an investor in a portfolio investment, receives MNPI, which would have an adverse effect on the TPGRE Vehicles. For example, the TPGRE Vehicles may be restricted from buying or selling an investment which, if MNPI had not been known, otherwise may have been undertaken. Each of us and the TPGRE Vehicles anticipate that, to minimize the impact of such restrictions, it is permitted to elect to not receive MNPI in certain situations in which such an election is available. However, due to these restrictions, there can be no assurance that the TPGRE Vehicles will be able to liquidate or exit an opportunity in the same manner or on the same timing as would be the case if such restrictions did not apply. As a result of the foregoing, the TPGRE Vehicles may be adversely affected because of our inability or unwillingness to participate in transactions that may violate such laws or regulations, or by remedies imposed by any regulators or governmental bodies. Any such laws or regulations may make it difficult or may prevent the TPGRE Vehicles from pursuing investment opportunities, require the sale of part or all of certain portfolio investments on a timeline or in a manner deemed undesirable by us or may limit the ability of one or more portfolio investments from conducting their intended business in whole or in part. Consequently, there can be no assurance that the TPGRE Vehicles will be able to participate in all potential investment opportunities that fall within its investment objectives.

Activities and Compensation of Other Third Parties

In addition to Senior Advisory Professionals, we will retain other third parties, such as accountants, administrators, lenders, bankers, brokers, attorneys, sourcing persons, asset managers, property managers, contractors, developers, leasing agents, servicers collateral managers, special servicers and other consultants, to provide services (including credit services of the type described in "*Providers of Real Estate Services to Portfolio Investments*") to the TPGRE Vehicles, including certain strategic partners as described in "*Strategic Business Partners*." These services may relate to sourcing, conducting due diligence on or developing potential investments, as well as structuring, managing, monitoring and disposing of or otherwise realizing upon investments. In

many cases, these are the types of services that TPG employees could also provide or have in the past provided. Determining whether to engage a third party or a TPG employee gives rise to conflicts of interest because we generally bear, with the exception of certain in-house, foreign office and Real Estate Services paid or reimbursed to us under certain Governing Documents (see “*Item 5 – Fees and Compensation*”), the compensation costs of, or other amounts payable to, TPG employees who render these services, while amounts paid to third parties are typically an expense of the relevant TPGRE Vehicle ultimately borne by its investors. We therefore have an incentive to retain third parties rather than hire additional TPG employees and to outsource to third-party service providers functions that TPG employees could perform or have previously performed.

TPGRE Vehicles can invest through partnerships, joint ventures or other entities alongside one or more other operating partners or co-venturers (which we refer to collectively as “co-venturers”). Co-venturers may include the seller of a property, a person involved in the selling, identification, acquisition or management of an investment, an investor in a TPGRE Vehicle or a Related Fund, a partner or investor in another joint venture (or other vehicle that we control) or another third party. For their role in an investment, co-venturers may receive equity in the investment vehicle as well as payments, performance-based compensation and/or another form of interest (such as a profits interest or carried interest) from the investment vehicles (or the TPGRE Vehicle) and such interests could result in significant payments to co-venturers. In these circumstances, we will treat these amounts as investment expenses and will not apply them to offset a TPGRE Vehicle’s management fee, even if they have the effect of reducing any amounts, such as retainers, that we would otherwise bear.

We expect to perform services for partnerships or joint ventures in which a co-venturer has an interest. We may receive fees, expense reimbursements and other payments with respect to these services, including in respect of the co-venturer’s interest. Any fees, reimbursements, or other payments we receive in respect of a co-venturer’s interest (that is, in addition to a TPGRE Vehicle’s allocable share of such fees and reimbursements) generally would not offset the TPGRE Vehicle’s management fee.

In addition to relying on third parties generally as described above, we expect the TPGRE Vehicles to engage third parties (including as co-venturers) to assist with the acquisition, development, construction, renovation or operation of its portfolio investments. In many cases, these are services that TPG employees could provide or in the past have provided. The TPGRE Vehicles may pay to these third parties, in addition to any equity or other investment-related compensation, any related development fees, incentive fees, promotes, carried interest, acquisition fees, asset and other management fees, and other amounts. When a TPGRE Vehicle pays these amounts to unaffiliated third parties (including co-venturers), the TPGRE Vehicle’s management fee will not be reduced. As such, the cost to the investors in the TPGRE Vehicle of engaging third parties for these purposes is generally higher than the cost of relying on TPG professionals or other affiliates.

When a TPGRE Vehicle makes an investment through a joint venture, it may also rely on a third-party property manager to manage or operate the underlying properties on a day-to-day basis. The return on such an investment will therefore depend in large part on the ability of the third-party manager to operate, lease or improve the properties on economically favorable terms. A property manager may provide management and leasing services to properties owned by others (including other TPGRE Vehicles or Related Funds) that compete with the TPGRE Vehicle’s investment. In

these circumstances, the interests of the TPGRE Vehicle's investment could conflict with those of the properties owned by third parties, and the property manager may have an incentive, by virtue, for example, of the manner in which it is compensated, to favor the third party over the TPGRE Vehicle.

Conflicts Relating to Rates of Third-Party Advisors and Other Service Providers

As described above, the TPGRE Vehicles and their portfolio investments will retain or pay for advisors and service providers, including accountants, administrators, lenders, bankers, brokers, attorneys, sourcing persons, consultants, asset managers, property managers, co-venturers, contractors, developers, leasing agents, servicers, collateral managers, special servicers and other consultants. Some of these advisors and service providers also provide services to or have other relationships with TPG. While we will generally seek to engage advisors and service providers on behalf of the TPGRE Vehicles and their portfolio investments on the basis of the quality of the advice and other services provided, these relationships could influence our decision to select or recommend an advisor or service provider to perform services for the TPGRE Vehicles or their portfolio investments (the cost of which will generally be borne directly or indirectly by the TPGRE Vehicles or their portfolio investments, as applicable). In certain circumstances, advisors and other service providers may charge rates or establish other terms for advice and services provided to TPG, Related Funds or any of their respective affiliates or portfolio investments that are different from and more favorable than those charged in respect of advice and services provided to the TPGRE Vehicles and their portfolio investments. Moreover, whereas we typically negotiate on a matter-specific basis the rates or amounts payable for such services, the TPGRE Vehicles or their portfolio investments may from time to time to pay higher rates or amounts than we otherwise would for such services.

As noted in Item 5, we expect the TPGRE Vehicles and their portfolio investments to participate in arrangements that involve payments, discounts, reimbursements or other benefits to us or our affiliates. For example, we currently afford certain portfolio investments the opportunity to participate in a program with us, our affiliates and other portfolio investments pursuant to which one of our affiliates negotiates favorable procurement arrangements. We and our affiliates, together with participating portfolio investments, receive the favorable procurement terms, which we are able to secure due in part to the involvement of our portfolio investments. This program is a Real Estate Service provided to participating portfolio investments, and therefore our affiliates receive payments or reimbursements from participating TPGRE Vehicles and their portfolio investments to cover the cost of administering the program through the method described in “*Item 11 – Providers of Real Estate Services to Portfolio Investments*” and such payments or reimbursements are not subject to management fee offsets or otherwise shared with the TPGRE Vehicles. Because the cost of administering this program is shared among the participants, we will disproportionately benefit from it to the extent we utilize a greater number of the favorable procurement arrangements to a greater degree than any of the participating portfolio investments.

Conflicts Arising from Service by Our Professionals on Portfolio Investment Boards of Directors

Our professionals frequently serve on the boards of directors or in other similar capacities of our portfolio investments, including those of the TPGRE Vehicles, by virtue of the governance agreements we typically negotiate with portfolio investments in connection with an investment.

While the interests of a TPGRE Vehicle as an indirect or direct equityholder in a portfolio investment generally align with the interests of equityholders more broadly, it is possible that our professionals' fiduciary duties to the portfolio investment and such applicable equityholders as directors or equivalent managing persons will conflict with the interests of the TPGRE Vehicle. For example, it may be inconsistent with a director's fiduciary duties to share information he or she receives regarding the relevant portfolio investment with TPGRE Personnel overseeing a different portfolio investment even though that information would be beneficial to the other portfolio investment and hence the other TPGRE Vehicle. Additionally, such positions could impair the ability of a TPGRE Vehicle to sell the securities of an issuer in the event a director receives material non-public information by virtue of his or her role, which would have an adverse effect on the TPGRE Vehicle. Decisions made by a director or a person serving in a similar capacity may also subject us, our affiliates or the TPGRE Vehicles to claims they would not otherwise be subject to as an indirect investor in a portfolio company or portfolio investment, including claims of breach of duty of loyalty, securities claims and other director-related claims. In addition, to the extent our professionals serve as directors or in other similar capacities on the boards of more than one portfolio company or more than one portfolio investment, such professionals' fiduciary duties among the two portfolio companies, or the two portfolio investments, as applicable, may create a conflict of interest. Similarly, to the extent our professionals serve as directors or in other similar capacities on the boards of portfolio companies or portfolio investments in which multiple TPGRE Vehicles or Related Funds directly or indirectly invest, such professionals may act in the interest of one (and not all) of such TPGRE Vehicles or Related Funds and/or not necessarily in the interest of any one TPGRE Vehicles or Related Fund. Furthermore, TPGRE Personnel serving as a director or in a similar capacity to a portfolio investment owes a fiduciary duty to the portfolio investment, on the one hand, and the relevant TPGRE Vehicle, on the other hand, and such TPGRE Personnel may be in a position where he or she must make a decision that is either not in the best interest of the TPGRE Vehicle, or is not in the best interest of the portfolio investment.

Conflicts Arising from Interests of Our Professionals in the TPGRE Vehicles and Related Funds

Our professionals generally participate indirectly in investments made by the TPGRE Vehicles and/or Related Funds. While we believe this helps align the interests of our professionals with those of the TPGRE Vehicles' and Related Funds' other investors and provides a strong incentive to enhance Fund performance, these arrangements also give rise to potential conflicts of interest. For example, our professionals have an incentive to influence the allocation of an attractive investment opportunity to the Fund in which they stand to personally earn the greatest return, although the involvement of a substantial number of professionals in our investment review process mitigates the ability of any single person to control an investment decision. Some of our professionals also have personal investments in entities that are not affiliated with us such as investment funds managed by other sponsors that compete for the same investment opportunities or acquire an investment from, or dispose of an investment to, a TPGRE Vehicle or Related Fund, which likewise gives rise to potential conflicts of interest. Our Code of Ethics generally requires TPGRE Personnel to disclose such ownership interests periodically.

TPG and its personnel may, at any time, transfer their interests in a TPGRE Vehicle to a third party so long as TPG's capital commitment following such transfer satisfies the required minimum commitment applicable to the TPGRE Vehicles. As a result of such a transfer, interests in the

TPGRE Vehicles that were previously non-voting interests may become voting interests. In addition, commitments of TPG-controlled vehicles would not be included in any cap on third-party commitments to the TPGRE Vehicles during the fundraising period, and any amounts transferred to a third party after the final closing of the TPGRE Vehicles would not count toward the TPGRE Vehicles' cap.

Conflicts Arising in the Allocation of Our Professionals' Time and Attention

The success of a TPGRE Vehicle will depend on our investment professionals' ability to, among other things, source, underwrite, structure, complete, finance and manage investments, improve the operations, governance and performance of the investments and assets we acquire and exit investments at the appropriate time and at attractive valuations or otherwise realize upon investments. To achieve those ends, our investment professionals will devote such time and resources to each TPGRE Vehicle's activities as we determine to be appropriate, consistent with the relevant Governing Documents. Our professionals, however, also spend time assisting other TPGRE Vehicles and/or Related Funds with their investment activities or working on other projects. For example, certain TPGRE Personnel expect to devote significant time to Related Funds of other TPG platforms, and will therefore have less time to dedicate to the TPGRE Vehicles. In addition, our professionals expect to have responsibilities and duties to other TPG platforms and to the firm generally, including responsibilities and duties to TPG's Holdings Committee. Finally, with respect to a TPGRE Vehicle's key persons, the Governing Documents of the applicable TPGRE Vehicle generally do not restrict their academic, advisory board, personal wealth management, not-for-profit, charitable and similar activities. Conflicts will therefore arise between the TPGRE Vehicles and/or Related Funds with respect to the allocation of investment professional time and resources.

Providers of Real Estate Services to Portfolio Investments

The TPGRE Vehicles will generally reimburse all fees, costs and other expenses related to certain Real Estate Services rendered to the TPGRE Vehicles or their portfolio investments, where the portfolio company does not directly or indirectly reimburse such costs. Real Estate Services have been referred to by us in the past as "field ops" or "specialized services" and consist of operational support, regulatory or legal support, specialized operations and consulting services and similar or related services in connection with the identification, origination, acquisition, holding, operation, servicing and disposition of or other realization upon investments (including potential investments). We refer to such services as "Real Estate Services." These services include but are not limited to, for example,

- property-level services (which we refer to as "property services"), including:
 - property management;
 - asset management;
 - development and development management;
 - construction and construction management;
 - leasing;

- brokerage;
- mortgage and other financing;
- loan servicing;
- other property services;
- support or analysis regarding:
 - the existing or prospective portfolio investment’s management (including serving in management positions or participating in the determination of corporate strategy);
 - the existing or prospective portfolio investment’s supply chain (including leveraged procurement and logistics/distribution networks);
 - marketing and sales strategy, pricing and sales force effectiveness;
 - data intelligence;
 - finance (including generating metrics and reporting and business restructuring);
 - human capital management (including recruiting personnel, management on-boarding, identifying, curating and developing a network of talent and third-party recruiting resources in anticipation of supporting portfolio investment recruiting efforts and determining executive/incentive compensation);
 - information technology;
 - cybersecurity;
 - corporate communications and public relations (including identifying, curating and developing a network of third-party public relations resources in anticipation of supporting a portfolio investment’s corporate communications and public relations efforts);
 - governmental affairs and relations;
 - customer service;
 - ESG factors (including diligence, target setting and ESG strategy execution and monitoring policies and risk factors, policy, measurement and reporting development);
 - loan origination services, loan servicing and loan agency services and special servicing and services with respect to loan syndication, managing workouts and managing foreclosures (“credit services”);
 - procurement programs (see “*Item 5 – Leveraged Procurement*”);
 - Portfolio Compliance; and

- other similar and operational matters.

As a general matter, and as further described below, if a TPG employee provides Real Estate Services other than credit services or property services, such services are subject to cost reimbursement only. Alternatively, where a TPG employee or affiliate provides Real Estate Services that constitute credit services or property services, we expect such services to be provided on a “fee-for-service” basis that could result in such employee or affiliate receiving a profit. Even in the scenario where a TPG employee or affiliate receives a profit in connection with the provision of Real Estate Services, this amount would not be included in fees for Related Services, and therefore does not offset the management fee.

Occasionally, whether a service constitutes a Real Estate Service is not clear. It may be difficult to distinguish Real Estate Services from the investment advisory services provided to the TPGRE Vehicles by us and our affiliates. In these instances, we will consider, in our sole discretion, a service a Real Estate Service if we determine that (i) third parties often provide such a service, (ii) it is a service requiring real estate or specialized operational experience or expertise, and (iii) it is performed by an individual or individuals with the relevant experience or expertise. For example, board services would not be Real Estate Services subject to reimbursement or entitled to payment of fees, as they are not real estate or operational services requiring specialized experience or expertise. Services such as establishing or assessing a leveraged procurement plan, developing a market survey designed to enhance market share, or creating a leasing strategy plan to identify cross-tenanting opportunities at multiple properties within a portfolio would be types of specialized real estate and operational services that would be subject to reimbursement or entitled to payment of fees, as these services require real estate or operational expertise. In addition, ESG services such as diligence, screening and portfolio-level initiatives performed by Y Analytics – a public benefit company owned and controlled by TPG – are Real Estate Services subject to reimbursement. We engage TPG professionals to provide Real Estate Services when we believe that they more effectively drive value creation than independent service providers. It is expected that the provision of Real Estate Services will expand over time.

We may seek reimbursement from a portfolio investment for the costs of Real Estate Services that we, in our reasonable discretion, allocate to such portfolio investment. The efforts we make to get recovery from portfolio investments for these costs usually depend on transaction-related and commercial considerations such as the nature of a TPGRE Vehicle’s investment, the financial ability of the company to make payment, the type of services and the expectations of the company or other investors. Sometimes we negotiate for direct reimbursement from the portfolio investment to TPG or our service providers. Other times, we seek to include Real Estate Services as a component of the monitoring fee a portfolio investment pays under its management services agreement. In limited cases, efforts at recovery are not reasonable or practical, especially when a portfolio investment is unable or unwilling to make payment. The TPGRE Vehicles reimburse any costs not covered by the applicable portfolio investment or portfolio fees. We must disclose the amount of such reimbursement, regardless of the source, periodically to the TPGRE Vehicles’ advisory committees. In particular, reimbursements for, or other payments in respect of, Real Estate Services will not reduce the management fee charged to a TPGRE Vehicle, regardless of whether the provider of the Real Estate Services is our employee or affiliate. Additionally, any reimbursements for such services from portfolio fees will reduce the amount of such fees that would otherwise offset the management fees.

Real Estate Services expenses will at times also be incurred in respect of portfolio investments prior to the closing of the investment and to TPGRE Vehicles in connection with their diligence of potential investments. The TPGRE Vehicles will reimburse us directly for the costs of such Real Estate Services, including for deals that are not consummated.

In the event that another TPGRE Vehicle or Related Fund has invested alongside a TPGRE Vehicle in a portfolio investment, we generally will allocate any reimbursement for Real Estate Services with respect to such investment among the TPGRE Vehicles or Related Funds pro rata in accordance with their respective investments unless another method is more equitable under the circumstances.

If a TPG employee provides a Real Estate Service that is not a credit service or a property service, we generally determine the associated reimbursement amount by reference to the aggregate annual compensation paid to the employee (including benefits, profits interests, equity interests (including restricted stock units or other equity awards in TPG Inc.) or other incentive-based compensation), plus an estimate of the overhead and other fixed costs allocable to the employee, and the amount of time spent by the employee providing the Real Estate Services. We use a similar formulation for calculating the reimbursement amounts for Real Estate Services provided by consultants, including Senior Advisory Professionals. As explained above under “*Conflicts Relating to Activities and Compensation of TPG Operations/Business Building Professionals*,” these professionals typically have tailored compensation arrangements specific to their engagement that we negotiate with them in our discretion. Given the inherently specialized nature of such services, a limited market for such services exists, often setting no clear market guidelines on appropriate compensation. Although we intend operations professionals to be compensated at competitive rates, their compensation will not necessarily be determined through arm’s-length negotiation. In the event a provider of Real Estate Services is paid by an annual retainer, the value provided to the relevant TPGRE Vehicle and/or portfolio investment by such provider of Real Estate Services may vary year to year and there can be no assurance that the annual retainer paid will be commensurate with the value provided by the provider of Real Estate Services.

If a TPG employee or affiliate provides Real Estate Services on a fee-for-service basis (e.g., in connection with the provision of property services) such fees will generally not exceed the rate that would be payable by the TPGRE Vehicles or their portfolio investments if such services were provided by a third party providing comparable services in an arm’s-length transaction. We will make determinations of market rates (i.e., rates that fall within a range that we have determined is reflective of rates in the applicable market and certain similar markets, though not necessarily equal to or lower than the median rate of comparable firms) based on our consideration of a number of factors, which are generally expected to include our experience with non-affiliated service providers as well as benchmarking data and other methodologies determined by us to be appropriate under the circumstances. In respect of benchmarking, while we often obtain benchmarking data regarding the rates charged or quoted by third parties for services similar to those provided by its affiliates in the applicable market or certain similar markets, relevant comparisons may not be available for a number of reasons, including, as a result of a lack of a substantial market of providers or users of such services or the confidential or bespoke nature of such services (e.g., within property management services, different assets may receive different property management services). Any methodology, or choice among methodologies, involves potential conflicts of interest.

We have an incentive to retain our operations and business building professionals to provide Real Estate Services, even if retaining other providers would be as or more advantageous to a portfolio investment. In addition, possible providers of Real Estate Services can be investors in, provide goods or services to or have other relationships with the TPGRE Vehicle or Related Funds, which in turn is likely to influence our decision on whom to retain.

Reimbursements or other payments from portfolio investments in respect of Real Estate Services are usually in the form of cash (which may include payment of “points” to an operations professional that performs origination services), but can sometimes be in kind, including options, restricted stock units or other equity awards or interests (including with time- or incentive-based vesting) in a portfolio investment granted to the TPGRE Personnel or other TPG affiliate who provides Real Estate Services. We will evaluate the treatment of any such in-kind payment or reimbursement on a case-by-case basis, including as to valuation for reporting purposes and the timing and manner of disposition by such TPGRE Personnel or other TPG affiliate.

Conflicts Related to the Hiring of Asset Managers or Servicers

The general partner of a TPGRE Vehicle will from time to time hire asset managers or servicers (collectively, “Servicers”), including affiliates of ours or the general partner (or entities in which affiliates of ours or the general partner have an interest or a right to acquire an interest), to provide asset management, sourcing, due diligence, underwriting, loan servicing, operational or other services with respect to portfolio investments. The fees to be paid to the Servicer are determined at the discretion of the general partner taking into account the assets to be governed by such agreement, may include a profits interest or other incentive-based compensation to the Servicer, and are otherwise determined according to one or more methods, including a percentage of the value of the assets being serviced or the invested capital exposed to such assets, and/or a percentage of cash flows from such assets. In the event one or more Servicers is providing services to multiple TPGRE Vehicles, we will allocate such fees among these TPGRE Vehicles in a manner we deem fair and equitable, in our sole discretion. To the extent any such fees are payable to an affiliated Servicer, such fees will not reduce any fees otherwise payable to us or our affiliates and, other than fees payable as disclosed in a TPGRE Vehicle’s Governing Documents, will require approval of the TPGRE Vehicle’s advisory committee. Our affiliates or those of the general partner will benefit from these arrangements.

Conflicts Related to Investments of TPGRE Personnel

We and our TPGRE Personnel may buy or sell securities or other instruments that we have recommended to TPGRE Vehicles. In addition, TPGRE Personnel may also buy securities in transactions offered to but rejected by TPGRE Vehicles. In the event of such transactions, conflicts of interest may arise because such investing TPGRE Personnel will, for some investments, benefit from the evaluation, investigation, and due diligence undertaken by us on behalf of the TPGRE Vehicle. In such circumstances, the investing TPGRE Personnel typically will not share or reimburse the relevant TPGRE Vehicle(s) and/or us for any expenses incurred in connection with the investment opportunity.

In addition, TPGRE Personnel may also buy securities and hold interests as passive investors in other investment vehicles (including private equity funds, hedge funds, real estate funds and other

similar investment vehicles) which may include potential competitors of the TPGRE Vehicles and which may invest in similar industries and sectors as the TPGRE Vehicles. Such TPGRE Personnel have a conflict of interest with respect to their personal investment holdings. There could be situations in which such investment vehicles invest in the same portfolio investments as the TPGRE Vehicles and there may be situations in which such investment vehicle purchases securities or other assets from, or sells securities or other assets to, a TPGRE Vehicle. The investment policies, fee arrangements and other circumstances of these investments may vary from those of the TPGRE Vehicles. Such personnel may be incentivized to cause a TPGRE Vehicle to act in a manner that benefits such other investment vehicles and indirectly, themselves as investors in such investment vehicles.

Conflicts Arising from Customized Terms Provided to Certain Investors

Investors increasingly expect to make investments in private investment funds on customized terms. We accommodate these expectations by entering into written agreements, which we refer to as “side letters,” with investors in connection with the formation of the applicable TPGRE Vehicle. We also reserve the right to provide customization by forming separate accounts for certain investors, including some that also are investors in a TPGRE Vehicle, that would invest alongside the applicable TPGRE Vehicle on terms that differ from those in the TPGRE Vehicle’s Governing Documents. A side letter typically relates solely to an investor’s interest in a single TPGRE Vehicle (i.e., it does not relate to any other TPGRE Vehicle or Related Fund) and allows the investor to make its investment in the TPGRE Vehicle on terms that are different from, and usually more favorable than, those set forth in the relevant Governing Documents. Notwithstanding any provision of the Governing Documents, matters arising under any side letter are considered matters contemplated in the Governing Documents and the exculpation and indemnification provisions set forth in the Governing Documents shall apply equally to any side letter. Investors are expected to request and receive customized terms, which typically result in preferential treatment with respect to, among other things,

- the ability to opt out of investments (which, to the extent exercised, would increase the other investors’ pro rata interest in those investments);
- the reporting or notice obligations of the applicable general partner or TPGRE Vehicle;
- consent rights with respect to certain amendments to the applicable TPGRE Vehicle Governing Documents;
- the right to transfer interests in the applicable TPGRE Vehicle;
- the right to withdraw from the applicable TPGRE Vehicle in the event of adverse tax or regulatory events (which, if exercised, would increase the other investors’ pro rata interest in such TPGRE Vehicle);
- the right to appoint a representative or observer to the advisory committee of the applicable TPGRE Vehicle, if applicable, or other similar advisory groups;
- the right to have access to investment and other professionals of TPG;

- additional confidentiality protections or waiver of existing confidentiality obligations;
- the right to disclose certain information to underlying investors or to the public;
- structuring rights with respect to certain types of investments;
- economic terms, including reduced or modified management fees and/or carried interest;
- the ability to participate in management fees or carried interest of TPG-related vehicles, including a general partner, us and/or other subsidiaries of the TPG Operating Group that are entitled to receive payment of management fees and carried interest from the TPGRE Vehicles or Related Funds;
- the investor-specific information or documentation that the applicable TPGRE Vehicle would otherwise provide to lenders, other financing sources or other third parties;
- the offering of co-investment opportunities;
- distributions in-kind; or
- any other terms, whether economic, procedural or otherwise.

We will consider many factors in deciding whether to accord investors in TPGRE Vehicles customized terms via a side letter and we have economic and other commercial incentives to provide certain terms to certain investors. We expect to grant preferential treatment to the following types of investors:

- investors that have made or have proposed to make relatively large commitments to the TPGRE Vehicle or Related Funds or that are anticipated to be important to future TPG fundraising campaigns;
- investors that have made a commitment on the initial closing date or during an early closing period;
- investors that are strategic partners with respect to a TPGRE Vehicle's investment mandate;
- investors that have a broader strategic relationship with TPG;
- investors that are subject to specific legal, tax or regulatory requirements or policies applicable to them; and
- other investors meeting other criteria we consider reasonable in our discretion.

In general, no investor has any rights under the side letters of other investors. The Governing Documents of certain TPGRE Vehicles, however, include a "most-favored nation," or "MFN," clause whereby an investor receives certain rights and benefits granted in certain other side letters with respect to the TPGRE Vehicle. Except to the extent required by the Governing Documents

of the applicable TPGRE Vehicle, we and our related entities have no obligation to offer any such additional rights, terms or conditions to any other investor in such TPGRE Vehicles. Side letter arrangements with certain investors of the TPGRE Vehicles impose additional restrictions on investing in certain types of assets, geographies or industries in order to meet certain legal, tax, regulatory, internal policy or other requirements of such investors. While these restrictions are intended to apply solely to such investors, they may ultimately restrict the investments made by an applicable TPGRE Vehicle.

Matters arising under any side letter are subject to indemnification and exculpation by the TPGRE Vehicle pursuant to a TPGRE Vehicle's Governing Documents.

Favorable Terms Provided to Affiliates and Related Persons

The employees, business associates and other "friends of the firm" of TPG are typically able to invest directly or indirectly in TPGRE Vehicles on terms that are more favorable than those offered to other investors. Such favorable terms may involve, among other things, a waived or reduced management fee, and the waiver or reduction of other restrictions. The TPGRE Vehicles have no obligation to disclose or offer such favorable terms to any other investor in the TPGRE Vehicle, except to the extent required by the Governing Documents of the applicable TPGRE Vehicle.

Diverse Membership

The investors in a TPGRE Vehicle are a diverse group that have different investment programs and are subject to different legal, tax and regulatory regimes. For example, investors generally will include taxable and tax-exempt entities and will be organized in various jurisdictions. The nature and diversification of the TPGRE Vehicle's investments, as well as the manner in which it makes, structures, holds and exits them, therefore has the potential to lead to a more favorable legal, tax or regulatory outcome for some of its investors. In selecting investments appropriate for the TPGRE Vehicle, we generally consider the investment objectives of the TPGRE Vehicle as a whole, not the investment objectives of any of its investors individually. To the extent we are able to structure certain investments based in part on the investors' respective legal, tax and regulatory constraints, we will not take into account such interests as they relate to each individual investor. Each investor in a TPGRE Vehicle generally bears its share of the costs associated with a structure designed to address the concerns of other investors regardless of whether that investor itself benefitted. Notwithstanding the foregoing, due to the first-time nature of certain TPGRE Vehicles, capital commitments to such TPGRE Vehicles are expected to be concentrated in one or a few investors and, as a result, determinations of what is in the best interest of the TPGRE Vehicle could more closely align with such investors as compared to the other investors. In addition, to the extent an investor is subject to statutory or other limitations on indemnification as a result of its sovereign status or otherwise, or otherwise negotiates rights relating thereto, other investors may be subject to increased losses, or be required to bear an increased portion of such indemnification amounts.

For instance, in certain circumstances, a general partner may expect to hold the investments of investors that have so elected through one or more vehicles that are treated as corporations for U.S. federal income tax purposes (each, a "Blocker"). While the use of a Blocker may provide favorable tax treatment for certain investors, such as tax-exempt or non-U.S. investors, the investment returns realized by such investors will likely be less than the returns of investors that do not hold

their investment through a Blocker. In addition, in certain cases, the Funds may be required, to the extent reasonably feasible (taking into account the interests of the investors who do not elect to hold their investments through a Blocker), to cause the disposition of investments that are held in part through a Blocker through a sale of the stock of such Blocker rather than a sale of the underlying assets. The use of a Blocker may affect all of the investors and not just those who have elected to hold their investments through a Blocker. For example, while a sale of the stock of a Blocker will likely be beneficial for the investors that have elected to hold their investments through Blockers, such sale could result in total proceeds that are lower than the proceeds that could have been generated if the Funds had sold the underlying assets and such reduction would generally be shared by all of the investors and not just those who have elected to hold their investments through a Blocker. Similarly, in certain types of transactions, such as “Up-C” transactions, certain benefits, such as tax receivable agreements, may be shared by all of the investors (including those who have elected to hold their investments through a Blocker) even if such agreements relate to benefits derived mainly from the investments held by the investors who have not elected to hold their investments through a Blocker.

To address legal, tax, regulatory, accounting or similar considerations, we expect to structure certain portfolio investments so that some (if not all) investors hold their interests through one or more AIVs. While we generally expect that the economic and other substantive provisions governing any AIV will be substantially the same as those governing the applicable TPGRE Vehicle (taking into consideration the legal, tax, regulatory, accounting or other impetus for the AIV structure), an investor’s rights in, and the obligations and duties of the TPGRE Vehicle’s general partner as manager of, the AIV may differ from those applicable to such TPGRE Vehicle by virtue of the AIV’s specific terms or jurisdiction of organization. In addition, we expect the structural attributes of certain AIVs to result in divergent return characteristics for certain investors. For example, we reserve the right to elect to structure an AIV that results in favorable tax treatment for one set of investors but less favorable tax attributes for another. Furthermore, we may take steps adverse to certain investors to preserve the intended benefits of an AIV structure. For example, ownership restrictions applicable to companies in certain industries may compel us to limit a particular AIV to a certain category of investors. In these instances, we would restrict the ability of those investors to transfer their interests if doing so would jeopardize our ability to comply with the ownership restrictions.

In addition, investors in a TPGRE Vehicle typically engage in a broad range of activities in addition to their investment in the TPGRE Vehicle. We expect some investors could enter into various transactions relating to the TPGRE Vehicle or its portfolio investments, such as co-investments alongside the TPGRE Vehicle (see “*Allocation of Co-Investment Opportunities*”), financing transactions for the TPGRE Vehicle or its portfolio investments and the acquisition of interests in portfolio investments from the TPGRE Vehicle. Investors associated with corporate enterprises could enter into strategic partnerships or other similar arrangements with TPG, the TPGRE Vehicles and/or the TPGRE Vehicles’ portfolio investments, which may involve, for example, designation as a preferred provider of goods or services to any of the foregoing. So long as an investor is not otherwise our affiliate, these types of transactions generally do not require the consent of the TPGRE Vehicle’s advisory committee or investors more generally. In connection with their investing activities, investors in the TPGRE Vehicles in some cases also have additional access to the management of, or enhanced information rights regarding, the TPGRE Vehicle’s portfolio investments or the ability to serve on or observe a portfolio investment’s board of

directors. The Governing Documents do not prohibit a TPGRE Vehicle from selling a portfolio investment to an investor in a TPGRE Vehicle or a Related Fund.

Investors that serve on a TPGRE Vehicle's advisory committee (or similar body) will have interests that differ from, or conflict with, the interests of other investors due to different legal, tax or regulatory regimes, their interests in other TPGRE Vehicles or Related Funds or their overall relationship with TPG (including direct or indirect economic interests in TPG-affiliated entities). The Governing Documents typically provide that each advisory committee member can take into consideration solely its interests in discharging its duties. Accordingly, the advisory committee can make decisions that benefit its members, the TPGRE Vehicle or TPG, even if they are adverse to other investors in the TPGRE Vehicle. In addition, each member of a TPGRE Vehicle's advisory committee will be permitted to vote on matters even where that member is subject to a material conflict of interest, and will be under no obligation to recuse itself from voting in this situation or to disclose the conflict of interest to the other members. Similarly, investors in a TPGRE Vehicle do not need to take into account the interests of other investors in voting on matters presented to partners more generally.

We have entered, and expect in the future to enter, into contractual arrangements established pursuant to broader strategic relationships between selected investors, including prospective investors, and TPG. Each such contractual arrangement is highly customized to reflect the specific broader strategic relationship between TPG and the particular investor, and could, but may not necessarily include

- formation of dedicated vehicles;
- significant historical, pending and/or future commitments to or other participation in TPGRE Vehicles or Related Funds or other TPG entities;
- the right to co-investment opportunities, and related economic terms, targets and remedies;
- discounted management fee, carried interest or other economic arrangements;
- the ability to participate in management fees or carried interest of TPG-related vehicles, including a general partner, management company and/or other subsidiaries of the TPG Operating Group that are entitled to receive payment of management fees and carried interest from the TPGRE Vehicles or Related Funds; and/or
- knowledge sharing, training and/or secondment arrangements.

As described under “*Conflicts Arising from Customized Terms Provided to Certain Investors*,” a contractual arrangement we established with an investor pursuant to a broader strategic relationship is not a “side letter” under the Governing Documents, and accordingly, investors are not entitled to disclosure or the benefits of any such contractual arrangement under the Governing Documents’ “most favored nation” clause or otherwise. We have complete discretion to determine the investors with which we will build broader strategic relationships, and we expect to develop broader strategic relationships with investors with certain attributes even though we do not seek to establish them with other investors that have the same or similar attributes.

TPG Information

In connection with its services to the TPGRE Vehicles and their investments, TPG, its affiliates and personnel expect to receive the benefit of certain tangible and intangible benefits. For example, in the course of TPG's operations, including research, due diligence, investment monitoring, operational improvements and investment activities, TPG and its personnel expect to receive and benefit from information, "know-how," experience, analysis and data relating to the TPGRE Vehicles, or portfolio investment or portfolio company (as applicable) operations, terms, trends, market demands, customers, vendors and other metrics (collectively, "TPG Information"). In many cases, TPG Information will include tools, procedures and resources developed by TPG to organize or systematize TPG Information for ongoing or future use. Although TPG expects the TPGRE Vehicles and its portfolio investments generally to benefit from TPG's possession of TPG Information, it is possible that any benefits will be experienced solely by other or future TPGRE Vehicles or Related Funds, portfolio investments or portfolio companies (or by TPG and its personnel) and not by the TPGRE Vehicles or the portfolio investment or portfolio company from which TPG Information was originally received.

TPG Information will be the sole intellectual property of TPG and solely for the use of TPG. TPG reserve the right to use, share, license, sell or monetize TPG Information, without offset to management fees, and none of the TPGRE Vehicles or their portfolio investments will receive any financial or other benefit of such use, sharing, licensure, sale or monetization.

Platform Companies

At times a TPGRE Vehicle, either directly or through a portfolio investment, and either alone or co-investing alongside other TPGRE Vehicles and/or Related Funds, has the ability to establish or invest in portfolio investments that, in turn, seek to engage in specific business activities, such as loan origination, loan syndication, securities trading activities, hedging activities, pursuing stressed, distressed and other special opportunities and other activities, including in specific industries, asset classes or geographies. A TPGRE Vehicle may structure these portfolio investments, which we refer to as "platform companies," as operating joint ventures, holding companies, partnerships, structured finance vehicles, incubators, start-ups and other platform companies or other similar arrangements. A "platform company" may consist of a single entity or a group of entities and we have significant discretion in determining what constitutes a "platform company." In the case where a TPGRE Vehicle co-invests alongside another TPGRE Vehicle and/or Related Fund, the potential for conflicts of interest may exist.

Subsequent funding of a platform company by the TPGRE Vehicles, including to fund a new acquisition or loan or other extension by such platform company, will be considered a "follow-on investment" for purposes of the TPGRE Vehicles even if such investment is a "new" investment for the platform company or involves capitalizing a distinct legal entity and therefore such investment may be made after the expiration or termination of the TPGRE Vehicles' commitment period (subject to the restrictions on follow-on investments in the Governing Documents). In certain cases we fund these companies up front and in other cases we fund them gradually over time. In the event a TPGRE Vehicle made such an investment, we generally would expect the TPGRE Vehicle to monetize its interest in a platform company through a sale or public offering

of the platform company (or the TPGRE Vehicle's stake in the company) or through sales or other realizations upon the platform company's underlying assets.

While the TPGRE Vehicle would, by virtue of the control it exercises over a platform company, typically be involved in the strategy, governance and oversight of any platform company (and we in certain circumstances provide services to the platform company, such as legal or capital markets advice, similar to what we typically render to other portfolio investments), a platform company would also typically retain its own qualified management team, either internally or externally, to operate, administer and manage the company on a daily basis, including by sourcing the underlying assets. Such a management team would provide services that are similar to, and that may overlap with, services we provide to the TPGRE Vehicle and other Funds or Related Funds. The structure of each platform and the engagement of personnel will vary, including whether a management team's services are exclusive to the platform and whether the members of the management team are employed directly by the platform or indirectly through a separate management company established to manage such platform. Platform structures may change during the investments' hold period, for instance, in connection with restructurings or dispositions or other realizations. Members of the management team may be Senior Advisory Professionals or Field Operations professionals and are permitted to render services exclusively to the platform company or provide the same or similar services to unaffiliated third parties or to other Funds, Related Funds or portfolio investments, including similar platform companies of the TPGRE Vehicle, predecessor funds and successor funds (and receive a fee or other compensation in connection with such services), generally without triggering the advisory committee disclosure, review or consent provisions of the TPGRE Vehicle's Governing Documents applicable to transactions with affiliates. These individuals are not considered to be affiliates of ours for purposes of the TPGRE Vehicles' Governing Documents solely as a result of their role as a member of a portfolio investment's management team.

In addition, a platform company or its management team may forward to unaffiliated third parties or Related Funds or their portfolio investments any investment opportunity that we reasonably believe is not suitable for the TPGRE Vehicle or such platform company (e.g., because the investment does not have a risk or return profile compatible with the TPGRE Vehicle's investment objectives) and receive a fee or other compensation from such person. Any such fees or compensation generally would not trigger the advisory committee disclosure, review or consent provisions of the TPGRE Vehicle's Governing Documents applicable to transactions with affiliates and would not constitute portfolio fees that would offset the management fee.

Platform companies compensate their management teams in a number of ways, including through annual salaries and bonuses, incentive-based compensation (such as profits interests, carried interest, equity, options and warrants), fees for services or a combination of the foregoing. In any case, the TPGRE Vehicle would generally bear the cost of such compensation, as well as all other platform company expenses, including start-up, operating, investment sourcing and diligence and overhead expenses, through its direct or indirect interest in the platform company. Members of a platform company management team may receive separate compensation for services rendered to unaffiliated third parties or to TPGRE Vehicles, Related Funds, or portfolio investments. In addition, a platform company or its management team may receive a fee or other compensation for forwarding to unaffiliated third parties or other TPGRE Vehicles and/or Related Funds, or their portfolio companies or portfolio investments, any investment opportunity that we reasonably

believe is not suitable for a TPGRE Vehicle or such platform company (e.g., because the investment does not have a risk or return profile compatible with the TPGRE Vehicle's investment objectives). Any compensation the management team receives, regardless of whether a TPGRE Vehicle, Related Fund, a portfolio investment, or an unaffiliated third party pays, would be in addition to, and would not offset, the management fee payable by investors. Similarly, such compensation would not trigger the advisory committee disclosure, review or consent provisions of the Governing Documents applicable to transactions with affiliates.

A platform company's structure and relationship to us has the potential to create conflicts of interest. For example, although we (by virtue of our control of the TPGRE Vehicle) would form the platform company and in doing so often determine or significantly influence the form and amount of compensation paid to a platform company's management team, the platform company (and ultimately the TPGRE Vehicle) bears the attendant expense. The compensation of management of a platform investment may include interests in the profits of the platform investment, including profits realized in connection with the disposition of an asset. As with Senior Advisory Professionals, the close business or personal relationships that we have with certain members of management give us less incentive to limit their compensation. In addition, given that we (and not the TPGRE Vehicle) otherwise pays the salaries of our employees, we have the incentive to cause a platform company to retain its own management team instead of relying on TPG employees to provide managerial services, or to convert existing TPG employees into members of a platform company's management team.

Strategic Business Partners

We have also formed and expect to continue to form relationships with third-party strategic partners so that the TPGRE Vehicles and Related Funds can take advantage of their expertise, often in particular industries, sectors and/or geographies. These strategic partners often have close business relationships with us and provide services that are similar to, and that may overlap with, services we provide to the TPGRE Vehicles and Related Funds, including originating, sourcing, conducting due diligence on or developing potential investments, as well as structuring, managing, monitoring and disposing of or otherwise realizing upon investments.

We determine the compensation of our strategic partners on a case-by-case basis, and this compensation can take the form of:

- cash payments from us, a TPGRE Vehicle, a Related Fund, a portfolio investment or a portfolio company;
- grants of carried interest generated by the TPGRE Vehicles or Related Funds;
- participation in management fees or carried interest of TPG-related vehicles, including the general partners, us and/or other subsidiaries of the TPG Operating Group that are entitled to receive payment of management fees and carried interest from the TPGRE Vehicles or Related Funds;
- stock option or equity grants in a portfolio investment;
- profits interests in a portfolio company, portfolio investments or holding vehicles beneath a TPGRE Vehicle or Related Fund; and/or

- other similar payments from us, the TPGRE Vehicles, Related Funds, a portfolio investment or a portfolio company.

This creates a conflict of interest because we have an incentive to structure compensation under strategic business partnerships so that the TPGRE Vehicles (and hence all partners) bears the costs (directly or indirectly) instead of us. In addition, as with Senior Advisory Professionals, our close business relationship with a strategic partner gives us less incentive to negotiate with that strategic partner for a lower level of compensation.

We expect to also offer strategic partners the opportunity to co-invest alongside the TPGRE Vehicles, in some cases regardless of whether such partner played a significant role in sourcing or managing the specific investment.

Conflicts Arising from Interactions with Portfolio Investments

Portfolio investments of the TPGRE Vehicles, or Related Funds generally are not our affiliates for purposes of a TPGRE Vehicle's Governing Documents. As a result, the Governing Documents' provisions that relate specifically to our affiliates do not apply to TPGRE Vehicles' or Related Funds' portfolio investments or their respective management teams or employees, even if we have a significant economic interest in a portfolio investment and/or ultimately control it through our control of the relevant fund. For example, in the event that a TPGRE Vehicle or one of its portfolio investments purchases products or services from, or otherwise enters into a transaction with a portfolio investment of another TPGRE Vehicle or Related Fund, such transaction generally would not trigger the advisory committee disclosure, review, approval or consent or trigger other provisions of the Governing Documents typically applicable to transactions with affiliates. Also, if a Related Fund establishes a platform company, investment opportunities that the platform company management sources for the platform company generally will not be offered to the TPGRE Vehicles.

Given the collaborative nature of our business (and the business of our affiliates) and the portfolio investments in which some TPGRE Vehicles (or Related Funds) have invested, we (or Related Funds) from time to time recommend the services of a portfolio investment to other portfolio investments. We have a conflict of interest in making this recommendation, in that we have an incentive to maintain goodwill between ourselves and the existing and prospective portfolio investments for the TPGRE Vehicles or Related Funds, while it is possible that the products or services recommended are not necessarily the best available to the portfolio investments of the TPGRE Vehicles or the most favorably priced.

From time to time TPGRE Vehicles and/or certain of their portfolio investments have ongoing business dealings, arrangements or agreements with persons who are former employees of ours or a Related Adviser. The TPGRE Vehicles and/or their portfolio investments bear, directly or indirectly, the costs of such dealings, arrangements or agreements. In such circumstances, there exists a conflict of interest between ourselves and the TPGRE Vehicles (or their portfolio investments) in determining whether to engage in or to continue such dealings, arrangements or agreements, including the possibility that we will favor the engagement or continued engagement of such persons even if a better price and/or quality of service could be obtained from another person. Portfolio investments of TPGRE Vehicles also could be counterparties or participants in agreements, transactions or other arrangements with portfolio investments of other TPGRE

Vehicles that involve fees and/or servicing payments to us or our affiliates which are not subject to management fee offsets or otherwise shared with the relevant TPGRE Vehicles.

In addition, portfolio investments of TPGRE Vehicles or Related Funds, from time to time, make discounts and other benefits available to TPGRE Personnel in connection with such entities products or services. Sometimes these discounts or benefits are extended to TPGRE Personnel in only certain roles, such as board members of the portfolio investment. Such benefits or discounts are not considered compensation to TPGRE Personnel, are not considered portfolio fees and do not offset the advisory fees payable by investors in the related TPGRE Vehicles.

Current and former officers and executives of portfolio investments also invest in TPGRE Vehicles. While we believe this aligns portfolio investment management teams with the best interests of the TPGRE Vehicle, we may, in certain circumstances, be incentivized to take (or refrain from taking) certain actions with respect to a portfolio investment in order to maintain the goodwill with such portfolio investment management team investor.

Furthermore, the Governing Documents permit the TPGRE Vehicles or any portfolio or platform investment (including any joint or co-venture or other investment program) to acquire from another TPGRE Vehicle, Related Fund or any of their portfolio investments any exclusivity or first-look rights a co-venturer grants to the other TPGRE Vehicle, Related Fund or portfolio investment or any investment opportunity sourced by or presented to such other TPGRE Vehicle, Related Fund or portfolio investment, as well as any associated goodwill or intellectual property, on terms and conditions that we determine to be fair and reasonable (which typically includes paying a fee or other compensation). Furthermore, following the earlier of the end of the commitment period and the formation of any successor fund, the Governing Documents allows the TPGRE Vehicles or any portfolio or platform investment to transfer to another TPGRE Vehicle, Related Fund or any of their portfolio investments any such rights and/or property for no consideration. Such transactions generally would not require any advisory committee disclosure, review or consent or trigger other provisions of the Governing Documents typically applicable to transactions with affiliates.

Conflicts Arising from Business with Certain Investors

We have service providers, including for example, investment bankers and outside legal counsel, who are investors in TPGRE Vehicles and/or who provide services to businesses that are our competitors. For example, we may be presented with opportunities to receive financing and/or other services in connection with a TPGRE Vehicle's investments from certain limited partners or investors, as applicable, or their affiliates that are engaged in lending or other business. We have a conflict of interest with the TPGRE Vehicle in recommending the retention or continuation of a service provider if such recommendation, for example, is motivated by a belief that the service provider will continue to invest in TPGRE Vehicles or Related Funds or will provide us information about our competitors. There is a possibility that we, because of such belief or for other reasons, will favor such retention or continuation even if a better price and/or quality of service could be obtained from another person.

Portfolio investments controlled by a TPGRE Vehicle from time to time provide services to certain TPGRE Vehicle or Related Fund investors. We have an incentive to cause the portfolio investment

to favor those investors relative to other portfolio investment clients or customers in terms of pricing or otherwise, which could adversely affect the portfolio investment's profitability. Additionally, the portfolio investment could recommend to its clients or customers that they invest in a TPGRE Vehicle.

Certain members of a Fund's advisory committee are, or in the future could be, officers or directors of, or otherwise affiliated with, limited partners of a TPGRE Vehicle or one or more other TPGRE Vehicles or Related Funds. The general partner of a TPGRE Vehicle or a Related Fund has the discretion to utilize the services of limited partners and their affiliates on an arm's-length basis, as it deems appropriate.

It is possible that we exercise our discretion to enter into transactions with investors in one or more TPGRE Vehicles to dispose of all or a portion of certain investments held by one or more TPGRE Vehicles. In exercising our discretion to select the purchaser(s) of such investments, we will consider some or all of the factors listed above under "*Allocation of Co-Investment Opportunities*." The sales price for such transactions will be mutually agreed to by us and such purchaser(s); however, determinations of sales prices involve a significant degree of judgment by us. Although we are not obligated to solicit competitive bids for such sales transaction or to seek the highest available price (which means we may not obtain the highest price for the transaction), we will first determine that such transaction is in the best interests of the applicable TPGRE Vehicles, taking into account the sale price and the other terms of the transaction. There can be no assurance, in light of the performance of the investment following such a transaction, that such transaction will ultimately prove to be the most profitable or advantageous course of action for the applicable TPGRE Vehicles. Any such transactions will comply with the Governing Documents of the applicable TPGRE Vehicles.

Conflicts Related to Legal Counsel and Other Service Providers Engaged by TPGRE Vehicles and Related Funds

TPGRE Vehicles and the Related Funds often engage common legal counsel to represent all of the TPGRE Vehicles and/or the Related Funds in a particular transaction, including a transaction in which a TPGRE Vehicle, other TPGRE Vehicles or Related Funds have conflicting interests because they have invested in different securities of a single investment. In the event of a significant dispute or divergence of interest between a TPGRE Vehicle, other TPGRE Vehicles or Related Funds, such as in a work-out or other distressed situation, separate representation will typically become desirable, in which case we and the other Related Advisers may hire separate counsel in our sole discretion, and in litigation and other circumstances, separate representation will occasionally be required. Law firms engaged to represent TPGRE Vehicles and Related Funds, partners in those firms or entities affiliated with those firms may be investors in such TPGRE Vehicle, other TPGRE Vehicles or Related Funds, and may also represent one or more portfolio investments or limited partners of such TPGRE Vehicle, other TPGRE Vehicles and/or Related Funds.

Conflicts Relating to Services Provided by Related Persons

From time to time we, in our discretion, contract with related persons (including a portfolio investment of a TPGRE Vehicle or a family member of TPGRE Personnel) to perform services

(including brokerage services) for us in connection with our provision of services to the TPGRE Vehicles. When engaging a related person to provide such services, we will generally have a financial, personal or other business incentive to recommend the related person even if another person is more qualified to provide the applicable services and/or can provide such services at a lesser cost. From time to time we, in our discretion, recommend to a TPGRE Vehicle or one of its portfolio investments that it contract for services or, in providing services to a TPGRE Vehicle, directly engage with

- a related person of ours (including a portfolio investment of a TPGRE Vehicle); or
- an entity or person with which or whom we or TPGRE Personnel have a relationship or from which or whom we or TPGRE Personnel otherwise derive financial, personal or other benefit.

When making such a recommendation, it is possible that we or TPGRE Personnel, because of our financial, personal or other business interest, have an incentive to recommend the related or other person even if another person is more qualified to provide the applicable services and/or can provide such services at a lesser cost.

TPGRE Personnel have family members that are actively involved in industries and sectors in which the TPGRE Vehicles invest or have business, personal, financial or other relationships with companies in such industries and sectors (including service providers described below) or other industries, which gives rise to conflicts of interest. For example, such family members might be officers, directors, personnel or owners of companies that are actual or potential investments of the TPGRE Vehicles or other counterparties of the TPGRE Vehicles and their portfolio investments. Moreover, in certain instances, the TPGRE Vehicles or the portfolio investments may purchase or sell companies or assets from or to, or otherwise transact with companies that are owned by such family members or in respect of which such family members have other involvement. The fees for services provided by such service providers may or may not be at the same rate charged by other third-party service providers and we are not required to select service providers who may have lower rates (or to engage in any benchmarking of such fees). In most of these circumstances, the TPGRE Vehicles' Governing Documents will not preclude TPGRE Vehicles from undertaking any of these investment activities or transactions.

Conflicts Related to Strategic Transactions

TPG is a broad-based alternative investment platform that may engage in strategic transactions, including the investment in, acquisition of, or combination with, other investment platforms for any reason, including those that currently or may in the future sponsor, manage or advise funds, vehicles or accounts with investment mandates that are the same as, or similar to, the TPGRE Vehicles' investment mandates. In determining whether to pursue or engage in any strategic transaction, we are entitled to consider only the interests and factors that we desire, including our own interests. Except as expressly set forth in the Governing Documents, nothing prohibits, restricts or otherwise limits us in any way from pursuing or engaging in any strategic transaction or operating any such investment platform following any such acquisition or combination, including continuing or expanding the business and operations of such investment platform or any fund, vehicle or account sponsored, managed or advised thereby. Such strategic transactions and

the continued operations of any such investment platform may result in the re-allocation of the time and attention of our personnel (either on a temporary or permanent basis), including to the detriment of the TPGRE Vehicles, or the allocation of investment, sale or other exit opportunities or liquidity options which otherwise would be allocated to or benefit the TPGRE Vehicles to instead be allocated to or benefit any such funds, vehicles or accounts, and will otherwise give rise to the same conflicts of interest that may arise among the TPGRE Vehicles and any other Related Funds as described herein. To the maximum extent not prohibited by applicable law, neither us nor any of our affiliates will have any obligation to give any consideration to any interest of or factor affecting the TPGRE Vehicles in connection with any such transaction (e.g., whether a TPGRE Vehicle would otherwise be interested in pursuing such transaction or whether such transaction involves funds, vehicles or accounts with investment mandates that are the same as, or similar to, a TPGRE Vehicle's investment mandate).

In the event that we, any of our affiliates or any other party engages in any such transaction or otherwise engages in any actions or any other event occurs that results in an "assignment" (including for purposes of the Advisers Act) of the Advisory Services Agreement or any other agreement (including because of any change in our control group), and as a result we or any other entity must seek the consent of the TPGRE Vehicle under applicable law, the general partner of the TPGRE Vehicle will not seek the consent of the limited partners of such TPGRE Vehicle but will have the authority to act for the TPGRE Vehicle in determining whether or not to provide any required consent.

Since the general partner of the TPGRE Vehicle is under common control with us and we each would likely have a financial interest in the consummation of any such transaction that is different from the interests of the TPGRE Vehicle or its limited partners, the general partner of the TPGRE Vehicle will likely have a conflict of interest in making this determination. Pursuant to the Governing Documents, the general partner of the TPGRE Vehicle is under no obligation to seek approval from the TPGRE Vehicle's limited partners as to any such consent, and the limited partners will not have the right to remove the general partner or cause the TPGRE Vehicle to terminate the Advisory Services Agreement, transfer their interests or otherwise exit the TPGRE Vehicle, or exercise any other rights or remedies (other than those that are explicitly provided in the TPGRE Vehicle's Governing Documents).

Conflicts Arising in Respect of Alignment of Interest

A number of persons hold direct or indirect equity and other economic interests in TPG, including in our holding structures and certain other subsidiaries or vehicles that we control. On January 18, 2022, the Public Company completed an initial public offering. We are a subsidiary of TPG Operating Group, which is indirectly controlled by the Public Company. The officers, directors, members, managers and personnel of TPG, including certain key persons, can be expected to take into account certain considerations and other factors in connection with the management of the business and affairs of the TPGRE Vehicles and their affiliates that would not necessarily be taken into account if we were not under the control of a publicly listed company, and certain of them have fiduciary duties to shareholders of the Public Company that could conflict with their duties to the TPGRE Vehicles. For example, although TPG believes its reputation in the marketplace will provide a benefit to the TPGRE Vehicles, we could decline to undertake investment activity or transact with a counterparty on behalf of the TPGRE Vehicles for reputational reasons, and

these decisions could result in the TPGRE Vehicles forgoing a profit or suffering a loss. For additional information regarding the Public Company, please refer to its public filings, which may be accessed through the web site of the SEC (www.sec.gov) or TPG (<https://shareholders.tpg.com>). Similarly, we have permitted and reserve the right to permit third-party investors (including certain TPGRE Investors in consideration of a capital commitment to a TPGRE Vehicle) to hold material direct or indirect equity and/or debt interests in, participate in fees and/or carried interest of or provide other forms of financing to, other TPG-related vehicles, in each case, including the general partners, management companies and/or other subsidiaries of TPG Operating Group that are entitled to receive payment of management fees and carried interest from a TPGRE Vehicle and/or Related Fund as well as entities we form to exercise our rights or discharge our obligations under the Governing Documents. This includes debt financing that is recourse to TPG and/or its employees as well as non-recourse debt, such as a securitization structure. TPG and/or its employees could also, but are not required to, participate in such vehicles by holding direct or indirect equity and/or debt interests. Any of the foregoing vehicles could be used to fund TPG's capital commitments to TPGRE Vehicles and/or Related Funds, including the required minimum commitment as well as any additional commitments permitted following the end of the fundraising period. These practices could have the effect of reducing the amount of management fees and carried interest received directly or indirectly by TPG Operating Group and/or the management companies and the general partners (including carried interest received by persons responsible for operating a TPGRE Vehicle and/or Related Fund) and/or the amount of capital contributed or remaining at risk by persons responsible for operating the TPGRE Vehicles and/or Related Funds, and lessening the alignment of interests between such persons and the investors in such TPGRE Vehicles and/or Related Funds.

Conflicts Related to the Valuation of Assets

We generally determine, in our discretion, the fair value of each TPGRE Vehicle's assets on a quarterly basis. While we follow rigorous valuation methodologies and procedures that are designed to ensure that our fair value determinations are strictly the product of the application of U.S. generally accepted accounting principles ("U.S. GAAP"), we have incentives (and thus a potential conflict of interest) to arrive at higher valuations. First, when we determine that the fair value of an investment by certain TPGRE Vehicles is less than the capital contributions made with respect to it, we are obligated under the relevant Governing Documents to write down the asset, and the TPGRE Vehicle may need to receive proceeds in the amount of the write down, before its general partner could begin to receive carried interest. A decision not to write down an investment would avoid this negative impact on the amount of carried interest due to the general partner. Second, we will regularly report to investors in the TPGRE Vehicles, prospective investors and the investor community more generally metrics of the TPGRE Vehicles' performance, such as rates of return and multiples-of-money, whose calculation depends on the value of the TPGRE Vehicles' investments, including unrealized investments. For example, investors may receive annual audited financial statements, quarterly unaudited financial statements and other communications, such as updates at our investors' conferences, that reflect our valuations. These reports are an indication of the overall health of the TPGRE Vehicles and are important to our efforts to attract investors to TPGRE Vehicles and Related Funds. An objective of our valuation methodologies and procedures is to eliminate any influence these incentives can have on our fair value determinations.

Our valuations will be based to a large extent on our estimates, comparisons and qualitative evaluations of private information (including information from portfolio investments), which can be incomplete or inaccurate. It is possible investors therefore will not be able to replicate our methodology or to value accurately the TPGRE Vehicles' investments. The amount of judgment and discretion inherent in valuing assets renders valuations uncertain and susceptible to material fluctuations over possibly short periods of time; substantial write-downs and earnings volatility are possible. Valuations are inherently subjective in certain respects and rely on a variety of assumptions, including assumptions about projected cash flows for the remaining holding periods for the investments, market conditions at the time of such valuation and/or any anticipated disposition of the investments, legal and contractual restrictions on transfers that would limit liquidity, and any transaction costs related to, and the timing and manner of, any anticipated disposition or realization of the investments, which could differ from the assumptions and circumstances on which the valuations are based. Accurate valuations are more difficult to obtain in times of low transaction volume because there are fewer market transactions that can be considered in the context of a valuation. Our determination of an investment's fair value may differ materially from the value that would have been determined if a ready market for the securities or property or other investments had existed and the valuations the general partners of other funds or other third parties ascribe to the same investment. Our valuation of an investment at a measurement date could also differ materially from the value that is obtained upon the investment's exit.

We may permit deviations from U.S. GAAP and/or a TPGRE Vehicle's written valuation policies and procedures where they consider it to be appropriate, acting always in accordance with applicable, laws, regulations and rules applicable to each TPGRE Vehicle.

Conflicts Relating to Fee Structure and Carried Interest

Certain TPGRE Vehicles have fixed investment periods after which capital is only permitted to be drawn down in limited circumstances, and management fees are, at certain times during the life of those TPGRE Vehicles, based upon capital invested by the TPGRE Vehicles. This fee structure creates an incentive to defer the realization of investments and/or deploy capital when we would not otherwise have done so.

See also "*Item 6 – Performance-Based Fees and Side-by-Side Management*" for a description of the other conflicts that arise as a result of the methodology for determining the amount of carried interest earned by the general partner of a TPGRE Vehicle.

Conflicts Relating to Portfolio Fees

As described in Item 5 above, we will often perform certain services for, and, consistent with the Governing Documents, will receive fees or reimbursements from, actual or prospective portfolio investments or other investment vehicles of the TPGRE Vehicles. Such fees will be in addition to any management fees or carried interest the TPGRE Vehicles pay us. This creates a conflict of interest between ourselves and the TPGRE Vehicles and their investors because the amounts of these fees and reimbursements are often substantial and the TPGRE Vehicles and, except in connection with the reductions described below, their investors generally do not have an interest in these fees and reimbursements. We generally determine the amount of these portfolio fees and

reimbursements in our own discretion, subject to agreements with sellers, buyers, management teams, the boards of directors of or lenders to portfolio investments and/or third-party co-investors. There are also circumstances (such as the occurrence of an initial public offering or a sale where the TPGRE Vehicle maintains a material interest) that will accelerate the payment of a portion of such fees or otherwise result in the payment of other exit, performance-based or termination fees, which may have an adverse impact on the portfolio investments.

Although these portfolio fees are in addition to the management fees, we will in many circumstances be obligated to reduce the amount of management fees paid by the applicable TPGRE Vehicle by an amount equal to all or a portion of such portfolio fees. The specific amount and nature of this reduction varies among TPGRE Vehicles and is generally set forth in the Governing Documents of the applicable TPGRE Vehicle. Entities other than TPGRE Vehicles that participate in investments alongside the TPGRE Vehicles (such as entities through which we and certain of our employees and affiliates invest alongside the TPGRE Vehicles) often have a right to share in such fees, and management fees will generally not be reduced in connection with the receipt of such entities' share of such fees. In many cases with respect to the implementation of such arrangements, there is not an independent third party involved on behalf of the relevant portfolio investment and therefore the fees are not subject to a market check. Therefore, a conflict of interest exists in the determination of any such fees and other related terms in the applicable agreement with the portfolio investment by virtue of the fact that we are acting on behalf of both parties. Furthermore, as noted above, a TPGRE Vehicle will, in most cases, only benefit with respect to its allocable portion of any such fee and not the portion of any fee allocable to another entity, including, if applicable, a Co-Investment Vehicle. As some TPGRE Vehicles do not pay management fees (e.g., certain Co-Investment Vehicles), or do not have offset provisions requiring the reduction of management fees, any such reduction will not benefit such TPGRE Vehicles.

Conflicts Related to the Employee Retirement Income Security Act of 1974

Although TPGRE Vehicles are not currently expected to hold "plan assets" subject to ERISA, one or more TPGRE Vehicles or Related Funds may, from time to time, hold "plan assets" subject to ERISA. If a TPGRE Vehicle or Related Fund holds "plan assets" subject to ERISA, we and certain related entities would be classified as "fiduciaries" under ERISA with respect to the plan assets of such vehicles when acting on behalf of such vehicles. ERISA imposes certain general and specific responsibilities and restrictions on fiduciaries with respect to plan assets. As a result, in the event a TPGRE Vehicle or Related Fund holds "plan assets" subject to ERISA, such TPGRE Vehicle or Related Fund may be prohibited from entering into certain transactions if the investment would violate ERISA with respect to such TPGRE Vehicle or Related Funds, or may be obligated to take certain actions or refrain from taking certain actions in order to avoid a violation of ERISA with respect to such TPGRE Vehicle or such Related Funds.

Conflicts Arising from the Exit of Certain Investments

The general partner of a TPGRE Vehicle, or its affiliates, from time to time may receive distributions in kind from an investment disposition. In the event the general partner, or its affiliates, receives such a distribution, the general partner may act in its own interest with respect to its share of securities and will determine to sell the distributed securities, or hold the distributed securities for such time as the general partner will determine. The ability of a TPGRE Vehicle's

general partner to act in its own interest with respect to such distributed shares creates a conflict of interest between the general partner or affiliate, as an adviser to the TPGRE Vehicle, and the TPGRE Vehicle and its investors. This conflict may be exacerbated due to the enhanced knowledge and information the general partner has relative to the limited partners with respect to such securities.

Conflicts Related to the Interpretation of Governing Documents and Other Legal Requirements

The Governing Documents, subscription agreements, management agreements, and other constitutional documents of each TPGRE Vehicle are detailed agreements that establish complex arrangements among us, the limited partners, the TPGRE Vehicle, the general partner and other entities and individuals. Questions arise under these agreements regarding the parties' rights and obligations in certain situations, some of which will not have been contemplated at the time of the agreements' drafting and execution. In these instances, the operative provisions of the agreements, if any, may be broad, general, ambiguous or conflicting, and permit more than one reasonable interpretation. At times there will not be a provision directly applicable to the situation. While we will construe the relevant agreements in our good faith (it being understood that references to "good faith" in the applicable Governing Documents refer to our subjective good faith) and in a manner consistent with our legal obligations (and, when appropriate, in consultation with external legal counsel), the interpretations we adopt will not necessarily be, and need not be, the interpretations that are the most favorable to the TPGRE Vehicles or their investors.

Conflicts Related to the Withholding of Certain Information

The Governing Documents of certain TPGRE Vehicles generally permit each such TPGRE Vehicle's general partner to withhold information from certain limited partners or investors in such TPGRE Vehicle in certain circumstances. For instance, information will at times be withheld from limited partners that are subject to Freedom of Information Act or similar requirements. The general partner will also from time to time elect to withhold certain information to such limited partners for reasons relating to the general partner's public reputation or overall business strategy, despite the potential benefits to such limited partners of receiving such information.

ITEM 12 – BROKERAGE PRACTICES

Investment or Brokerage Discretion

For each of the TPGRE Vehicles, we have sole discretion over the purchase and sale of investments (including the size of such transactions) and the broker or dealer, if any, to be used to effect transactions. We seek the best price and execution available except to the extent we are permitted to pay higher brokerage commissions in exchange for brokerage and research services. "Best execution" means obtaining for a TPGRE Vehicle the lowest total cost (in purchasing a security) or highest total proceeds (in selling a security), subject to the circumstances of the transaction and the quality and reliability of the executing broker or dealer. Best execution is not limited solely to the consideration of the best available commission rate.

In selecting brokers or dealers, we generally consider various factors, including

- the broker-dealer's reputation, experience and financial stability;

- the broker-dealer's ability to maintain our anonymity;
- the broker-dealer's ability to provide competitive pricing;
- the transaction's size and timing;
- the broker-dealer's ability and willingness to commit capital and provide prompt and accurate execution and settlement;
- whether the broker-dealer makes a market in a security and/or finds sources of liquidity;
- the nature of the market for the security and the difficulty of execution;
- the broker-dealer's trading expertise, including its ability to minimize total trading costs and to trade without unduly impacting the market;
- the belief that the broker-dealer charges fair and reasonable fees for trades, and that the TPGRE Vehicles have been treated fairly and honestly in prior trades;
- the quality of execution and service rendered by the broker-dealer in prior transactions;
- any proprietary research and investment ideas; and
- our overall relationship with the broker-dealer.

TPG BD may also, in some cases, act as a broker in transactions on behalf of TPGRE Vehicles. However, TPG BD will only serve as a broker-dealer in a transaction if it is consistent with our fiduciary duties.

We have no formal arrangements with specific brokers or dealers to receive research or other services beyond transaction execution in exchange for brokerage commissions from client transactions (so-called "soft dollar" arrangements). However, we may select brokers or dealers who provide us research reports and services, including

- proprietary broker-dealer company research and analyses;
- oral and written reports, statistics and advice about the economy, industries and individual securities' or company investment opportunities;
- reports on underwriting activity, bank rates, loan defaults, loan new issuance volumes and other capital markets statistics; and
- opportunities to confer with company management.

In accordance with Section 28(e) of the Exchange Act, broker-dealers providing such services are from time to time paid commissions on transactions for TPGRE Vehicles in excess of those that other broker-dealers not providing such services might charge so long as we determine in good faith the amount of commissions is reasonable in relation to the value of the brokerage and research

services provided, taking into account all of the accounts over which we exercise investment discretion. Recognizing the value of the brokerage and research services provided, we from time to time allow a brokerage commission or negotiated term in excess of that which another broker might have charged for effecting the same transaction. A conflict of interest exists when a broker-dealer provides such research services, as we will have an incentive to favor such broker-dealer over another that may charge lower commissions.

We periodically evaluate the overall reasonableness of the brokerage commissions and negotiated terms paid to or made with broker-dealers with respect to client transactions by, among other things, seeking to compare such commissions and terms with the commission rates and negotiated terms being charged by and entered into with other comparable broker-dealers. We also periodically review the past performance of the broker-dealers with whom we have placed orders to execute TPGRE Vehicle transactions in light of the factors discussed above.

Please refer to the section above entitled “*Conflicts Related to the Hiring of Asset Managers or Servicers*” for a discussion of potential conflicts of interests that affect our choice of service providers, including broker-dealers.

Cross Transactions

Generally, we do not effect cross transactions between TPGRE Vehicles and Related Funds (a “cross-fund transaction”); however, they may be effected in rare instances. Such cross-fund transactions create conflicts of interest because, by not exposing such buy and sell transactions to market forces, a TPGRE Vehicle may not receive the best price otherwise possible, or we might have an incentive to improve the performance of one TPGRE Vehicle or a Related Fund by selling underperforming assets to another TPGRE Vehicle in order, for example, to earn fees. Additionally, in connection with such transactions, we

- may have significant investments, or intentions to invest, in the TPGRE Vehicle or Related Fund that is selling and/or purchasing such an investment; or
- otherwise have a direct or indirect interest in the investment (such as through certain other participations in the investment).

We may receive advisory or other fees in connection with our management of the relevant TPGRE Vehicles or Related Funds involved in such a transaction, and may also be entitled to share in the investment profits of the relevant TPGRE Vehicles or Related Funds.

In the event that we do effect cross-fund transactions between TPGRE Vehicles or Related Funds, we will seek to ensure that such transactions and any related disclosures are made consistent with applicable laws and agreements (including obtaining any requisite approvals thereunder) and our policies and procedures. In particular, we will seek to ensure that the transaction is

- in our judgment, in the best interests of each TPGRE Vehicle involved in the transaction; and
- in compliance with any investment guidelines or restrictions for these TPGRE Vehicles.

In effecting these transactions, we will seek to ensure that the purchase or sale is effected at a price that is comparable to what price could be obtained through an arm's-length transaction with a third party and that is otherwise fair to both parties. We will maintain documentation to memorialize the basis for determining fairness in pricing. Neither we nor any of our affiliates will receive any compensation for effecting a cross-fund transaction.

Continuation Vehicles and Continuation Transactions

We are permitted, in our sole discretion, to establish one or more continuation vehicles with respect to one or more portfolio investments and holding long-dated investments and/or investments targeting a lower return, among other purposes (each, a "Continuation Vehicle"). Subject to certain limitations, the TPGRE Vehicles may sell one or more of their portfolio investments to any such Continuation Vehicle, on such terms that we determine to be fair and reasonable to the TPGRE Vehicles so long as the consideration for such transaction has been validated pursuant to a valuation of such portfolio investments and such transaction is not objected to by the TPGRE Vehicles' advisory committee, in each case in accordance with the TPGRE Vehicles' Governing Documents (each, a "Continuation Transaction"). In addition, we are authorized, in our sole discretion, to offer one or more investors (and/or one or more co-investors or other direct or indirect investors in such investment) the ability to continue holding a direct or indirect interest in such investment (a "Retained Interest"). Given that (i) we may charge management fees, carried interest, or other compensation from the buyer of such investment in return for providing post-sale advisory or similar services (including reimbursements for costs and expenses) in connection with any Continuation Transaction or Retained Interest and (ii) we can potentially benefit to a greater extent in pursuing a Continuation Transaction or Retained Interest over other types of transactions when pursuing the TPGRE Vehicles' exit from any investment. This creates the potential for conflicts of interest, and such conflicts will not restrict us from utilizing a Continuation Transaction or Retained Interest if we determined to do so in our sole discretion and such utilization is permitted by the TPGRE Vehicles' Governing Documents. For example, it is possible that new investors will be subscribing for interests in the Continuation Vehicle ("Funding Investors") alongside investors that are offered the opportunity to roll their interests in the underlying investments ("Rolling Investors") and that Funding Investors may participate in any such Continuation Transaction on terms that are more or less favorable than the terms offered to Rolling Investors, resulting in additional conflicts of interest between the interests of Funding Investors and Rolling Investors. In addition, Funding Investors may participate on terms that could result in dilution of Rolling Investors' indirect interests in the relevant underlying investments and could adversely affect returns to such Rolling Investors. Also, as a consequence of the potential for Funding Investors to be offered preferred economics in the Continuation Vehicle, the amount and timing of returns to a Rolling Investor from a Continuation Vehicle may not be the same as those for the Funding Investors, which may be paid in priority to returns to the Rolling Investors. Similarly, the terms applicable to any investor's retained interest may be less favorable than the terms applicable to other interests in the relevant underlying investment that are sold by the TPGRE Vehicles. Because of the potential for a requirement for an investor in the Continuation Vehicle to make an investment in a TPGRE Vehicle or Related Fund or a commitment to invest in a future TPGRE Vehicle or Related Fund, this (a) incentivizes us to favor such investors because of the potential for us and our affiliates to earn additional management fees with respect to any such investment or commitment to invest, and (b) could affect the price such investors offer to purchase the asset from the selling TPGRE Vehicle or Related Fund. Additionally, conflicts of

interest arise in continuation transactions as a result of the allocation of fees and expenses, because fees and expenses will be incurred in connection with the transaction, and we might determine to allocate bankers' fees and certain other fees and expenses solely to selling investors and not to certain investors in the Continuation Vehicle or vice versa.

Trade Aggregation

In pursuing our investment objectives, we from time to time cause TPGRE Vehicles to purchase and sell publicly traded securities through brokers. If we have determined to sell or purchase a publicly traded security at the same time for more than one TPGRE Vehicle, the Chief Compliance Officer or his/her designee seek to ensure that combined orders for all TPGRE Vehicles are generally placed while assigning pre-order allocations. If an order for more than one TPGRE Vehicle cannot be fully executed, we typically "bunch" buy or sell orders for two or more TPGRE Vehicles into a single large order, and place the bunched order with a single broker or dealer for execution. In many instances, such "bunching" of orders can result in lower commissions, a more favorable net price or more efficient execution than if each TPGRE Vehicle's order were placed separately. There may, however, be instances in which order bunching results in a less favorable transaction than a particular TPGRE Vehicle would have obtained by trading separately. Similarly, when orders are not bunched, there may be circumstances when purchases or sales of portfolio securities for one or more TPGRE Vehicles will have an adverse effect on other TPGRE Vehicles. We are not obligated to place all transactions on a "bunched" basis. We generally will seek to avoid putting any TPGRE Vehicle at an advantage or disadvantage compared to other TPGRE Vehicles that are buying or selling the same security. Each TPGRE Vehicle participating in a "bunched" order generally participates at the same price as all other participants, and all transaction costs on the order are generally allocated pro rata to all participating TPGRE Vehicles.

ITEM 13 – REVIEW OF ACCOUNTS

Review of Accounts

The investment portfolios of the TPGRE Vehicles are generally private, illiquid and long-term in nature; accordingly, our review of them is not directed toward a short-term decision to dispose of securities. However, we closely monitor the TPGRE Vehicles' portfolio investments and generally maintain an ongoing oversight position in such portfolio investments.

In addition, with respect to investments such as bank and other loans, financings, originations and related credit, fixed income and other instruments and claims, we continually review and analyze existing investment positions to attempt to identify issues early on and to take action when necessary. We meet periodically with members of our investment review committee to update them on such portfolio positions and related matters.

Reporting

We generally do not provide formal written reports to any TPGRE Vehicle unless specifically requested by the general partner of the vehicle. We generally report to investors in a TPGRE Vehicle in accordance with the applicable Governing Documents.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

For information regarding any economic benefits we receive from non-clients, including a description of related conflicts of interest, please see “*Item 10 – Other Financial Industry Activities and Affiliations*” above. In addition, as discussed in Item 11, we and our related persons, in certain instances, receive discounts on products and services provided by portfolio investments held by TPGRE Vehicles and/or the customers or suppliers of such portfolio investments.

ITEM 15 – CUSTODY

Not applicable.

ITEM 16 – INVESTMENT DISCRETION

Pursuant to the Advisory Services Agreement of each Fund and certain Co-Investment Vehicles, and subject to the direction and control of the general partner of such Fund or Co-Investment Vehicle, we generally perform the day-to-day investment operations of each such Fund and Co-Investment Vehicle in accordance with the terms and conditions of the Advisory Services Agreement and Governing Documents of such Fund or Co-Investment Vehicle.

Some Co-Investment Vehicles are established to invest alongside one or more Funds in one or more particular investment opportunities. Because a Co-Investment Vehicle is typically contractually required, as a condition of its investment, to exit its investment in the particular investment opportunity at the same time and on the same terms as the applicable Fund that also is invested in the particular investment opportunity, we generally will not have any discretion to invest the assets of such Co-Investment Vehicles independent of such contractual requirements.

ITEM 17 – VOTING CLIENT SECURITIES

We have been delegated the authority to vote proxies (which, for these purposes, includes other corporate actions, such as consent requests) regarding securities held by the TPGRE Vehicles. We have adopted and implemented policies and procedures reasonably designed to ensure that we vote proxies in the best interests of the TPGRE Vehicles. In exercising our voting discretion, we seek to avoid any direct or indirect conflict of interest between the TPGRE Vehicles and the voting decision.

It is our general policy to vote or to give consent on all matters presented to security holders in any proxy or similar request, and our policies and procedures have been designed with that in mind. However, we reserve the right to abstain on any particular vote or otherwise to withhold our vote or consent on any matter if, in the judgment of certain of our professionals, the costs associated with voting such proxy outweigh the benefits to the applicable TPGRE Vehicles or if the circumstances make such an abstention or withholding otherwise advisable and in the best interest of the applicable TPGRE Vehicles.

TPGRE Vehicles generally cannot direct our vote.

Our Chief Compliance Officer or his/her delegate (a “Proxy Reviewer”) is responsible for monitoring proxy decisions for any actual or perceived conflicts of interests. All proxy voting

decisions require a mandatory conflicts of interest review by a Proxy Reviewer, which includes consideration of whether we or any investment professional or other person recommending how to vote the proxy has an interest in how the proxy is voted that may present a conflict of interest. When the Proxy Reviewer deems appropriate in his/her sole discretion, unaffiliated third parties may be used to help resolve conflicts or to otherwise assist us in fulfilling all or part of our voting obligations. In this regard, the Proxy Reviewer has the power to retain independent fiduciaries, consultants or professionals to assist with proxy voting decisions and/or to delegate to such persons voting and/or consent powers in accordance with our proxy voting policies and procedures.

When voting proxies on behalf of TPGRE Vehicles, we vote in a manner that we believe is consistent with the best interest of the TPGRE Vehicles, which may include agreeing with a third party to vote on a matter in a particular manner if we deem such agreement to be in the best interest of the TPGRE Vehicles. We do not permit proxy voting decisions to be influenced in any manner that is contrary to, or dilutive of, this guiding principle.

In accordance with the requirements of the Advisers Act, we maintain records of our proxy voting for at least five years and, at a TPGRE Vehicle's request, will furnish proxy voting information, free of charge, to the requesting TPGRE Vehicle within a reasonable period of time (usually within ten business days). TPGRE Vehicles may request proxy voting information by contacting the Chief Compliance Officer at (817) 871-4000 or by writing to TPG Real Estate Advisors, LLC, Attn: Chief Compliance Officer, at 301 Commerce St., Suite 3300, Fort Worth, Texas 76102.

ITEM 18 – FINANCIAL INFORMATION

Not applicable.