

February 1, 2023

Dear Investor,

Thank you for your investment in Blackstone Real Estate Income Trust, Inc. ("BREIT") and entrusting Blackstone as a steward of your capital.

BREIT continues to deliver strong performance and consistent, tax-advantaged distributions for our investors. We are proud that BREIT has generated a +12.5% annualized net return since inception (January 1, 2017) and an +8.4% net return in 2022, supported by +13% estimated cash flow growth despite a challenging environment.<sup>1,2</sup> Further, BREIT has delivered consistent, tax-advantaged distributions since inception with a current 4.5% annualized distribution rate, equal to a 7.1% tax-equivalent yield.<sup>3</sup> We built BREIT to outperform with a "70/80/90" portfolio: ~70% Sunbelt markets which are growing faster than the rest of the country;<sup>4</sup> ~80% rental housing and industrial sector concentrations where fundamentals and cash flows are historically strong;<sup>5,6</sup> and ~90% fixed rate debt that we locked in at low rates for the next 6.5 years, minimizing interest rate risk.<sup>7</sup>

Since BREIT's formation six years ago, its Share Repurchase Plan (the "Repurchase Plan") has allowed for repurchases up to 2% of net asset value ("NAV") in any month and 5% of NAV in a calendar quarter, subject to BREIT's majority independent Board of Directors' broad repurchase discretion.<sup>8</sup> This structure was designed to both prevent a liquidity mismatch and maximize long-term shareholder value.

Given repurchase requests exceeded the monthly limit in January, BREIT fulfilled repurchase requests of \$1.3B, which is equal to 2% of NAV in accordance with the Repurchase Plan.<sup>8</sup> This represents 25% of the shares you submitted for repurchase. Repurchases were fulfilled at the December 31, 2022 NAV per share for your applicable share class. Under the Repurchase Plan, unfulfilled repurchase requests are not carried over automatically to the next month. Additionally, unless you elect to remain in the Distribution Reinvestment Plan ("DRIP") all shares submitted for repurchase will be removed from the DRIP at this time. Please contact your financial representative if you would like to remain in the DRIP.

If you would like to resubmit any unsatisfied portion of your current repurchase request for repurchase in the future, you will need to submit a new repurchase request for these shares prior to 4:00 p.m. (ET) on the second-to-last business day of the applicable month. Further details on BREIT's Repurchase Plan and BREIT's NAV per share are available at [www.breit.com](http://www.breit.com), or in its public filings, available on the Securities and Exchange Commission's website at [www.sec.gov](http://www.sec.gov).

We remain confident that BREIT's portfolio can deliver strong performance and a tax-advantaged distribution yield. We believe we have selected the right sectors and geographies and positioned our balance sheet to continue to produce meaningful cash flow growth.<sup>4,5</sup> In fact, BREIT's portfolio experienced estimated YoY market rent growth of approximately 10% in December.<sup>9</sup> Furthermore, Green Street Advisors, a widely respected real estate research firm, is forecasting strong cash flow growth in 2023 for publicly traded REITs in our largest sectors.<sup>10</sup> This is consistent with our own estimates and supported by steep declines in future supply expectations, with housing permits down 25% from their 2022 peak and a 42% decline in construction starts in the industrial sector quarter over quarter.<sup>11,12</sup> Market rents in our major sectors are 18% above BREIT's in-place rents, and we expect to pursue this growth potential as leases expire.<sup>13</sup> Today more than ever, manager selection is critical, and BREIT benefits from Blackstone's 30+ year track record successfully navigating market cycles and proprietary real-time market insights as the largest owner of commercial real estate globally.<sup>14,15</sup> Generating strong performance remains our top objective.

Sincerely,

Blackstone Real Estate Income Trust

**Past performance does not guarantee future results.** BREIT performance referenced above reflects Class I shares. Cash flow growth referenced herein refers to same property net operating income ("NOI") growth. Financial data is estimated and unaudited. All figures as of December 31, 2022 unless otherwise noted. Opinions expressed reflect the current opinions of BREIT as of the date appearing in the materials on only and are based on BREIT's opinions of the current market environment, which is subject to change. Certain information contained in the materials discusses general market activity, industry or sector trends, or other broad-based economic, market or political conditions and should not be construed as research or investment advice.

This document contains forward-looking statements within the meaning of the federal securities laws and the Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by the use of forward-looking terminology such as "outlook," "indicator," "believes," "expects," "potential," "continues," "identified," "may," "will," "should," "seeks," "approximately," "predicts," "intends," "plans," "estimates," "anticipates," "confident," "conviction" or other similar words or the negatives thereof. These may include financial estimates and their underlying assumptions, statements about plans, objectives, intentions, and expectations with respect to positioning, including the impact of macroeconomic trends and market forces, future operations, repurchases, acquisitions, future performance and statements regarding identified but not yet closed acquisitions. Such forward-looking statements are inherently uncertain and there are or may be important factors that could cause actual outcomes or results to differ materially from those indicated in such statements. We believe these factors include but are not limited to those described under the section entitled "Risk Factors" in BREIT's prospectus and annual report for the most recent fiscal year, and any such updated factors included in BREIT's periodic filings with the SEC, which are accessible on the SEC's website at [www.sec.gov](http://www.sec.gov). These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this document (or BREIT's public filings). Except as otherwise required by federal securities laws, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

1. Represents Class I shares. Year to date ("YTD") net returns for the other share classes: Class D shares (no sales load) 8.0%; Class D shares (with sales load) 6.4%; Class S shares (no sales load) 7.5%; Class S shares (with sales load) 3.8%; Class T shares (no sales load) 7.4%; Class T shares (with sales load) 3.7%. Inception to date ("ITD") returns for the other share classes: Class D shares (no sales load) 12.5%; Class D shares (with sales load) 12.2%; Class S shares (no sales load) 11.6%; Class S shares (with sales load) 10.9%; Class T shares (no sales load) 12.0%; Class T shares (with sales load) 11.3%. Class D, Class S and Class T shares listed as (with sales load) reflect the returns after the maximum upfront selling commission and dealer manager fees. Returns shown reflect the percent change in the NAV per share from the beginning of the applicable period, plus the amount of any distribution per share declared in the period. **All returns shown assume reinvestment of distributions pursuant to BREIT's distribution reinvestment plan, are derived from unaudited financial information, and are net of all BREIT expenses, including general and administrative expenses, transaction-related expenses, management fees, performance participation allocation, and share class-specific fees, but exclude the impact of early repurchase deductions on the repurchase of shares that have been outstanding for less than one year.** The inception dates for the Class I, D, S and T shares are January 1, 2017, May 1, 2017, January 1, 2017 and June 1, 2017, respectively. **The returns have been prepared using unaudited data and valuations of the underlying investments in BREIT's portfolio, which are estimates of fair value and form the basis for BREIT's NAV. Valuations based upon unaudited reports from the underlying investments may be subject to later adjustments, may not correspond to realized value and may not accurately reflect the price at which assets could be liquidated.** As return information is calculated based on NAV, return information presented will be impacted should the assumptions on which NAV was determined prove to be different. **Past performance is not necessarily indicative of future results.** YTD returns are not annualized. ITD returns are annualized consistent with the IPA Practice Guideline 2018.
2. Cash flow growth refers to same property net operating income ("NOI") growth. Represents BREIT's preliminary estimated same property NOI growth for the year ended December 31, 2022 compared to the prior year (based on the midpoint of the preliminary estimated range of same property NOI). This data is not a comprehensive statement of our financial results for the year ended December 31, 2022, and our actual results may differ materially from this preliminary estimated data. Net Operating Income ("NOI") is a supplemental non-generally accepted accounting principles ("GAAP") measure of our property operating results that we believe is meaningful because it enables management to evaluate the impact of occupancy, rents, leasing activity and other controllable property operating results at our real estate. We define NOI as operating revenues less operating expenses, which exclude (i) impairment of investments in real estate, (ii) depreciation and amortization, (iii) straight-line rental income and expense, (iv) amortization of above- and below-market lease intangibles, (v) lease termination fees, (vi) property expenses not core to the operations of such properties, and (vii) other non-property related revenue and expense items such as (a) general and administrative expenses, (b) management fee paid to the Adviser, (c) performance participation allocation paid to the Special Limited Partner, (d) incentive compensation awards, (e) income (loss) from investments in real estate debt, (f) change in net assets of consolidated securitization vehicles, (g) income from equity securities and interest rate derivatives, (h) net gain (loss) on dispositions of real estate, (i) interest expense, (j) gain (loss) on extinguishment of debt, (k) other income (expense), and (l) similar adjustments for NOI attributable to non-controlling interests and unconsolidated entities. We evaluate our consolidated results of operations on a same property basis, which allows us to analyze our property operating results excluding acquisitions and dispositions during the periods under comparison. Properties in our portfolio are considered same property if they were owned for the full periods presented, otherwise they are considered non-same property. Recently developed properties are not included in same property results until the properties have achieved stabilization for both full periods presented. Properties held for sale, properties that are being re-developed, and interests in unconsolidated entities under contract of sale with hard deposit or other factors ensuring the buyer's performance are excluded from same property results and are considered non-same property. We do not consider our investments in the real estate debt segment or equity securities to be same property. For more information, please refer to BREIT's Current Report on Form 8-K filed with the Securities and Exchange Commission on January 25, 2023 and the prospectus. Additionally, please refer below for a reconciliation of estimated GAAP net loss to same property NOI for the years ended December 31, 2022 and 2021.
3. As of December 31, 2022. Represents Class I shares. Annualized distribution rates for the other share classes are as follows: Class D: 4.4%; Class S: 3.6%; and Class T: 3.7%. Reflects the current month's distribution as of December 31, 2022 annualized and divided by the prior month's net asset value, which is inclusive of all fees and expenses. There is no assurance we will pay distributions in any particular amount, if at all. Any distributions we make will be at the discretion of our board of directors. Distributions are not guaranteed and may be funded from sources other than cash flow from operations, including borrowings, offering proceeds, the sale of our assets and repayments of our real estate debt investments. We have no limits on the amounts we may fund from such sources. As of September 30, 2022, 100% of inception to date distributions were funded from cash flows from operations. Tax-equivalent yield herein reflects the pre-tax yield an investor in a theoretical taxable investment would need to receive to match the 4.5% after-tax yield of BREIT's Class I share class assuming that (i) all income earned on the theoretical fixed income investment is taxed at the top ordinary rate of 37% and (ii) 94% of BREIT's distributions are treated as a return of capital ("ROC"), which is equal to the percentage of distributions classified as ROC for 2022, and excluding the impact of taxes that would be payable upon redemption. The ordinary income tax rate could change in the future. BREIT has delivered 70, 68, 70 and 67 months of consecutive distributions for the Class I, D, S and T shares, respectively. Tax-equivalent yield for the other share classes are as follows: Class D: 6.8%; Class S: 5.7%; and Class T: 5.8%. The tax-equivalent yield would be reduced by 1.4%, 1.3%, 1.1% and 1.1% for Class I, D, S and T shares, respectively, taking into account deferred capital gains tax that would be payable upon redemption. This assumes a one-year holding period and includes the impact of deferred capital gains tax incurred in connection with a redemption of BREIT shares. Upon redemption, an investor is assumed to be subject to tax on all prior return of capital distributions at the current maximum capital gains rate of 20%. The capital gains rate could change in the future. Other fixed income products with different characteristics, such as municipal bonds, may also provide tax advantages. The availability of certain tax benefits, such as tax losses from other investments, may also increase the after-tax yield of other fixed income products for an

investor. Investors should consult their own tax advisors. The tax information herein is provided for informational purposes only, is subject to material change, and should not be relied upon as a guarantee or prediction of tax effects. This material also does not constitute tax advice to, and should not be relied upon by, potential investors, who should consult their own tax advisors regarding the matters discussed herein and the tax consequences of an investment. A portion of REIT ordinary income distributions may be tax deferred given the ability to characterize ordinary income as ROC. ROC distributions reduce the stockholder's tax basis in the year the distribution is received, and generally defer taxes on that portion until the stockholder's stock is sold via redemption. Upon redemption, the investor may be subject to higher capital gains taxes as a result of a lower cost basis due to the return of capital distributions. Certain non-cash deductions, such as depreciation and amortization, lower the taxable income for REIT distributions. Investors should be aware that a REIT's ROC percentage may vary significantly in a given year and, as a result, the impact of the tax law and any related advantages may vary significantly from year to year. While we currently believe that the estimations and assumptions referenced herein are reasonable under the circumstances, there is no guarantee that the conditions upon which such assumptions are based will materialize or are otherwise applicable. This information does not constitute a forecast, and all assumptions herein are subject to uncertainties, changes and other risks, any of which may cause the relevant actual, financial and other results to be materially different from the results expressed or implied by the information presented herein. No assurance, representation or warranty is made by any person that any of the estimations herein will be achieved, and no recipient of this example should rely on such estimations. Investors may also be subject to net investment income taxes of 3.8% and/or state income tax in their state of residence which would lower the after-tax yield received by the investor.

4. "Region Concentration" represents regions as defined by the National Council of Real Estate Investment Fiduciaries ("NCREIF") and the weighting is measured as the asset value of real estate properties and unconsolidated property investments for each regional category (South, West, East, Midwest, Non-U.S.) divided by the total asset value of all (i) real estate properties, excluding the value of any third-party interests in such real estate properties, and (ii) unconsolidated property investments. "Non-U.S." reflects investments in Europe and Canada. Sunbelt represents the South and West regions as defined by NCREIF. Reflects comparison of population, job and wage growth between the South and West regions versus the rest of the United States. Population growth reflects U.S. Bureau of Economic Analysis, as of June 22, 2022. Represents 5-year compound annual growth rate of population from mid-quarter Q1 2017 to mid-quarter Q1 2022. Job growth reflects U.S. Bureau of Labor Statistics data as of September 16, 2022. Represents 5-year compound annual growth rate of seasonally adjusted employees on nonfarm payrolls from August 2017 to August 2022. Higher wage growth reflects U.S. Bureau of Labor Statistics, as of August 24, 2022. Represents 5-year compound annual growth rate of employment weighted average weekly wages from Q1 2017 to Q1 2022. While BREIT generally seeks to acquire real estate properties located in growth markets, certain properties may not be located in such markets. Although a market may be a growth market as of the date of the publication of this material, demographics and trends may change and investors are cautioned on relying upon the data presented as there is no guarantee that historical trends will continue or that BREIT could benefit from such trends.
5. "Property Sector Concentration" weighting is measured as the asset value of real estate investments for each sector category (Rental Housing, Industrial, Net Lease, Data Centers, Hospitality, Self Storage, Office, Retail) divided by the total asset value of all real estate investments, excluding the value of any third-party interests in such real estate investments ("Real Estate TAV"). The following sectors each have subsectors comprising over 1.0% of Real Estate TAV. Rental Housing: multifamily (36%, including affordable housing, which accounts for 8%), student housing (10%), single family rental housing (8%) and manufactured housing (1%); Industrial: warehouses (22%); and Hospitality: select service hotels (2%). Please see the prospectus for more information on BREIT's investments.
6. Historically strong fundamentals and cash flows reflect Green Street Advisors latest sector updates available as of December 5, 2022. Represents 2023 publicly traded REIT same property NOI growth forecasts and historical same property NOI growth for the rental housing and industrial sectors. Rental housing refers to multifamily (excluding affordable housing). There can be no assurance that publicly traded REIT NOI will grow as expected or that BREIT's NOI will grow as expected or keep pace with any publicly traded REIT NOI.
7. As of December 31, 2022. Fixed rate financing is measured by dividing (i) the sum of our consolidated fixed rate debt, secured financings on investments in real estate debt with matched underlying interest rate exposure, and the outstanding notional principal amount of corporate and consolidated interest rate swaps, by (ii) total consolidated debt outstanding. 6.5 years reflects the remaining weighted average duration of fixed and swapped consolidated property level and entity level debt, and excludes BREIT's pro rata share of debt within its unconsolidated real estate investments. Low rate refers to BREIT's 4.1% weighted average interest rate and represents the weighted average interest rate of consolidated property level and entity level debt, adjusted for BREIT's corporate and consolidated property swaps, and excludes BREIT's pro rata share of debt within its unconsolidated real estate investments. The use of leverage involves a high degree of financial risk and will increase the exposure of the investments to adverse economic factors.
8. Refers to the up to 2% of NAV monthly repurchase limit and up to 5% of NAV quarterly repurchase limit under the Repurchase Plan. For the avoidance of doubt, both of these limits are assessed during each month in a calendar quarter. Pursuant to the Repurchase Plan, BREIT may choose to repurchase only some, or even none, of the shares that have been requested to be repurchased in its discretion at any time. Further, our Board of Directors may make exceptions to, modify or suspend the Repurchase Plan. Please see BREIT's prospectus, periodic reporting and [www.breit.com](http://www.breit.com) for more information on the Repurchase Plan. BREIT's NAV as of December 31, 2022 was \$69 billion.
9. Reflects year-over-year market rent growth in BREIT's multifamily, student housing, single family rental housing, industrial, net lease, data centers, self storage, hospitality, retail and office sectors. Multifamily (excluding affordable housing) reflects Axiometrics data as of December 31, 2022 and represents 5% effective market rent growth in BREIT's markets weighted by unit count. Affordable Housing reflects Blackstone Proprietary Data and represents estimated increase in rents for 2023 based on expectations of market/legal rent growth. Student housing reflects Blackstone Proprietary Data as of December 31, 2022, and represents 9% increase in rents for 2023-24 academic year compared to 2022-23 academic year based on 46% pre-leasing to date; assumes current asking rents are achieved for the remainder of the lease-up, of which there can be no assurance, and this information should not be considered an indication of future performance. Single family rental housing reflects Blackstone Proprietary Data as of December 31, 2022, and represents 6% leasing spreads, comparing new or renewal rents to prior rents or expiring rents, as applicable. Industrial reflects Blackstone Proprietary Data as of December 31, 2022 and represents 23% market rent growth for Q4 2022 in BREIT's U.S. industrial markets weighted by same property square footage at BREIT's share. Net lease represents 2% contractual rent growth for BREIT's net lease assets as of December 31, 2022. Data Centers reflect datacenterHawk data and reflect 15% average hyperscale pricing increase in BREIT's QTS Data Centers markets between December 31, 2021 and September 30, 2022 weighted by annual run-rate recurring revenue at BREIT's share. Self Storage reflects Blackstone Proprietary Data as of December 31, 2022, and represents 12% market rent growth on new and renewal leases. Hospitality reflects Blackstone Proprietary Data as of December 31, 2022, and represents 7% average daily rate ("ADR") growth. Retail reflects Blackstone Proprietary Data as of December 31, 2022, and represents estimated 5% market rent growth in BREIT's markets. Office reflects Blackstone Proprietary Data as of December 31, 2022, and represents 0% estimated market rent growth in BREIT's markets.
10. **Refers to same property NOI growth. Same property NOI growth is a property operating metric and a component of valuation but is not a comprehensive measure of operating results or indicative of BREIT's performance.** Green Street Advisors, latest sector updates available as of January 18, 2023. Reflects the simple average of multifamily (excluding affordable housing) and industrial publicly traded REIT same property NOI growth. Multifamily publicly traded REIT same property NOI growth represented by Mid America Apartment Communities Inc. ("MAA"). Industrial publicly traded REIT same property NOI growth represented by Prologis. We believe MAA and Prologis are appropriate comparisons to BREIT's multifamily and industrial sectors, respectively, based on their geographic concentration and asset quality. There can be no assurance that publicly traded REIT NOI will grow as expected or that BREIT's NOI will grow as expected or keep pace with any publicly traded REIT.

11. Housing permits reflect U.S. Census Bureau data as of December 31, 2022 and represent seasonally adjusted U.S. new privately owned housing units authorized in permit issuing places. Includes single family and multifamily dwellings. 2022 peak represents the quarter ended March 31, 2022.
12. Industrial reflects CoStar data, as of December 31, 2022 and represents the decline in new industrial construction starts between Q3 2022 and Q4 2022.
13. As of December 31, 2022. Represents the estimated embedded growth potential between BREIT's in-place industrial and multifamily (excluding affordable housing) portfolio rents and achievable market rents. BREIT's industrial in-place rent roll has a 36% embedded growth potential and BREIT's multifamily in-place rent roll (excluding affordable housing) has a 1% embedded growth potential. Any expectations that in-place rents have the potential to increase are based on certain assumptions that may not be correct and on certain variables that may change, are presented for illustrative purposes only and do not constitute forecasts. There can be no assurance that any such results will actually be achieved. BREIT's industrial assets have a 4.5-year weighted average lease length and BREIT's rental housing assets have an approximately 0.5-year weighted average lease length. Reflects real estate properties only, including unconsolidated properties, and does not include real estate debt investments. For a complete list of BREIT's real estate investments (excluding equity in public and private real estate-related companies), visit [www.breit.com/properties](http://www.breit.com/properties).
14. Blackstone Inc. ("Blackstone") is a premier global investment manager. The real estate group of Blackstone, Blackstone Real Estate, is our sponsor and an affiliate of our advisor. Information regarding Blackstone and Blackstone Real Estate is included to provide information regarding the experience of our sponsor and its affiliates. An investment in BREIT is not an investment in Blackstone as BREIT is a separate and distinct legal entity. Past performance does not guarantee future results. There can be no assurance that any Blackstone fund or investment will achieve its objectives or avoid substantial losses.
15. MSCI Real Capital Analytics, as of December 31, 2022. World's largest owner of commercial real estate reflects estimated market value.

The following table reconciles preliminary estimated GAAP net loss to same property NOI for the year ended December 31, 2022 and 2021 (\$ in thousands). Same property NOI growth is estimated to be 13% for the year ended December 31, 2022, based on the midpoint of the estimated year-over-year increase.

	Year Ended December 31, 2022 (unaudited)		2021 (actual)
	Low	High	
Net loss	(1,147,381)	(1,038,106)	\$(836,164)
Adjustments to reconcile to same property NOI			
Depreciation and amortization	4,098,366	4,098,366	1,919,932
Management fee	837,687	837,687	445,291
Performance participation allocation	742,670	742,670	1,378,959
Loss (income) from investments in real estate debt	25,719	28,427	(391,867)
Change in net assets of consolidated securitization vehicles	40,013	44,225	(106,240)
Income from equity securities and interest rate derivatives	(2,065,927)	(1,869,172)	(894,544)
Net gain on dispositions of real estate	(849,288)	(768,403)	(7,881)
Interest expense	2,208,944	2,441,464	834,852
Income from unconsolidated entities	(178,303)	(161,322)	(205,980)
NOI attributable to non-controlling interests in third party joint ventures	(171,057)	(154,766)	(48,946)
NOI from unconsolidated entities	693,717	766,739	281,358
Other	388,900	429,837	91,274
<b>NOI attributable to BREIT stockholders</b>	<b>4,624,060</b>	<b>5,397,646</b>	<b>2,460,044</b>
Less: Non-same property NOI attributable to BREIT stockholders	2,751,736	3,328,235	716,647
<b>Same property NOI attributable to BREIT stockholders</b>	<b>\$1,872,324</b>	<b>\$2,069,411</b>	<b>\$1,743,397</b>