

January 19, 2021

Dear BREIT Stockholder,

Thank you for your continued support of Blackstone Real Estate Income Trust, Inc. ("BREIT"). We are proud of our performance this year, particularly given the disruption from the COVID-19 pandemic. BREIT generated a 6.1% net return in 2020,<sup>1</sup> outperforming the listed REIT index which generated -7.6% over the same time period.<sup>2</sup> Since inception, BREIT has consistently delivered strong results, with an 8.7% annualized net return.<sup>1</sup> In addition, our annualized dividend yield was 4.7% as of year-end, with 97%-100% of distributions expected to be in the form of tax deferred return of capital.<sup>3</sup>

When we launched BREIT in 2017, we sought to bring Blackstone Real Estate's decades of proven experience to income-focused investors. Over the past four years, we have assembled a portfolio of stabilized, income-generating real estate across growth markets in the U.S.<sup>4</sup> A hallmark of Blackstone's investment strategy and a leading contributor to our performance has been our thoughtful sector selection. BREIT's real estate portfolio is ~90% concentrated in multifamily, industrial and net lease sectors, with minimal exposure to hospitality and retail, two sectors that have been most impacted by the pandemic.<sup>5</sup> Given our concentration in our highest conviction investment themes, our real estate portfolio has demonstrated both considerable resilience and growth.

Key highlights from our portfolio include:

- **Multifamily (40% of real estate portfolio)** — primarily suburban, garden-style properties located in growth markets across the Western and Southern U.S. with solid occupancy of 93%;
- **Industrial (35% of real estate portfolio)** — experiencing accelerating demand in a year where U.S. e-commerce sales grew by 60%, resulting in 2020 leasing spreads of nearly 9% and positive income growth;<sup>6</sup>
- **Net lease (13% of real estate portfolio)** — providing stable, growing cash flows with contractually fixed rent payments, built in annual rent growth of 2% or greater and full corporate guarantees.

BREIT's strong financial position has allowed us to capitalize on attractive investment opportunities and further orient our portfolio toward our high conviction sectors. In 2020, amidst the market dislocation, we acquired \$10.5 billion of real estate concentrated in the multifamily, industrial, and net lease sectors.<sup>7</sup>

As we continue to confront the challenges of the COVID-19 pandemic, Blackstone's commitment to supporting employees, portfolio companies and the communities in which the firm operates has never been stronger. In particular, Blackstone Real Estate has implemented a number of initiatives to offer assistance to tenants in cases of financial hardship as well as employee-friendly policies at our portfolio companies across every asset class.

We are grateful for your continued support and the responsibility that you have entrusted with us.

Sincerely,



**Frank Cohen**

Chairman of the Board and  
Chief Executive Officer



**A.J. Agarwal**

President and Director



**Wesley LePatner**

Chief Operating Officer and Director

# BREIT's High Conviction, Thematic Investing in 2020

We capitalized on our strong financial position to acquire high-quality, income-generating investments, further orienting BREIT's portfolio toward our high conviction sectors

## \$10.5B

real estate investments acquired<sup>7</sup>

## 80%

invested in multifamily,  
industrial and net lease

## 2020 Top Investments



**MGM Grand and Mandalay Bay Net Lease**  
Las Vegas, NV  
\$2.3B | 9,748 keys



**Acorn Multifamily Portfolio**  
Various, U.S.  
\$1.5B | 8,309 units



**Simply Self Storage**  
Various, U.S.  
\$1.2B | 9M square feet



**Jaguar Multifamily Portfolio**  
Various, U.S.  
\$860M | 3,788 units



**Southeast MH Portfolio**  
Various, U.S.  
\$557M | 8,563 sites



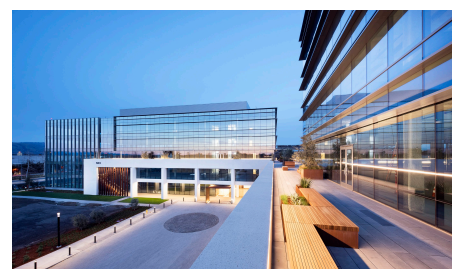
**Midwest Industrial Portfolio**  
Various, U.S.  
\$391M | 6M square feet



**Shield Industrial Portfolio**  
Various, U.S.  
\$358M | 2M square feet



**SoCal Grocery Portfolio**  
Southern California  
\$292M | 689k square feet



**Coleman Highline Office**  
San Jose, CA  
\$275M | 357k square feet

All figures are approximate and as of December 31, 2020, unless otherwise indicated. All figures on Page 2 refer to BREIT's real estate investments only. "Real estate investments" includes our direct property investments, unconsolidated investments, and equity in public and private real estate-related companies. The terms "we," "us" and "our" refer to BREIT with reference to portfolio and performance data. In all other instances, including with respect to current and forward-looking views and opinions of the market and BREIT's portfolio and performance positioning, as well as the experience of BREIT's management team, these terms refer to BREIT's adviser, BX REIT Advisors L.L.C., which is part of the real estate group of The Blackstone Group Inc. (together with its affiliates, "Blackstone"), a leading global investment manager, which serves as BREIT's sponsor ("Blackstone Real Estate").

Certain information contained in this communication constitutes "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," "may," "will," "should," "seeks," "approximately," "predicts," "intends," "plans," "estimates," "anticipates," "confident," "conviction," "identified" or the negative versions of these words or other comparable words thereof. These may include BREIT's financial projections and estimates and their underlying assumptions, statements about plans, objectives and expectations with respect to future operations, statements regarding 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. BREIT believes these factors also include but are not limited to those described under the section entitled "Risk Factors" in its prospectus for the most recent fiscal year, and any such updated factors included in its periodic filings with the Securities and Exchange Commission (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 prospectus and other filings). Except as otherwise required by federal securities laws, BREIT undertakes 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 S shares, which accounted for 55% of our outstanding registered shares, without sales load. Performance varies by share class. In 2020, Class S shares (with sales load) returned 2.5%, Class T shares (without sales load) returned 6.2%, Class T shares (with sales load) returned 2.7%, Class D shares (without sales load) returned 6.8%, Class D shares (with sales load) returned 5.3% and Class I shares returned 6.9%. Since inception, Class S shares (with sales load) returned 7.7%, Class T shares (without sales load) returned 8.9%, Class T shares (with sales load) returned 7.8%, Class D shares (without sales load) returned 9.6%, Class D shares (with sales load) returned 9.1% and Class I shares returned 9.5%. 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, S, D and T shares are January 1, 2017, January 1, 2017, May 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 or estimated reports from the underlying investments may be subject to later adjustments or revisions, 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 incorrect. Past performance is not necessarily indicative of future results. Inception to date ("ITD") returns are annualized consistent with the IPA Practice Guideline 2018.

2. As of December 31, 2020. MSCI U.S. REIT Index. Represents the MSCI U.S. REIT Index's annualized total return since January 1, 2017. January 2017 was chosen as the start of the time frame to match BREIT's inception that month. The MSCI U.S. REIT Index is a free float-adjusted market capitalization index that is comprised of equity REITs. The index is based on MSCI USA Investable Market Index (IMI), its parent index, which captures large, mid and small caps securities. With 151 constituents, it represents about 99% of the U.S. REIT universe.
3. Annualized distribution rate represents Class S shares without sales load. Performance varies by share class. Class T, D and I had annualized distribution rates of 4.8%, 5.4%, and 5.6%, respectively. Reflects the current month's distribution annualized and divided by the prior month's net asset value, which is inclusive of all fees and expenses. BREIT's return of capital is a 2020 estimate. Each investor's tax considerations are different and consulting a tax advisor is recommended. Any of the data provided herein should not be construed as investment, tax, accounting or legal advice.
4. As of December 31, 2020, BREIT's investment allocation was 89% real estate investments and 11% real estate debt investments. Investment allocation is measured as the asset value of each investment category (real estate investments or real estate debt investments) against the total asset value of all investment categories, excluding the value of any third party interests in such assets. A diversified portfolio does not eliminate risk or indicate a higher level of returns. Growth market means a market with high population growth relative to the U.S. average. U.S. Census Bureau, as of July 2019, released in April 2020.
5. As of December 31, 2020, BREIT's sector allocation was 40% Multifamily, 35% Industrial, 13% Net lease, 5% Hospitality, 4% Self Storage, 2% Retail and 1% Office. Sector allocation weighting is measured as the asset value of real estate investments for each sector category (Multifamily, Industrial, Net Lease, Hospitality, Self Storage, Retail, Office) against the total asset value of all real estate investments, excluding the value of any third party interests in such real estate investments. "Real estate investments" includes our direct property investments, unconsolidated investments, and equity in public and private real estate-related companies. "Multifamily" includes other types of rental housing such as manufactured and student housing.
6. E-commerce sales based on Bank of America Securities as of January 7, 2021. Leasing spreads reflect full year 2020 leasing spreads as of December 31, 2020 and compares new or renewal rent to prior rent or expiring rent, as applicable.
7. Based on BREIT's purchase price at share of real estate investments acquired in 2020.