

## BEHIND THE DEAL

# American Campus Communities

\$12.8 billion strategic acquisition of the largest U.S. student housing platform in one of Blackstone's highest conviction investment themes

## Snapshot

150

properties

112k

beds

99%

leased<sup>1</sup>

0.16 mi

average distance  
to campus<sup>2</sup>



University of Arizona Honors College – University of Arizona  
Tucson, AZ

- **Strategic Transaction:** Off-market acquisition of the largest owner, operator and developer of purpose-built student housing in the U.S. with a high-quality portfolio located near marquee public universities
- **Enabled by Scale:** BREIT's fifth public-to-private transaction, demonstrating BREIT's competitive advantages in navigating scale and complexity
- **Resilient Investment:** University enrollment has historically increased during periods of economic softness, driving demand, while new supply is at historic lows<sup>3</sup>
- **Inflation Hedge Potential:** Short duration leases with rates that typically reset annually
- **Strong Cash Flow Generation:** Student housing assets generally have stable occupancy and low capital expenditures<sup>4</sup>

Note: All figures as of August 24, 2022, and shown at 100% ownership. BREIT's ownership interest at acquisition was 69% (\$8.8 billion purchase price at share). This is neither an offer to sell nor a solicitation of an offer to buy the securities described herein, and must be read in conjunction with the prospectus in order to understand fully all of the implications and risks of the offering to which this sales and advertising literature relates. A copy of the prospectus must be made available to you in connection with this offering, and is available at [www.breit.com/prospectus](http://www.breit.com/prospectus). The properties and images referenced herein do not represent all BREIT investments. It should not be assumed that BREIT's investment in the properties identified and discussed herein were or will be profitable. Please refer to [www.breit.com/portfolio](http://www.breit.com/portfolio) for a complete list of real estate investments (excluding equity in public and private real estate-related companies). See "Important Disclosure Information-Select Images" and "Trends".

1. Represents signed leases across the portfolio for the Fall 2022 semester (excluding Disney Workforce Housing) as of August 31, 2022.
2. Represents average distance for off-campus assets weighted by number of beds.
3. Axiometrics, as of August 24, 2022. A copy of the source materials will be provided upon request.
4. Blackstone Proprietary Data, as of August 24, 2022. See "Blackstone Proprietary Data" in "Important Disclosure Information".

# What is Student Housing?

Accommodations designed for students

- Close to campus
- Rent by the bed
- Furnished and move-in ready
- Filled with study spaces and lifestyle amenities
- Leases typically guaranteed by parents or the university



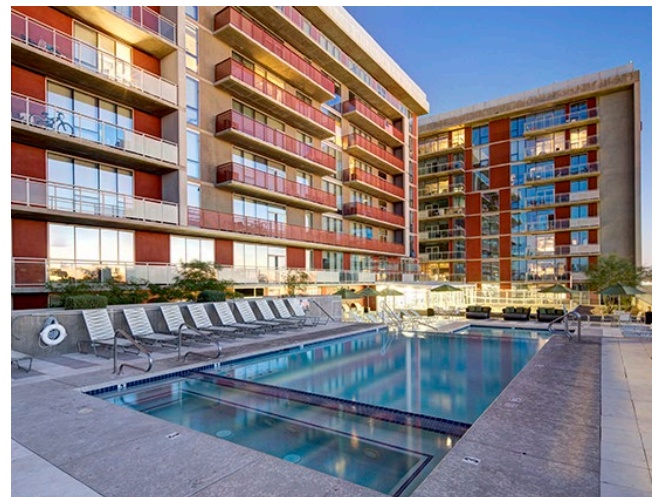
Typically Private Bedrooms



Suite Style Living



Academic-Oriented Study Spaces

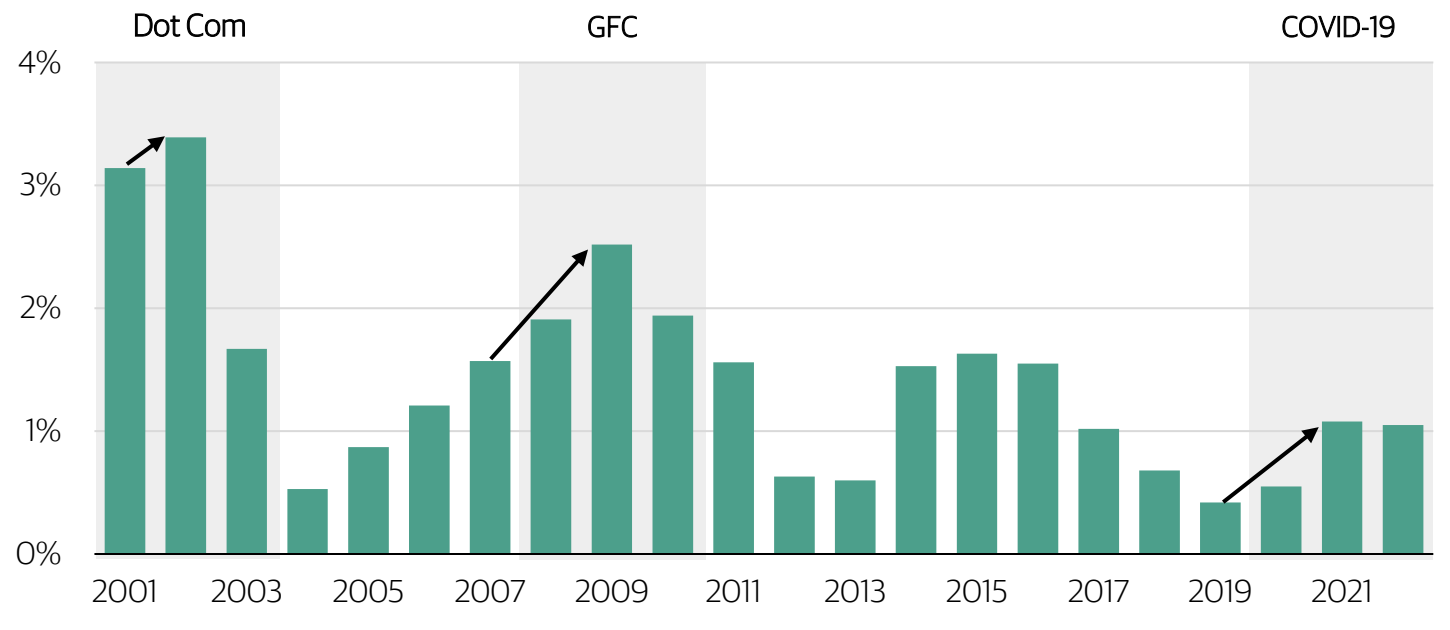


High-Quality Fitness Centers and Other Amenities

Note: See "Important Disclosure Information-Select Images".

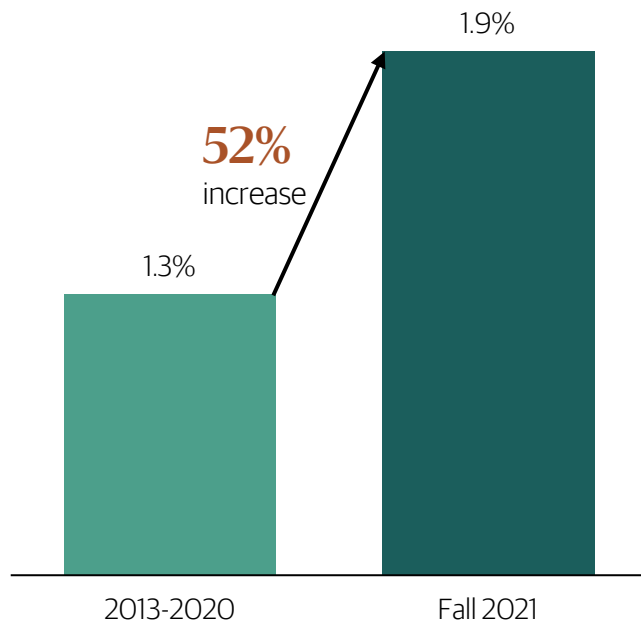
# All Weather Asset Class

Countercyclical Demand: Enrollment That Grows in Periods of Economic Softness<sup>1</sup>



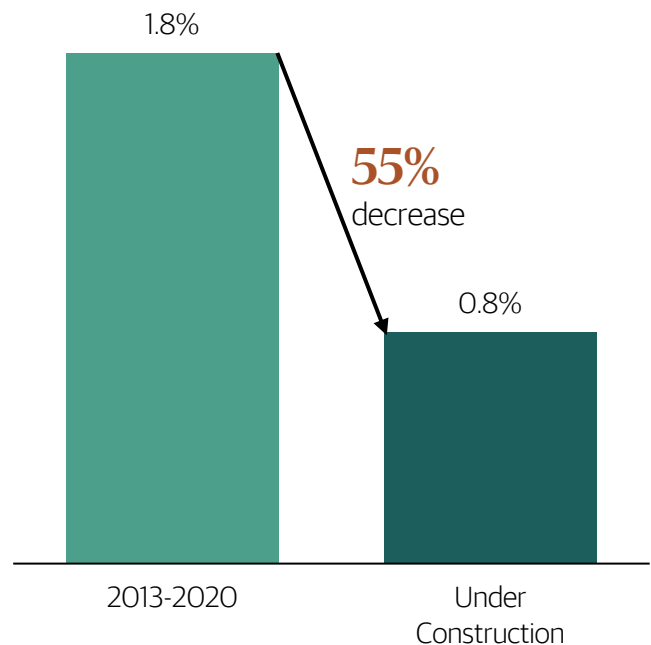
## Rising Demand<sup>1</sup>

Annual Enrollment Growth in Portfolio Markets



## Low New Supply<sup>1</sup>

Supply as % of Total Enrollment in Portfolio Markets



Note: Represents BREIT's view of the current market environment as of the date appearing in this material only. There can be no assurance that the trends described herein will continue or not reverse. See "Important Disclosure Information-Trends".

1. Axiometrics, as of November 1, 2022. Countercyclical demand and rising demand reflect enrollment growth at the top 175 public universities by size. Low new supply reflects beds under construction as a percentage of enrollment at the top 175 public universities by size. Rising demand and low new supply weight markets by asset value in each ACC portfolio market. Under construction represents average annual completions delivering in 2023 and 2024. A copy of the source materials of such third-party data will be provided upon request.



## Exceptional locations adjacent to the nation's premier universities



A photograph of a modern multi-story apartment building. The building features a brick base and upper floors with large glass windows and grey panels. It is situated in an urban environment with trees and a clear blue sky.

Blackstone | 4



# Locations Walkable to Campus

A structural competitive advantage



Tempe, AZ



Austin, TX

Note: The selected BREIT investment examples above are provided for illustrative purposes only, are not representative of all BREIT investments of a given property type and are not representative of BREIT's entire portfolio. It should not be assumed that BREIT's investment in the properties identified and discussed herein were or will be profitable. All rights to the trademarks and/or logos presented herein belong to their respective owners and Blackstone's use hereof does not imply an affiliation with, or endorsement by, the owners of these logos.



## Important Disclosure Information

### Summary of Risk Factors

BREIT is a non-listed REIT that invests primarily in stabilized income-generating commercial real estate investments across asset classes in the United States and, to a lesser extent, real estate debt investments, with a focus on current income. We invest to a lesser extent in countries outside of the U.S. This investment involves a high degree of risk. You should purchase these securities only if you can afford the complete loss of your investment. You should read the prospectus carefully for a description of the risks associated with an investment in BREIT. These risks include, but are not limited to, the following:

- There is no public trading market for our common stock and repurchase of shares by us will likely be the only way to dispose of your shares. We are not obligated to repurchase any shares under our share repurchase plan and may choose to repurchase only some, or even none, of the shares that have been requested to be repurchased. In addition, repurchases will be subject to available liquidity and other significant restrictions. Further, our board of directors may make exceptions to, modify or suspend our share repurchase plan. As a result, our shares should be considered as having only limited liquidity and at times may be illiquid.
- 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.
- The purchase and repurchase price for shares of our common stock are generally based on our prior month's net asset value ("NAV") and are not based on any public trading market. While there will be independent annual appraisals of our properties, the appraisal of properties is inherently subjective, and our NAV may not accurately reflect the actual price at which our properties could be liquidated on any given day. The NAV per share, if calculated as of the date on which you make your subscription request or repurchase request, may be significantly different than the transaction price you pay or the repurchase price you receive. Certain of our investments or liabilities are subject to high levels of volatility from time to time and could change in value significantly between the end of the prior month as of which our NAV is determined and the date that you acquire or repurchase our shares, however the prior month's NAV per share will generally continue to be used as the offering price per share and repurchase price per share.
- We are dependent on BX REIT Advisors L.L.C. (the "Adviser") to conduct our operations. The Adviser will face conflicts of interest as a result of, among other things, the allocation of investment opportunities among us and Other Blackstone Accounts (as defined in BREIT's prospectus), the allocation of time of its investment professionals and the substantial fees that we will pay to the Adviser.
- On acquiring shares, you will experience immediate dilution in the net tangible book value of your investment.
- There are limits on the ownership and transferability of our shares.
- If we fail to qualify as a REIT and no relief provisions apply, our NAV and cash available for distribution to our stockholders could materially decrease.
- We do not own the Blackstone name, but we are permitted to use it as part of our corporate name pursuant to a trademark license agreement with an affiliate of Blackstone Inc. (together with its affiliates, "Blackstone"). Use of the name by other parties or the termination of our trademark license agreement may harm our business.

Certain countries have been susceptible to epidemics which may be designated as pandemics by world health authorities, most recently COVID-19. The outbreak of such epidemics, together with any resulting restrictions on travel or quarantines imposed, has had and may in the future have a negative impact on the economy and business activity globally (including in the countries in which BREIT invests), and thereby may adversely affect the performance of BREIT's investments. Furthermore, the rapid development of epidemics could preclude prediction as to their ultimate adverse impact on economic and market conditions, and, as a result, presents material uncertainty and risk with respect to BREIT and the performance of its investments. For further information on the impact of COVID-19 on BREIT, please refer to "Risk Factors—The current outbreak of the novel coronavirus, or COVID-19, has caused severe disruptions in the U.S. and global economy and has had an adverse impact on our performance and results of operations" in BREIT's prospectus.

On February 24, 2022, Russian troops began a full-scale invasion of Ukraine and, as of the date of this material, the countries remain in active armed conflict. Around the same time, the United States, the United Kingdom, the European Union, and several other nations announced a broad array of new or expanded sanctions, export controls, and other measures against Russia, Russia-backed separatist regions in Ukraine, and certain banks, companies, government officials, and other individuals in Russia and Belarus. The ongoing conflict and the rapidly evolving measures in response could be expected to have a negative impact on the economy and business activity globally (including in the countries in which BREIT invests), and therefore could adversely affect the performance of BREIT's investments. The severity and duration of the conflict and its impact on global economic and market conditions are impossible to predict, and as a result, could present material uncertainty and risk with respect to BREIT and the performance of its investments and operations, and the ability of BREIT to achieve its investment objectives. Similar risks will exist to the extent that any investments, service providers, vendors or certain other parties have material operations or assets in Russia, Ukraine, Belarus, or the immediate surrounding areas.

Neither the Securities and Exchange Commission (the "SEC"), the Attorney General of the State of New York nor any other state securities regulator has approved or disapproved of these securities or determined if the prospectus is truthful or complete. Any representation to the contrary is unlawful.

Clarity of text in this document may be affected by the size of the screen on which it is displayed.

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Financial information is approximate and as of August 24, 2022, unless otherwise indicated. The words "we", "us", and "our" refer to BREIT, together with its consolidated subsidiaries, including BREIT Operating Partnership L.P., unless the context requires otherwise.

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**Third Party Data.** This material makes reference to third-party data. URLs to public data have been provided where available. If no URL is provided, please contact BREIT for a copy of such source material or a summary thereto, to the extent such information may be shared by BREIT.

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