

Blackstone Real Estate Income Trust (BREIT)

Blackstone

Blackstone Advisory Partners L.P., Dealer Manager / Member FINRA

Shifting the paradigm for non-traded REITs

Leading Real Estate Platform

BREIT gives individual investors access to Blackstone's leading institutional real estate platform with proven real estate experience and prominent U.S. presence.

Alignment of Interests³

BREIT's advisor is compensated via management fees and a performance participation allocation based on total return. BREIT's advisor does not receive acquisition, disposition, financing or development fees.

Income-driven¹

BREIT will directly own stabilized US commercial real estate assets which have historically delivered attractive and consistent rental income to investors.

Appreciation Potential⁴

BREIT's proactive asset management may drive higher rents and property values helping to generate capital appreciation for investors.

Diversified²

BREIT will invest across property types and active sector selection may help drive higher returns.

Lower Volatility⁵

BREIT is a non-traded vehicle which means the value of our shares is more closely tied to real estate fundamentals as opposed to public equities.

Consider BREIT for:

Potential
Income¹

Lower
Volatility⁵

Diversification²

Real
Assets

Total
Return

Note: There can be no assurance that BREIT will achieve its objective or avoid losses.

1. 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. We may fund any distributions from sources other than cash flow from operations, including, without limitation, the sale of assets, borrowings, return of capital or offering proceeds (including from sales of our common stock or Operating Partnership units to the Special Limited Partner, an affiliate of Blackstone), and we have no limits on the amounts we may pay from such sources.
2. There is no guarantee that BREIT will be diversified. Diversification does not eliminate risk or guarantee a profit.
3. Blackstone will also face conflicts of interest as a result of, among other things, the allocation of investment opportunities among us and other Blackstone accounts, the allocation of time of its investment professionals and the substantial fees that we will pay to Blackstone.
4. There can be no assurance that BREIT will achieve its objective or avoid losses.
5. BREIT's share price is subject to less volatility compared to public equities because its per share NAV is based on the value of real estate assets it owns and is not subject to public market pricing forces as is the price of public equities. Although BREIT's share price is subject to less volatility compared to public equities, the value of real estate may fluctuate and may be worth less than was initially paid for it. BREIT shares are significantly less liquid than public equities, and are not immune to fluctuations.

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

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Offering highlights¹

KEY TERMS				
Product	BREIT is a non-traded REIT primarily investing in stabilized commercial real estate properties diversified by sector with a focus on providing current income to investors			
Structure	Non-exchange traded, perpetual life real estate investment trust (REIT)			
Portfolio allocation	Targeting at least 80% to properties and up to 20% to real estate debt securities, cash and/or cash equivalents			
Sponsor/Advisor	The Blackstone Group L.P. / BX REIT Advisors L.L.C.			
Maximum offering	\$5 billion			
Offering price ²	Generally equal to our prior month's NAV per share for such class as of the last calendar day of such month, plus applicable selling commissions and dealer manager fees			
Subscriptions/NAV frequency	<ul style="list-style-type: none"> Monthly purchases as of the first calendar day of each month; subscription requests must be received at least five business days prior to the first calendar day of the month NAV per share, which will generally be equal to our transaction price, will generally be available within 15 calendar days of month end Transaction price will be available on www.breit.com and in prospectus supplements. If the transaction price is not made available on or before the eighth business day before the first calendar day of the month, or a previously disclosed transaction price for that month is changed, then we will provide notice of such transaction to subscribing investors 			
Distributions	Monthly (not guaranteed, subject to board approval) ³			
Minimum initial investment ⁴	\$2,500			
Suitability standards ⁴	Either (1) a net worth of at least \$250,000 or (2) a gross annual income of at least \$70,000 and a net worth of at least \$70,000. Certain states have additional suitability standards. See the prospectus for more information.			
Share repurchase plan	<ul style="list-style-type: none"> Monthly repurchases will be made at the transaction price, which is generally equal to our prior month's NAV Shares not held for at least one year will be repurchased at 95% of that month's transaction price Overall limit of 2% of NAV per month and 5% of NAV per calendar quarter Repurchase requests must be received in good order by the second to last business day of the applicable month We are not obligated to repurchase any shares and may choose to repurchase only some, or even none, of the shares that have been requested to be repurchased in any particular month in our discretion The share repurchase plan is subject to other limitations and our board may modify, suspend or terminate the plan 			
Tax reporting	Form 1099-DIV			
SHARE CLASS-SPECIFIC FEES				
	CLASS I	CLASS D	CLASS S	CLASS T
Availability	Through fee-based (wrap) programs, registered investment advisors, and other institutional and fiduciary accounts		Through transactional/brokerage accounts	
Selling commissions ⁴	None	Up to 1.5%	Up to 3.5%	Up to 3.0%
Dealer manager fee ⁴	None	None	None	0.50%
Stockholder servicing fees ⁴ (per annum, payable monthly)	None	0.25%	0.85%	0.65% financial advisor 0.20% dealer
ADVISOR FEES				
Management fee	1.25% per annum of NAV, payable monthly			
Performance participation allocation	12.5% of the annual total return, subject to a 5% annual hurdle amount and a high water mark			

UPFRONT
ONGOING

- Terms summarized herein are for informational purposes and qualified in their entirety by the more detailed information set forth in BREIT's prospectus. You should read the prospectus carefully prior to making an investment.
- We may offer shares at a price that we believe reflects the NAV per share of such stock more appropriately than the prior month's NAV per share, including by updating a previously disclosed offering price, in cases where we believe there has been a material change (positive or negative) to our NAV per share since the end of the prior month.
- 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. We may fund any distributions from sources other than cash flow from operations, including, without limitation, the sale of assets, borrowings, return of capital or offering proceeds (including from sales of our common stock or Operating Partnership units to the Special Limited Partner, an affiliate of Blackstone), and we have no limits on the amounts we may pay from such sources.
- Select broker-dealers may have different suitability standards, may not offer all share classes, and/or may offer BREIT at a higher minimum initial investment. Select broker-dealers may have different suitability standards, may not offer all share classes, and/or may offer BREIT at a higher minimum initial investment. With respect to Class T shares, the amounts of upfront selling commissions and dealer manager fees may vary at select broker-dealers, provided that the sum will not exceed 3.5% of the transaction price. The financial advisor and dealer stockholder servicing fee for Class T shares may also vary at select broker-dealers, provided that the sum of such fees will always equal 0.85% per annum of the aggregate NAV.

SUMMARY OF RISK FACTORS

Blackstone Real Estate Income Trust, Inc. (“BREIT”) is a non-traded REIT that seeks to invest in stabilized commercial real estate properties diversified by sector with a focus on providing current income. 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 Blackstone Real Estate Income Trust. Some of these risks include but are not limited to the following:

- BREIT has a limited operating history and there is no assurance that we will achieve our investment objectives.
- This is a “blind pool” offering. We have only made limited investments to date and you will not have the opportunity to evaluate our future investments before we make them.
- Since there is no public trading market for shares of our common stock, repurchase of shares by us will likely be the only way to dispose of your shares. Our share repurchase plan provides stockholders with the opportunity to request that we repurchase their shares on a monthly basis, but we are not obligated to repurchase any shares and may choose to repurchase only some, or even none, of the shares that have been requested to be repurchased in any particular month in our discretion. In addition, repurchases will be subject to available liquidity and other significant restrictions. Further, our board of directors may modify, suspend or terminate our share repurchase plan if it deems such action to be in our best interest and the best interest of our stockholders. As a result, our shares should be considered as having only limited liquidity and at times may be illiquid.
- We cannot guarantee that we will make distributions, and if we do we may fund such distributions from sources other than cash flow from operations, including, without limitation, the sale of assets, borrowings, return of capital or offering proceeds, and we have no limits on the amounts we may pay from such sources.
- The purchase and repurchase price per share for each class of common stock will vary and will generally equal our prior month’s net asset value (“NAV”) per share, as determined monthly, plus applicable upfront selling commissions and dealer manager fees. We may offer shares at a price that we believe reflects the NAV per share of such stock more appropriately than the prior month’s NAV per share in cases where we believe there has been a material change (positive or negative) to our NAV per share since the end of the prior month.
- We have no employees and are dependent on BX REIT Advisors L.L.C. (the “Advisor”) to conduct our operations. The Advisor will face conflicts of interest as a result of, among other things, the allocation of investment opportunities among us and other Blackstone accounts, the allocation of time of its investment professionals and the substantial fees that we will pay to the Advisor.
- This is a “best efforts” offering. If we are not able to raise a substantial amount of capital in the near term, our ability to achieve our investment objectives could be adversely affected.
- 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 The Blackstone Group L.P. (together with its affiliates, “Blackstone”). Use of the name by other parties or the termination of our trademark license agreement may harm our business.
- While BREIT’s investment strategy is to invest in stabilized commercial real estate properties diversified by sector with a focus on providing current income to investors, an investment in BREIT is not an investment in fixed income. Fixed income has material differences from an investment in a non-traded REIT, including those related to vehicle structure, investment objectives and restrictions, risks, fluctuation of principal, safety, guarantees or insurance, fees and expenses, liquidity and tax treatment.
- We intend to continue to qualify as a REIT for U.S. federal income tax purposes. However, 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.
- The acquisition of investment properties may be financed in substantial part by borrowing, which increases our exposure to loss. The use of leverage involves a high degree of financial risk and will increase the exposure of the investments to adverse economic factors.
- Investing in commercial real estate assets involves certain risks, including but not limited to: tenants’ inability to pay rent; increases in interest rates and lack of availability of financing; tenant turnover and vacancies; and changes in supply of or demand for similar properties in a given market.

BREIT will directly own private real estate assets. Any references to “private real estate” and “direct ownership” is referring to the BREIT strategy. Individual investors will own shares of common stock in BREIT as opposed to direct ownership of private, non-traded real estate assets.

Numerical data is approximate and as of March 31, 2018. The words “we”, “us”, and “our” refer to Blackstone Real Estate Income Trust, Inc., together with its consolidated subsidiaries, including BREIT Operating Partnership L.P. (the “Operating Partnership”), a Delaware limited partnership of which we are the general partner, unless the context requires otherwise. Numerical data relating to Blackstone includes activities of Blackstone Real Estate’s public and private portfolio companies (unless otherwise noted).

IMPORTANT DISCLOSURE ABOUT OTHER BLACKSTONE REAL ESTATE FUNDS

This sales material includes information related to prior investments Blackstone Real Estate has made, in which BREIT will not have any interest. Prospective investors should note that the investment programs, objectives, leverage policies and strategies of Blackstone’s opportunistic real estate private equity funds (the “Opportunistic Real Estate Private Equity Funds”), the Blackstone real estate debt funds (the “Real Estate Debt Funds”), and core+ real estate private equity funds (the “Core+ Real Estate Private Equity Funds”) are substantially different from the investment program and objectives of BREIT, despite each strategy focusing on making real estate-related investments. Specifically, the Opportunistic Real Estate Private Equity Funds invest in “opportunistic” real estate and real estate-related assets globally (which often are undermanaged assets and with higher potential for equity appreciation), the Real Estate Debt Funds primarily make real estate-related debt investments on an opportunistic basis globally, the Core+ Real Estate Private Equity Funds invest in substantially stabilized real estate across office, multifamily, industrial and retail sectors, with a focus on the major global markets and total return, whereas BREIT is a publicly registered non-exchange traded perpetual life REIT that generally targets primarily stabilized income-oriented commercial real estate, across asset classes, in the United States and to a lesser extent real estate-related securities, with a focus on current return. The information provided herein regarding the Opportunistic Real Estate Private Equity Funds, the Real Estate Debt Funds, and the Core+ Real Estate Private Equity Funds is, therefore, provided solely for background purposes.

FORWARD-LOOKING STATEMENT DISCLOSURE

This sales material contains forward-looking statements about our business, including, in particular, statements about our plans, strategies and objectives. You can generally identify forward-looking statements by our use of forward-looking terminology such as “may,” “will,” “seek,” “expect,” “intend,” “anticipate,” “estimate,” “believe,” “continue” or other similar words. These statements include our plans and objectives for future operations, including plans and objectives relating to future growth and availability of funds, and are based on current expectations that involve numerous risks and uncertainties. Assumptions relating to these statements involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to accurately predict and many of which are beyond our control. Although we believe the assumptions underlying the forward-looking statements, and the forward-looking statements themselves, are reasonable, any of the assumptions could be inaccurate and, therefore, there can be no assurance that these forward-looking statements will prove to be accurate and our actual results, performance and achievements may be materially different from that expressed or implied by these forward-looking statements. In light of the significant uncertainties inherent in these forward looking statements, the inclusion of this information should not be regarded as a representation by us or any other person that our objectives and plans, which we consider to be reasonable, will be achieved.

You should carefully review the “Risk Factors” section of our prospectus for a discussion of the risks and uncertainties that we believe are material to our business, operating results, prospects and financial condition. Except as otherwise required by federal securities laws, we do not undertake to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

This sales material must be read in conjunction with the prospectus in order to fully understand all the implications and risks of the offering of securities to which it relates. This sales material is neither an offer to sell nor a solicitation of an offer to buy securities. An offering is made only by the prospectus.

Neither the Securities and Exchange Commission, 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 a criminal offense.

ADDITIONAL IMPORTANT DISCLOSURES

- This material was not created by any third party registered broker-dealers or investment advisers who are distributing shares of BREIT (each a “Dealer” and collectively, the “Dealers”). The Dealers have made no independent verification of the information provided and do not guarantee the accuracy or completeness of such information.
- This material is not to be reproduced or distributed to any other persons (other than professional advisors of the investors or prospective investors, as applicable, receiving this material) and is intended solely for the use of the persons to whom it has been delivered.
- The sole purpose of this material is to inform, and it in no way is intended to be an offer or solicitation to purchase or sell any security, other investment or service, or to attract any funds or deposits. Investments mentioned may not be suitable for all clients. Any product discussed herein may be purchased only after a client has carefully reviewed the prospectus and executed the subscription documents. The Dealers have not considered the actual or desired investment objectives, goals, strategies, guidelines, or factual circumstances of any investor in any fund(s). Before making any investment, each investor should carefully consider the risks associated with the investment, as discussed in the applicable prospectus, and make a determination based upon their own particular circumstances, that the investment is consistent with their investment objectives and risk tolerance.
- Alternative investments often are speculative and include a high degree of risk. Investors could lose all or a substantial amount of their investment. Alternative investments are suitable only for eligible, long-term investors who are willing to forgo liquidity and put capital at risk for an indefinite period of time. They may be highly illiquid and can engage in leverage and other speculative practices that may increase the volatility and risk of loss. Alternative Investments typically have higher fees than traditional investments. Investors should carefully review and consider potential risks before investing.
- All expressions of opinion are subject to change without notice and are not intended to be a forecast of future events or results. Further, opinions expressed herein may differ from the opinions expressed by a Dealer and/or other businesses/affiliates of a Dealer. This is not a “research report” as defined by NASD Conduct Rule 2711 and was not prepared by the Research Departments of a Dealer or its affiliates.
- Past performance is no guarantee of future results. Actual results may vary. Diversification does not assure a profit or protect against loss in a declining market.
- Alternative investments involve complex tax structures, tax inefficient investing, and delays in distributing important tax information. Individual funds have specific risks related to their investment programs that will vary from fund to fund. Clients should consult their own tax and legal advisors as Dealer does not provide tax or legal advice.
- Interests in alternative investment products are offered pursuant to the terms of the applicable prospectus, are distributed by the applicable Dealer and certain of its affiliates, and (1) are not FDIC-insured, (2) are not deposits or other obligations of such Dealer or any of its affiliates, (3) are not guaranteed by such Dealer and its affiliates, and (4) involve investment risks, including possible loss of principal. Each Dealer is a registered broker-dealer, not a bank.

For more information,
please contact your financial advisor.

Or visit www.BREIT.com

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