

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): October 15, 2019

Blackstone Real Estate Income Trust, Inc.

(Exact Name of Registrant as Specified in its Charter)

Maryland
(State or Other Jurisdiction
of Incorporation)

000-55931
(Commission
File Number)

81-0696966
(IRS. Employer
Identification No.)

345 Park Avenue
New York, New York 10154
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (212) 583-5000

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act: None

Title of each class	Trading Symbol	Name of each exchange on which registered
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Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 8.01. Other Events.**Blackstone Real Estate Income Trust Agrees to Acquire The Bellagio Real Estate for \$4.25 Billion**

On October 15, 2019, Blackstone Real Estate Income Trust, Inc. (the “Company”) entered into an agreement (the “Transaction Agreement”) to acquire the real estate assets of The Bellagio Las Vegas (the “Bellagio”) from MGM Resorts International (“MGM”) for approximately \$4.25 billion, excluding closing costs, in a 95%/5% Company-led joint venture with MGM.

The Bellagio is an iconic, market-leading, luxury integrated resort located on 77 acres at the center of the Las Vegas strip, featuring 3,933 hotel rooms, an approximately 155,000 square feet gaming floor, 94,000 square feet of retail space and 200,000 square feet of meeting and ballroom space. The Company believes the Bellagio is among the highest quality and most productive hotel casinos in the Las Vegas market.

The Company believes the Las Vegas market benefits from attractive fundamentals. In 2018, Las Vegas’ population grew at a rate four times the U.S. average. Inbound air-travelers to Las Vegas were up 3% and Las Vegas strip revenue per available room was up 5% year-over-year through July 2019. Also, limited hotel and casino supply has been added to the market since 2010.

The acquisition is part of a sale-leaseback transaction whereby the Company expects to enter into a triple-net lease agreement (the “Lease Agreement”) for the Bellagio with MGM as the tenant, providing that MGM would generally be responsible for all property-related expenses, including taxes, insurance and maintenance. The lease is expected to have an initial annual rent of \$245 million with an initial term of 30 years with two 10-year extension options for MGM. For 2018, MGM reported earnings before interest, taxes, depreciation and amortization for the Bellagio in an amount that is nearly double the expected initial annual rent under the Lease Agreement. The rent will escalate annually throughout the term of the lease at a rate of 2% per annum for the first ten years and thereafter equal to the greater of (i) 2% and (ii) the increase in the consumer price index during the prior year, subject to a cap of 3% during the 11th through 20th years and subject to a cap of 4% after the 20th year. It is expected that the lease will benefit from a full corporate guarantee of rent payments by MGM, a New York Stock Exchange-listed company with a market capitalization of approximately \$15 billion as of October 15, 2019 that owns and operates integrated casino, hotel, and entertainment resorts across the United States and in Macau.

The acquisition of the Bellagio is expected to be funded through a combination of cash on hand (which primarily consists of proceeds from the Company’s ongoing public offering) and new property-level debt. The Company has received a loan commitment for \$3.01 billion of new fixed-rate property-level debt. The term of the loan will be for 10 years.

The transaction is expected to close by year end and is subject to customary closing conditions. There is no assurance that the Company will close the acquisition of the Bellagio or enter into the Lease Agreement on the terms described above or at all.

A press release announcing the signing of the Transaction Agreement is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

CAUTIONARY LANGUAGE CONCERNING FORWARD-LOOKING STATEMENTS

Certain information contained in this Current Report on Form 8-K 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 or the negatives thereof. These may include the Company’s financial projections and estimates and their underlying assumptions, statements about plans, objectives and expectations with respect to future operations, and statements regarding future performance. 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. The Company believes such factors include whether the Company will complete the transaction referenced herein within the timeframe anticipated or at all, whether the joint venture and lease agreements referenced herein will be consummated on the terms described herein or at all, and the accuracy of financial or operating information reported or provided by MGM and whether such past operations will be an accurate predictor of future operations. The Company believes these factors also include but are not limited to those described under the section entitled “Risk Factors” in its prospectus and its annual report 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. 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 the Company’s prospectus and other filings). Except as otherwise required by federal securities laws, the Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

<u>Exhibit No.</u>	<u>Description</u>
99.1	<u>Press Release dated October 15, 2019.</u>

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BLACKSTONE REAL ESTATE INCOME TRUST, INC.

Date: October 15, 2019

By: /s/ Leon Volchyok

Name: Leon Volchyok

Title: Chief Legal Officer, Chief Compliance Officer and Secretary

Blackstone Real Estate Income Trust to Acquire the Bellagio Real Estate from MGM Resorts International for \$4.25 Billion in Sale-Leaseback Transaction

New York and Las Vegas – Blackstone Real Estate Income Trust (“BREIT”), and MGM Resorts International (“MGM Resorts”) (NYSE: MGM) announced today that BREIT and MGM Resorts will form a 95%/5% BREIT-led joint venture to acquire the real estate assets of the Bellagio for \$4.25 billion in a sale-leaseback transaction.

As part of the transaction, MGM Resorts will lease the property from the joint venture and continue to manage, operate and be responsible for all aspects of the property on a day-to-day basis. MGM Resorts will sign a long-term lease and continue to be responsible for all operations and capital expenditures of the Bellagio, with the joint venture owning the property and receiving rent payments.

Jon Gray, Blackstone President & COO, said: “As big believers in MGM Resorts and Las Vegas, we are thrilled to partner with MGM to acquire the Bellagio on behalf of our BREIT investors. We look forward to a long and productive partnership with this world-class company.”

Jim Murren, Chief Executive Officer of MGM Resorts, said: “This transaction confirms the premium value of our owned real estate assets, highlights the unique value of Bellagio as a premier asset in gaming and solidifies our status as a premier operator of gaming and entertainment properties. We look forward to partnering with Blackstone on this asset and believe that this transaction will create significant value for our shareholders.”

Blackstone Real Estate has a deep history and expertise in the Las Vegas real estate market across asset classes including office, hospitality and residential.

The sale is expected to close by year end and is subject to customary closing conditions.

Advisors

Weil, Gotshal & Manges LLP served as legal counsel to MGM Resorts and PJT Advisors and J.P. Morgan served as financial advisors to MGM Resorts. Citigroup Global Markets Inc. and Morgan Stanley & Co served as financial advisors to BREIT. Morgan Stanley & Co, J.P. Morgan, and Citigroup Global Markets Inc. served as BREIT’s financing advisors. Simpson Thacher & Bartlett LLP served as legal counsel to BREIT.

About Blackstone Real Estate

Blackstone is a global leader in real estate investing. Blackstone’s real estate business was founded in 1991 and has \$154 billion of investor capital under management. Blackstone is one of the largest property owners in the world, owning and operating assets across every major geography and sector, including logistics, multifamily and single family housing, office, hospitality and retail. Blackstone’s opportunistic funds seek to acquire undermanaged, well-located assets across the world. Blackstone’s Core+ strategy invests in substantially stabilized real estate globally through regional open-ended funds focused on high-quality assets, and Blackstone Real Estate Income Trust, Inc. (BREIT), a non-listed REIT, invests in U.S. income-generating assets. Blackstone Real Estate also operates one of the leading global real estate debt businesses, providing comprehensive financing solutions across the capital structure and risk spectrum, including management of Blackstone Mortgage Trust (NYSE: BXMT).

About MGM Resorts International

MGM Resorts International (NYSE: MGM) is an S&P 500® global entertainment company with national and international locations featuring best-in-class hotels and casinos, state-of-the-art meetings and conference spaces, incredible live and theatrical entertainment experiences, and an extensive array of restaurant, nightlife and retail offerings. MGM Resorts creates immersive, iconic experiences through its suite of Las Vegas-inspired brands. The MGM Resorts portfolio encompasses 28 unique hotel offerings including some of the most recognizable resort brands in the industry. Expanding throughout the U.S. and around the world, the company in 2018 opened MGM Springfield in Massachusetts, MGM COTA1 in Macau, and the first Bellagio-branded hotel in Shanghai. The 81,000 global employees of MGM Resorts are proud of their company for being recognized as one of FORTUNE® Magazine's World's Most Admired Companies®. For more information visit us at www.mgmresorts.com.

Forward-Looking Statements

Certain information contained in this press release 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 or the negatives 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, and statements regarding future performance. 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 such factors include whether BREIT will complete the transaction referenced herein within the timeframe anticipated or at all, whether the joint venture and lease agreements referenced herein will be consummated on the terms described herein or at all, and the accuracy of financial or operating information reported or provided by MGM and whether such past operations will be an accurate predictor of future operations. BREIT believes these factors also include but are not limited to those described under the section entitled "Risk Factors" in its prospectus and its annual report 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. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this press release (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.

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MGM Resorts

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