

**BLACKSTONE REAL ESTATE INCOME TRUST, INC.**  
**SUPPLEMENT NO. 1 DATED JANUARY 9, 2020**  
**TO THE PROSPECTUS DATED JANUARY 4, 2019**

This prospectus supplement (this “Supplement”) is part of and should be read in conjunction with the prospectus of Blackstone Real Estate Income Trust, dated January 4, 2019 (the “Prospectus”). This Supplement supersedes and replaces all prior supplements to the Prospectus. Unless otherwise defined herein, capitalized terms used in this Supplement shall have the same meanings as in the Prospectus.

The purposes of this Supplement are:

- to update information with respect to our operations;
- to disclose the transaction price for each class of our common stock as of January 1, 2020;
- to disclose the calculation of our November 30, 2019 net asset value (“NAV”) per share for all share classes;
- to update certain historical NAV information;
- to provide an update on the status of our current public offering (the “Offering”); and
- to otherwise update the Prospectus.

**Selected Information Regarding our Operations**

*The follow disclosure updates the similar information appearing in the section of the Prospectus entitled “Selected Information Regarding Our Operations.”*

**Selected Financial Information**

The following selected financial data should be read in conjunction with the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the consolidated financial statements and related notes appearing in our Annual Report on Form 10-K for the year ended December 31, 2018 and our Quarterly Report on Form 10-Q for the period ended September 30, 2019, each as incorporated herein by reference. Our historical results are not necessarily indicative of results for any future period.

	For the Nine Months Ended September 30, 2019	For the Year Ended December 31, 2018	For the Year Ended December 31, 2017	For the Period March 2, 2016 (date of initial capitalization) through December 31, 2016
<b>Operating Data (in thousands)</b>				
Total revenues	\$ 1,089,432	\$ 723,258	\$ 157,932	\$ —
Total expenses	1,209,579	837,761	226,858	115
Total other income (expense)	(109,227)	(176,962)	(18,624)	—
Net loss	(229,374)	(291,465)	(87,550)	(115)
Net loss attributable to BREIT stockholders	\$ (220,721)	\$ (281,056)	\$ (86,258)	\$ (115)
<b>Per Share Data</b>				
Net loss per share of common stock— basic and diluted	\$ (0.34)	\$ (0.91)	\$ (0.90)	\$ (5.74)
Gross distributions declared per share of common stock	\$ 0.4764	\$ 0.6286	\$ 0.4782(1)	\$ —

- (1) Represents the gross distributions declared for Class S and Class I shares for the year ended December 31, 2017. We did not sell any Class D or Class T shares prior to May 2017 and June 2017, respectively, thus no distributions were declared for Class D or Class T shares prior to such date.

	As of September 30, 2019	As of December 31, 2018	As of December 31, 2017	As of December 31, 2016
<b>Balance Sheet Data (in thousands)</b>				
Total assets	\$ 26,297,356	\$ 13,237,158	\$ 4,625,308	\$ 200
Investments in real estate, net	20,744,467	10,259,687	3,406,555	—
Investments in real estate-related securities	3,804,309	2,259,913	915,742	—
Mortgage notes, term loans, and secured and unsecured revolving credit facilities, net	13,250,539	6,833,269	2,116,665	—
Repurchase agreements	2,646,334	1,713,723	682,848	—
Total equity	8,403,652	3,914,954	1,509,639	85

#### **Funds from Operations, Adjusted Funds from Operations and Funds Available for Distribution**

We believe funds from operations (“FFO”) is a meaningful supplemental non-GAAP operating metric. Our consolidated financial statements are presented under historical cost accounting which, among other things, requires depreciation of real estate investments to be calculated on a straight-line basis. As a result, our operating results imply that the value of our real estate investments will decrease evenly over a set time period. However, we believe that the value of real estate investments will fluctuate over time based on market conditions and as such, depreciation under historical cost accounting may be less informative. FFO is a standard REIT industry metric defined by the National Association of Real Estate Investment Trusts (“NAREIT”). FFO, as defined by NAREIT and presented below, is calculated as net income or loss (computed in accordance with accounting principles generally accepted in the United States of America (“GAAP”)), excluding (i) gains or losses from sales of depreciable real property, (ii) impairment write-downs on depreciable real property, plus (iii) real estate-related depreciation and amortization, and (iv) similar adjustments for unconsolidated joint ventures.

We also believe that adjusted FFO (“AFFO”) is a meaningful non-GAAP supplemental disclosure of our operating results. AFFO further adjusts FFO in order for our operating results to reflect the specific characteristics of our business by adjusting for items we believe are not related to our core operations. Our adjustments to FFO to arrive at AFFO include removing the impact of (i) straight-line rental income, (ii) amortization of above- and below-market lease intangibles, (iii) amortization of mortgage premium/discount, (iv) organization costs, (v) unrealized (gains) losses from changes in the fair value of Real Estate-Related Securities, (vi) amortization of restricted stock awards, (vii) non-cash performance participation allocation or other non-cash incentive compensation even if repurchased by us, and (viii) similar adjustments for unconsolidated joint ventures.

We also believe funds available for distribution (“FAD”) is an additional meaningful non-GAAP supplemental disclosure that provides useful information for considering our operating results and certain other items relative to the amount of our distributions by removing the impact of certain non-cash items on our distributions. FAD is calculated as AFFO excluding (i) realized gains (losses) on Real Estate-Related Securities and (ii) management fee paid in shares or operating partnership units even if repurchased by us, and including deductions for (iii) recurring tenant improvements, leasing commissions, and other capital projects, (iv) stockholder servicing fees paid during the period, and (v) similar adjustments for unconsolidated joint ventures. FAD is not indicative of cash available to fund our cash needs and does not represent cash flows from operating activities in accordance with GAAP, as it excludes adjustments for working capital items and actual cash receipts from interest income recognized on Real Estate Related Securities. Cash flows from operating activities in accordance with GAAP would generally be adjusted for such items. Furthermore, FAD is adjusted for stockholder servicing fees and recurring tenant improvements, leasing commissions, and other capital expenditures, which are not considered when determining cash flows from operating activities in accordance with GAAP.

The following table presents a reconciliation of FFO, AFFO and FAD to net loss attributable to BREIT stockholders (\$ in thousands):

	Nine Months Ended September 30, 2019	Year Ended December 31, 2018
Net loss attributable to BREIT stockholders	\$ (220,721)	\$ (281,056)
Adjustments to arrive at FFO:		
Real estate depreciation and amortization	505,986	406,295
Gain on disposition of real estate	(36,167)	—
Amount attributable to non-controlling interests for above adjustment	(19,321)	(14,712)
FFO attributable to BREIT stockholders	229,777	110,527
Adjustments to arrive at AFFO:		
Straight-line rental income	(5,532)	(7,149)
Amortization of above- and below-market lease intangibles	(6,254)	(4,735)
Amortization of mortgage premium/discount	(58)	(233)
Unrealized (gains) losses from changes in the fair value of real estate-related securities	(53,025)	24,746
Amortization of restricted stock awards	300	212
Non-cash performance participation allocation	106,383	37,484
Non-cash incentive compensation awards to affiliated service providers	1,500	4,714
Gain on involuntary conversion	(1,389)	—
Amount attributable to non-controlling interests for above adjustments	(965)	(969)
AFFO attributable to BREIT stockholders	270,737	164,597
Adjustments to arrive at FAD:		
Realized (gains) losses on real estate-related securities	(688)	(200)
Management fee paid in shares	69,522	42,659
Recurring tenant improvements, leasing commissions and other capital expenditures (1)	(43,927)	(17,811)
Stockholder servicing fees	(28,755)	(20,909)
Amount attributable to non-controlling interests for above adjustments	(539)	(327)
FAD attributable to BREIT stockholders	\$ 266,350	\$ 168,009

- (1) Recurring tenant improvements and leasing commissions are generally related to second-generation leases and other capital expenditures required to maintain our investments. Other capital expenditures exclude underwritten tenant improvements, leasing commissions and capital expenditures in conjunction with acquisitions and projects that we believe will enhance the value of our investments.

FFO, AFFO, and FAD should not be considered to be more relevant or accurate than the GAAP methodology in calculating net income (loss) or in evaluating our operating performance. In addition, FFO, AFFO, and FAD should not be considered as alternatives to net income (loss) as indications of our performance or as alternatives to cash flows from operating activities as indications of our liquidity, but rather should be reviewed in conjunction with these and other GAAP measurements. Further, FFO, AFFO, and FAD are not intended to be used as liquidity measures indicative of cash flow available to fund our cash needs, including our ability to make distributions to our stockholders.

## Our Indebtedness

The following table is a summary of our indebtedness as of September 30, 2019 and December 31, 2018 (\$ in thousands):

<b>Indebtedness</b>	<b>Weighted Average Interest Rate(1)</b>	<b>Weighted Average Maturity Date(2)(3)</b>	<b>Maximum Facility Size</b>	<b>Principal Balance as Of</b>	
				<b>September 30, 2019</b>	<b>December 31, 2018</b>
<i>Fixed rate loans:</i>					
Fixed rate mortgages	3.85%	6/27/2026	N/A	\$ 9,019,813	\$ 4,782,326
Mezzanine loan	5.85%	4/5/2025	N/A	195,878	200,000
Total fixed rate loans	3.90%	6/17/2026		9,215,691	4,982,326
<i>Variable rate loans:</i>					
Floating rate mortgages	L+1.71%	7/23/2025	N/A	1,540,166	675,116
Variable rate term loans	L+1.59%	12/15/2023	N/A	1,432,479	603,500
Variable rate secured revolving credit facilities	L+1.49%	5/18/2025	\$2,132,479	1,178,979	624,200
Total variable rate loans	L+1.60%	12/14/2024		4,151,624	1,902,816
Total loans secured by our properties	3.83%	12/28/2025		13,367,315	6,885,142
<i>Repurchase agreement borrowings secured by our real estate-related securities:</i>					
Barclays MRA		9/29/2021	750,000	750,000	750,000
Other MRAs(4)		11/20/2019	N/A	1,896,334	963,723
Total repurchase agreement borrowings secured by our real estate-related securities(5)	3.20%			2,646,334	1,713,723
<i>Unsecured loans:</i>					
Unsecured variable rate revolving credit facility	L+2.50%	2/22/2022	700,000	—	—
Affiliate line of credit	L+2.50%	1/23/2020	250,000	—	—
Total unsecured loans			950,000	—	—
<b>Total indebtedness</b>				<b>\$ 16,013,649</b>	<b>\$ 8,598,865</b>

- (1) The term "L" refers to (i) the one-month LIBOR with respect to loans secured by our properties and unsecured loans, and (ii) the one-month, three-month and twelve-month LIBOR with respect to the repurchase agreement borrowings.
- (2) For loans where we, at our sole discretion, have extension options, the maximum maturity date has been assumed.
- (3) Subsequent to quarter end, we rolled our repurchase agreement contracts expiring in October 2019 into new contracts.
- (4) Includes RBC MRA, Citi MRA, BAML MRA, MS MRA, MUFG MRA, and HSBC MRA.
- (5) Weighted average interest rate based on L+1.20%.

## Our Distributions

The following table summarizes the net distributions per share for each class and each record date declared by us in 2019 as of the date of this Supplement.

<b>Record Date</b>	<b>Class S Shares</b>	<b>Class T Shares</b>	<b>Class D Shares</b>	<b>Class I Shares</b>
January 31, 2019	\$0.0451	\$0.0452	\$0.0507	\$0.0530
February 28, 2019	0.0451	0.0452	0.0501	0.0522
March 31, 2019	0.0451	0.0452	0.0507	0.0530
April 30, 2019	0.0451	0.0453	0.0506	0.0528
May 31, 2019	0.0451	0.0453	0.0508	0.0531
June 30, 2019	0.0451	0.0453	0.0506	0.0529
July 31, 2019	0.0451	0.0452	0.0508	0.0531
August 31, 2019	0.0451	0.0452	0.0508	0.0532
September 30, 2019	0.0451	0.0453	0.0508	0.0531
October 31, 2019	0.0451	0.0452	0.0510	0.0534
November 30, 2019	0.0451	0.0452	0.0508	0.0531
December 31, 2019	0.0451	0.0452	0.0510	0.0534

The following tables summarize our distributions declared during the nine months ended September 30, 2019 and the year ended December 31, 2018 (\$ in thousands):

	<b>Nine Months Ended September 30, 2019</b>		<b>For the Year Ended December 31, 2018</b>	
	<b>Amount</b>	<b>Percentage</b>	<b>Amount</b>	<b>Percentage</b>
<b>Distributions</b>				
Payable in cash	\$104,674	37%	\$ 63,631	37%
Reinvested in shares	174,980	63%	110,228	63%
Total distributions	<u>\$279,654</u>	<u>100%</u>	<u>\$173,859</u>	<u>100%</u>
<b>Sources of Distributions</b>				
Cash flows from operating activities	\$279,654	100%	\$173,859	100%
Offering proceeds	—	—%	—	—%
Total sources of distributions	<u>\$279,654</u>	<u>100%</u>	<u>\$173,859</u>	<u>100%</u>
Cash flows from operating activities	\$373,366		\$252,682	
Funds from Operations(1)	\$229,777		\$110,527	
Adjusted Funds from Operations(1)	\$270,737		\$164,597	
Funds Available for Distribution(1)	\$266,350		\$168,009	

- (1) Please see “—Funds from Operations and Adjusted Funds from Operations and Funds Available for Distribution” above for descriptions of Funds from Operations (FFO), Adjusted Funds from Operations (AFFO), and Funds Available for Distribution (FAD), for reconciliations of them to GAAP net loss attributable to BREIT stockholders, and for considerations on how to review these metrics.

## Related Party Transactions

### Management Fee

During the nine months ended September 30, 2019 and the year ended December 31, 2018, the Company incurred management fees of \$69.5 million and \$42.7 million, respectively.

The Company issued 5,288,447 and 3,845,338 unregistered Class I shares to the Adviser as payment for the management fees for the nine months ended September 30, 2019 and the year ended December 31, 2018, respectively, and also had \$11.1 million and \$5.1 million of management fees payable as of September 30, 2019 and December 31, 2018, respectively. During October 2019 and January 2019, the Adviser was issued 971,219 and 474,552, respectively, unregistered Class I shares as payment for the \$11.1 million and \$5.1 million management fees accrued as of September 30, 2019 and December 31, 2018, respectively. The shares issued to the Adviser for payment of the management fee were issued at the applicable NAV per share at the end of each month for which the fee was earned.

**Performance Participation Allocation**

During the nine months ended September 30, 2019 and the year ended December 31, 2018, the Company recognized performance participation allocation expenses of \$106.4 million and \$37.5 million, respectively. The 2018 performance participation allocation became payable on December 31, 2018 and, in January 2019, the Company issued approximately 3.5 million Class I units in BREIT OP to the Special Limited Partner as payment for the 2018 performance participation allocation. Such Class I units were issued at the NAV per unit as of December 31, 2018. Subsequent to the Class I units being issued, 0.4 million of such units were redeemed for \$4.3 million and 1.1 million of such units were exchanged for unregistered Class I shares in the Company.

**Affiliate Payments**

The following table details the components of due to affiliates (\$ in thousands):

	<u>September 30, 2019</u>	<u>December 31, 2018</u>
Accrued stockholder servicing fee(1)	\$ 399,100	\$ 238,496
Performance participation allocation	106,383	37,484
Accrued management fee	11,054	5,124
Advanced organization and offering costs	6,647	8,181
Accrued affiliate service provider expenses	7,316	3,115
Accrued affiliate incentive compensation awards	—	4,714
Other	1,660	4,467
Total	<u>\$ 532,160</u>	<u>\$ 301,581</u>

- (1) The Company accrues the full amount of the future stockholder servicing fees payable to the Dealer Manager for Class S, Class T, and Class D shares up to the 8.75% of gross proceeds limit at the time such shares are sold. The Dealer Manager has entered into agreements with the selected dealers distributing the Company’s shares in the Offering, which provide, among other things, for the re-allowance of the full amount of the selling commissions and dealer manager fee and all or a portion of the stockholder servicing fees received by the Dealer Manager to such selected dealers.

## Share Repurchases

During the nine months ended September 30, 2019 and the year ended December 31, 2018, we redeemed approximately \$160.8 million and \$56.4 million of common stock, respectively, which represented all redemption requests received in good order and eligible for redemption during such periods.

	<b>For the Nine Months Ended September 30, 2019</b>	<b>For the Twelve Months Ended December 31, 2018</b>
Number of shares requested for repurchase	14,655,194	5,245,304
Number of shares repurchased	14,655,194	5,245,304
% of shares requested that were repurchased	100%	100%
Average repurchase price per share	\$ 10.97	\$ 10.76

### January 1, 2020 Transaction Price

The transaction price for each share class of our common stock for subscriptions accepted as of January 1, 2020 (and repurchases as of December 31, 2019) is as follows:

	<b>Transaction Price (per share)</b>
Class S	\$ 11.4634
Class T	\$ 11.2553
Class D	\$ 11.2945
Class I	\$ 11.4379

The January 1 transaction price for each of our share classes is equal to such class's NAV per share as of November 30, 2019. A detailed calculation of the NAV per share is set forth below. No transactions or events have occurred since November 30, 2019 that would have a material impact on our NAV per share. The purchase price of our common stock for each share class equals the transaction price of such class, plus applicable upfront selling commissions and dealer manager fees.

### November 30, 2019 NAV per Share

We calculate NAV per share in accordance with the valuation guidelines that have been approved by our board of directors. Our NAV per share, which is updated as of the last calendar day of each month, is posted on our website at [www.breit.com](http://www.breit.com) and is made available on our toll-free, automated telephone line at (844) 702-1299. Please refer to "Net Asset Value Calculation and Valuation Guidelines" in the Prospectus for how our NAV is determined. The Adviser is ultimately responsible for determining our NAV. All our property investments are appraised annually by third-party appraisal firms in accordance with our valuation guidelines and such appraisals are reviewed by our independent valuation advisor. We have included a breakdown of the components of total NAV and NAV per share for November 30, 2019 along with the immediately preceding month.

Our total NAV presented in the following tables includes the NAV of our Class S, Class T, Class D, and Class I common stockholders, as well as partnership interests of BREIT Operating Partnership held by parties other than the Company. The following table provides a breakdown of the major components of our total NAV as of November 30, 2019 (\$ and shares in thousands):

<b>Components of NAV</b>	<b>November 30, 2019</b>
Investments in real properties	\$ 28,528,172
Investments in real estate-related securities	4,215,831
Cash and cash equivalents	205,418
Restricted cash	774,746
Other assets	230,173
Mortgage notes, term loans, and revolving credit facilities, net	(17,132,177)
Repurchase agreements	(3,027,569)
Subscriptions received in advance	(650,146)
Other liabilities	(621,578)
Accrued performance participation allocation	(130,794)
Management fee payable	(12,850)
Accrued stockholder servicing fees (1)	(4,508)
Non-controlling interests in joint ventures	(238,052)
Net asset value	<u>\$ 12,136,666</u>
Number of outstanding shares/units	<u>1,061,575</u>

- (1) Stockholder servicing fees only apply to Class S, Class T and Class D shares. For purposes of NAV we recognize the stockholder servicing fee as a reduction of NAV on a monthly basis as such fee is paid. Under accounting principles generally accepted in the United States of America (“GAAP”), we accrue the full cost of the stockholder servicing fee as an offering cost at the time we sell Class S, Class T and Class D shares. As of November 30, 2019, the Company has accrued under GAAP \$448.5 million of stockholder servicing fees payable to the Dealer Manager related to the Class S, Class T and Class D shares sold. The Dealer Manager does not retain any of these fees, all of which are retained by, or reallocated (paid) to, participating broker-dealers.

The following table provides a breakdown of our total NAV and NAV per share/unit by class as of November 30, 2019 (\$ and shares/units in thousands, except per share/unit data):

<b>NAV Per Share/Unit</b>	<b>Class S Shares</b>	<b>Class T Shares</b>	<b>Class D Shares</b>	<b>Class I Shares</b>	<b>Third-party Operating Partnership Units(1)</b>	<b>Total</b>
Net asset value	\$ 5,728,793	\$ 434,494	\$ 883,427	\$ 4,912,757	\$ 177,195	\$ 12,136,666
Number of outstanding shares/units	499,748	38,604	78,217	429,514	15,492	1,061,575
NAV Per Share/Unit as of November 30, 2019	<u>\$ 11.4634</u>	<u>\$ 11.2553</u>	<u>\$ 11.2945</u>	<u>\$ 11.4379</u>	<u>\$ 11.4379</u>	

- (1) Includes the partnership interests of BREIT Operating Partnership held by BREIT Special Limited Partner, Class B unit holders, and other BREIT Operating Partnership interests held by parties other than the Company.



Set forth below are the weighted averages of the key assumptions in the discounted cash flow methodology used in the November 30, 2019 valuations, based on property types. Once we own more than one office property we will include the key assumptions for this property type.

<u>Property Type</u>	<u>Discount Rate</u>	<u>Exit Capitalization Rate</u>
Multifamily(1)	7.8%	5.3%
Industrial	7.3%	5.7%
Hotel	9.7%	9.6%
Retail	7.7%	6.1%
Other(2)	7.3%	7.1%

- (1) Multifamily includes student housing and manufactured housing.  
(2) Other includes self-storage.

These assumptions are determined by the Adviser, and reviewed by our independent valuation advisor. A change in these assumptions would impact the calculation of the value of our property investments. For example, assuming all other factors remain unchanged, the changes listed below would result in the following effects on our investment values:

<u>Input</u>	<u>Hypothetical Change</u>	<u>Multifamily Investment Values</u>	<u>Industrial Investment Values</u>	<u>Hotel Investment Values</u>	<u>Retail Investment Values</u>	<u>Other Investment Values</u>
Discount Rate	0.25% decrease	+1.9%	+1.7%	+1.0%	+1.8%	+1.8%
(weighted average)	0.25% increase	(1.8%)	(2.1%)	(1.0%)	(1.8%)	(1.7%)
Exit Capitalization Rate	0.25% decrease	+3.0%	+2.7%	+1.9%	+2.6%	+1.9%
(weighted average)	0.25% increase	(2.8%)	(3.0%)	(1.8%)	(2.4%)	(1.8%)

Our total NAV presented in the following tables includes the NAV of our Class S, Class T, Class D, and Class I common stockholders, as well as the partnership interests of BREIT Operating Partnership held by BREIT Special Limited Partner and Class B unit holders. The following table provides a breakdown of the major components of our total NAV as of October 31, 2019 (\$ and shares in thousands):

<u>Components of NAV</u>	<u>October 31, 2019</u>
Investments in real properties	\$ 23,711,856
Investments in real estate-related securities	4,112,329
Cash and cash equivalents	187,063
Restricted cash	837,500
Other assets	229,613
Mortgage notes, term loans, and revolving credit facilities, net	(13,354,372)
Repurchase agreements	(2,887,372)
Subscriptions received in advance	(631,534)
Other liabilities	(686,309)
Accrued performance participation allocation	(117,048)
Management fee payable	(11,870)
Accrued stockholder servicing fees (1)	(4,371)
Non-controlling interests in joint ventures	(172,150)
Net asset value	\$ 11,213,335
Number of outstanding shares/units	984,013

- (1) Stockholder servicing fees only apply to Class S, Class T and Class D shares. For purposes of NAV we recognize the stockholder servicing fee as a reduction of NAV on a monthly basis as such fee is paid. Under

GAAP, we accrue the full cost of the stockholder servicing fee as an offering cost at the time we sell Class S, Class T and Class D shares. As of October 31, 2019, the Company has accrued under GAAP \$419.7 million of stockholder servicing fees payable to the Dealer Manager related to the Class S, Class T and Class D shares sold. The Dealer Manager does not retain any of these fees, all of which are retained by, or reallocated (paid) to, participating broker-dealers.

The following table provides a breakdown of our total NAV and NAV per share/unit by class as of October 31, 2019 (\$ and shares/units in thousands, except per share/unit data):

<u>NAV Per Share/Unit</u>	<u>Class S Shares</u>	<u>Class T Shares</u>	<u>Class D Shares</u>	<u>Class I Shares</u>	<u>Third-party Operating Partnership Units(1)</u>	<u>Total</u>
Net asset value	\$ 5,364,392	\$ 420,440	\$ 819,551	\$ 4,459,868	\$ 149,084	\$ 11,213,335
Number of outstanding shares/units	469,478	37,475	72,792	391,191	13,077	984,013
NAV Per Share/Unit as of October 31, 2019	\$ 11.4263	\$ 11.2193	\$ 11.2588	\$ 11.4008	\$ 11.4008	

- (1) Includes the partnership interests of BREIT Operating Partnership held by BREIT Special Limited Partner, Class B unit holders, and other BREIT Operating Partnership interests held by parties other than the Company.

#### Historical NAV

The following table supplements the similar table containing historical NAV information in the section of the Prospectus entitled "Net Asset Value Calculation and Valuation Guidelines."

The following table presents our monthly NAV per share for each of our four classes of common stock from December 31, 2018 through the date of this Supplement:

<u>Date</u>	<u>Class S</u>	<u>Class I(1)</u>	<u>Class D</u>	<u>Class T</u>
December 31, 2018	\$ 10.8222	\$ 10.7984	\$ 10.6820	\$ 10.6318
January 31, 2019	\$ 10.8756	\$ 10.8524	\$ 10.7359	\$ 10.6835
February 28, 2019	\$ 10.9142	\$ 10.8906	\$ 10.7724	\$ 10.7202
March 31, 2019	\$ 10.9458	\$ 10.9218	\$ 10.8019	\$ 10.7502
April 30, 2019	\$ 10.9756	\$ 10.9480	\$ 10.8304	\$ 10.7769
May 31, 2019	\$ 11.0625	\$ 11.0350	\$ 10.9146	\$ 10.8612
June 30, 2019	\$ 11.1022	\$ 11.0755	\$ 10.9481	\$ 10.9007
July 31, 2019	\$ 11.2241	\$ 11.1969	\$ 11.0660	\$ 11.0191
August 31, 2019	\$ 11.3286	\$ 11.3030	\$ 11.1661	\$ 11.1221
September 30, 2019	\$ 11.4074	\$ 11.3816	\$ 11.2407	\$ 11.2000
October 31, 2019	\$ 11.4263	\$ 11.4008	\$ 11.2588	\$ 11.2193
November 30, 2019	\$ 11.4634	\$ 11.4379	\$ 11.2945	\$ 11.2553

- (1) The NAV per unit of the Class I and Class B units of the Operating Partnership generally correspond to the NAV per share of the Company's Class I shares.

#### Status of our Current Public Offering

We are currently offering on a continuous basis up to \$12.0 billion in shares of common stock, consisting of up to \$10.0 billion in shares in our primary offering and up to \$2.0 billion in shares pursuant to our distribution

reinvestment plan. As of January 8, 2020, we had issued and sold in the Offering (i) 507,591,677 shares of our common stock (consisting of 266,534,887 Class S Shares, 17,343,764 Class T Shares, 55,430,789 Class D Shares and 168,282,237 Class I Shares) in the primary offering for total proceeds of \$5.7 billion and (ii) 20,578,516 shares of our common stock (consisting of 12,155,773 Class S Shares, 897,499 Class T Shares, 1,590,055 Class D Shares and 5,935,189 Class I Shares) pursuant to our distribution reinvestment plan for a total value of \$0.2 billion. As of November 30, 2019, our aggregate NAV was \$12.1 billion. We intend to continue selling shares in the Offering on a monthly basis.

#### Acquisition of The Bellagio Real Estate

On October 15, 2019, we 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”). On November 15, 2019, we completed the acquisition of the Bellagio from MGM for an aggregate price of approximately \$4.25 billion, excluding closing costs, in a 95%/5% Company-led joint venture with MGM.

The Bellagio was constructed in 1998 and 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 foot gaming floor, 94,000 square feet of retail space and 200,000 square feet of meeting and ballroom space. We believe the Bellagio is among the highest quality and most productive hotel casinos in the Las Vegas market.

We believe 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 Bellagio faces competition from other Las Vegas casinos and hotels on and off the strip, as well as other gaming centers throughout the world.

The following table provides information regarding the Bellagio.

<u>Property Name</u>	<u>Location</u>	<u>Total Rooms</u>	<u>Gaming/Retail Sq. Ft.</u>
The Bellagio Las Vegas	Las Vegas, NV	3,933	155,000 / 94,000

The acquisition of the Bellagio was funded through a combination of cash on hand (which primarily consisted of proceeds from the Offering) and a \$3.01 billion new fixed-rate property-level 10-year term loan.

The acquisition was part of a sale-leaseback transaction whereby we entered into a triple-net lease agreement (the “Lease Agreement”) for the Bellagio with MGM as the tenant, providing that MGM is generally responsible for all property-related expenses, including taxes, insurance and maintenance. The lease has 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 initial annual rent under the Lease Agreement. The Lease Agreement provides that 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. The lease benefits from a full corporate guarantee of rent payments by MGM, a New York Stock Exchange-listed company with a market capitalization of approximately \$16 billion as of November 15, 2019 that owns and operates integrated casino, hotel, and entertainment resorts across the United States and in Macau.

#### Promotion of our Controller to the Position of Chief Accounting Officer

On March 13, 2019, the Board of Directors of the Company appointed Paul Kolodziej to the position of Chief Accounting Officer. Effective March 13, 2019, he acts as the Company’s principal accounting officer, replacing Paul Quinlan. Mr. Quinlan continues to serve as the Company’s Chief Financial Officer and Treasurer and acts as the Company’s principal financial officer. Mr. Kolodziej, 40, was previously the Company’s Controller since June 2016.

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## Cover Page

*The following paragraph supersedes and replaces the first paragraph on the cover page of the Prospectus and all similar disclosure in the Prospectus:*

Blackstone Real Estate Income Trust, Inc. invests primarily in stabilized income-oriented commercial real estate in the United States. We are externally managed by our adviser, BX REIT Advisors L.L.C. (the “Adviser”). The Adviser 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 our sponsor (“Blackstone Real Estate”). Our objective is to bring Blackstone’s leading institutional-quality real estate investment platform to income-focused investors. We conduct our operations as a real estate investment trust (“REIT”) for U.S. federal income tax purposes. We are not a mutual fund and do not intend to register as an investment company under the Investment Company Act of 1940, as amended (the “Investment Company Act”).

## Risk Factors

*The following risk factors supplement the risk factors and/or supersede and replace the similar risk factors contained in the Prospectus and all similar disclosure in the Prospectus:*

***Valuations and appraisals of our properties and real estate-related securities are estimates of fair value and may not necessarily correspond to realizable value.***

For the purposes of calculating our monthly NAV, our properties will generally initially be valued at cost, which we expect to represent fair value at that time. Thereafter, valuations of properties will be determined by the Adviser based in part on appraisals of each of our properties by independent third-party appraisal firms reviewed by our independent valuation advisor at least once per year in accordance with valuation guidelines approved by our board of directors. The Adviser will also conduct a monthly valuation of our properties that will be reviewed and confirmed for reasonableness by our independent valuation advisor. Investments in real estate-related securities with readily available market quotations will be valued monthly at fair market value. Certain real estate-related securities, such as mortgages and mezzanine loans, are unlikely to have market quotations. In the case of loans acquired by us, such initial value will generally be the acquisition price of such loan. In the case of loans originated by us, such initial value will generally be the par value of such loan. Each such real estate-related security will then be valued by the Adviser within the first three full months after we invest in such security and no less than quarterly thereafter. For more information regarding our valuation process, see “Net Asset Value Calculation and Valuation Guidelines.”

Although monthly valuations of each of our real properties will be reviewed and confirmed for reasonableness by our independent valuation advisor, such valuations are based on asset- and portfolio-level information provided by the Adviser, including historical operating revenues and expenses of the properties, lease agreements on the properties, revenues and expenses of the properties, information regarding recent or planned capital expenditures and any other information relevant to valuing the real estate property, which information will not be independently verified by our independent valuation advisor. Similarly, although our monthly valuations of our real estate-related securities for which market prices are not readily available will be reviewed and confirmed for reasonableness by our independent valuation advisor, such valuations are based on information provided by the Adviser, which information will not be verified by our independent valuation advisor.

Within the parameters of our valuation guidelines, the valuation methodologies used to value our properties and certain of our real estate-related securities will involve subjective judgments and projections and may not be accurate. Valuation methodologies will also involve assumptions and opinions about future events, which may or may not turn out to be correct. Valuations and appraisals of our properties and real estate-related securities will be only estimates of fair value. Ultimate realization of the value of an asset depends to a great extent on

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economic, market and other conditions beyond our control and the control of the Adviser and our independent valuation advisor. Further, valuations do not necessarily represent the price at which an asset would sell, since market prices of assets can only be determined by negotiation between a willing buyer and seller. As such, the carrying value of an asset may not reflect the price at which the asset could be sold in the market, and the difference between carrying value and the ultimate sales price could be material. In addition, accurate valuations are more difficult to obtain in times of low transaction volume because there are fewer market transactions that can be considered in the context of the appraisal. There will be no retroactive adjustment in the valuation of such assets, the offering price of our shares of common stock, the price we paid to repurchase shares of our common stock or NAV-based fees we paid to the Adviser and the Dealer Manager to the extent such valuations prove to not accurately reflect the realizable value of our assets. Because the price you will pay for shares of our common stock in this offering, and the price at which your shares may be repurchased by us pursuant to our share repurchase plan are generally based on our prior month's NAV per share, you may pay more than realizable value or receive less than realizable value for your investment.

***Your interest in us will be diluted if we issue additional shares. Your interest in our assets will also be diluted if the Operating Partnership issues additional units.***

Holders of our common stock will not have preemptive rights to any shares we issue in the future. Our charter authorizes us to issue up to 3,100,000,000 shares of capital stock, of which 3,000,000,000 shares are classified as common stock, of which 500,000,000 shares are classified as Class T shares, 1,000,000,000 shares are classified as Class S shares, 500,000,000 shares are classified as Class D shares and 1,000,000,000 are classified as Class I shares, and 100,000,000 shares are classified as preferred stock. In addition, our board of directors may amend our charter from time to time to increase or decrease the aggregate number of authorized shares of capital stock or the number of authorized shares of capital stock of any class or series without stockholder approval. After you purchase shares of our common stock in this offering, our board of directors may elect, without stockholder approval, to: (1) sell additional shares in this or future public offerings; (2) issue shares of our common stock or units in our Operating Partnership in private offerings; (3) issue shares of our common stock or units in our Operating Partnership upon the exercise of the options we may grant to our independent directors or future employees; (4) issue shares of our common stock or units in our Operating Partnership to the Adviser or the Special Limited Partner, or their successors or assigns, in payment of an outstanding obligation to pay fees for services rendered to us or the performance participation allocation; (5) issue shares of our common stock or units in our Operating Partnership to sellers of properties we acquire, or (6) issue equity incentive compensation to certain employees of affiliated service providers or to third-parties as satisfaction of obligations under incentive compensation arrangements. To the extent we issue additional shares of common stock after your purchase in this offering, your percentage ownership interest in us will be diluted. Because we hold all of our assets through the Operating Partnership, to the extent we issue additional units of our Operating Partnership after you purchase in this offering, your percentage ownership interest in our assets will be diluted. Because certain classes of the units of our Operating Partnership may, in the discretion of our board of directors, be exchanged for shares of our common stock, any merger, exchange or conversion between our Operating Partnership and another entity ultimately could result in the issuance of a substantial number of shares of our common stock, thereby diluting the percentage ownership interest of other stockholders. Because of these and other reasons, our stockholders may experience substantial dilution in their percentage ownership of our shares or their interests in the underlying assets held by our Operating Partnership. Operating Partnership units may have different and preferential rights to the claims of common units of our Operating Partnership which correspond to the common stock held by our stockholders. Certain units in our Operating Partnership may have different and preferential rights to the terms of the common Operating Partnership units which correspond to the common stock held by our stockholders.

***Our success is dependent on general market and economic conditions.***

The real estate industry generally and the success of our investment activities in particular will both be affected by global and national economic and market conditions generally and by the local economic conditions where

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our properties are located. These factors may affect the level and volatility of real estate prices, which could impair our profitability or result in losses. In addition, general fluctuations in the market prices of securities and interest rates may affect our investment opportunities and the value of our investments. Blackstone's financial condition may be adversely affected by a significant economic downturn and it may be subject to legal, regulatory, reputational and other unforeseen risks that could have a material adverse effect on Blackstone's businesses and operations (including the Adviser).

A depression, recession or slowdown in the U.S. real estate market or one or more regional real estate markets, and to a lesser extent, the global economy (or any particular segment thereof) would have a pronounced impact on us, the value of our assets and our profitability, impede the ability of our assets to perform under or refinance their existing obligations, and impair our ability to effectively deploy our capital or realize upon investments on favorable terms. We would also be affected by any overall weakening of, or disruptions in, the financial markets. Any of the foregoing events could result in substantial losses to our business, which losses will likely be exacerbated by the presence of leverage in our capital structure or our investments' capital structures.

Market disruptions in a single country could cause a worsening of conditions on a regional and even global level, and economic problems in a single country are increasingly affecting other markets and economies. A continuation of this trend could result in problems in one country adversely affecting regional and even global economic conditions and markets. For example, concerns about the fiscal stability and growth prospects of certain European countries in the last economic downturn had a negative impact on most economies of the Eurozone and global markets. The occurrence of similar crises in the future could cause increased volatility in the economies and financial markets of countries throughout a region, or even globally.

Additionally, political leaders in the U.S. and certain European nations have recently been elected on protectionist platforms, fueling doubts about the future of global free trade. The U.S. government has indicated its intent to alter its approach to international trade policy and in some cases to renegotiate, or potentially terminate, certain existing bilateral or multi-lateral trade agreements and treaties with foreign countries. In addition, the U.S. government has recently imposed tariffs on certain foreign goods, including steel and aluminum and has indicated a willingness to impose tariffs on imports of other products. Some foreign governments, including China, have instituted retaliatory tariffs on certain U.S. goods and have indicated a willingness to impose additional tariffs on U.S. products. Global trade disruption, significant introductions of trade barriers and bilateral trade frictions, together with any future downturns in the global economy resulting therefrom, could adversely affect our performance.

For example, as a result of the recent financial crisis, the availability of debt financing secured by commercial real estate had been significantly restricted as a result of tightened lending standards for a prolonged period. As a result of the uncertainties in the credit market, real estate investors were unable to obtain debt financing on attractive terms, which adversely affected investment returns on acquisitions or their ability to make acquisitions or property improvements. Any future financial market disruptions may force us to use a greater proportion of our offering proceeds to finance our acquisitions and fund property improvements, reducing the cash available to pay distributions or satisfy repurchase requests and reducing the number of acquisitions we would otherwise make.

***We are subject to additional risks from our non-U.S. investments.***

We may invest in real estate properties located outside of the United States and real estate-related securities issued in, and/or backed by real estate in, countries outside the United States, including Canada, Europe and potentially elsewhere. Non-U.S. real estate-related investments involve certain factors not typically associated with investing in real estate-related investments in the U.S., including risks relating to (i) currency exchange matters, including fluctuations in the rate of exchange between the U.S. dollar and the various non-U.S. currencies in which such investments are denominated, and costs associated with conversion of investment principal and income from one currency into another; (ii) differences in conventions relating to documentation,

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settlement, corporate actions, stakeholder rights and other matters; (iii) differences between U.S. and non-U.S. real estate markets, including potential price volatility in and relative illiquidity of some non-U.S. markets; (iv) the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements and differences in government supervision and regulation; (v) certain economic, social and political risks, including potential exchange-control regulations, potential restrictions on non-U.S. investment and repatriation of capital, the risks associated with political, economic or social instability, including the risk of sovereign defaults, regulatory change, and the possibility of expropriation or confiscatory taxation or the imposition of withholding or other taxes on dividends, interest, capital gains, other income or gross sale or disposition proceeds, and adverse economic and political developments; (vi) the possible imposition of non-U.S. taxes on income and gains and gross sales or other proceeds recognized with respect to such investments; (vii) differing and potentially less well-developed or well-tested corporate laws regarding stakeholder rights, creditors' rights (including the rights of secured parties), fiduciary duties and the protection of investors; (viii) different laws and regulations including differences in the legal and regulatory environment or enhanced legal and regulatory compliance; (ix) political hostility to investments by foreign investors; and (x) less publicly available information. Furthermore, while we may have the capacity, but not the obligation, to mitigate such additional risks, including through the utilization of certain foreign exchange hedging instruments, there is no guarantee that we will be successful in mitigating such risks and in turn may introduce additional risks and expenses linked to such efforts.

***The exit by the United Kingdom ("U.K.") from the E.U. could adversely affect us.***

The U.K. formally notified the European Council of its intention to leave the E.U. on March 29, 2017. Under the process for leaving the E.U., a departing member state remains a member state until a withdrawal agreement is entered into, or failing that, two years following notification (thus, in the case of the U.K., until March 29, 2019) – although that period has been extended by agreement to January 31, 2020 and can be further extended by agreement.

The negotiations with the U.K. for leaving are intended to produce an agreement that ensures an orderly withdrawal from the E.U. and a political declaration outlining a framework for a future relationship between the U.K. and the E.U. The U.K. government and the E.U. previously agreed the text of a withdrawal agreement in late 2018, however the agreement was never ratified by the U.K. Parliament. On October 17, 2019 the U.K. government and the E.U. agreed the text of a revised withdrawal agreement, which would allow the U.K. to leave the E.U. with a transition or implementation period lasting until at least December 31, 2020. However, this agreement still needs to be ratified by the U.K. Parliament, and there is no guarantee that this will happen.

As the law currently stands, the U.K. will remain a member state subject to E.U. law with privileges to provide services under the single market directives until January 31, 2020.

Any further privileges attaching to the U.K. after January 31, 2020 will depend on some form of affirmative action taken by the U.K., such as ratifying the withdrawal agreement (which provides for a transition or implementation period), requesting a further extension from the European Council of Ministers, or revoking its notification to leave the E.U.

Without assurance that the U.K. will ratify the withdrawal agreement (and thereby secure a transition period that may provide a more predictable trading relationship with the E.U. in the future), many businesses may be unable to postpone executing their contingency plans. Contingency planning for some businesses involves re-establishing the business in another member state, moving personnel and, if applicable, seeking authorization from the local regulator – all of which are costly and disruptive.

Even if a withdrawal agreement is ratified and a transition or implementation period is secured, U.K. regulated firms and other U.K. businesses could still be adversely affected by the terms ultimately agreed for a future trading relationship with the E.U. A tariff or non-tariff barrier, customs checks, the inability to provide cross-

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border services, changes in withholding tax, restrictions on movements of employees, restrictions on the transfer of personal data, etc., all have the potential to materially impair the profitability of a business, require it to adapt, or even relocate.

In the absence of an agreement between the U.K. and the E.U. on an orderly withdrawal, or without an extension of the negotiating period, or without the revocation of the U.K.'s notification to leave the E.U., the U.K. will become a third country vis-à-vis the E.U. on January 31, 2020 (i.e., in a “no-deal Brexit” scenario). As a third country, the U.K. will cease to have access to the single market and will no longer be a member of the E.U. customs union. The cross-border trade in goods between the U.K. and E.U. member states will, in such circumstances, depend on any multilateral trade agreements to which both the E.U. and the U.K. are parties (such as those administered by the World Trade Organization) and the provision of services by U.K. firms will be generally restricted to those that could be provided by firms established in any third country.

Although it is probable that the adverse effects of a no-deal Brexit (if it were to occur) will principally affect the U.K. given the size and global significance of the U.K.'s economy, unpredictability about the terms of its withdrawal and its future legal, political and economic relationships with Europe is likely to be an ongoing source of instability, produce significant currency fluctuations, and have other adverse effects on international markets, international trade agreements and/or other existing cross-border cooperation arrangements (whether economic, tax, fiscal, legal, regulatory or otherwise). The withdrawal of the U.K. from the E.U. could therefore adversely affect our business, business opportunities, results of operations, financial conditions and cash flows. In addition, the withdrawal of the U.K. from the E.U. could have a further destabilizing effect if any other member states were to consider withdrawing from the E.U., presenting similar or additional risks and consequences to our business and financial results.

***The lack of liquidity in our securities investments may adversely affect our business.***

There can be no assurance that there will be a ready market for the resale of our real estate-related securities investments because such investments may not be liquid. Illiquidity may result from the absence of an established market for the investments, as well as legal or contractual restrictions on their resale by us, particularly for certain of our loan investments. The credit markets, including the CMBS market, have periodically experienced decreased liquidity on the primary and secondary markets during periods of market volatility. Such market conditions could re-occur and would impact the valuations of our investments and impair our ability to sell such investments if we were required to liquidate all or a portion of our investments quickly. Additionally, certain of our securities investments, such as horizontal or other risk retention investments in CMBS, may have certain holding period and other restrictions that limit our ability to sell such investments.

***Certain risks associated with CMBS may adversely affect our results of operations and financial condition.***

We invest a portion of our assets in pools or tranches of CMBS, including horizontal and other risk retention investments. The collateral underlying CMBS generally consists of commercial mortgages on real property that has a multifamily or commercial use, such as retail space, office buildings, warehouse property and hotels, and which from time to time include assets or properties owned directly or indirectly by one or more Other Blackstone Accounts. CMBS have been issued in a variety of issuances, with varying structures including senior and subordinated classes. The commercial mortgages underlying CMBS generally face the risks described above in “—We may invest in commercial mortgage loans which are non-recourse in nature and include limited options for financial recovery in the event of default; an event of default may adversely affect our results of operations and financial condition.”

***Changes to, or the elimination of, LIBOR may adversely affect interest expense related to borrowings under our credit facilities and real-estate related investments.***

We pay interest under our credit facilities, and receive interest payments on certain of our real estate-related securities investments, based on LIBOR.

Regulators and law-enforcement agencies from a number of governments, including entities in the United States, Japan, Canada and the United Kingdom, have been conducting civil and criminal investigations into whether the



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banks that contributed to the British Bankers' Association (the "BBA"), in connection with the calculation of daily LIBOR may have underreported or otherwise manipulated or attempted to manipulate LIBOR.

Based on a review conducted by the Financial Conduct Authority of the U.K. (the "FCA") and a consultation conducted by the European Commission, proposals have been made for governance and institutional reform, regulation, technical changes and contingency planning. In particular: (a) new legislation has been enacted in the United Kingdom pursuant to which LIBOR submissions and administration are now "regulated activities" and manipulation of LIBOR has been brought within the scope of the market abuse regime; (b) legislation has been proposed which if implemented would, among other things, alter the manner in which LIBOR is determined, compel more banks to provide LIBOR submissions, and require these submissions to be based on actual transaction data; and (c) LIBOR rates for certain currencies and maturities are no longer published daily. In addition, pursuant to authorization from the FCA, ICE Benchmark Administration Limited (formerly NYSE Euronext Rate Administration Limited) (the "IBA"), took over the administration of LIBOR from the BBA on February 1, 2014. Any new administrator of LIBOR may make methodological changes to the way in which LIBOR is calculated or may alter, discontinue or suspend calculation or dissemination of LIBOR.

In a speech on July 27, 2017, Andrew Bailey, the Chief Executive of the FCA, announced the FCA's intention to cease sustaining LIBOR after 2021. The FCA has statutory powers to require panel banks to contribute to LIBOR where necessary. The FCA has decided not to ask, or to require, that panel banks continue to submit contributions to LIBOR beyond the end of 2021. The FCA has indicated that it expects that the current panel banks will voluntarily sustain LIBOR until the end of 2021. The FCA's intention is that after 2021, it will no longer be necessary for the FCA to ask, or to require, banks to submit contributions to LIBOR. The FCA does not intend to sustain LIBOR through using its influence or legal powers beyond that date. It is possible that the IBA and the panel banks could continue to produce LIBOR on the current basis after 2021, if they are willing and able to do so, but we cannot make assurances that LIBOR will survive in its current form, or at all. The U.S. Federal Reserve, in conjunction with the Alternative Reference Rates Committee, a steering committee comprised of large U.S. financial institutions, is recommending replacing U.S.-dollar LIBOR with the Secured Overnight Financing Rate ("SOFR"), a new index calculated by short-term repurchase agreements, backed by Treasury securities. Although there have been a few issuances utilizing SOFR or the Sterling Over Night Index Average, an alternative reference rate that is based on transactions, it is unknown whether these alternative reference rates will attain market acceptance as replacements for LIBOR.

Our debt includes floating-rate loans and reverse repurchase agreements for which the interest rates are tied to LIBOR and real estate-related securities investments with interest payments based on LIBOR. There is currently no definitive information regarding the future utilization of LIBOR or of any particular replacement rate. As such, the potential effect of any such event on our cost of capital and net investment income cannot yet be determined, and any changes to benchmark interest rates could increase our financing costs or decrease the income we earn on our real estate-related securities investments, which could impact our results of operations, cash flows and the market value of our investments.

***The Adviser may face conflicts of interests in choosing our service providers and certain service providers may provide services to the Dealer Manager, the Adviser or Blackstone on more favorable terms than those payable by us.***

Certain third-party advisors and other service providers and vendors to us (including accountants, administrators, lenders, bankers, brokers, attorneys, consultants, title agents, property managers and investment or commercial banking firms) are owned by Blackstone or Other Blackstone Accounts or provide goods or services to, or have other business, personal, financial or other relationships with, Blackstone, the Other Blackstone Accounts and their portfolio entities, the Dealer Manager, the Adviser and affiliates and personnel of the foregoing. Also, advisors, lenders, investors, commercial counterparties, vendors and service providers (including any of their affiliates or personnel) to us could have other commercial or personal relationships with Blackstone, Other Blackstone Accounts and their respective affiliates, personnel or family members of personnel of the foregoing.

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Although Blackstone selects service providers and vendors it believes are most appropriate in the circumstances based on its knowledge of such service providers and vendors (which knowledge is generally greater in the case of service providers and vendors that have other relationships to Blackstone), the relationship of service providers and vendors to Blackstone as described above will, in certain circumstances, influence Blackstone in deciding whether to select, recommend or form such an advisor or service provider to perform services for us, the cost of which will generally be borne directly or indirectly by us, and incentivize Blackstone to engage such service provider over a third-party, utilize the services of such service providers and vendors more frequently than would be the case absent the conflict, or to cause us to pay such service providers and vendors higher fees or commissions than would be the case absent the conflict. The incentive could be created by current income and/or the generation of enterprise value in a service provider or vendor; Blackstone may also have an incentive to invest in or create service providers and vendors to realize on these opportunities. Furthermore, Blackstone will from time to time encourage third-party service providers to Other Blackstone Accounts to use other service providers and vendors in which Blackstone has an interest, and Blackstone has an incentive to use third-party service providers who do so as a result of the additional business for the related service providers and vendors. Fees paid to or value created in these service providers and vendors do not offset or reduce the Adviser's management fee and are not otherwise shared with us. In the case of brokers of securities, our sponsor has a best execution policy that it updates from time to time to comply with regulatory requirements in applicable jurisdictions.

Blackstone, Other Blackstone Accounts, portfolio entities, and personnel and related parties of the foregoing will receive fees and compensation, including performance-based and other incentive fees, for products and services provided to us, such as fees for asset, development and property management; underwriting, syndication or refinancing of a loan or investment; loan servicing; special servicing; administrative services; advisory services on purchase or sale of an asset or company; investment banking services; placement agent services; fund administration; internal legal and tax planning services; information technology products and services; and other products and services. Such parties will also provide products and services for fees to Blackstone, Other Blackstone Accounts and portfolio entities, and their personnel and related parties, as well as third-parties. Through its Innovations group, Blackstone incubates businesses that can be expected to provide goods and services to us, our portfolio properties, Other Blackstone Accounts and their affiliates, as well as other Blackstone related parties and third-parties. By contracting for a product or service from a business related to Blackstone, we would provide not only current income to the business and its stakeholders, but could also create significant enterprise value in them, which would not be shared with us or our stockholders and could benefit Blackstone directly and indirectly. Also, Blackstone, Other Blackstone Accounts and portfolio entities, and their personnel and related parties may receive compensation or other benefits, such as through additional ownership interests or otherwise, directly related to the consumption of products and services by us. We will incur expense in negotiating for any such fees and services. Finally, Blackstone and its personnel and related parties may also receive compensation for origination expenses and with respect to un consummated transactions.

Portfolio entities of Other Blackstone Accounts are and will be counterparties in agreements, transactions and other arrangements with us for the provision of goods and services, purchase and sale of assets and other matters. These agreements, transactions and other arrangements will involve payment of fees and other amounts, none of which will result in any offset to the management fees we pay to the Adviser notwithstanding that some of the services provided by such portfolio entity are similar in nature to the services provided by the Adviser. Generally, we may engage Blackstone-affiliated portfolio entities only if a majority of our board of directors, and a majority of the affiliate transaction committee (which is comprised of each of our independent directors) not otherwise interested in the transaction approve the transaction as being fair and reasonable to us and on terms and conditions no less favorable to us than those available from unaffiliated third-parties.

We may engage portfolio entities of Other Blackstone Accounts to provide some or all of the following services: (a) corporate support services (including, without limitation, accounting/audit (including valuation support services), account management, corporate secretarial services, data management, directorship services, finance/budget, human resources, information technology, judicial processes, legal, operational coordination (i.e.,

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coordination with JV partners, property managers), risk management, tax and treasury; (b) loan management (including, without limitation, monitoring, restructuring and work-out of performing, sub-performing and nonperforming loans, administrative services, and cash management); (c) management services (i.e., management by a portfolio entity, Blackstone affiliate or third-party (e.g., a third-party manager) of operational services); (d) operational services (i.e., general management of day to day operations, including, without limitation, construction management, leasing services, project management and property management); and (e) transaction support services (including, without limitation, managing relationships with brokers and other potential sources of investments, identifying potential investments, coordinating with investors, assembling relevant information, conducting financial and market analyses and modelling, coordinating closing/post-closing procedures for acquisitions, dispositions and other transactions, coordination of design and development works, overseeing brokers, lawyers, accountants and other advisors, providing legal and accounting services, assistance with due diligence, preparation of project feasibilities, site visits, and specification of technical analysis and review of (i) design and structural work, (ii) architectural, façade and external finishes, (iii) certifications, (iv) operations and maintenance manuals and (v) statutory documents).

Such portfolio entities that can be expected to provide services to us include, without limitation, the following, and may include additional portfolio entities that may be formed or acquired in the future:

*LivCor.* We have engaged LivCor, L.L.C., a portfolio company owned by a Blackstone-advised fund for certain of our multifamily properties.

*Equity Office Management/Equity Office Properties.* We have engaged Equity Office Management, L.L.C., a portfolio company owned by Blackstone-advised funds for certain of our office properties.

*ShopCore.* We have engaged ShopCore Properties TRS Management LLC, a portfolio company owned by a Blackstone-advised fund for certain of our retail properties.

*Link.* We have engaged Link Industrial Properties Holdco LLC, a portfolio company owned by a Blackstone-advised fund for certain of our industrial properties.

*BRE Hotels and Resorts.* We have engaged BRE Hotels & Resorts LLC, a portfolio company controlled (but not owned) by a Blackstone-advised fund for certain of our hotel properties.

*Revantage.* We have engaged Revantage Corporate Services, LLC, a portfolio company owned by a Blackstone-advised fund, to provide corporate support services (including, without limitation, accounting, legal, tax, and treasury, as applicable) and transaction support services to certain of our investments directly.

We compensate these service providers and vendors owned by the Other Blackstone Accounts for services rendered to us, including through promote or other incentive-based compensation payable to their management teams and other related parties. The incentive-based compensation paid with respect to a portfolio entity or property will vary from the incentive based compensation paid with respect to other portfolio entities and properties; as a result the management team or other related parties may have greater incentives with respect to certain properties and portfolio entities relative to others, and the performance of certain properties and portfolio entities may provide incentives to retain management that also service other properties and portfolio entities. Service providers and vendors owned by Other Blackstone Accounts may charge us for certain goods and services at rates generally consistent with those available in the market for similar goods and services. The discussion regarding the determination of market rates below applies equally in respect of the fees and expenses of the portfolio entity service providers, if charged at rates generally consistent with those available in the market. Such service providers and vendors may also pass through expenses for other services on a cost reimbursement, no-profit or break-even basis, in which case the service provider allocates costs and expenses directly associated with work performed for our benefit to us, along with any related tax costs and an allocation of the service provider's overhead, including any of the following: salaries, wages, benefits and travel expenses;

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marketing and advertising fees and expenses; legal, accounting and other professional fees and disbursements; office space and equipment; insurance premiums; technology expenditures, including hardware and software costs; costs to engage recruitment firms to hire employees; diligence expenses; one-time costs, including costs related to building-out and winding-down a portfolio property; taxes; and other operating and capital expenditures. Any of the foregoing costs, although allocated in a particular period, may relate to activities occurring outside the period, and therefore we could pay more than our pro rata portion of fees for services. The allocation of overhead among the entities and assets to which services are provided may be based on any of a number of different methodologies, including, without limitation, “cost” basis as described above, “time-allocation” basis, “per unit” basis, “per square footage” basis or “fixed percentage” basis. There can be no assurance that a different manner of allocation would result in our bearing less or more costs and expenses. A service provider may subcontract certain of its responsibilities to other portfolio entities. In such circumstances, the relevant subcontractor could invoice the portfolio entity for fees (or in the case of a cost reimbursement arrangement, for allocable costs and expenses) in respect of the services provided by the subcontractor. The portfolio entity, if charging on a cost reimbursement, no-profit or break-even basis, would in turn allocate those costs and expenses as it allocates other fees and expenses as described above.

We, Other Blackstone Accounts and their affiliates are expected to enter into joint ventures with third-parties to which the service providers and vendors described above will provide services. In some of these cases, the third-party joint venture partner may negotiate to not pay its pro rata share of fees, costs and expenses to be allocated as described above, in which case we, Other Blackstone Accounts and their affiliates that also use the services of the portfolio entity service provider will, directly or indirectly, pay the difference, or the portfolio entity service provider will bear a loss equal to the difference. Portfolio entity service providers described in this section are generally owned by a Blackstone fund such as Other Blackstone Accounts. In certain instances a similar company could be owned by Blackstone directly.

Blackstone has a general practice of not entering into any arrangements with advisors, vendors or service providers that provide lower rates or discounts to Blackstone itself compared to those available to us for the same services. However, legal fees for un consummated transactions are often charged at a discount rate, such that if we consummate a higher percentage of transactions with a particular law firm than Blackstone, Other Blackstone Accounts and their affiliates, we could indirectly pay a higher net effective rate for the services of that law firm than Blackstone or Other Blackstone Accounts or their affiliates. Also, advisors, vendors and service providers often charge different rates or have different arrangements for different types of services. For example, advisors, vendors and service providers often charge fees based on the complexity of the matter as well as the expertise and time required to handle it. Therefore, to the extent the types of services used by us are different from those used by Blackstone, Other Blackstone Accounts and their affiliates and personnel, we may pay different amounts or rates than those paid by such other persons. Similarly, Blackstone, the Other Blackstone Accounts and affiliates and we may enter into agreements or other arrangements with vendors and other similar counterparties (whether such counterparties are affiliated or unaffiliated with Blackstone) from time to time whereby such counterparty may charge lower rates or provide discounts or rebates for such counterparty’s products or services depending on the volume of transactions in the aggregate or other factors.

In addition to the service providers (including portfolio entity service providers) and vendors described above, we will engage in transactions with one or more businesses that are owned or controlled by Blackstone directly, not through one of its funds, including the businesses described below. These businesses may also enter into transactions with other counterparties of ours. Blackstone could benefit from these transactions and activities through current income and creation of enterprise value in these businesses. No fees charged by these service providers and vendors will offset or reduce the Adviser’s management fees. Furthermore, Blackstone, the Other Blackstone Accounts and their affiliates and related parties will use the services of these Blackstone affiliates, including at different rates. Although Blackstone believes the services provided by its affiliates are equal or better than those of third-parties, Blackstone directly benefits from the engagement of these affiliates, and there is therefore an inherent conflict of interest.

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Blackstone-affiliated service providers and vendors, include, without limitation:

*LNLS*. Lexington National Land Services (“LNLS”) is a Blackstone affiliate that acts as an agent for one or more underwriters in issuing title policies and/or providing support services in connection with investments by us, Other Blackstone Accounts and their affiliates and related parties, and third-parties. LNLS focuses on transactions in rate-regulated states where the cost of title insurance is non-negotiable. LNLS will not perform services in non-regulated states for us and Other Blackstone Accounts, unless (i) in the context of a portfolio transaction that includes properties in rate-regulated states, (ii) as part of a syndicate of title insurance companies where the rate is negotiated by other insurers or their agents, (iii) when a third-party is paying all or a material portion of the premium or (iv) when providing only support services for compensation to the underwriter. LNLS earns fees, which would have otherwise been paid to third-parties, by providing title agency services and facilitating the placement of title insurance with underwriters and otherwise providing the support services described in (iv) above.

Certain Blackstone-affiliated service providers and their respective personnel may receive a management promote, an incentive fee and other performance-based compensation in respect of our investments. Furthermore, Blackstone-affiliated service providers may charge costs and expenses based on allocable overhead associated with personnel working on relevant matters (including salaries, benefits and other similar expenses), provided that these amounts will not exceed market rates as determined to be appropriate under the circumstances. Generally, we may engage Blackstone-affiliated service providers only if a majority of our board of directors, and a majority of the affiliate transaction committee (which is comprised of each of our independent directors), not otherwise interested in the transaction approve the transaction as being fair and reasonable to us and on terms and conditions no less favorable to us than those available from unaffiliated third-parties.

The Adviser and its affiliates will make determinations of market rates (i.e., rates that fall within a range that the Adviser and its affiliates has determined is reflective of rates in the applicable market and certain similar markets, though not necessarily equal to or lower than the median rate of comparable firms) based on its consideration of a number of factors, which are generally expected to include the experience of the Adviser and its affiliates with non-affiliated service providers as well as benchmarking data and other methodologies determined by the Adviser and its affiliates to be appropriate under the circumstances. In respect of benchmarking, while Blackstone often obtains benchmarking data regarding the rates charged or quoted by third-parties for services similar to those provided by Blackstone affiliates in the applicable market or certain similar markets, relevant comparisons may not be available for a number of reasons, including, without limitation, as a result of a lack of a substantial market of providers or users of such services or the confidential or bespoke nature of such services (e.g., within property management services, different assets may receive different property management services). In addition, benchmarking data is based on general market and broad industry overviews, rather than determined on an asset by asset basis. As a result, benchmarking data does not take into account specific characteristics of individual assets then owned or to be acquired (such as location or size), or the particular characteristics of services provided. For these reasons, such market comparisons may not result in precise market terms for comparable services. Expenses to obtain benchmarking data will be borne by us or by Other Blackstone Accounts and will not offset the management fee we pay to the Adviser. Finally, in certain circumstances third-party benchmarking may be considered unnecessary, including because the price for a particular good or service is mandated by law (e.g., title insurance in rate regulated states).

For more information regarding our relationships with these entities, see “Selected Information Regarding our Operations—Related Party Transactions” in this prospectus, as well as “Transactions with Related Persons and Certain Control Persons—Our Relationship with Our Adviser and Blackstone—Affiliate Service Agreements” in our definitive Proxy Statement on Schedule 14A, and “Related Party Transactions” in the notes to our consolidated financial statements appearing in our Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q, each as incorporated herein by reference.

Blackstone and Other Blackstone Accounts operate in multiple industries, including the real estate related information technology industry, and provide products and services to or otherwise contract with us, among

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others. In connection with any such investment, Blackstone and Other Blackstone Accounts (or their respective portfolio entities and personnel and related parties) may make referrals or introductions to us or other portfolio entities in an effort, in part, to increase the customer base of such companies or businesses or because such referrals or introductions may result in financial benefits, such as additional equity ownership, accruing to the party making the introduction. We typically will not share in any fees, economics, equity or other benefits accruing to Blackstone, Other Blackstone Accounts and their respective portfolio entities as a result of such introduction.

We will enter into agreements regarding group procurement (such as CoreTrust, an independent group purchasing organization), benefits management, purchase of title and other insurance policies (which may include brokerage or placement thereof) and will otherwise enter into operational, administrative or management related initiatives. Blackstone will allocate the cost of these various services and products purchased on a group basis among us, Other Blackstone Accounts and portfolio entities. Some of these arrangements result in commissions, discounts, rebates or similar payments to Blackstone and its affiliates and personnel, or Other Blackstone Accounts and their portfolio entities, including as a result of transactions entered into by us, and such commissions or payment will not offset the management fee payable to the Adviser. Blackstone may also receive consulting or other fees from the parties to these group procurement arrangements. To the extent that a portfolio entity of an Other Blackstone Account is providing such a service, such portfolio entity and such Other Blackstone Account will benefit. Further, the benefits received by the particular portfolio entity providing the service may be greater than those received by us in receiving the service. Conflicts exist in the allocation of the costs and benefits of these arrangements.

We will purchase or bear premiums, fees, costs and expenses (including any expenses or fees of insurance brokers) to insure us, our portfolio properties, the Adviser, Blackstone and their respective directors, officers, employees, agents and representatives and other indemnified parties, against liability in connection with our activities. This includes a portion of any premiums, fees, costs and expenses for one or more “umbrella”, group or other insurance policies maintained by Blackstone that cover one or more of us and Other Blackstone Accounts, the Adviser and Blackstone (including their respective directors, officers, employees, agents and representatives and other indemnified parties). The Adviser and its affiliates will make judgments about the allocation of premiums, fees, costs and expenses for such “umbrella”, group or other insurance policies among one or more of us and Other Blackstone Accounts, the Adviser and Blackstone on a fair and reasonable basis, in their discretion, and may make corrective allocations should they determine subsequently that such corrections are necessary or advisable. For example, some property insurance could be allocated on a property-by-property basis in accordance with the relative values of the respective properties that are insured by such policies.

Additionally, we and Other Blackstone Accounts (and their portfolio entities) may jointly contribute to a pool of funds that may be used to pay losses that are subject to the deductibles on any group insurance policies, which contributions may similarly be allocated in accordance with the relative values of the respective properties that are insured by such policies (or other factors that Blackstone may reasonably determine).

In respect of such insurance arrangements, Blackstone may make corrective allocations from time to time should it determine subsequently that such adjustments are necessary or advisable. There can be no assurance that different allocations or arrangements than those implemented by Blackstone as provided above would not result in us and our portfolio properties bearing less (or more) premiums, deductibles, fees, costs and expenses for insurance policies.

***We have and may in the future acquire and sell residential credit investments, which may subject us to legal, regulatory and other risks that could adversely impact our business and financial results.***

We have and may in the future invest directly and indirectly in residential credit investments, which may include performing loans, nonperforming loans, residential mortgage loans and RMBS, which represent interests in pools of residential mortgage loans secured by one to four family residential mortgage loans. Investments in residential

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credit (including RMBS) are subject to various risks and uncertainties, including credit, market, interest rate, structural and legal risk. These risks may be magnified by volatility in the economy and in real estate markets generally. Residential credits are not traded on an exchange and there may be a limited market for the securities, especially when there is a perceived weakness in the mortgage and real estate market sectors.

Residential mortgage loans are obligations of the borrowers thereunder only and are not typically insured or guaranteed by any other person or entity, although such loans may be securitized by government agencies and the securities issued may be guaranteed. The rate of defaults and losses on residential mortgage loans will be affected by a number of factors, including general economic conditions and those in the geographic area where the mortgaged property is located, the terms of the mortgage loan, the borrower's equity in the mortgaged property, and the financial circumstances of the borrower. Certain mortgage loans may be of sub-prime credit quality (i.e., do not meet the customary credit standards of Federal National Mortgage Association ("Fannie Mae") and Federal Home Loan Mortgage Corporation ("Freddie Mac")). Delinquencies and liquidation proceedings are more likely with sub-prime mortgage loans than with mortgage loans that satisfy customary credit standards. If a residential mortgage loan is in default, foreclosure of such residential mortgage loan may be a lengthy and difficult process, and may involve significant expenses. Furthermore, the market for defaulted residential mortgage loans or foreclosed properties may be very limited.

Residential mortgage loans in an issue of RMBS may also be subject to various U.S. federal and state laws, foreign laws, public policies and principles of equity that protect consumers which, among other things, may regulate interest rates and other fees, require certain disclosures, require licensing of originators, prohibit discriminatory lending practices, regulate the use of consumer credit information, and regulate debt collection practices. In addition, a number of legislative proposals have been introduced in the United States at the federal, state, and municipal level that are designed to discourage predatory lending practices. Violation of such laws, public policies, and principles may limit the servicer's ability to collect all or part of the principal or interest on a residential mortgage loan, entitle the borrower to a refund of amounts previously paid by it, or subject the servicer to damages and administrative enforcement. Any such violation could also result in cash flow delays and losses on the related issue of RMBS.

***Our investments in RMBS, which may include government mortgage pass-through securities and non-agency RMBS, are subject to certain other risks which may adversely affect our results of operations and financial condition.***

Our investments in RMBS are subject to the risks of defaults, foreclosure timeline extension, fraud, home price depreciation and unfavorable modification of loan principal amount, interest rate and amortization of principal accompanying the underlying residential mortgage loans. To the extent that assets underlying our investments are concentrated geographically, by property type or in certain other respects, we may be subject to certain of the foregoing risks to a greater extent. In the event of defaults on the residential mortgage loans that underlie our investments in RMBS and the exhaustion of any underlying or any additional credit support, we may not realize our anticipated return on our investments and we may incur a loss on these investments. At any one time, a portfolio of RMBS may be backed by residential mortgage loans with disproportionately large aggregate principal amounts secured by properties in only a few states or regions in the United States or in only a few foreign countries. As a result, the residential mortgage loans may be more susceptible to geographic risks relating to such areas, such as adverse economic conditions, adverse political changes, adverse events affecting industries located in such areas and natural hazards affecting such areas, than would be the case for a pool of mortgage loans having more diverse property locations. We may also acquire non-agency RMBS, which are backed by residential property but, in contrast to agency RMBS, their principal and interest are not guaranteed by federally chartered entities such as the Fannie Mae and Freddie Mac and, in the case of the Government National Mortgage Association ("Ginnie Mae"), the U.S. government. In addition, we may invest in government mortgage pass-through securities, which represent participation interests in pools of residential mortgage loans purchased from individual lenders by a federal agency or originated by private lenders and guaranteed by a federal agency, including those issued or guaranteed by Ginnie Mae, Fannie Mae and Freddie Mac. Ginnie Mae certificates are

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direct obligations of the U.S. Government and, as such, are backed by the “full faith and credit” of the United States. Fannie Mae is a federally chartered, privately owned corporation and Freddie Mac is a corporate instrumentality of the United States. Fannie Mae and Freddie Mac certificates are not backed by the full faith and credit of the United States but the issuing agency or instrumentality has the right to borrow, to meet its obligations, from an existing line of credit with the U.S. Treasury. The U.S. Treasury has no legal obligation to provide such line of credit and may choose not to do so.

***Our investments in real estate properties associated with gaming facilities will be impacted by the risks associated with the gaming industry.***

We invest in real estate properties associated with gaming facilities, which are subject to risks associated with the gaming industry, including changes in consumer trends, the impact of gaming regulations on us and/or our tenants, reductions in discretionary consumer spending and corporate spending on conventions and business development and preferences, changes in laws or foreign monetary policies that impact consumer behavior, and other factors over which we have no control. Economic contraction, economic uncertainty or the perception by potential customers of weak or weakening economic conditions may cause a decline in demand for hotels, casino resorts, trade shows and conventions. Such investments may also be affected by risks relating to the tourism industry for the geographic areas in which our properties are located, including cost and availability of air services or other travel methods.

The gaming industry is characterized by a high degree of competition among a large number of participants, including riverboat casinos, dockside casinos, land-based casinos, video lottery, sweepstakes and poker machines not located in casinos, Native American gaming, internet lotteries and other internet wagering gaming services and, in a broader sense, gaming operators face competition from all manner of leisure and entertainment activities. Gaming competition is intense in the markets where our facilities are located. Recently, there has been additional significant competition in the gaming industry as a result of the upgrading or expansion of facilities by existing market participants, the entrance of new gaming participants into a market, the growth of general internet and electronic sports-related gaming and legislative changes, including relating to sports betting. As competing properties and new markets are opened, we and our tenants may be negatively impacted.

***We invest in commercial properties subject to net leases, which could subject us to losses.***

We invest in commercial properties subject to net leases. Typically, net leases require the tenants to pay substantially all of the operating costs associated with the properties. As a result, the value of, and income from, investments in commercial properties subject to net leases will depend, in part, upon the ability of the applicable tenant to meet its obligations to maintain the property under the terms of the net lease. If a tenant fails or becomes unable to so maintain a property, we will be subject to all risks associated with owning the underlying real estate.

Certain commercial properties subject to net leases in which we invest are occupied by a single tenant and, therefore, the success of such investments are largely dependent on the financial stability of each such tenant. A default of any such tenant on its lease payments to us would cause us to lose the revenue from the property and cause us to have to find an alternative source of revenue to meet any mortgage payment and prevent a foreclosure if the property is subject to a mortgage. In the event of a default, we may experience delays in enforcing our rights as landlord and may incur substantial costs in protecting our investment and re-letting our property. If a lease is terminated, we may also incur significant losses to make the leased premises ready for another tenant and experience difficulty or a significant delay in re-leasing such property.

In addition, net leases typically have longer lease terms and, thus, there is an increased risk that contractual rental increases in future years will fail to result in fair market rental rates during those years.

We may acquire these investments through sale-leaseback transactions, which involve the purchase of a property and the leasing of such property back to the seller thereof. If we enter into a sale-leaseback transaction, we will



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seek to structure any such sale-leaseback transaction such that the lease will be characterized as a “true lease” for U.S. federal income tax purposes, thereby allowing us to be treated as the owner of the property for U.S. federal income tax purposes. However, we cannot assure you that the IRS will not challenge such characterization. In the event that any such sale-leaseback transaction is challenged and recharacterized as a financing transaction or loan for U.S. federal income tax purposes, deductions for depreciation and cost recovery relating to such property would be disallowed, and the timing of our income inclusion could differ from that of the lease payments. If a sale-leaseback transaction were so recharacterized (or otherwise not respected as a lease), we might fail to satisfy the REIT qualification “asset tests” or “income tests” and, consequently, lose our REIT status effective with the year of recharacterization. Alternatively, the amount of our REIT taxable income could be recalculated, which might also cause us to fail to meet the REIT distribution requirement for a taxable year.

If a tenant of a net lease defaults and we are unable to find a replacement tenant, we may attempt to hold and operate the relevant property ourselves through a taxable REIT subsidiary, which would subject income on the property to corporate-level taxation, thereby reducing our funds available for distribution. In certain circumstances, depending on how much capacity we have available of the total value we are permitted to hold in taxable REIT subsidiaries under applicable rules, we may not be able to hold and operate the property in a taxable REIT subsidiary, which could result in the property and the related income not satisfying the REIT qualification asset and income tests and could jeopardize our REIT status.

*The following risk factors under the subsection “—General Risks Related to Investments in Real Estate” are hereby amended by replacing such risk factors in their entirety with the below:*

***Our portfolio is currently concentrated in certain industries and geographies and may in the future be concentrated in a limited number of industries, geographies or investments.***

Our portfolio may be heavily concentrated at any time in only a limited number of industries, geographies or investments, and, as a consequence, our aggregate return may be substantially affected by the unfavorable performance of even a single investment. Currently, our portfolio is heavily concentrated in multifamily and industrial assets and geographically concentrated in the southern and western regions of the U.S., and in particular Las Vegas, Nevada. Concentration of our investments in a particular type of asset or geography, our portfolio makes us more susceptible to fluctuations in value resulting from adverse economic or business conditions affecting that particular type of asset or geography. Our concentration in Las Vegas exposes us to risks related to the economic health and other factors unique to that city, which is in turn largely reliant on the gaming and tourist industries. See “—Our investments in real estate properties associated with gaming facilities will be impacted by the risks associated with the gaming industry.” For investments that the Adviser intends to finance (directly or by selling assets), there is a risk that such financing may not be completed, which could result in us holding a larger percentage of our assets in a single investment and asset type than desired. Investors have no assurance as to the degree of diversification in our investments, either by geographic region or asset type.

***There can be no assurance that the Adviser will be able to detect or prevent irregular accounting, employee misconduct or other fraudulent practices or material misstatements or omissions during the due diligence phase or during our efforts to monitor and disclose information about the investment on an ongoing basis or that any risk management procedures implemented by us will be adequate.***

When conducting due diligence and making an assessment regarding an investment, the Adviser will rely on the resources available to it, including information provided or reported by the seller of the investment and, in some circumstances, third-party investigations. The due diligence investigation that the Adviser carries out with respect to any investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Moreover, such an investigation will not necessarily result in the investment being successful. Conduct occurring at the portfolio property, even activities that occurred prior to our investment therein, could have an adverse impact us.

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In the event of fraud by the seller of any portfolio property, we may suffer a partial or total loss of capital invested in that property. An additional concern is the possibility of material misrepresentation or omission on the part of the seller. Such inaccuracy or incompleteness may adversely affect the value of our investments in such portfolio property. We will rely upon the accuracy and completeness of representations made by sellers of portfolio properties in the due diligence process to the extent reasonable when we make our investments, but cannot guarantee such accuracy or completeness.

In addition, we rely on information, including financial information and non-GAAP metrics, provided by sellers of our investments for disclosure to our investors about potential acquisitions or current assets owned by us. Accordingly, although we believe such information to be accurate, such information cannot be independently verified by the Adviser, and in some cases such information has not been independently reviewed or audited while under our ownership or control or at all. We cannot assure you that that the financial statements or metrics of properties we have acquired or will acquire would not be materially different if such statements or metrics had been independently audited or reviewed.

Consultants, legal advisors, appraisers, accountants, investment banks and other third parties may be involved in the due diligence process and/or the ongoing operation of our portfolio properties to varying degrees depending on the type of investment. For example, certain asset management and finance functions, such as data entry relating to a portfolio property, may be outsourced to a third party service provider whose fees and expenses will be borne by such portfolio property or us. Such involvement of third party advisors or consultants may present a number of risks primarily relating to our reduced control of the functions that are outsourced.

***We depend on tenants for our revenue, and therefore our revenue is dependent on the success and economic viability of our tenants. Our reliance on single or significant tenants in certain buildings may decrease our ability to lease vacated space.***

We expect that rental income from real property will, directly or indirectly, constitute a significant portion of our income. Delays in collecting accounts receivable from tenants could adversely affect our cash flows and financial condition. In addition, the inability of a single major tenant or a number of smaller tenants to meet their rental obligations would adversely affect our income. Therefore, our financial success is indirectly dependent on the success of the businesses operated by the tenants in our properties or in the properties securing loans we may own. The weakening of the financial condition of or the bankruptcy or insolvency of a significant tenant or a number of smaller tenants and vacancies caused by defaults of tenants or the expiration of leases may adversely affect our operations and our ability to pay distributions.

Generally, under U.S. bankruptcy law, a debtor tenant has 120 days to exercise the option of assuming or rejecting the obligations under any unexpired lease for nonresidential real property, which period may be extended once by the bankruptcy court for an additional 90 days. If the tenant assumes its lease, the tenant must cure all defaults under the lease and may be required to provide adequate assurance of its future performance under the lease. If the tenant rejects the lease, we will have a claim against the tenant's bankruptcy estate. Although rent owing for the period between filing for bankruptcy and rejection of the lease may be afforded administrative expense priority and paid in full, pre-bankruptcy arrears and amounts owing under the remaining term of the lease will be afforded general unsecured claim status (absent collateral securing the claim). Moreover, amounts owing under the remaining term of the lease will be capped. Other than equity and subordinated claims, general unsecured claims are the last claims paid in a bankruptcy and therefore funds may not be available to pay such claims in full.

Some of our properties may be leased to a single or significant tenant and, accordingly, may be suited to the particular or unique needs of such tenant. We may have difficulty replacing such a tenant if the floor plan of the vacant space limits the types of businesses that can use the space without major renovation. In addition, the resale value of the property could be diminished because the market value of a particular property will depend principally upon the value of the leases of such property. For example, we are dependent on a subsidiary

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of MGM as the sole tenant of the Bellagio. The rental revenue we are entitled to receive from MGM comprises a sizeable portion of our overall revenue. While the Bellagio is suited to MGM's needs, should MGM default under the lease for the Bellagio, we may have difficulty finding a replacement tenant or may be required to incur significant expense to modify the Bellagio to suit a new tenant.

### **Investment Objectives and Strategies**

*The following paragraph supersedes and replaces the first paragraph under the section of the Prospectus entitled "Investment Objectives and Strategies—Investments in Properties" and all similar disclosure in the Prospectus:*

To execute our investment strategy, we invest primarily in stabilized income-oriented commercial real estate in the United States. We may invest to a lesser extent in Canadian and European cities and potentially elsewhere. We may also acquire assets that require some amount of capital investment in order to be renovated or repositioned. We generally will limit investment in new developments on a standalone basis, but may consider development that is ancillary to an overall investment.

*The following disclosure supersedes and replaces the first two paragraphs under the section of the Prospectus entitled "Investment Objectives and Strategies—Investments in Real Estate-Related Securities" and all similar disclosure in the Prospectus:*

Our real estate-related securities investments focus on non-distressed public and private real estate-related debt, including, but not limited to, CMBS, mortgages, loans, mezzanine and other forms of debt (including residential mortgage-backed securities ("RMBS") and other residential credit), and may also include preferred equity and derivatives, as described in more detail below. Additionally, while we do not intend to make open market purchases of common stock in public equity REITs or other companies focused on owning real property, we may make such investments in companies with mortgages as one of their core businesses. Our investments in real estate-related securities will be focused in the United States, but may also include securities issued or backed by real estate in Europe and certain other countries.

As part of our real estate-related investment strategy, we invest in CMBS. CMBS may include multi-issuer CMBS, single-issuer CMBS and "rake bonds," in each case, relating to real estate-related companies or assets. In a typical multi-issuer CMBS issuance, one or more mortgage loans of varying size, asset type (including, but not limited to, office, retail, multifamily, hospitality, industrial and single-family rental), and geography are pooled and transferred to a trust. The trust then issues a series of bonds that vary in duration, payment priority and yield. Then rating agencies (such as Moody's, S&P or Fitch) assign credit ratings to the various bond classes ranging from investment grade to below investment grade.

The Company also invests in RMBS and other residential credit. In a typical RMBS issuance, residential mortgages of varying size and geographic location are pooled and transferred to a trust. The trust then issues a series of bonds that vary in duration, payment priority, and yield. Then rating agencies (such as S&P's, Moody's, or Fitch) assign credit ratings to the various bond classes ranging from investment grade to below investment grade.

*The following paragraph supersedes and replaces the first paragraph under the section entitled "Investment Objectives and Strategies—Borrowing Policies" and all similar disclosure in the Prospectus:*

We intend to use financial leverage to provide additional funds to support our investment activities. This allows us to make more investments than would otherwise be possible, resulting in a broader portfolio. Subject to the limitation on indebtedness for money borrowed in our charter described below, our target leverage ratio is in the range of 60% of our gross real estate assets (measured using the greater of fair market value and cost of gross

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real estate assets, including equity in our securities portfolio), inclusive of property-level and entity-level debt net of cash, but excluding debt on our securities portfolio. Indebtedness incurred (i) in connection with funding a deposit in advance of the closing of an investment or (ii) as other working capital advances, will not be included as part of the calculation above.

*The following supersedes and replaces the third sentence of the second paragraph under the section of the Prospectus entitled “Investment Objectives and Strategies—Investment Guidelines and Portfolio Allocation Targets” and all similar disclosure in the Prospectus:*

In addition, under our investment guidelines our board of directors is required to approve any acquisition of a single property or portfolio of properties with a purchase price exceeding 10% of our most recent month-end total asset value (as measured under generally accepted accounting principles) plus the proceeds expected in good faith to be raised in our registered offering over the next twelve months.

*The following supersedes and replaces first sentence of the third paragraph under the section of the Prospectus entitled “Investment Objectives and Strategies—Investments in Real Estate-Related Securities” and all similar disclosure in the Prospectus:*

We may also invest in loans, which may include commercial mortgage loans, bank loans, mezzanine loans, other interests relating to real estate and debt of companies in the business of owning and/or operating real estate-related businesses.

#### **Share Repurchases**

*The following supersedes and replaces the first sentence of the third paragraph under the section of the Prospectus entitled “Share Repurchase—Early Repurchase Deduction” and all similar disclosure in the Prospectus:*

As set forth above, we may waive the Early Repurchase Deduction in respect of repurchase of shares resulting from the death of a stockholder who is a natural person, subject to the conditions and limitations described above, including shares held by such stockholder as a beneficiary of a trust or an IRA or other retirement or profit-sharing plan, after receiving written notice from the estate of the stockholder, the recipient of the shares through bequest or inheritance, or, in the case of a trust, the trustee of such trust, who shall have the sole ability to request repurchase on behalf of the trust.

#### **Appendix A: Distribution Reinvestment Plan**

*The following supersedes and replaces the first sentence of the first paragraph under the Section of the Prospectus entitled “Appendix A: Distribution Reinvestment Plan—5. Purchase of Shares” and all similar disclosure in the Prospectus:*

A. Participants will acquire Shares from the Company (including Shares purchased by the Company for the Plan in a secondary market (if available) or on a stock exchange (if listed)) under the Plan (the “Plan Shares”) at a price equal to the most recently disclosed transaction price per Share applicable to the class of Shares purchased by the Participant on the date that the distribution is payable (calculated as of the most recent month end).

*All references to “ten days” or “10 days” under the Section of the Prospectus entitled “Appendix A: Distribution Reinvestment Plan” are hereby replaced with “ten business days.”*

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## Management

The following updates the section of the Prospectus titled “Management—Directors and Executive Officers”:

<u>Name</u>	<u>Age</u>	<u>Position</u>
Paul Kolodziej	40	Chief Accounting Officer

**Paul Kolodziej** has been the Chief Accounting Officer of the Company since March 2019. He is a Senior Vice President in Blackstone Real Estate and previously served as Controller of the Company from June 2016 to March 2019. Prior to joining Blackstone in June 2016, Mr. Kolodziej was a Senior Manager at PricewaterhouseCoopers LLP, where he provided assurance services to financial service clients focused on real estate investment trusts, private real estate funds and hedge funds. During his time at PricewaterhouseCoopers LLP, Mr. Kolodziej also completed a two year rotation in PricewaterhouseCoopers LLP’s SEC Services Group within their National Office, focusing on client consultations over a wide range of matters related to security registrations and on-going SEC filing requirements. Mr. Kolodziej received a BS in Accountancy from DePaul University and is a Certified Public Accountant.

## Plan of Distribution

The following is added to the “Plan of Distribution” section after the last paragraph under the heading “NOTICE TO NON-U.S. INVESTORS”:

### *Notice to Prospective Investors in Taiwan*

The interests may be made available outside Taiwan to Taiwan resident investors for purchase outside Taiwan by such investors but are not permitted to be marketed, offered or sold in Taiwan. No person or entity in Taiwan has been authorized to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the interests in Taiwan.

### *Notice to Prospective Investors in Argentina*

This prospectus does not constitute an invitation to buy or a solicitation of an offer to sell securities or any other products or services in Argentina and shares in the Company are not and will not be offered or sold in Argentina, in compliance with Section No. 310 of the Argentine Criminal Code, except in circumstances that do not constitute a public offering or distribution under Argentinean laws and regulations. No application has been or will be made the Argentine Comisión Nacional de Valores, the Argentine securities governmental authority, to publicly offer the Company or the shares thereof in Argentina. This prospectus is being supplied or made available only to those investors who have expressly requested them in Argentina or used in connection with an offer to sell or a solicitation of an offer to buy in Argentina except in circumstances that do not constitute a public offering or distribution under Argentinean laws and regulations. This prospectus is strictly confidential and may not be distributed to any legal or natural person or entity other than the intended recipients thereof.

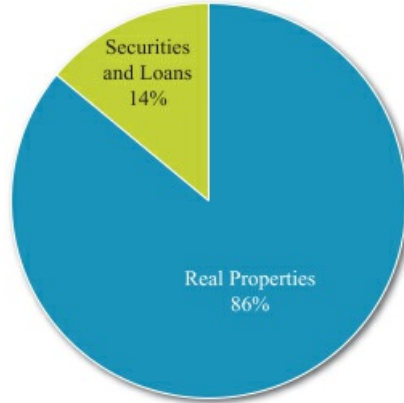
**Investments In Real Properties and Real Estate-Related Securities**

The follow disclosure updates the similar information appearing in the section of the Prospectus entitled “Investments In Real Properties and Real Estate-Related Securities.”

*Summary of Portfolio*

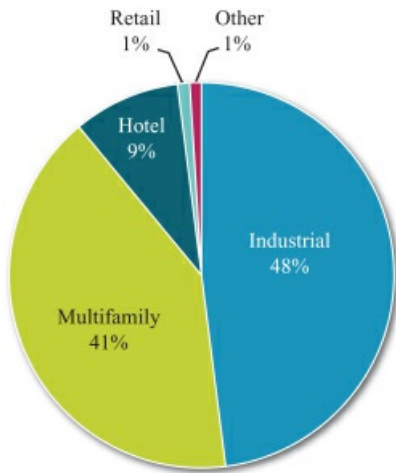
The following chart outlines the percentage of our investments in real properties and investments in real estate-related securities and loans based on fair value as of September 30, 2019:

**Asset Allocation**

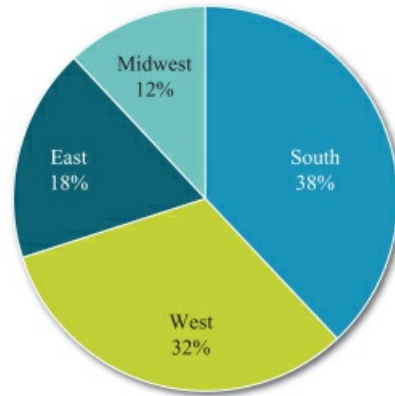


The following charts further describe our portfolio composition in real properties based on fair value as of September 30, 2019:

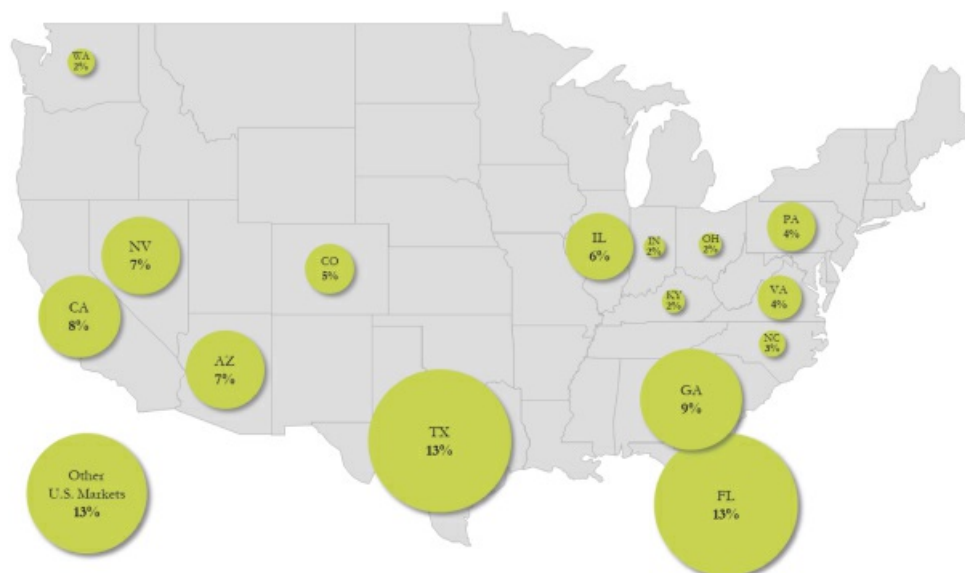
**By Property Type**



**Geography**



The following map identifies the top 10 markets of our portfolio composition in real properties based on fair value as of September 30, 2019:



### Investments in Real Estate

As of September 30, 2019, we had acquired 1,022 properties with a total purchase price of \$22.0 billion, inclusive of closing costs. Our diversified portfolio of income producing assets primarily consists of Multifamily and Industrial properties, and to a lesser extent Hotel, Retail, and Other properties, located in growth markets across the U.S. The following table provides a summary of our portfolio as of September 30, 2019:

Segment	Number of Properties	Sq. Feet (in thousands)/ Units/Keys	Occupancy Rate(2)	Average Effective Annual Base Rent Per Leased Square Foot/Units/Keys(3)	Gross Asset Value(4)	Segment Revenue	Percentage of Total Revenues
Industrial	764	126,434 sq. ft.	95%	\$ 4.67	\$ 10,871,982	\$ 269,095	25%
Multifamily(1)	182	56,890 units	93%	\$ 13,823	9,687,184	498,858	46%
Hotel	50	9,041 keys	78%	\$ 172.33/\$135.03	2,137,657	308,597	28%
Retail	5	766 sq. ft.	98%	\$ 20.16	240,832	10,023	1%
Other	21	1,347 sq. ft.	89%	\$ 11.24	151,009	2,859	0%
<b>Total</b>	<b>1,022</b>				<b>\$ 23,088,664</b>	<b>\$1,089,432</b>	<b>100%</b>

- (1) Multifamily includes other types of rental housing such as manufactured and student housing. Multifamily units include manufactured housing sites and student housing beds.
- (2) The occupancy rate for our industrial and retail investments includes all leased square footage as of September 30, 2019. The occupancy rate for our self-storage and manufactured housing investments includes occupied square footage and occupied units, respectively, as of September 30, 2019. The occupancy rate for our student housing and other multifamily investments is defined as the percentage of actual rent divided by gross potential rent (defined as actual rent for occupied units and market rent for vacant units) for the three months ended September 30, 2019. The occupancy rate for our hotel investments

includes paid occupied rooms for the twelve months ended September 30, 2019. Hotels owned less than twelve months are excluded from the average occupancy rate calculation.

- (3) For industrial, manufactured housing, retail, and self-storage properties, represents the annualized September 30, 2019 base rent per leased square foot or unit and excludes tenant recoveries, straight-line rent and above-market and below-market lease amortization. For student housing and other multifamily properties, represents the annualized base rent for the three months ended September 30, 2019 per leased unit and excludes tenant recoveries, straight-line rent and above-market and below-market lease amortization. For hotel properties, represents Average Daily Rate (“ADR”) and Revenue Per Available Room (“RevPAR”), respectively, for the twelve months ended September 30, 2019. Hotels owned less than twelve months are excluded from the ADR and RevPAR calculations.
- (4) Based on fair value as of September 30, 2019.

#### Real Estate

The following table provides information regarding our portfolio of real properties as of September 30, 2019:

Segment and Investment	Number of Properties	Location	Acquisition Date	Ownership Interest(1)	Sq. Feet (in thousands)/ Units/Keys(2)	Occupancy Rate(3)
<i>Industrial:</i>						
Stockton Industrial Park	1	Stockton, CA	Feb. 2017	100%	878 sq. ft.	86%
HS Industrial Portfolio	38	Various(4)	April 2017	100%	5,968 sq. ft.	93%
Fairfield Industrial Portfolio	11	Fairfield, NJ	Sept. 2017	100%	578 sq. ft.	99%
Southeast Industrial Portfolio	5	Various(5)	Nov. 2017	100%	1,927 sq. ft.	97%
Kraft Chicago Industrial Portfolio	3	Aurora, IL	Jan. 2018	100%	1,693 sq. ft.	100%
Canyon Industrial Portfolio	145	Various(6)	March 2018	100%	21,174 sq. ft.	96%
HP Cold Storage Industrial Portfolio	6	Various(7)	May 2018	100%	2,252 sq. ft.	100%
Meridian Industrial Portfolio	106	Various(8)	Nov. 2018	99%(8)	14,011 sq. ft.	93%
Stockton Distribution Center	1	Stockton, CA	Dec. 2018	100%	987 sq. ft.	100%
Summit Industrial Portfolio	8	Atlanta, GA	Dec. 2018	100%	631 sq. ft.	98%
4500 Westport Drive	1	Harrisburg, PA	Jan. 2019	100%	179 sq. ft.	100%
Morgan Savannah	1	Savannah, GA	April 2019	100%	357 sq. ft.	100%
Minneapolis Industrial Portfolio	34	Minneapolis, MN	April 2019	100%	2,460 sq. ft.	95%
Atlanta Industrial Portfolio	61	Atlanta, GA	May 2019	100%	3,779 sq. ft.	96%
D.C. Powered Shell Warehouse Portfolio	7	Ashburn & Manassas, VA	June 2019	90%	1,174 sq. ft.	100%
Patriot Park	2	Durham, NC	Sept. 2019	100%	323 sq. ft.	83%
Denali Industrial Portfolio	18	Various(9)	Sept. 2019	100%	4,098 sq. ft.	100%
Jupiter 12 Industrial Portfolio	316	Various(10)	Sept. 2019	100%	63,965 sq. ft.	95%
<b>Total Industrial</b>	<b>764</b>				<b>126,434 sq. ft.</b>	
<i>Multifamily:</i>						
Sonora Canyon Apartments	1	Mesa, AZ	Feb. 2017	100%	388 units	92%
TA Multifamily Portfolio	6	Various(11)	April 2017	100%	2,514 units	93%
Emory Point	1	Atlanta, GA	May 2017	100%	750 units	94%
Nevada West Multifamily	3	Las Vegas, NV	May 2017	100%	972 units	95%
Mountain Gate & Trails Multifamily	2	Las Vegas, NV	June 2017	100%	539 units	95%
Elysian West Multifamily	1	Las Vegas, NV	July 2017	100%	466 units	93%
Harbor 5 Multifamily	5	Dallas, TX	Aug. 2017	100%	1,192 units	95%
Gilbert Multifamily	2	Gilbert, AZ	Sept. 2017	90%	748 units	95%
Domain & GreenVue Multifamily	2	Dallas, TX	Sept. 2017	100%	803 units	95%
ACG II Multifamily	4	Various(12)	Sept. 2017	94%	932 units	93%
Olympus Multifamily	3	Jacksonville, FL	Nov. 2017	95%	1,032 units	94%
Ambergen West Multifamily	1	Hillsboro, OR	Nov. 2017	100%	396 units	94%
Aston Multifamily Portfolio	20	Various(13)	Nov. 2017 & Jan. 2018	90%	4,584 units	94%



Segment and Investment	Number of Properties	Location	Acquisition Date	Ownership Interest(1)	Sq. Feet (in thousands)/ Units/Keys(2)	Occupancy Rate(3)
Talavera and Flamingo Multifamily	2	Las Vegas, NV	Dec. 2017	100%	674 units	94%
Walden Pond & Montair Multifamily Portfolio	2	Everett, WA & Thornton, CO	Dec. 2017	95%	635 units	94%
Signature at Kendall Multifamily	1	Miami, FL	Dec. 2017	100%	546 units	95%
The Boulevard	1	Phoenix, AZ	April 2018	100%	294 units	95%
Blue Hills Multifamily	1	Boston, MA	May 2018	100%	472 units	93%
Wave Multifamily Portfolio	6	Various(14)	May 2018	100%	2,199 units	93%
ACGIII Multifamily	2	Gresham, OR & Turlock, CA	May 2018	95%	475 units	93%
Carroll Florida Multifamily	2	Jacksonville & Orlando, FL	May 2018	100%	716 units	94%
Solis at Flamingo	1	Las Vegas, NV	June 2018	95%	524 units	94%
Velaire at Aspera	1	Phoenix, AZ	July 2018	100%	286 units	93%
Coyote Multifamily Portfolio	6	Phoenix, AZ	Aug. 2018	100%	1,752 units	93%
Avanti Apartments	1	Las Vegas, NV	Dec. 2018	100%	414 units	94%
Gilbert Heritage Apartments	1	Phoenix, AZ	Feb. 2019	90%	256 units	94%
Roman Multifamily Portfolio	14	Various(15)	Feb. 2019	100%	3,743 units	94%
Elevation Plaza Del Rio	1	Phoenix, AZ	April 2019	90%	333 units	82%
Courtney at Universal Multifamily	1	Orlando, FL	April 2019	100%	355 units	94%
Citymark Multifamily 2-Pack	2	Various(16)	April 2019	95%	608 units	95%
Tri-Cities Multifamily 2-Pack	2	Richland & Kennewick, WA	April 2019	95%	428 units	94%
Raider Multifamily Portfolio	3	Las Vegas, NV	April & June 2019	100%	1,110 units	95%
Bridge II Multifamily Portfolio	6	Various(17)	Various(17)	100%	2,363 units	93%
Miami Doral 2-Pack	2	Miami, FL	May 2019	100%	720 units	94%
Davis Multifamily 2-Pack	2	Various(18)	May 2019	100%	454 units	92%
Slate Savannah	1	Savannah, GA	May 2019	90%	272 units	94%
Amara at MetroWest	1	Orlando, FL	May 2019	95%	411 units	96%
Colorado 3-Pack	3	Denver & Fort Collins, CO	May 2019	100%	855 units	96%
Edge Las Vegas	1	Las Vegas, NV	June 2019	95%	296 units	95%
ACGIV Multifamily	2	Various(19)	June 2019	95%	606 units	93%
Perimeter Multifamily 3-Pack	3	Atlanta, GA	June 2019	100%	691 units	94%
Anson at the Lakes	1	Charlotte, NC	June 2019	100%	694 units	94%
San Valiente Multifamily	1	Phoenix, AZ	July 2019	95%	604 units	92%
Edgewater at the Cove	1	Oregon City, OR	Aug. 2019	100%	244 units	92%
Haven 124	1	Denver, CO	Sept. 2019	100%	562 units	100%
Highroads MH	3	Phoenix, AZ	April 2018	99%	265 units	93%
Evergreen Minari MH	2	Phoenix, AZ	June 2018	99%	115 units	96%
Southwest MH	14	Various(20)	June 2018	99%	3,065 units	78%
Hidden Springs MH	1	Desert Hot Springs, CA	July 2018	99%	317 units	86%
SVPAC MH	2	Phoenix, AZ	July 2018	99%	234 units	92%
Royal Vegas MH	1	Las Vegas, NV	Oct. 2018	99%	176 units	69%
Riverest MH	1	Tavares, FL	Dec. 2018	99%	130 units	88%
Angler MH Portfolio	5	Phoenix, AZ	April 2019	99%	939 units	81%
Florida MH 4-Pack	4	Various(21)	April & July 2019	99%	795 units	82%
Impala MH	3	Phoenix & Chandler, AZ	July 2019	99%	336 units	95%
EdR Student Housing Portfolio	20	Various(22)	Sept. 2018	95%	10,610 units	94%
<b>Total Multifamily</b>	<b>182</b>				<b>56,890 units</b>	
<b>Hotel:</b>						
Hyatt Place UC Davis	1	Davis, CA	Jan. 2017	100%	127 keys	82%
Hyatt Place San Jose Downtown	1	San Jose, CA	June 2017	100%	240 keys	79%
Florida Select-Service 4-Pack	4	Tampa & Orlando, FL	July 2017	100%	472 keys	79%
Hyatt House Downtown Atlanta	1	Atlanta, GA	Aug. 2017	100%	150 keys	77%
Boston/Worcester Select-Service 3-Pack	3	Boston & Worcester, MA	Oct. 2017	100%	374 keys	81%
Henderson Select-Service 2-Pack	2	Henderson, NV	May 2018	100%	228 keys	84%

Segment and Investment	Number of Properties	Location	Acquisition Date	Ownership Interest(1)	Sq. Feet (in thousands)/ Units/Keys(2)	Occupancy Rate(3)
Orlando Select-Service 2-Pack	2	Orlando, FL	May 2018	100%	254 keys	93%
Corporex Select Service Portfolio	5	Various(23)	Aug. 2018	100%	601 keys	77%
JW Marriott San Antonio Hill Country Resort	1	San Antonio, TX	Aug. 2018	100%	1,002 keys	73%
Hampton Inn & Suites Federal Way	1	Seattle, WA	Oct. 2018	100%	142 keys	N/A
Staybridge Suites Reno	1	Reno, NV	Nov. 2018	100%	94 keys	N/A
Salt Lake City Select Service 3 Pack	3	Salt Lake City, UT	Nov. 2018	60%	454 keys	N/A
Courtyard Kona	1	Kailua-Kona, HI	March 2019	100%	452 keys	N/A
Raven Select Service Portfolio	21	Various(24)	June 2019	100%	2,555 keys	N/A
Urban 2-Pack	2	Chicago, IL & Arlington, VA	July 2019	100%	636 keys	N/A
Hyatt Regency Atlanta	1	Atlanta, GA	Sept. 2019	100%	1,260 keys	N/A
<b>Total Hotel</b>	<b>50</b>				<b>9,041 keys</b>	
<i>Retail:</i>						
Bakers Centre	1	Philadelphia, PA	March 2017	100%	237 sq. ft.	99%
Plaza Del Sol Retail	1	Burbank, CA	Oct. 2017	100%	166 sq. ft.	100%
Vista Center	1	Miami, FL	Aug. 2018	100%	91 sq. ft.	93%
El Paseo Simi Valley	1	Simi Valley, CA	June 2019	100%	109 sq. ft.	97%
Towne Center East	1	Signal Hill, CA	Sept. 2019	100%	163 sq. ft.	100%
<b>Total Retail</b>	<b>5</b>				<b>766 sq. ft.</b>	
<i>Other:</i>						
East Coast Storage Portfolio	21	Various(25)	Aug. 2019	97%	1,347 sq. ft.	89%
<b>Total Other</b>	<b>21</b>				<b>1,347 sq. ft.</b>	
<b>Total Investments in Real Estate</b>	<b>1,022</b>					

- Certain of the joint venture agreements entered into by the Company provide the seller or the other partner a profits interest based on certain internal rate of return hurdles being achieved. Such investments are consolidated by us and any profits interest due to the other partner is reported within non-controlling interests.
- Multifamily includes other types of rental housing such as manufactured housing and student housing. Multifamily units include manufactured housing sites and student housing beds.
- The occupancy rate for our industrial and retail investments includes all leased square footage as of September 30, 2019. The occupancy rate for our self-storage and manufactured housing investments includes occupied square footage and occupied units, respectively, as of September 30, 2019. The occupancy rate for our student housing and other multifamily investments is defined as the percentage of actual rent divided by gross potential rent (defined as actual rent for occupied units and market rent for vacant units) for the three months ended September 30, 2019. The occupancy rate for our hotel investments is the average occupancy rate for the twelve months ended September 30, 2019. Hotels owned less than twelve months are excluded from the average occupancy rate calculation.
- The HS Industrial Portfolio is located in six submarkets: Atlanta, GA (38% of square feet), Chicago, IL (23%), Houston, TX (17%), Harrisburg, PA (10%), Dallas, TX (10%) and Orlando, FL (2%).
- The Southeast Industrial Portfolio is located in Jacksonville, FL (53% of square feet), Atlanta, GA (26%), and Nashville, TN (21%).
- The Canyon Industrial Portfolio is primarily concentrated in Chicago, IL (19% of square feet), Dallas, TX (15%), Indianapolis, IN (9%), Baltimore/Washington, D.C. (9%), and Columbus, OH (7%).
- The HP Cold Storage Industrial Portfolio is located in four markets: Stockton, CA (52% of square feet), Atlanta, GA (24%), Baltimore, MD (18%), and Austin, TX (6%).
- The Meridian Industrial Portfolio consists of 106 industrial properties primarily concentrated in Memphis, TN (23% of square feet), Orlando, FL (19%), Jacksonville, FL (10%), Atlanta, GA (9%), Richmond, VA (7%), and Winston-Salem, NC (7%). We own a 99% joint venture interest in 74 of the properties and wholly own the other 32 properties.
- The Denali Industrial Portfolio is located in Indianapolis, IN (41% of square feet), Grove City, OH (22%), Hebron, KY (19%), Cincinnati, OH (14%), and West Chester, OH (4%).
- The Jupiter 12 Industrial Portfolio is primarily concentrated in Dallas, TX (14% of square feet), Chicago, IL (12%), Harrisburg, PA (9%), Atlanta, GA (8%), Cincinnati, OH (6%), Columbus, OH (5%), Orlando, FL (5%) and Indianapolis, IN (5%).
- The TA Multifamily Portfolio consists of a 32-floor property in downtown Orlando, FL (19% of units) and five garden style properties located in the suburbs of Palm Beach Gardens, FL (19%), Chicago, IL (19%), Orlando, FL (17%), Dallas, TX (14%), and Kansas City, KS (12%).
- The ACG II Multifamily Portfolio consists of four garden style properties in Gilbert, AZ (30% of units), Modesto, CA (25%), Olympia, WA (24%), and Flagstaff, AZ (21%).

- (13) The Aston Multifamily Portfolio is located in four markets: Austin/San Antonio, TX (47% of units), Dallas/Fort Worth, TX (21%), Nashville, TN (18%), and Louisville, KY (14%).
- (14) The Wave Multifamily Portfolio is located in five markets: Greater Seattle, WA (29% of units), Sacramento, CA (28%), Las Vegas, NV (22%), Spokane, WA (14%), and Portland, OR (7%).
- (15) The Roman Multifamily Portfolio is primarily concentrated in Riverside, CA (18% of units), Denver, CO (13%), Tampa, FL (10%), Orlando, FL (9%), Charlotte, NC (9%), Portland, OR (8%), and Dallas, TX (8%).
- (16) The Citymark Multifamily 2-Pack is located in Las Vegas, NV (61% of units) and Lithia Springs, GA (39%).
- (17) The Bridge II Multifamily Portfolio had closings in April, June and July of 2019 and is located in Charlotte, NC (34% of units), Phoenix, AZ (20%), Lakeland, FL (18%), Corona Hills, CA (14%), and Moreno Valley, CA (14%).
- (18) The Davis Multifamily 2-Pack is located in Jacksonville, FL (56% of units) and Raleigh, NC (44%).
- (19) ACG IV Multifamily is located in Puyallup, WA (74% of units) and Woodland, CA (26%).
- (20) Southwest MH is located in three markets: Phoenix, AZ (86% of sites), San Diego, CA (11%), and Palm Desert, CA (3%).
- (21) Florida MH 4-Pack is located in Waldorf, MD (39% of sites), Winter Haven, FL (26%), Naples, FL (18%), and Tarpon Springs, FL (17%).
- (22) The EdR Student Housing Portfolio consists of 10,610 beds primarily concentrated at Penn State University (15% of beds), University of Arizona (10%), University of Virginia (8%), Arizona State University (8%) and Virginia Tech (8%).
- (23) The Corporex Select Service Portfolio is located in five markets: Phoenix, AZ (24% of keys), Reno, NV (23%), Salt Lake City, UT (20%), Sonoma, CA (17%), and Tampa, FL (16%).
- (24) The Raven Select Service Portfolio is primarily concentrated in Fort Lauderdale/West Palm, FL (24% of keys), Austin/San Antonio, TX (14%), Salt Lake City, UT (10%), Boulder, CO (10%), Durham, NC (7%), Minneapolis, MN (7%), and Chicago, IL (6%).
- (25) The East Coast Storage Portfolio is primarily concentrated in Fayetteville, NC (17% of square feet), Tallahassee, FL (13%), Raleigh, NC (8%), New York/New Jersey (8%), Chattanooga, TN (6%), and Miami/Fort Lauderdale, FL (6%).

Subsequent to September 30, 2019, we acquired an aggregate of \$5.9 billion of real estate, exclusive of closing costs, across 17 separate transactions.

#### Investments in Real Estate-Related Securities and Loans

During the nine months ended September 30, 2019, we invested \$1.5 billion in real estate-related securities and loans. The following table details our investments in real estate-related securities and loans as of September 30, 2019 (\$ in thousands):

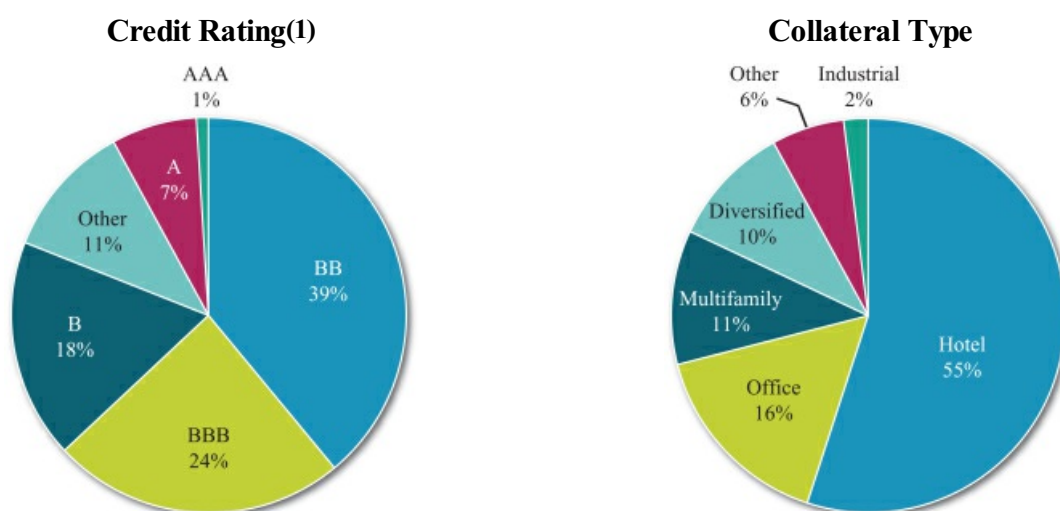
September 30, 2019								
Number of Positions	Credit Rating(1)	Collateral(2)	Weighted Average Coupon(3)	Weighted Average Maturity Date(4)	Face Amount/ Notional(5)	Cost Basis	Fair Value	
<i>CMBS—Floating:</i>								
43	BB	Hospitality, Industrial, Multifamily, Office, Diversified, Other	L+2.83%	11/12/2024	\$ 1,027,601	\$ 1,028,981	\$ 1,032,524	
34	BBB	Hospitality, Multifamily, Office, Diversified, Other	L+2.30%	11/5/2024	808,188	809,970	811,824	
22	B	Hospitality, Multifamily, Office	L+3.44%	11/2/2024	467,437	466,423	468,201	
6	A	Hospitality, Industrial, Retail, Diversified	L+2.05%	11/7/2024	275,883	276,237	277,259	
13	Other	Multifamily	L+2.47%	6/13/2026	103,345	103,782	103,705	
118						2,685,393	2,693,513	
<i>CMBS—Fixed:</i>								
5	B	Hospitality, Multifamily, Diversified	4.5%	6/3/2026	132,950	131,675	133,962	
8	BB	Hospitality, Multifamily, Office, Diversified	4.1%	5/20/2026	122,964	119,777	123,802	
11	BBB	Hospitality, Multifamily, Diversified	4.0%	11/6/2027	99,103	96,187	101,827	
9	Other	Hospitality, Multifamily, Diversified	4.5%	12/5/2026	157,129	153,458	155,941	
33						501,097	515,532	
<i>RMBS—Fixed:</i>								
2	BB	Multifamily	4.2%	6/11/2022	6,689	6,689	6,712	
<i>CMBS—Zero Coupon:</i>								
1	BB	Multifamily	N/A	4/19/2025	27,273	20,320	20,706	
3	Other	Multifamily	N/A	4/12/2027	208,817	104,403	114,699	
4						124,723	135,405	

September 30, 2019

<u>Number of Positions</u>	<u>Credit Rating(1)</u>	<u>Collateral(2)</u>	<u>Weighted Average Coupon(3)</u>	<u>Weighted Average Maturity Date(4)</u>	<u>Face Amount/ Notional(5)</u>	<u>Cost Basis</u>	<u>Fair Value</u>
<i>CMBS—Interest Only:</i>							
2	AAA	Multifamily	0.1%	5/20/2026	\$ 1,800,104	\$ 9,952	\$ 9,967
1	BBB	Multifamily	0.1%	1/5/2028	225,803	1,397	1,396
1	A	Multifamily	0.1%	5/2/2025	194,399	939	940
1	Other	Multifamily	4.7%	1/5/2029	42,024	12,140	12,129
5						24,428	24,432
<i>Corporate Bonds:</i>							
9	BB	Hospitality, Multifamily, Diversified	5.5%	12/8/2026	225,165	224,411	234,015
2	B	Hospitality, Multifamily	6.2%	5/21/2025	31,170	31,394	32,145
11						255,805	266,160
<i>Term Loans:</i>							
6	B	Hospitality, Diversified	L+3.70%	1/16/2025	62,038	61,486	61,469
1	BB	Diversified	L+2.75%	5/7/2026	54,291	54,042	54,087
1	BBB	Hospitality	L+2.25%	8/29/2025	1,041	1,040	1,045
1	Other	Diversified	L+1.70%	2/6/2022	47,132	46,073	45,954
9						162,641	162,555
182						\$3,760,776	\$3,804,309

- (1) AAA represents credit ratings of AAA and AAA-, A represents credit ratings of A+, A, and A-, BBB represents credit ratings of BBB+, BBB, and BBB-, BB represents credit ratings of BB+, BB, and BB-, and B represents credit ratings of B+, B, and B-. Other consists of investments that, as of September 30, 2019, were either not ratable or have not been submitted to ratings agencies.
- (2) Multifamily real estate-related securities and loans are collateralized by various forms of rental housing including single-family homes and apartments.
- (3) The term "L" refers to the one-month U.S. dollar-denominated London Interbank Offer Rate ("LIBOR"). As of September 30, 2019, one-month LIBOR was 2.0%.
- (4) Weighted average maturity date is based on the fully extended maturity date of the instrument or, in the case of CMBS and RMBS, the underlying collateral.
- (5) Represents notional amount for CMBS interest only positions.

The following charts further describe the diversification of our real estate-related securities and loans by credit rating and collateral type based on fair value as of September 30, 2019:



(1) AAA represents credit ratings of AAA and AAA-, A represents credit ratings of A+, A, and A-, BBB represents credit ratings of BBB+, BBB, and BBB-, BB represents credit ratings of BB+, BB, and BB-, and B represents credit ratings of B+, B, and B-. Other consists of investments that, as of September 30, 2019, were either not ratable or have not been submitted to ratings agencies.

Subsequent to September 30, 2019, we purchased an aggregate of \$1.1 billion of real estate-related securities and loans.

#### Lease Expirations

The following schedule details the expiring leases at our industrial and retail properties by annualized base rent and square footage as of September 30, 2019 (\$ and square feet data in thousands). The table below excludes our multifamily and self-storage properties as substantially all leases at such properties expire within 12 months:

Year	Number of Expiring Leases	Annualized Base Rent(1)	% of Total Annualized Base Rent Expiring	Square Feet	% of Total Square Feet Expiring
2019 (remaining)	109	\$ 14,685	2%	3,131	3%
2020	380	72,976	11%	13,572	11%
2021	431	96,702	14%	18,975	16%
2022	460	108,244	16%	18,597	15%
2023	339	112,914	17%	19,380	16%
2024	288	71,987	11%	11,472	10%
2025	107	31,294	5%	6,074	5%
2026	67	55,420	8%	12,138	10%
2027	56	44,417	7%	7,587	6%
2028	41	17,864	3%	2,377	2%
Thereafter	65	43,129	6%	7,088	6%
<b>Total</b>	<b>2,343</b>	<b>\$ 669,632</b>	<b>100%</b>	<b>120,391</b>	<b>100%</b>

(1) Annualized base rent is determined from the annualized base rent per leased square foot of the applicable year and excludes tenant recoveries, straight-line rent and above-market and below-market lease amortization.

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## Compensation

*The following paragraph supersedes and replaces the paragraph under the section of the Prospectus entitled “Compensation—Fees from Other Services—Affiliates of the Adviser” and all similar disclosure in the Prospectus:*

We retain certain of the Adviser’s affiliates, from time to time, for services relating to our investments or our operations, which may include accounting and audit services (including valuation support services), account management services, corporate secretarial services, data management services, directorship services, information technology services, finance/budget services, human resources, judicial processes, legal services, operational services, risk management services, tax services, treasury services, loan management services, construction management services, property management services, leasing services, transaction support services, transaction consulting services and other similar operational matters. Our Operating Partnership or its subsidiary may also issue equity incentive compensation to certain employees of such affiliates for services provided. Any compensation paid to the Adviser’s affiliates for any such services will not reduce the management fee or performance participation allocation. Any such arrangements will be at or below market rates. For more information about such services, please see “Risk Factors—Risks Related to Conflicts of Interest—The Adviser may face conflicts of interest in choosing our service providers and certain service providers may provide services to the Dealer Manager, the Adviser or Blackstone on more favorable terms than those payable by us.”

### Net Asset Value Calculation and Valuation Guidelines

*The following replaces and supersedes the similar disclosure of the Prospectus in the section entitled “Net Asset Value Calculation and Valuation Guidelines” before the section entitled “Net Asset Value Calculation and Valuation Guidelines—Limits on the Calculation of Our NAV Per Share”:*

Our NAV for each class of shares is based on the net asset values of our investments (including real estate-related securities), the addition of any other assets (such as cash on hand) and the deduction of any liabilities, including the allocation/accrual of any performance participation to the Special Limited Partner, and will also include the deduction of any stockholder servicing fees specifically applicable to such class of shares, in all cases as described below.

#### General

Our board of directors, including a majority of our independent directors, has adopted valuation guidelines that contain a comprehensive set of methodologies to be used by the Adviser and our independent valuation advisor in connection with estimating the values of our assets and liabilities for purposes of our NAV calculation. These guidelines are designed to produce a fair and accurate estimate of the price that would be received for our investments in an arm’s-length transaction between a willing buyer and a willing seller in possession of all material information about our investments. Our independent valuation advisor will review our valuation guidelines and methodologies related to investments in real property and certain real estate-related securities (as described below) with the Adviser and our board of directors at least annually. From time to time, our board of directors, including a majority of our independent directors, may adopt changes to the valuation guidelines if it (1) determines that such changes are likely to result in a more accurate reflection of NAV or a more efficient or less costly procedure for the determination of NAV without having a material adverse effect on the accuracy of such determination or (2) otherwise reasonably believes a change is appropriate for the determination of NAV.

The calculation of our NAV is intended to be a calculation of the fair value of our assets less our outstanding liabilities as described below and will likely differ from the book value of our equity reflected in our financial statements. As a public company, we are required to issue financial statements based on historical cost in accordance with GAAP. To calculate our NAV for the purpose of establishing a purchase and repurchase price

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for our shares, we have adopted a model, as explained below, that adjusts the value of our assets and liabilities from historical cost to fair value generally in accordance with the GAAP principles set forth in FASB Accounting Standards Codification Topic 820, Fair Value Measurements and Disclosures. The Adviser will calculate the fair value of our real estate properties based in part on values provided by third-party independent appraisers and reviewed by our independent valuation advisor. Because these fair value calculations will involve significant professional judgment in the application of both observable and unobservable attributes, the calculated fair value of our assets may differ from their actual realizable value or future fair value. While we believe our NAV calculation methodologies are consistent with standard industry practices, there is no rule or regulation that requires we calculate NAV in a certain way. As a result, other public REITs may use different methodologies or assumptions to determine NAV. In addition, NAV is not a measure used under GAAP and the valuations of and certain adjustments made to our assets and liabilities used in the determination of NAV will differ from GAAP. You should not consider NAV to be equivalent to stockholders' equity or any other GAAP measure.

#### **Our Independent Valuation Advisor**

With the approval of our board of directors, including a majority of our independent directors, we have engaged Altus Group U.S. Inc., to serve as our independent valuation advisor with respect to our real properties and certain real estate-related securities, which will review annual third-party appraisals of our properties and internal valuations prepared by the Adviser. The Adviser, with the approval of our board of directors, including a majority of our independent directors, may engage additional independent valuation advisors in the future as our portfolio grows. While our independent valuation advisor is responsible for reviewing our property and certain real estate-related securities valuations, our independent valuation advisor is not responsible for, and does not calculate, our NAV. The Adviser is ultimately responsible for the determination of our NAV.

Our independent valuation advisor may be replaced at any time, in accordance with agreed-upon notice requirements, by a majority vote of our board of directors, including a majority of our independent directors. We will promptly disclose any changes to the identity or role of our independent valuation advisor in reports we publicly file with the SEC.

Our independent valuation advisor will discharge its responsibilities in accordance with our valuation guidelines. Our board of directors will not be involved in the monthly valuation of our assets and liabilities, but will periodically receive and review such information about the valuation of our assets and liabilities as it deems necessary to exercise its oversight responsibility. Our NAV per share for each class of shares will be calculated by State Street, and such calculation will be reviewed and confirmed by the Adviser. Pursuant to our valuation services agreement with our independent valuation advisor, the Adviser will receive appraisal reports from third-party appraisal firms that have been reviewed by our independent valuation advisor along with the Adviser's own valuation. Based in part on these appraisals, the Adviser will render a final valuation in order for State Street to calculate our NAV. The appraisals performed by independent third-party appraisal firms and reviewed by our independent valuation advisor will be one of several components considered by the Adviser in determining the value of our properties that will be used when State Street calculates our NAV per share for each class of shares.

We have agreed to pay fees to our independent valuation advisor upon its delivery to us of its review reports. We have also agreed to indemnify our independent valuation advisor against certain liabilities arising out of this engagement. The compensation we pay to our independent valuation advisor will not be based on the estimated values of our properties.

Our independent valuation advisor and certain of the independent third-party appraisers have provided, and are expected to continue to provide, real estate appraisal, appraisal management and real estate valuation advisory services to Blackstone and its affiliates and have received, and are expected to continue to receive, fees in connection with such services. Our independent valuation advisor and certain of the independent third-party appraisers and their respective affiliates may from time to time in the future perform other commercial real estate and financial advisory services for Blackstone and its affiliates, or in transactions related to the properties that are

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the subjects of the valuations being performed for us, or otherwise, so long as such other services do not adversely affect the independence of the independent valuation advisor or the applicable appraiser as certified in the applicable appraisal report.

## **Valuation of Investments**

### ***Consolidated Properties***

For the purposes of calculating our monthly NAV, our properties will initially be valued at cost, which we expect to represent fair value at that time, subject to any variation pursuant to our valuation guidelines. In accordance with GAAP, we determine whether the acquisition of a property qualifies as an asset acquisition or business combination. We capitalize acquisition-related costs associated with asset acquisitions and expense such costs associated with business combinations.

Each property will then be valued by an independent third-party appraisal firm within the first two full months after acquisition and no less than annually thereafter. Properties purchased as a portfolio may be valued as a single asset. Each third-party appraisal is performed in accordance with the Uniform Standards of Professional Appraisal Practice, or the similar industry standard for the country where the property appraisal is conducted, and reviewed by our independent valuation advisor for reasonableness. Upon conclusion of the appraisal, the independent third-party appraisal firm prepares a written report with an estimated range of gross market value of the property. Concurrent with the appraisal process, the Adviser values each property and, taking into account the appraisal, among other factors, determines the appropriate valuation within the range provided by the independent third-party appraisal firm. Each appraisal must be reviewed, approved and signed by an individual with the professional designation of MAI (a Designated Member of the Appraisal Institute) or similar designation or, for international appraisals, a public or other certified expert for real estate valuations. We believe our policy of obtaining appraisals by independent third-parties will meaningfully enhance the accuracy of our NAV calculation. Any appraisal provided by an independent third-party appraisal firm will be performed in accordance with our valuation guidelines and will not be considered in the Adviser's valuation of the applicable property until our independent valuation advisor has confirmed the reasonableness of such appraisal.

The Adviser will update the valuations of our properties monthly, based on the then most recent annual third-party appraisals and current material market data and other information deemed relevant, with review and confirmation for reasonableness by our independent valuation advisor. These updates to valuations may be outside of the range of values provided in the most recent third-party appraisal. Although monthly reviews of each of our real property valuations will be performed by our independent valuation advisor, such reviews are based on asset and portfolio level information provided by the Adviser, including historical operating revenues and expenses of the properties, lease agreements on the properties, revenues and expenses of the properties, information regarding recent or planned estimated capital expenditures and any other information relevant to valuing the real estate property, which information will not be independently verified by our independent valuation advisor.

The Adviser will monitor our properties for events that the Adviser believes may be expected to have a material impact on the most recent estimated values of such property, and will notify our independent valuation advisor of such events. If, in the opinion of the Adviser, an event becomes known to the Adviser (including through communication with our independent valuation advisor) that is likely to have any material impact on previously provided estimated values of the affected properties, the Adviser will adjust the valuation of such properties, subject to the review and confirmation for reasonableness of our independent valuation advisor. If deemed appropriate by the Adviser or our independent valuation advisor, any necessary adjustment will be determined as soon as practicable. Updated appraisals received during the year, if any, may also trigger an adjustment in the value of a property.

For example, a valuation adjustment may be appropriate to reflect the occurrence of an unexpected property-specific event such as a termination or renewal of a material lease, a material change in vacancies, an



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unanticipated structural or environmental event at a property or a significant capital market event that may cause the value of a wholly-owned property to change materially. Valuation adjustments may also be appropriate to reflect the occurrence of broader market-driven events identified by the Adviser or our independent valuation advisor which may impact more than a specific property. Any such adjustments will be estimates of the market impact of specific events as they occur, based on assumptions and judgments that may or may not prove to be correct, and may also be based on the limited information readily available at that time.

In general, we expect that any adjustments to appraised values will be calculated promptly after a determination that a material change has occurred and the financial effects of such change are quantifiable by the Adviser. However, rapidly changing market conditions or material events may not be immediately reflected in our monthly NAV. The resulting potential disparity in our NAV may be detrimental to stockholders whose shares are repurchased or new purchasers of our common stock, depending on whether our published NAV per share for such class is overstated or understated.

Real estate appraisals will be reported on a free and clear basis (for example, without taking into consideration any mortgage on the property), irrespective of any property level financing that may be in place. We expect to use the discounted cash flow methodology (income approach) as the primary methodology to value properties, whereby a property's value is calculated by discounting the estimated cash flows and the anticipated terminal value of the subject property by the assumed new buyer's normalized weighted average cost of capital for the subject property. Consistent with industry practices, the income approach also incorporates subjective judgments regarding comparable rental and operating expense data, capitalization or discount rate, and projections of future rent and expenses based on appropriate evidence as well as the residual value of the asset as components in determining value. Other methodologies that may also be used to value properties include sales comparisons and replacement cost approaches. Under the sales comparison approach, the independent third-party appraiser develops an opinion of value by comparing the subject property to similar, recently sold properties in the surrounding or competing area. The replacement cost approach relies on the principle of substitution, which holds that when a property is replaceable in the market, its value tends to be set at the cost of acquiring an equally desirable substitute property, assuming that no costly delay is encountered in making the substitution. Because the appraisals performed by the independent third-party appraisal firms and reviewed by our independent valuation advisor, the Adviser's determination of the appropriate valuations for our properties based on the range of values provided in such reports and any subsequent updates to the valuation of our properties made by the Adviser involve subjective judgments, the estimated fair value of our assets that will be included in our NAV may not reflect the liquidation value or net realizable value of our properties.

In conducting their investigations and analyses, our independent valuation advisor and other independent third-party appraisal firms will take into account customary and accepted financial and commercial procedures and considerations as they deem relevant, which may include, without limitation, the review of documents, materials and information relevant to valuing the property that are provided by us, such as (i) historical operating revenues and expenses of the property; (ii) lease agreements on the property; (iii) the revenues and expenses of the property; (iv) information regarding recent or planned estimated capital expenditures; and (v) any other information relevant to valuing the real estate property. Although our independent valuation advisor may review information supplied or otherwise made available by us for reasonableness, it will assume and rely upon the accuracy and completeness of all such information and of all information supplied or otherwise made available to it by any other party and will not undertake any duty or responsibility to verify independently any of such information. Our independent valuation advisor will not make or obtain an independent valuation or appraisal of any of our other assets or liabilities (contingent or otherwise) other than our real properties. With respect to operating or financial forecasts and other information and data to be provided to or otherwise to be reviewed by or discussed with our independent valuation advisor, our independent valuation advisor will assume that such forecasts and other information and data were reasonably prepared in good faith on bases reflecting currently available estimates and judgments of our management and the Adviser, and will rely upon the Adviser to advise our independent valuation advisor promptly if any material information previously provided becomes inaccurate or was required to be updated during the period of review.

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In performing their analyses, the Adviser, our independent valuation advisor and other independent third-party appraisal firms will make numerous other assumptions with respect to industry performance, general business, economic and regulatory conditions and other matters, many of which are beyond its control and our control, as well as certain factual matters. For example, our independent valuation advisor and other independent third-party appraisal firms will assume that we have clear and marketable title to each real estate property valued, that no title defects exist unless specifically informed to the contrary, that improvements were made in accordance with law, that no hazardous materials are present or were present previously, that no deed restrictions exist, and that no changes to zoning ordinances or regulations governing use, density or shape are pending or being considered. Furthermore, our independent valuation advisor's review, opinions and conclusions will necessarily be based upon market, economic, financial and other circumstances and conditions existing prior to the valuation, and any material change in such circumstances and conditions may affect our independent valuation advisor's review and conclusions. Our independent valuation advisor's review reports may contain other assumptions, qualifications and limitations set forth in the respective appraisal reports that qualify the review, opinions and conclusions set forth therein. As such, the carrying values of our real properties may not reflect the price at which the properties could be sold in the market, and the difference between carrying values and the ultimate sales prices could be material. In addition, accurate valuations are more difficult to obtain in times of low transaction volume because there are fewer market transactions that can be considered in the context of the appraisal.

Pursuant to our valuation services agreement with our independent valuation advisor, each individual appraisal report for our assets will be addressed solely to us to assist the Adviser in calculating our NAV. The appraisal reports relating to our properties will not be addressed to the public and may not be relied upon by any other person to establish an estimated value of our common stock and will not constitute a recommendation to any person to purchase or sell any shares of our common stock. In preparing appraisal reports, independent third-party appraisal firms will not, and will not be requested to, solicit third-party indications of interest for our common stock or any of our properties in connection with possible purchases thereof or the acquisition of all or any part of us.

The Adviser's valuation of each investment's liabilities, including any third-party incentive fee payments or investment level debt, deal terms and structure will not be reviewed by our independent valuation advisor or appraised. State Street will then incorporate such adjusted valuations into our NAV, which will then be reviewed and confirmed by the Adviser.

#### ***Unconsolidated Properties Held Through Joint Ventures***

Unconsolidated properties held through joint ventures generally will be valued in a manner that is consistent with the guidelines described above for consolidated properties. Once the value of a property held by the joint venture is determined by an independent appraisal and we determine the fair value of any other assets and liabilities of the joint venture, the value of our interest in the joint venture would then be determined by the Adviser using a hypothetical liquidation calculation to value our interest in the joint venture, which would be a percentage of the joint venture's NAV. Unconsolidated properties held in a joint venture that acquires multiple properties over time may be valued as a single investment.

#### **Valuation of Real Estate-Related Securities**

We invest in real-estate related securities (which include, but are not limited to, CMBS, mortgages, loans, mezzanine and other forms of debt (including RMBS and other residential credit)) and may also include preferred equity and derivatives. In general, real estate-related securities and derivatives will be valued by the Adviser based on market quotations or at fair value determined in accordance with GAAP. GAAP defines fair value as the price that would be received to sell an asset or be paid to transfer a liability (i.e., the exit price) in an orderly transaction between market participants at the measurement date.

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***Real estate-related securities with readily available market quotations***

Market quotations may be obtained from third-party pricing service providers or broker-dealers for certain of our real estate-related securities. When reliable market quotations for real estate-related securities are available from multiple sources, the Adviser will use commercially reasonable efforts to use two or more quotations and will value such real estate-related securities based on the average of the quotations obtained. However, if to the extent that one or more of the quotations received is determined in good faith by the Adviser to not be reliable, the Adviser may disregard such quotation if the average of the remaining quotations is determined in good faith to be reliable by the Adviser.

***Real estate-related securities without readily available market quotations***

If market quotations are not readily available (or are otherwise not reliable for a particular investment), the fair value will be determined in good faith by the Adviser. Due to the inherent uncertainty of these estimates, estimates of fair value may differ from the values that would have been used had a ready market for these investments existed and the differences could be material. Market quotes are considered not readily available in circumstances where there is an absence of current or reliable market-based data (e.g., trade information, bid/ask information, or broker-dealer quotations)

Certain real estate-related securities, such as mortgages and mezzanine loans, are unlikely to have market quotations. In the case of loans acquired by us, such initial value will generally be the acquisition price of such loan. In the case of loans originated by us, such initial value will generally be the par value of such loan. Each such real estate-related security will then be valued by the Adviser within the first three full months after we invest in such security and no less than quarterly thereafter in accordance with the procedures set forth in the immediately following paragraph.

To conduct its initial quarterly valuation and subsequent quarterly revaluations of such real-estate related securities, the Adviser will initially determine if there is adequate collateral real estate value supporting such securities and whether the security's yield approximates market yield. If the market yield is estimated to approximate the security's yield, then such security is valued at its par value. If the market yield is not estimated to approximate the security's yield, the Adviser will project the expected cash flows of the investment based on its contractual terms and discount such cash flows back to the valuation date based on an estimated market yield. Market yield is estimated as of each quarterly valuation date based on a variety of inputs regarding the collateral asset(s) performance, local / macro real estate performance, and capital market conditions, in each case as determined in good faith by the Adviser. These factors may include, but are not limited to: purchase price / par value of such real estate-related debt or other difficult to value securities; debt yield, capitalization rates, loan-to-value ratio, and replacement cost of the collateral asset(s); borrower financial condition, reputation, and indications of intent (e.g., pending repayments, extensions, defaults, etc.); and known transactions or other price discovery for comparable debt investments. In the absence of collateral real estate value supporting such securities, the Adviser will consider the residual value to its securities, following repayment of any senior debt or other obligations of the collateral asset(s). For each month that the Adviser does not perform a valuation of such real estate-related securities, it will review such security to confirm that there have been no significant events that would cause a material change in value of such security. Our independent valuation advisor will review and confirm the reasonableness of the valuation of our real estate-related securities investments without readily available market quotations upon the Adviser's initial quarterly valuation of such security and each month thereafter.

Our board of directors has delegated to the Adviser the responsibility for monitoring significant events that may materially affect the values of our real estate-related securities and derivative investments and for determining whether the value of the applicable investments should be re-evaluated in light of such significant events. Except as otherwise provided in our valuation guidelines, the valuation of our real estate-related securities and derivatives will not be reviewed by our independent valuation advisor or appraised.

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## Liabilities

We will include the fair value of our liabilities as part of our NAV calculation. We expect that these liabilities will include the fees payable to the Adviser and the Dealer Manager, any accrued performance participation allocation to the Special Limited Partner, accounts payable, accrued operating expenses, property-level mortgages, any portfolio-level credit facilities and other liabilities. All liabilities will be valued using widely accepted methodologies specific to each type of liability. Liabilities related to stockholder servicing fees will be allocable to a specific class of shares and will only be included in the NAV calculation for that class as described below. Our debt will be valued at fair value in accordance with GAAP. The Adviser advanced all of our organization and offering expenses on our behalf (other than upfront selling commissions, dealer manager fees and stockholder servicing fees) through December 31, 2017. We will reimburse the Adviser for such advanced expenses ratably over the 60 months following December 31, 2017. For purposes of calculating our NAV, the organization and offering expenses paid by the Adviser through December 31, 2017 will not be recognized as expenses or as a component of equity and reflected in our NAV until we reimburse the Adviser for these costs. For purposes of calculating a monthly NAV, the stockholder servicing fee for each applicable class of shares will be calculated by multiplying the accrued monthly stockholder servicing fee rate (1/12th of the total annual stockholder servicing fee rate for each applicable class of shares) by the aggregate NAV of such class of shares for that month, after adjustment for any net portfolio income or loss, unrealized/realized gains or losses on assets and liabilities, management fee expense and performance participation allocation accrual. The Adviser's valuation of each investment's liabilities, including any third-party incentive fee payments or investment level debt, deal terms and structure will not be reviewed by our independent valuation advisor or appraised.

## NAV and NAV Per Share Calculation

We are offering to the public four classes of shares of our common stock: Class T shares, Class S shares, Class D shares and Class I shares. Our NAV will be calculated for each of these classes by State Street. Our board of directors, including a majority of our independent directors, may replace State Street with another party, including our Adviser, if it is deemed appropriate to do so. The Adviser is responsible for reviewing and confirming our NAV, and overseeing the process around the calculation of our NAV, in each case, as performed by State Street.

Each class will have an undivided interest in our assets and liabilities, other than class-specific stockholder servicing fees. In accordance with the valuation guidelines, State Street calculates our NAV per share for each class as of the last calendar day of each month, using a process that reflects several components (each as described above), including the estimated fair value of (1) each of our properties based in part upon individual appraisal reports provided periodically by third-party independent valuation firms and reviewed by our independent valuation advisor, as finally determined and updated monthly by the Adviser, with review and confirmation for reasonableness by our independent valuation advisor, (2) our real estate-related securities for which third-party market quotes are available, (3) our other real estate-related securities, if any, and (4) our other assets and liabilities. Because stockholder servicing fees allocable to a specific class of shares will only be included in the NAV calculation for that class, the NAV per share for our share classes may differ. Operating Partnership units will be valued in the same fashion. Our valuation procedures include the following methodology to determine the monthly NAV of our Operating Partnership and the units. Our Operating Partnership has classes of units that are each economically equivalent to our corresponding classes of shares. Accordingly, on the last day of each month, the NAV per Operating Partnership unit of such units equals the NAV per share of the corresponding class. To the extent our Operating Partnership has classes of units that do not correspond to a class of our shares, such units will be valued in a manner consistent with these guidelines. The NAV of our Operating Partnership on the last day of each month equals the sum of the NAVs of each outstanding Operating Partnership unit on such day.

Our NAV for each class of shares will be based on the net asset values of our investments (including real estate-related securities), the addition of any other assets (such as cash on hand), and the deduction of any liabilities

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(including the allocation/accrual of any performance participation to the Special Limited Partner and the deduction of any stockholder servicing fees specifically applicable to such class of shares). At the end of each month, before taking into consideration repurchases or class-specific expense accruals for that month, any change in our aggregate NAV (whether an increase or decrease) is allocated among each class of shares based on each class's relative percentage of the previous aggregate NAV plus issuances of shares that were effective on the first calendar day of such month. The NAV calculation is available generally within 15 calendar days after the end of the applicable month. Changes in our monthly NAV includes, without limitation, accruals of our net portfolio income, interest expense, the management fee, any accrued performance participation, distributions, unrealized/realized gains and losses on assets, any applicable organization and offering costs and any expense reimbursements. Changes in our monthly NAV also includes material non-recurring events, such as capital expenditures and material property acquisitions and dispositions occurring during the month. On an ongoing basis, the Adviser will adjust the accruals to reflect actual operating results and the outstanding receivable, payable and other account balances resulting from the accumulation of monthly accruals for which financial information is available.

Following the aggregation of the net asset values of our investments, the addition of any other assets (such as cash on hand) and the deduction of any other liabilities, State Street incorporates any class-specific adjustments to our NAV, including additional issuances and repurchases of our common stock and accruals of class-specific stockholder servicing fees. For each applicable class of shares, the stockholder servicing fee is calculated as a percentage of the aggregate NAV for such class of shares. At the close of business on the date that is one business day after each record date for any declared distribution, our NAV for each class will be reduced to reflect the accrual of our liability to pay any distribution to our stockholders of record of each class as of the record date. NAV per share for each class is calculated by dividing such class's NAV at the end of each month by the number of shares outstanding for that class at the end of such month.

The combination of the Class T NAV, Class S NAV, Class D NAV and Class I NAV equals the aggregate net asset value of our assets, which will consist almost entirely of the value of our interest in the Operating Partnership, less our liabilities, including liabilities related to class-specific stockholder servicing fees. The value of our interest in the Operating Partnership is equal to the excess of the aggregate NAV of the Operating Partnership over the portion thereof that would be distributed to any limited partners other than us if the Operating Partnership were liquidated. The aggregate NAV of the Operating Partnership is the excess of the value of the Operating Partnership's assets (including the fair value of its properties, real estate-related securities, cash and other investments) over its liabilities (including the fair value of its debt, any declared and accrued unpaid distributions, any accrued performance participation allocation and the expenses attributable to its operations). The Adviser calculates the fair value of the assets and liabilities of the Operating Partnership as directed by our valuation guidelines based upon values received from various sources, as described in more detail above.

Net portfolio income and unrealized/realized gains on assets and liabilities for any month is allocated proportionately among the share classes according to the NAV of the classes at the beginning of the month.

#### **Relationship between NAV and Our Transaction Price**

Purchases and repurchases of shares of our common stock are not made based on the current NAV per share of our common stock at the time of purchase or repurchase. Generally, our transaction price will equal our prior month's NAV. The transaction price will be the price at which we repurchase shares and the price, together with applicable upfront selling commissions and dealer manager fees, at which we offer shares. Although the transaction price will generally be based on our prior month's NAV per share, such prior month's NAV may be significantly different from the current NAV per share of the applicable class of stock as of the date on which your purchase or repurchase occurs.

In addition, 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)

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or suspend our offering and/or our share repurchase plan 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. In cases where our transaction price is not based on the prior month's NAV per share, the offering price and repurchase price will not equal our NAV per share as of any time. The Adviser may determine whether a material change has occurred to our NAV per share since the end of the prior month and whether to set a transaction price that differs from the previous month's NAV per share, and in such cases, discretion over what such transaction price will be.

Our transaction price will be made publicly available by posting it on our website at [www.breit.com](http://www.breit.com) and filing a prospectus supplement with the SEC and in certain cases delivered directly to subscribers. Please see the "How to Subscribe" section of this prospectus for additional information on how we communicate a change in our transaction price and the timing of when we accept subscription requests.

As our upfront selling commissions and dealer manager fees are a percentage of the transaction price, any increase or decrease in our transaction price will have a corresponding impact on the absolute amount of fees paid in connection with your purchase and thus the number of shares you would be able to purchase for the same aggregate amount. For example, an increase in the transaction price after your subscription was submitted would result in fewer shares purchased for the same aggregate amount (inclusive of upfront costs).

#### **Description of Capital Stock**

*The second paragraph under the section "Description of Capital Stock" and all similar disclosure in the Prospectus is updated with the following:*

Under our charter, we have authority to issue a total of 3,100,000,000 shares of capital stock. Of the total shares of stock authorized, 3,000,000,000 shares are classified as common stock with a par value of \$0.01 per share, 500,000,000 of which are classified as Class T shares, 1,000,000,000 of which are classified as Class S shares, 500,000,000 of which are classified as Class D shares and 1,000,000,000 of which are classified as Class I shares, and 100,000,000 shares are classified as preferred stock with a par value \$0.01 per share. In addition, our board of directors may amend our charter from time to time, without stockholder approval, to increase or decrease the aggregate number of shares of stock or the number of shares of stock of any class or series that we have authority to issue.

#### **Experts**

*The first paragraph under the section "Experts" is amended and replaced by the following:*

The financial statements incorporated in this Prospectus by reference from Blackstone Real Estate Income Trust, Inc.'s Annual Report on Form 10-K as of and for the year ended December 31, 2018, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report, which is incorporated herein by reference. Such financial statements have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

*The second paragraph under the section "Experts" is amended and replaced by the following:*

The Combined Statement of Revenues and Certain Operating Expenses for the Canyon Industrial Portfolio for the year ended December 31, 2017, and the related notes, incorporated by reference in this prospectus from Blackstone Real Estate Income Trust, Inc.'s Current Report on Form 8-K/A filed with the SEC on May 25, 2018, have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report incorporated herein by reference (report expresses an unmodified opinion and includes an emphasis-of-matter paragraph referring to the purpose of the combined statement) in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

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*The following is added to the “Experts” section after the second paragraph:*

The Combined Statement of Revenues and Certain Operating Expenses for the Jupiter 12 Industrial Portfolio for the year ended December 31, 2018, and the related notes, incorporated by reference in this prospectus from Blackstone Real Estate Income Trust, Inc.’s Current Report on Form 8-K/A filed with the SEC on December 12, 2019, have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report incorporated herein by reference (report expresses an unmodified opinion and includes an emphasis-of-matter paragraph referring to the purpose of the combined statement) in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

#### **Where You Can Find More Information; Incorporation by Reference**

*The following replaces and supersedes the section of the Prospectus titled “Where You Can Find More Information; Incorporation By Reference.”*

We have filed a registration statement on Form S-11 with the SEC with respect to the shares of our common stock to be issued in this offering. This prospectus is a part of that registration statement and, as permitted by SEC rules, does not include all of the information you can find in the registration statement or the exhibits to the registration statement. For additional information relating to us, we refer you to the registration statement and the exhibits to the registration statement. Statements contained in this prospectus as to the contents of any contract or document are necessarily summaries of such contract or document and in each instance, if we have filed the contract or document as an exhibit to the registration statement, we refer you to the copy of the contract or document filed as an exhibit to the registration statement.

The SEC allows us to “incorporate by reference” certain information we have filed with the SEC, which means that we can disclose important information to you by referring you to those filed documents. The information incorporated by reference is considered to be part of this prospectus. The following documents, which have been filed with the SEC, are incorporated by reference:

- our Quarterly Report on [Form 10-Q](#) for the three months ended March 31, 2019 filed on May 15, 2019;
- our Quarterly Report on [Form 10-Q](#) for the six months ended June 30, 2019 filed on August 14, 2019;
- our Quarterly Report on [Form 10-Q](#) for the nine months ended September 30, 2019 filed on November 14, 2019;
- our Annual Report on [Form 10-K](#) for the year ended December 31, 2018 filed on March 15, 2019;
- our Current Reports on Form 8-K filed [March 15, 2019](#), [June 3, 2019](#), [July 26, 2019](#), [August 16, 2019](#), [September 26, 2019](#), [October 15, 2019](#) and [November 18, 2019](#);
- our Current Reports on Form 8-K/A, filed on [May 25, 2018](#) and [December 12, 2019](#); and
- our definitive Proxy Statement on [Schedule 14A](#) filed on March 29, 2019.

We will file annual, quarterly and special reports, proxy statements and other information with the SEC. The registration statement is, and any of these future filings with the SEC will be, available to the public over the internet at the SEC’s website at [www.sec.gov](http://www.sec.gov).

## APPENDIX D: PRIVACY POLICY FOR NON-U.S. INVESTORS

### Blackstone Real Estate Income Trust, Inc.

#### Investor Data Privacy Notice

#### 1. Why are you seeing this notice?

- You may need to provide Personal Data to us as part of your investment into Blackstone Real Estate Income Trust, Inc. (the **Company**), a fund or other investment vehicle (as applicable, the **Fund**) managed or advised by investment advisers that are subsidiaries of The Blackstone Group Inc. or its affiliates (and, where applicable, the general partner of the relevant Fund) (collectively, **Blackstone**).
- We want you to understand how and why we use, store and otherwise process your Personal Data when you deal with us or our relevant affiliates (including under applicable data protection laws). If this Data Privacy Notice has been made available to you, you may have certain rights with respect to your Personal Data under applicable data protection laws (including as described in this Data Privacy Notice).
- “**Personal Data**” has the meaning given to it under data protection laws that apply to our processing of your personal information, and includes any information that relates to, describes, identifies or can be used, directly or indirectly, to identify an individual (such as name, address, date of birth, personal identification numbers, sensitive personal information, and economic information).
- We ask that investors promptly provide the information contained in this Data Privacy Notice to any individuals whose Personal Data they provide to the Company, a Fund or its affiliates in connection with KYC/AML requests or otherwise.

**Please read the information below carefully. It explains how and why Personal Data is processed by us.**

#### 2. Who is providing this notice?

Blackstone is committed to protecting and respecting your privacy. Blackstone is a global financial services firm with offices, operations and entities globally, including as described at this link: <https://www.blackstone.com/privacy#appendixA>.

- For transparency, the Blackstone entities on whose behalf this privacy statement is made are (i) the Company; and (ii) where applicable, the Blackstone general partner and/or investment adviser of the relevant Company or Fund, in each case, with which you contract, transact or otherwise share Personal Data with (together, the **Company Parties**).
- Where we use the terms “**we**”, “**us**” and “**our**” in this Data Privacy Notice, we are referring to the Company and the Company Parties.
- Please consult your subscription documents, private placement memorandum or other offering documentation provided to you by or on behalf of the Company Parties which will further specify the entities and contact details of the Company Parties relevant to our relationship with you.
- We welcome investors and their representatives to contact us if they have any queries with respect to the Company Parties (in particular, which Company Parties are relevant to their relationship with Blackstone). If you have any queries, our contact details are below.

When you provide us with your Personal Data, each Company Party that decides how and why Personal Data is processed acts as a “**data controller**”. In simple terms, this means that the Company Party makes certain



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decisions on how to use and protect your Personal Data – but only to the extent that we have informed you about the use or are otherwise permitted by law.

Where your Personal Data is processed by an entity controlled by, or under common control with, the Blackstone entity/ies managing a Fund for its own purposes, this entity will also be a data controller.

### **3. What Personal Data do we collect about you?**

The types of Personal Data we collect and share depends on the product or service you have with us and the nature of your investment.

The Personal Data collected about you will help us provide you with a better service and facilitate our business relationship.

We may combine Personal Data that you provide to us with Personal Data that we collect from, or about you from other sources, in some circumstances. This will include Personal Data collected in an online or offline context.

As a result of our relationship with you as an investor, in the past twelve months we may have collected Personal Data concerning you in the categories below:

- a) Identifiers (*e.g.*, real name, alias, postal address, email address, social security or driver's license number government ID, signature, telephone number, education, employment, employment history, financial information including tax-related information/codes and bank account details, information used for monitoring and background checks to comply with laws and regulations, including 'know your client', anti-money laundering, and sanctions checks, and other contact information);
- b) Sensitive/protected characteristic information (*e.g.*, age/date of birth, nationality, citizenship, country of residence, gender, and other information used to comply with laws and regulations);
- c) Commercial information (*e.g.*, assets, income, transaction and investment history, accounts at other institutions, information concerning source of funds and any applicable restrictions on your investment such as political exposure or sanctions);
- d) Internet or other network activity (*e.g.*, browsing or search history, information regarding interaction with an Internet website, application, or advertisement, online identifiers such as cookies);
- e) Sensory and surveillance data (*e.g.*, recordings of telephone calls where permitted or required by law, video surveillance recordings, and other records of your interactions with us or our service providers, including electronic communications);
- f) Professional or employment-related information (*e.g.*, current or past job history);
- g) Inferences drawn from other personal information (*e.g.*, profiles reflecting preferences and trends, based on information such as assets, investment experience, risk tolerance, investment activity, and transaction history).

**4. Where do we obtain your Personal Data?**

We collect, and have collected, Personal Data about you from a number of sources, including from you directly:

WHAT	HOW
<p><b>1</b> <i>Personal Data that you give us</i></p>	<ul style="list-style-type: none"> <li>• from the forms and any associated documentation that you complete when subscribing for an investment, shares and/or opening an account with us. This can include information about your name, address, date of birth, passport details or other national identifier, driving licence, your national insurance or social security number and income, employment information and details about your investment or retirement portfolio(s)</li> <li>• when you provide it to us in correspondence and conversations, including electronic communications such as email and telephone calls</li> <li>• when you make transactions with respect to the Company</li> <li>• when you interact with our online platforms and websites (such as bxaccess.com)</li> <li>• when you purchase securities from us and/or tell us where to send money</li> <li>• from cookies, web beacons, and similar interactions when you or your devices access our sites</li> </ul>
<p><b>2</b> <i>Personal Data we obtain from others</i></p>	<ul style="list-style-type: none"> <li>• publicly available and accessible directories and sources</li> <li>• bankruptcy registers</li> <li>• tax authorities, including those that are based outside the territory in which you are located or domiciled, including the Cayman Islands, UK and the EEA, if you are subject to tax in another jurisdiction</li> <li>• governmental and competent regulatory authorities to whom we have regulatory obligations</li> <li>• credit agencies</li> <li>• fraud prevention and detection agencies and organisations</li> <li>• transaction counterparties</li> </ul>

**5. Why do we process your Personal Data?**

We may process or disclose your Personal Data for the following reasons:

WHY	HOW
<p><b>1</b> <i>Contract</i></p>	<p>It is <b>necessary to perform our contract</b> with you to:</p> <ul style="list-style-type: none"> <li>• administer, manage and set up your investor account(s) to allow you to purchase your holding (of shares) in our funds</li> <li>• meet the resulting contractual obligations we have to you</li> <li>• facilitate the continuation or termination of the contractual relationship between you and the Company</li> <li>• facilitate the transfer of funds, and administering and facilitating any other transaction, between you and the Company</li> </ul>

WHY	HOW
<p>2 <i>Compliance with law</i></p>	<p>It is <b>necessary for compliance with an applicable legal or regulatory obligation</b> to which we are subject to:</p> <ul style="list-style-type: none"> <li>• undertake our client and investor due diligence, and on-boarding checks</li> <li>• carry out verification, know your client (KYC), terrorist financing, sanctions, and anti-money laundering checks</li> <li>• verify the identity and addresses of our investors (and, if applicable their beneficial owners)</li> <li>• comply with requests from regulatory, governmental, tax and law enforcement authorities</li> <li>• for surveillance and investigation purposes</li> <li>• carry out audit checks</li> <li>• maintain statutory registers</li> <li>• prevent and detect fraud</li> <li>• comply with sanctions requirements</li> </ul>
<p>3 <i>Legitimate interests</i></p>	<p>For our <b>legitimate interests</b> or those of a third party (such as a transaction counterparty or lender) to:</p> <ul style="list-style-type: none"> <li>• manage and administer your holding in any funds in which you are invested, and any related accounts on an ongoing basis</li> <li>• assess and process any applications or requests made by you</li> <li>• open, maintain or close accounts in connection with your investment in, or withdrawal from, the Company or Fund scheme</li> <li>• send updates, information and notices or otherwise correspond with you in connection with your investment in the Company or Fund scheme</li> <li>• address or investigate any complaints, claims, proceedings or disputes</li> <li>• provide you with, and inform you about, our investment products and services</li> <li>• monitor and improve our relationships with investors</li> <li>• comply with applicable regulatory obligations, including anti-money laundering, sanctions and 'know your client' checks</li> <li>• assist our transaction counterparties to comply with their regulatory and legal obligations (including anti-money laundering, 'know your client' and sanctions checks)</li> <li>• manage our risk and operations</li> <li>• comply with our accounting and tax reporting requirements;</li> <li>• comply with our audit requirements</li> </ul>

WHY	HOW
	<ul style="list-style-type: none"> <li>• assist with internal compliance with our policies and process</li> <li>• ensure appropriate group management and governance</li> <li>• keep our internal records</li> <li>• prepare reports on incidents / accidents</li> <li>• protect our business against fraud, breach of confidence, theft of proprietary materials, and other financial or business crimes (to the extent that this is not required of us by law)</li> <li>• analyse and manage commercial risks</li> <li>• seek professional advice, including legal advice</li> <li>• enable any actual or proposed assignee or transferee, participant or sub-participant of the partnership's, Company's or Fund vehicles' rights or obligations to evaluate proposed transactions</li> <li>• facilitate business asset transactions involving the Company, Fund partnership or Fund-related vehicles</li> <li>• monitor communications to/from us using our systems</li> <li>• protect the security and integrity of our IT systems</li> <li>• manage our financing arrangements with our financiers and financing transaction counterparties, including payment providers, intermediaries, correspondent and agent banks</li> </ul> <p>We only rely on these interests where we have considered that, on balance, the legitimate interests are not overridden by your interests, fundamental rights or freedoms.</p>

*Monitoring as described at (3) above*

We monitor communications where the law requires us to do so. We will also monitor where we are required to do so to comply with our regulatory rules and practices and, where we are permitted to do so, to protect our business and the security of our systems.

**6. Who we share your Personal Data with**

Your Personal Data will be shared with:

WHO	WHY
<i>Company / Fund associates</i>	<p>We share your Personal Data with our associates, related parties and members of our group. This is:</p> <ul style="list-style-type: none"> <li>• to manage our relationship with you</li> <li>• for the legitimate interests of a third party in carrying out anti-money laundering and compliance checks required of them under applicable law and regulation</li> <li>• for the purposes set out in this Data Privacy Notice</li> </ul>

WHO	WHY
<i>Company / Fund Managers, Depositories, Administrators, Custodians, Investment Advisors</i>	<ul style="list-style-type: none"> <li>• delivering the services you require</li> <li>• managing your investment</li> <li>• supporting and administering investment-related activities</li> <li>• complying with applicable investment, anti-money laundering and other laws and regulations</li> </ul>
<i>Tax Authorities</i>	<ul style="list-style-type: none"> <li>• to comply with applicable laws and regulations</li> <li>• where required or requested by tax authorities in the territory in which you are located or domiciled (in particular, Cayman Island or UK/EEA tax authorities) who, in turn, may share your Personal Data with foreign tax authorities</li> <li>• where required or requested by foreign tax authorities, including outside of the territory in which you are located or domiciled (including outside of the Cayman Islands or UK/EEA)</li> </ul>
<i>Service Providers</i>	<ul style="list-style-type: none"> <li>• delivering and facilitating the services needed to support our business relationship with you</li> <li>• supporting and administering investment-related activities</li> <li>• where disclosure to the service provider is considered necessary to support Blackstone with the purposes described in section 5 of this Data Privacy Notice</li> </ul>
<i>Financing counterparties, lenders, correspondent and agent banks</i>	<ul style="list-style-type: none"> <li>• assisting these transaction counterparties with regulatory checks, such as know your client and anti-money laundering procedures</li> <li>• sourcing credit for fund-related entities in the course of our transactions and fund life cycles</li> </ul>
<i>Our lawyers, auditors and other professional advisors</i>	<ul style="list-style-type: none"> <li>• providing you with investment-related services</li> <li>• to comply with applicable legal and regulatory requirements</li> </ul>

In exceptional circumstances, we will share your Personal Data with:

- competent regulatory, prosecuting and other governmental agencies or litigation counterparties, in any country or territory
- other organisations and agencies—where we are required to do so by law

For California Residents, in the preceding 12 months, we may have disclosed Personal Data listed in any of the categories in section 3 above for a business purpose (in particular, as described in this section).

We have not sold Personal Data in the twelve months preceding the date of this Data Privacy Notice.

**7. Do you have to provide us with this Personal Data?**

Where we collect Personal Data from you, we will indicate if:

- provision of the Personal Data is necessary for our compliance with a legal obligation; or
- it is purely voluntary and there are no implications for you if you do not wish to provide us with it.

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Unless otherwise indicated, you should assume that we require the Personal Data for business and/or compliance purposes.

Some of the Personal Data we request is necessary for us to perform our contract with you and if you do not wish to provide us with this Personal Data, it will affect our ability to provide our services to you and manage your investment.

#### **8. Sending your Personal Data internationally**

We will transfer your Personal Data between different countries to affiliates and our group members, the Company's management, members of the Fund's partnership, transaction counterparties, and third party service providers. These countries may not have similarly strict data protection and privacy laws and will include those countries in which our affiliates and service providers operate (for example, transfers from the UK/European Economic Area (EEA) or Cayman Islands to a jurisdiction outside of such territory).

Where we transfer Personal Data to other members of our group, our service providers or another third party recipient from one country to another, we will ensure that our arrangements with them are governed by data transfer agreements or appropriate safeguards, designed to ensure that your Personal Data is protected as required under applicable data protection law (including, where appropriate, under an agreement on terms approved for this purpose by the European Commission or by obtaining your consent).

Please [contact us](#) if you would like to know more about these agreements or receive a copy of them. Please see below for our contact details.

#### **9. Consent—and your right to withdraw it**

We do not generally rely on obtaining your consent to process your Personal Data. If we do, you have the right to withdraw this consent at any time. Please [contact us](#) or send us an email at [PrivacyQueries@Blackstone.com](mailto:PrivacyQueries@Blackstone.com) at any time if you wish to do so.

#### **10. Retention and deletion of your Personal Data**

We keep your Personal Data for as long as it is required by us for our legitimate business purposes, to perform our contractual obligations, or where longer, such longer period as is required or permitted by law or regulatory obligations which apply to us.

- We will generally retain Personal Data about you throughout the life cycle of any investment you are involved in
- Some Personal Data will be retained after your relationship with us ends

As a general principle, we do not retain your Personal Data for longer than we need it.

We will usually delete your Personal Data (at the latest) after you cease to be an investor in any fund and there is no longer any legal or regulatory requirement or business purpose for retaining your Personal Data.

#### **11. Your rights**

You may, subject to certain limitations, have data protection rights depending on the data protection laws that apply to our processing of your Personal Data, including:

- the right to access your Personal Data, and to some related information, including the purpose for processing the Personal Data, the categories of recipients of that Personal Data to the extent that it has been transferred internationally, and, where the Personal Data has not been collected directly from you, the source (the “**category information**”)
- the right to restrict the use of your Personal Data in certain circumstances
- the right to have incomplete or inaccurate Personal Data corrected

- the right to ask us to stop processing your Personal Data
- the right to require us to delete your Personal Data in some limited circumstances

You also have the right in some circumstances to request for us to “port” your Personal Data in a portable, re-usable format to other organisations (where this is possible).

California residents may also request certain information about our disclosure of personal data during the prior year, including category information (as defined above).

We review and verify requests to protect your Personal Data, and will action data protection requests fairly and in accordance with applicable data protection laws and principles.

If you wish to exercise any of these rights, please contact us (details below).

## 12. Concerns or queries

We take your concerns very seriously. We encourage you to bring it to our attention if you have any concerns about our processing your Personal Data. This Data Privacy Notice was drafted with simplicity and clarity in mind. We are, of course, happy to provide any further information or explanation needed. Our contact details are below.

Please also contact us via any of the above methods if you have a disability and require an alternative format of this notice.

If you want to make a complaint, you can also contact the body regulating data protection in your country, where you live or work, or the location where the data protection issue arose. In particular:

Country	Supervisory Authority
<i>Cayman Islands</i>	Cayman Islands Ombudsman (available at: <a href="https://ombudsman.ky">https://ombudsman.ky</a> )
<i>European Union</i>	A list of the EU data protection authorities and contact details is available by clicking this link: <a href="http://ec.europa.eu/newsroom/article29/item-detail.cfm?item_id=612080">http://ec.europa.eu/newsroom/article29/item-detail.cfm?item_id=612080</a>
<i>United Kingdom</i>	Information Commissioner’s Office (available at: <a href="https://ico.org.uk/global/contact-us/">https://ico.org.uk/global/contact-us/</a> )

## 13. Contact us

Please contact us if you have any questions about this Data Privacy Notice or the Personal Data we hold about you.

Contact us by **email** or access our web form at [PrivacyQueries@Blackstone.com](mailto:PrivacyQueries@Blackstone.com).

Contact us in **writing** using this address:

Address
<p><u>For EU/UK related queries:</u></p> <p>40 Berkeley Square, London, W1J 5AL, United Kingdom</p> <p><u>All other queries:</u></p> <p>345 Park Avenue, New York, NY 10154</p>

## 14. Changes to this Data Privacy Notice

We keep this Data Privacy Notice under regular review. Please check regularly for any updates at our investor portal ([www.bxaccess.com](http://www.bxaccess.com)).

This Data Privacy Notice was last updated in January 2020.