UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2018

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE TRANSITION PERIOD FROM_______ TO _______

Commission File Number: 000-55931

Blackstone

Blackstone Real Estate Income Trust, Inc.

(Exact name of Registrant as specified in its charter)

Maryland	**81-0696966**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

345 Park Avenue
New York, New York 10154
(Address of principal executive offices) (Zip Code)

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

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☐
		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. Yes ☒ No ☐

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of November 13, 2018, the issuer had the following shares outstanding: 264,325,644 shares of Class S common stock, 21,737,694 shares of Class T common stock, 28,458,057 shares of Class D common stock, and 101,121,737 shares of Class I common stock.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Blackstone Real Estate Income Trust, Inc.
Condensed Consolidated Balance Sheets (Unaudited)
(in thousands, except share and per share data)

	September 30, 2018	December 31, 2017
Assets		
Investments in real estate, net	$ 9,040,454	$ 3,406,555
Investments in real estate-related securities	2,029,334	915,742
Cash and cash equivalents	75,529	31,166
Restricted cash	223,368	126,563
Other assets	358,489	145,282
Total assets	$ 11,727,174	$ 4,625,308
Liabilities and Equity		
Mortgage notes, term loans, and revolving credit facilities, net	$ 6,170,104	$ 2,111,291
Repurchase agreements	1,541,715	682,848
Affiliate line of credit	—	5,374
Due to affiliates	248,261	133,071
Accounts payable, accrued expenses, and other liabilities	446,323	182,835
Total liabilities	8,406,403	3,115,419
Commitments and contingencies	—	—
Redeemable non-controlling interest	9,258	250
Equity		
Preferred stock, $0.01 par value per share, 100,000,000 shares authorized; no shares issued and outstanding as of September 30, 2018 and December 31, 2017	—	—
Common stock — Class S shares, $0.01 par value per share, 500,000,000 shares authorized; 237,262,632 and 130,085,145 shares issued and outstanding as of September 30, 2018 and December 31, 2017, respectively	2,373	1,301
Common stock — Class T shares, $0.01 par value per share, 500,000,000 shares authorized; 19,227,318 and 5,624,614 shares issued and outstanding as of September 30, 2018 and December 31, 2017, respectively	192	56
Common stock — Class D shares, $0.01 par value per share, 500,000,000 shares authorized; 24,178,629 and 3,955,114 shares issued and outstanding as of September 30, 2018 and December 31, 2017, respectively	242	40
Common stock — Class I shares, $0.01 par value per share, 500,000,000 shares authorized; 87,082,488 and 30,719,160 shares issued and outstanding as of September 30, 2018 and December 31, 2017, respectively	871	307
Additional paid-in capital	3,600,257	1,616,720
Accumulated deficit and cumulative distributions	(403,211)	(132,633)
Total stockholders' equity	3,200,724	1,485,791
Non-controlling interests	110,789	23,848
Total equity	3,311,513	1,509,639
Total liabilities and equity	$ 11,727,174	$ 4,625,308

See accompanying notes to condensed consolidated financial statements.

Blackstone Real Estate Income Trust, Inc.
Condensed Consolidated Statements of Operations (Unaudited)
(in thousands, except share and per share data)

	Three Months Ended September 30,		Nine Months Ended September 3	
	2018	**2017**	**2018**	**2017**
Revenues				
Rental revenue	$ 134,567	$ 33,599	$ 323,334	$ 55
Tenant reimbursement income	18,271	3,230	42,879	5
Hotel revenue	40,000	9,874	79,017	15
Other revenue	7,324	2,201	16,842	3
Total revenues	200,162	48,904	462,072	79
Expenses				
Rental property operating	63,783	15,938	153,853	25
Hotel operating	26,822	6,668	51,958	9
General and administrative	3,027	1,716	7,973	5
Management fee	11,823	3,712	28,073	3
Performance participation allocation	12,447	5,711	29,796	10
Depreciation and amortization	103,758	40,359	262,708	65
Total expenses	221,660	74,104	534,361	121
Other income (expense)				
Income from real estate-related securities	28,647	4,026	59,279	7
Interest income	82	36	280	
Interest expense	(65,711)	(10,866)	(146,943)	(16
Other income (expense)	(283)	157	(672)	
Total other income (expense)	(37,265)	(6,647)	(88,056)	(8
Net loss	$ (58,763)	$ (31,847)	$ (160,345)	$ (49
Net loss attributable to non-controlling interests	$ 1,096	$ 122	$ 4,648	$
Net loss attributable to BREIT stockholders	$ (57,667)	$ (31,725)	$ (155,697)	$ (49
Net loss per share of common stock — basic and diluted	$ (0.17)	$ (0.28)	$ (0.57)	$ (
Weighted-average shares of common stock outstanding, basic and diluted	342,351,542	112,585,463	274,226,898	75,771

See accompanying notes to condensed consolidated financial statements.

Blackstone Real Estate Income Trust, Inc.
Condensed Consolidated Statements of Changes in Equity (Unaudited)
(in thousands)

	Par Value								
	Common Stock Class S	Common Stock Class T	Common Stock Class D	Common Stock Class I	Additional Paid-in Capital	Accumulated Deficit and Cumulative Distributions	Total Stockholders' Equity	Non-controlling Interests	Total Equity
Balance at December 31, 2016	$ —	$ —	$ —	$ —	$ 200	$ (115)	$ 85	$ —	$ 85
Common stock issued	978	22	12	230	1,262,811	—	1,264,053	—	1,264,053
Offering costs	—	—	—	—	(98,938)	—	(98,938)	—	(98,938)
Distribution reinvestment	10	—	—	3	13,481	—	13,494	—	13,494
Common stock repurchased	—	—	—	—	(187)	—	(187)	—	(187)
Amortization of restricted stock grant	—	—	—	—	77	—	77	—	77
Net loss	—	—	—	—	—	(49,693)	(49,693)	(122)	(49,815)
Distributions declared on common stock	—	—	—	—	—	(25,321)	(25,321)	—	(25,321)
Contributions from non-controlling interests	—	—	—	—	—	—	—	8,978	8,978
Balance at September 30, 2017	$ 988	$ 22	$ 12	$ 233	$ 1,177,444	$ (75,129)	$ 1,103,570	$ 8,856	$ 1,112,426
Balance at December 31, 2017	$ 1,301	$ 56	$ 40	$ 307	$ 1,616,720	$ (132,633)	$ 1,485,791	$ 23,848	$ 1,509,639
Common stock issued	1,045	134	201	560	2,080,278	—	2,082,218	—	2,082,218
Offering costs	—	—	—	—	(131,288)	—	(131,288)	—	(131,288)
Distribution reinvestment	42	2	3	15	66,836	—	66,898	—	66,898
Common stock repurchased	(15)	—	(2)	(11)	(30,575)	—	(30,603)	—	(30,603)
Amortization of restricted stock grants	—	—	—	—	112	—	112	—	112
Net loss ($786 allocated to redeemable non-controlling interest)	—	—	—	—	—	(155,697)	(155,697)	(3,862)	(159,559)
Distributions declared on common stock	—	—	—	—	—	(114,881)	(114,881)	—	(114,881)
Contributions from non-controlling interests	—	—	—	—	—	—	—	80,216	80,216
Acquired non-controlling interests	—	—	—	—	—	—	—	12,802	12,802
Distributions to non-controlling interests	—	—	—	—	—	—	—	(2,215)	(2,215)
Allocation to redeemable non-controlling interest	—	—	—	—	(1,826)	—	(1,826)	—	(1,826)
Balance at September 30, 2018	$ 2,373	$ 192	$ 242	$ 871	$ 3,600,257	$ (403,211)	$ 3,200,724	$ 110,789	$ 3,311,513

See accompanying notes to condensed consolidated financial statements.

Blackstone Real Estate Income Trust, Inc.
Condensed Consolidated Statements of Cash Flows (Unaudited)
(in thousands)

	Nine Months Ended September 30, 2018	2017
Cash flows from operating activities:		
Net loss	$ (160,345)	$ (49,815)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Management fee	28,073	3,712
Performance participation allocation	29,796	10,952
Depreciation and amortization	262,708	65,145
Unrealized gain on changes in fair value of financial instruments	(8,761)	(993)
Other items	(880)	(20)
Change in assets and liabilities:		
(Increase) / decrease in other assets	(53,117)	(10,824)
Increase / (decrease) in due to affiliates	234	3,859
Increase / (decrease) in accounts payable, accrued expenses, and other liabilities	81,340	22,244
Net cash provided by operating activities	179,048	44,260
Cash flows from investing activities:		
Acquisitions of real estate	(5,693,880)	(2,245,885)
Capital improvements to real estate	(59,071)	(3,290)
Pre-acquisition costs	—	(9,201)
Purchase of real estate-related securities	(1,227,708)	(660,151)
Proceeds from settlement of real estate-related securities	124,396	16,596
Net cash used in investing activities	(6,856,263)	(2,901,931)
Cash flows from financing activities:		
Proceeds from issuance of common stock	1,948,928	1,264,053
Offering costs paid	(31,316)	(15,388)
Subscriptions received in advance	180,425	98,435
Repurchase of common stock	(19,259)	(187)
Redemption of redeemable non-controlling interest	(8,400)	—
Borrowings from mortgage notes, term loans, and revolving credit facilities	5,632,422	1,055,913
Repayments from mortgage notes, term loans, and revolving credit facilities	(1,737,931)	—
Borrowings under repurchase agreements	954,892	491,026
Settlement of repurchase agreements	(96,025)	(12,571)
Borrowings from affiliate line of credit	1,135,900	617,650
Repayments on affiliate line of credit	(1,141,150)	(495,150)
Payment of deferred financing costs	(39,468)	(12,384)
Contributions from non-controlling interests	80,216	8,978
Distributions to non-controlling interests	(2,776)	—
Distributions	(38,075)	(6,203)
Net cash provided by financing activities	6,818,383	2,994,172
Net change in cash and cash equivalents and restricted cash	141,168	136,501
Cash and cash equivalents and restricted cash, beginning of period	157,729	200
Cash and cash equivalents and restricted cash, end of period	$ 298,897	$ 136,701
Reconciliation of cash and cash equivalents and restricted cash to the condensed consolidated balance sheets:		
Cash and cash equivalents	$ 75,529	$ 30,820
Restricted cash	223,368	105,881
Total cash and cash equivalents and restricted cash	$ 298,897	$ 136,701
Non-cash investing and financing activities:		
Assumption of mortgage notes in conjunction with acquisitions of real estate	$ 197,290	$ 107,369
Assumption of other liabilities in conjunction with acquisitions of real estate	$ 51,094	$ 17,093
Acquired non-controlling interests	$ 12,802	$ —
Accrued capital expenditures and acquisition related costs	$ 3,985	$ 314
Accrued pre-acquisition costs	$ 61	$ 905
Accrued distributions	$ 9,952	$ 5,624
Accrued stockholder servicing fee due to affiliate	$ 101,124	$ 75,998
Accrued offering costs due to affiliate	$ —	$ 7,552
Redeemable non-controlling interest issued as settlement of performance participation allocation	$ 16,974	$ —
Allocation to redeemable non-controlling interest	$ 1,826	$ —
Distribution reinvestment	$ 66,899	$ 13,494
Accrued common stock repurchases	$ 11,344	$ 152

See accompanying notes to condensed consolidated financial statements.

1. Organization and Business Purpose

Blackstone Real Estate Income Trust, Inc. ("BREIT" or the "Company") was formed on November 16, 2015 as a Maryland corporation and qualifies as a real estate investment trust ("REIT") for U.S. federal income tax purposes commencing with the taxable year ended December 31, 2017. The Company invests primarily in stabilized income-oriented commercial real estate in the United States and, to a lesser extent, in real estate-related securities. The Company is the sole general partner of BREIT Operating Partnership, L.P., a Delaware limited partnership ("BREIT OP"). BREIT Special Limited Partner L.P. (the "Special Limited Partner"), a wholly-owned subsidiary of The Blackstone Group L.P. (together with its affiliates, "Blackstone"), owns a special limited partner interest in BREIT OP. Substantially all of the Company's business is conducted through BREIT OP. The Company and BREIT OP are externally managed by BX REIT Advisors L.L.C. (the "Adviser"), an affiliate of Blackstone.

The Company has registered with the Securities and Exchange Commission (the "SEC") an offering of up to $5.0 billion in shares of common stock, consisting of up to $4.0 billion in shares in its primary offering and up to $1.0 billion in shares pursuant to its distribution reinvestment plan (the "Offering"). The Company intends to sell any combination of four classes of shares of its common stock, with a dollar value up to the maximum aggregate amount of the Offering. The share classes have different upfront selling commissions, dealer manager fees and ongoing stockholder servicing fees. As of September 30, 2018, the Company had received net proceeds of $3.8 billion from selling an aggregate of 367,532,939 shares of the Company's common stock (consisting of 238,809,136 Class S shares, 19,250,630 Class T shares, 24,293,198 Class D shares, and 85,179,975 Class I shares). The Company intends to continue selling shares on a monthly basis.

As of September 30, 2018, the Company owned 49 investments in real estate and had 93 positions in real estate-related securities. The Company currently operates in five reportable segments: Multifamily, Industrial, Hotel, and Retail Properties, and Real Estate-Related Securities. Multifamily includes various forms of rental housing including apartments, student housing and manufactured housing. Financial results by segment are reported in Note 13 — Segment Reporting.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. The condensed consolidated financial statements, including the condensed notes thereto, are unaudited and exclude some of the disclosures required in audited financial statements. Management believes it has made all necessary adjustments, consisting of only normal recurring items, so that the condensed consolidated financial statements are presented fairly and that estimates made in preparing its condensed consolidated financial statements are reasonable and prudent. The accompanying unaudited condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2017 filed with the SEC.

Certain amounts in the Company's prior period condensed consolidated financial statements have been reclassified to conform to the current period presentation. The Company has chosen to aggregate certain financial statement line items in the Company's consolidated statements of operations and consolidated statements of cash flows. Such reclassifications had no effect on net loss or previously reported totals or subtotals in the consolidated statements of cash flows.

The accompanying condensed consolidated financial statements include the accounts of the Company, the Company's subsidiaries and joint ventures in which the Company has a controlling interest. For consolidated joint ventures, the non-controlling partner's share of the assets, liabilities and operations of the joint ventures is included in non-controlling interests as equity of the Company. The non-controlling partner's interest is generally computed as the joint venture partner's ownership percentage. All intercompany balances and transactions have been eliminated in consolidation.

The Company consolidates partially owned entities, in which it has a controlling financial interest. In determining whether the Company has a controlling financial interest in a partially owned entity and the requirement to consolidate the accounts of that entity, the Company considers whether the entity is a variable interest entity ("VIE") and whether it is the primary beneficiary. The Company is the primary beneficiary of a VIE when it has (i) the power to direct the most significant activities impacting the economic performance of the VIE and (ii) the obligation to absorb losses or receive benefits significant to the VIE. BREIT OP and each of the Company's joint ventures are considered to be a VIE. The Company consolidates these entities because it has the ability to direct the most significant activities of the entities such as purchases, dispositions, financings, budgets, and overall operating plans.

As of September 30, 2018, the total assets and liabilities of the Company's consolidated VIEs, excluding BREIT OP, were \$2.7 billion and \$1.9 billion, respectively, compared to \$947.9 million and \$645.5 million as of December 31, 2017. Such amounts are included on the Company's Condensed Consolidated Balance Sheets.

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the balance sheet. Actual results could differ from those estimates.

Restricted Cash

As of September 30, 2018 and December 31, 2017, restricted cash primarily consists of \$155.4 million and \$107.6 million, respectively, of cash received for subscriptions prior to the date in which the subscriptions are effective, which is held in a bank account controlled by the Company's transfer agent but in the name of the Company. Other restricted cash consists of amounts in escrow related to real estate taxes and insurance in connection with mortgages at certain of our properties.

Fair Value Measurement

Under normal market conditions, the fair value of an investment is the amount that would be received to sell an asset or transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price). Additionally, there is a hierarchal framework that prioritizes and ranks the level of market price observability used in measuring investments at fair value. Market price observability is impacted by a number of factors, including the type of investment and the characteristics specific to the investment and the state of the marketplace, including the existence and transparency of transactions between market participants. Investments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value.

Investments measured and reported at fair value are classified and disclosed in one of the following levels within the fair value hierarchy:

Level 1 — quoted prices are available in active markets for identical investments as of the measurement date. The Company does not adjust the quoted price for these investments.

Level 2 — quoted prices are available in markets that are not active or model inputs are based on inputs that are either directly or indirectly observable as of the measurement date.

Level 3 — pricing inputs are unobservable and include instances where there is minimal, if any, market activity for the investment. These inputs require significant judgment or estimation by management or third parties when determining fair value and generally represent anything that does not meet the criteria of Levels 1 and 2. Due to the inherent uncertainty of these estimates, these values may differ materially from the values that would have been used had a ready market for these investments existed.

As of September 30, 2018 and December 31, 2017, the Company's \$2.0 billion and \$915.7 million, respectively, of investments in real estate-related securities were classified as Level 2.

Valuation

The Company's investments in real estate-related securities are reported at fair value. As of September 30, 2018, the Company's investments in real estate-related securities consisted of commercial mortgage-backed securities ("CMBS"), which are mortgage-related fixed income securities and corporate debt of real estate-related companies (together with CMBS, "Real Estate-Related Securities"). The Company generally determines the fair value of its Real Estate-Related Securities by utilizing third-party pricing service providers and broker-dealer quotations on the basis of last available bid price.

In determining the fair value of a particular investment, pricing service providers may use broker-dealer quotations, reported trades or valuation estimates from their internal pricing models to determine the reported price. The pricing service providers' internal models for securities such as Real Estate-Related Securities generally consider the attributes applicable to a particular class of the security (e.g., credit rating, seniority), current market data, and estimated cash flows for each class and incorporate deal collateral performance such as prepayment speeds and default rates, as available.

As of September 30, 2018, the fair value of the Company's mortgage notes, term loans, and revolving credit facilities, repurchase agreements, and affiliate line of credit was approximately $25.2 million below carrying value. Fair value of the Company's indebtedness is estimated by modeling the cash flows required by the Company's debt agreements and discounting them back to the present value using the appropriate discount rate. Additionally, the Company considers current market rates and conditions by evaluating similar borrowing agreements with comparable loan-to-value ratios and credit profiles. The inputs used in determining the fair value of the Company's indebtedness are considered Level 3.

Recent Accounting Pronouncements

In May 2014, the FASB issued ASU 2014-09, "Revenue from Contracts with Customers (Topic 606)." ASU 2014-09 broadly amends the accounting guidance for revenue recognition. ASU 2014-09 is effective for the first interim or annual period beginning after December 15, 2017, and is to be applied retrospectively. The Company adopted ASU 2014-09 in the first quarter of 2018 and the pronouncement did not have a material impact on the Company's condensed consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, "Leases," which will require organizations that lease assets to recognize the assets and liabilities for the rights and obligations created by those leases on their balance sheet. Additional disclosure regarding a company's leasing activities will also be expanded under the new guidance. In July 2018, the FASB issued ASU 2018-11 which approved an amendment to the new Leases standard that allows a practical expedient for lessors from separating lease and non-lease components. For public entities, ASU 2016-02 is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years, and requires a modified retrospective transition. Under the new leasing standard, lessor accounting remains substantially the same as current GAAP. As such, the Company does not anticipate a material impact to its condensed consolidated financial statements from a lessor standpoint. The new lease standard will have a significant impact on lessee accounting. As such, the Company will be required to recognize a right of use asset on the Company's consolidated balance sheet along with a lease liability equal to the present value of the remaining minimum lease payments for the Company's ground leases. As of September 30, 2018, the undiscounted future minimum lease payments due under the Company's long-term ground leases totaled $467.1 million. The Company is currently evaluating any further potential impact of this pronouncement on the Company's condensed consolidated financial statements from a lessee standpoint.

3. Investments in Real Estate

Investments in real estate, net consisted of the following ($ in thousands):

	September 30, 2018	December 31, 2017
Building and building improvements	$ 7,329,190	$ 2,815,348
Land and land improvements	1,738,731	574,253
Furniture, fixtures and equipment	164,618	64,080
Total	9,232,539	3,453,681
Accumulated depreciation	(192,085)	(47,126)
Investments in real estate, net	$ 9,040,454	$ 3,406,555

During the nine months ended September 30, 2018, the Company acquired interests in 23 real estate investments, which were comprised of 155 industrial, 70 multifamily, 10 hotel and one retail property.

The following table provides further details of the properties acquired during the nine months ended September 30, 2018 ($ in thousands):

Investment	Ownership Interest(1)	Number of Properties	Location	Segment	Acquisition Date	Purchase Price(2)
Aston Multifamily Portfolio(3)	90%	8	Various(4)	Multifamily	Jan. 2018	$ 14
Kraft Chicago Industrial Portfolio	100%	3	Aurora, IL	Industrial	Jan. 2018	15
Canyon Industrial Portfolio	100%	146	Various(5)	Industrial	Mar. 2018	1,83
The Boulevard	100%	1	Phoenix, AZ	Multifamily	April 2018	4
Highroads MH	99%	3	Phoenix, AZ	Multifamily	April 2018	1
Blue Hills Multifamily	100%	1	Boston, MA	Multifamily	May 2018	13
Wave Multifamily Portfolio	100%	6	Various(6)	Multifamily	May 2018	42
ACG III Multifamily	95%	2	Gresham, OR & Turlock, CA	Multifamily	May 2018	9
Carroll Florida Multifamily	100%	2	Jacksonville & Orlando, FL	Multifamily	May 2018	11
HP Cold Storage Industrial Portfolio	100%	6	Various(7)	Industrial	May 2018	25
Henderson Select-Service 2-Pack	100%	2	Henderson, NV	Hotel	May 2018	3
Orlando Select-Service 2-Pack	100%	2	Orlando, FL	Hotel	May 2018	4
Solis at Flamingo	95%	1	Las Vegas, NV	Multifamily	June 2018	7
Evergreen Minari MH	99%	2	Phoenix, AZ	Multifamily	June 2018	[illegible]
Southwest MH	99%	14	Various(8)	Multifamily	June 2018	17
Velaire at Aspera	100%	1	Phoenix, AZ	Multifamily	July 2018	6
Hidden Springs MH	99%	1	Desert Hot Springs, CA	Multifamily	July 2018	1
SVPAC MH	99%	2	Phoenix, AZ	Multifamily	July 2018	1
Coyote Multifamily Portfolio	100%	6	Phoenix, AZ	Multifamily	Aug. 2018	31
Corporex Select Service Portfolio	100%	5	Various(9)	Hotel	Aug. 2018	11
JW Marriott San Antonio Hill Country Resort	100%	1	San Antonio, TX	Hotel	Aug. 2018	60
Vista Center	100%	1	Miami, FL	Retail	Aug. 2018	3
EdR Student Housing Portfolio	95%	20	Various(10)	Multifamily	Sept. 2018	1,23
		236				$ 5,95

(1) Certain of the investments made 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 the Company and any profits interest due to the other partner is reported within non-controlling interests.
(2) Purchase price is inclusive of acquisition related costs.
(3) The Aston Multifamily Portfolio closed in two stages and the final eight properties closed in January 2018. The first closing in November 2017 included 12 properties.
(4) The Aston Multifamily Portfolio is located in four markets: Dallas/Fort Worth, TX (48% of units), Austin/San Antonio, TX (35%), Louisville, KY (9%), and Nashville, TN (8%).
(5) The Canyon Industrial Portfolio consists of 146 industrial properties primarily concentrated in Chicago, IL (19% of sq. ft.), Dallas, TX (15%), Indianapolis, IN (11%), Baltimore/Washington, D.C. (9%), and Columbus, OH (7%).
(6) The Wave Multifamily Portfolio is located in five markets: Sacramento, CA (28% of units), Las Vegas, NV (22%), Greater Seattle, WA (29%), Spokane, WA (14%), and Portland, OR (7%).
(7) The HP Cold Storage Industrial Portfolio is located in four markets: Stockton, CA (52% of sq. ft.), Atlanta, GA (24%), Baltimore, MD (18%), and Austin, TX (6%).
(8) Southwest MH is located in three markets: Phoenix, AZ (86% of sites), San Diego, CA (11%), and Palm Desert, CA (3%).
(9) 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%).
(10) 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%).

The following table summarizes the purchase price allocation for the properties acquired during the nine months ended September 30, 2018 ($ in thousands):

	Canyon Industrial Portfolio	EdR Student Housing Portfolio	JW Marriott San Antonio Hill Country Resort	Wave Multifamily Portfolio	All Other	Total
Building and building improvements	$ 1,362,916	$ 1,034,732	$ 474,529	$ 323,954	$ 1,270,880	$ 4,467,011
Land and land improvements	376,762	138,249	84,218	82,686	480,079	1,161,994
Furniture, fixtures and equipment	—	11,072	39,979	5,252	31,745	88,048
In-place lease intangibles	109,031	51,583	597	11,243	87,257	259,711
Above-market lease intangibles	8,459	—	—	—	3,465	11,924
Below-market lease intangibles	(19,955)	(122)	—	—	(13,044)	(33,121)
Above-market ground lease intangible	—	(4,657)	—	—	—	(4,657)
Other	—	—	5,000	—	481	5,481
Total purchase price	1,837,213	1,230,857	604,323	423,135	1,860,863	5,956,391
Assumed mortgage notes(1)	—	46,070	—	—	151,220	197,290
Non-controlling interest	—	12,802	—	—	—	12,802
Net purchase price	$ 1,837,213	$ 1,171,985	$ 604,323	$ 423,135	$ 1,709,643	$ 5,746,299

(1) Refer to Note 6 for additional details on the Company's mortgage notes.

The weighted-average amortization periods for the acquired in-place lease intangibles, above-market lease intangibles, below-market lease intangibles and above-market ground lease intangibles of the properties acquired during the nine months ended September 30, 2018 were three, five, seven and 86 years, respectively.

4. Intangibles

The gross carrying amount and accumulated amortization of the Company's intangible assets and liabilities consisted of the following ($ in thousands):

	September 30, 2018	December 31, 2017
Intangible assets:		
In-place lease intangibles	$ 303,410	$ 131,833
Below-market ground lease intangibles	4,623	4,623
Above-market lease intangibles	18,541	6,670
Prepaid ground lease rent	16,114	16,114
Other	5,676	676
Total intangible assets	348,364	159,916
Accumulated amortization:		
In-place lease amortization	(74,130)	(45,160)
Below-market ground lease amortization	(142)	(85)
Above-market lease amortization	(3,627)	(600)
Prepaid ground lease rent amortization	(321)	(151)
Other	(203)	(76)
Total accumulated amortization	(78,423)	(46,072)
Intangible assets, net	$ 269,941	$ 113,844
Intangible liabilities:		
Below-market lease intangibles	$ 47,911	$ 14,920
Above-market ground lease intangibles	4,657	—
Total intangible liabilities	52,568	14,920
Accumulated amortization:		
Below-market lease amortization	(8,219)	(1,764)
Above-market ground lease amortization	(2)	—
Total accumulated amortization	(8,221)	(1,764)
Intangible liabilities, net	$ 44,347	$ 13,156

The estimated future amortization on the Company's intangibles for each of the next five years and thereafter as of September 30, 2018 is as follows ($ in thousands):

	In-place Lease Intangibles	Below-market Ground Lease Intangibles	Above-market Lease Intangibles	Pre-paid Ground Lease Intangibles	Below-market Lease Intangibles	Above-market Ground Lease Intangibles
2018 (remaining)	$ 56,077	$ 20	$ 1,143	$ 57	$ (2,562)	$ (14)
2019	68,165	79	4,160	227	(9,235)	(54)
2020	33,156	79	3,223	227	(7,353)	(54)
2021	25,390	79	2,631	227	(5,602)	(54)
2022	18,615	79	2,024	227	(4,396)	(54)
Thereafter	27,877	4,145	1,733	14,828	(10,544)	(4,425)
	$ 229,280	$ 4,481	$ 14,914	$ 15,793	$ (39,692)	$ (4,655)

5. Investments in Real Estate-Related Securities

The following tables detail the Company's investments in Real Estate-Related Securities, which were exclusively CMBS with the exception of one corporate bond position ($ in thousands):

			September 30, 2018				
Number of Positions	Credit Rating(1)	Collateral(2)	Weighted Average Coupon(3)	Weighted Average Maturity Date(4)	Face Amount	Cost Basis	Fair Value
38	BB(5)	Hospitality, Office, Multifamily, Retail	L+2.70%	9/11/2024	$ 949,082	$ 947,436	$ 953,583
20	B	Hospitality, Office, Multifamily, Retail	L+3.57%	9/16/2024	494,296	493,032	496,036
24	BBB	Hospitality, Office, Multifamily, Industrial, Retail	L+2.15%	10/7/2024	486,858	486,362	488,141
9(6)	Other	Multifamily, Hospitality	L+1.22%	5/27/2026	138,127	83,925	84,127
2(7)	Other	Multifamily	N/A	5/25/2028	N/A	7,448	7,447
93					$ 2,068,363	$ 2,018,203	$ 2,029,334

			December 31, 2017				
Number of Positions	Credit Rating(1)	Collateral(2)	Weighted Average Coupon(3)	Weighted Average Maturity Date(4)	Face Amount	Cost Basis	Fair Value
15	BB	Hospitality, Office, Multifamily, Retail	L+3.21%	12/18/2022	$ 423,770	$ 423,658	$ 424,419
10	B	Hospitality, Office, Multifamily	L+4.05%	1/27/2024	284,371	284,127	285,037
9	BBB	Hospitality, Office, Multifamily, Industrial, Retail	L+2.28%	5/11/2022	194,013	193,838	194,549
3	Other	Multifamily	L+2.50%	9/15/2026	11,749	11,749	11,737
37					$ 913,903	$ 913,372	$ 915,742

(1) 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, 2018 and December 31, 2017, were either not ratable or have not been submitted to rating agencies.

(2) Multifamily Real Estate-Related Securities 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, 2018 and December 31, 2017, one-month LIBOR was equal to 2.3% and 1.6%, respectively.

(4) Weighted average maturity date is based on the fully extended maturity date of the underlying collateral.

(5) Includes one corporate bond position with a fair value of $54.0 million.

(6) Includes one zero coupon position. Excluding the zero coupon position, the weighted average coupon was L+2.20%.

(7) Includes two interest-only positions with a total notional amount of $1.2 billion.

The Company’s investments in Real Estate-Related Securities included CMBS collateralized by properties owned by Blackstone-advised investment vehicles and CMBS collateralized by loans originated or acquired by a Blackstone-advised investment vehicle. The following table details the Company’s affiliate CMBS positions ($ in thousands):

	Cost Basis		Interest Income			
	September 30,	December 31,	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017	2018	2017
CMBS collateralized by properties	$ 847,605	$ 559,616	$ 10,617	$ 2,486	$ 26,412	$ 3,67
CMBS collateralized by a loan	166,108	63,533	1,910	650	3,358	65
Total	$ 1,013,713	$ 623,149	$ 12,527	$ 3,136	$ 29,770	$ 4,32

During the nine months ended September 30, 2018, the borrower paid off three of the Company’s CMBS with a total cost basis of $115.6 million collateralized by a property owned by a Blackstone-advised investment vehicle, which did not result in a gain or loss on the Company’s Condensed Consolidated Statement of Operations.

For additional information regarding the Company’s investments in affiliated CMBS, see Note 5 to the Company’s Annual Report on Form 10-K for the year ended December 31, 2017. The terms and conditions of such affiliated CMBS held as of September 30, 2018 are consistent with the terms described in such Note.

During the three and nine months ended September 30, 2018, the Company recorded unrealized gains of $4.9 million and $8.8 million, respectively, and an unrealized loss of $0.6 million and an unrealized gain of $1.0 million during the three and nine months ended September 30, 2017, respectively, as a component of Income from Real Estate-Related Securities on the Company’s Condensed Consolidated Statements of Operations.

The Company did not sell any Real Estate-Related Securities during the three and nine months ended September 30, 2018 and 2017.

6. Mortgage Notes, Term Loans, and Revolving Credit Facilities

The following table is a summary of the mortgage notes, term loans, and revolving credit facilities secured by the Company's properties ($ in thousands):

Indebtedness	Weighted Average Interest Rate(1)	Weighted Average Maturity Date(2)	Maximum Facility Size	Principal Balance Outstanding(3) September 30, 2018	Principal Balance Outstanding(3) December 31, 2017
Fixed rate loans					
Fixed rate mortgages	4.02%	11/17/2025	N/A	$ 4,285,301	$ 1,468,294
Canyon Industrial Portfolio Mezzanine Loan	5.85%	4/5/2025	N/A	200,000	—
Total fixed rate loans	4.10%	11/7/2025		4,485,301	1,468,294
Variable rate loans					
Floating rate mortgages	L+1.62%	10/4/2026	N/A	591,235	63,600
BAML Industrial Term Loan(4)	L+1.75%	6/1/2022	N/A	236,000	186,000
BAML Revolving Credit Facility(4)	L+1.75%	6/1/2022	$ 236,000	127,000	186,000
Citi JW San Antonio Revolving Credit Facility	L+1.70%	9/9/2023	202,500	202,500	—
Citi JW San Antonio Term Loan	L+1.70%	9/9/2023	N/A	202,500	—
Citi Revolving Credit Facility(5)	L+1.88%	10/26/2020	300,000	171,200	178,831
Capital One Term Loan(6)	L+1.60%	12/12/2022	N/A	101,000	22,500
Capital One Revolving Credit Facility(6)	L+1.60%	12/12/2022	101,000	101,000	20,600
Total variable rate loans	3.95%	2/6/2024		1,732,435	657,531
Total loans secured by the Company's properties	4.06%	5/13/2025		6,217,736	2,125,825
Deferred financing costs, net				(49,363)	(16,075)
Premium on assumed debt, net				1,731	1,541
Mortgage notes, term loans, and revolving credit facilities, net				$ 6,170,104	$ 2,111,291

(1) The term "L" refers to the one-month LIBOR. As of September 30, 2018 and December 31, 2017, one-month LIBOR was equal to 2.3% and 1.6%, respectively.
(2) For loans where the Company, at its sole discretion, has extension options, the maximum maturity date has been assumed.
(3) The majority of the Company's mortgages contain yield or spread maintenance provisions. In addition, the majority of the Company's loans are interest only except for certain loans with amortization provisions after a certain period of time.
(4) The BAML Industrial Term Loan and BAML Revolving Credit Facility are secured by certain of the Company's industrial assets.
(5) As of September 30, 2018, the Citi Revolving Credit Facility is secured by certain of the Company's multifamily investments and as of December 31, 2017, certain of the Company's hotel investments.
(6) The Capital One Term Loan and Capital One Revolving Credit Facility are secured by certain of the Company's industrial assets.

The following table presents the future principal payments due under the Company's mortgage notes, term loans, and revolving credit facilities as of September 30, 2018 ($ in thousands):

Year	Amount
2018 (remaining)	$ 802
2019	18,049
2020	204,998
2021	6,052
2022	639,140
Thereafter	5,348,695
Total	$ 6,217,736

7. Repurchase Agreements

On June 29, 2018, the Company entered into a master repurchase agreement with Barclays Bank PLC (the "Barclays MRA") providing the Company with financing secured by the Company's investments in Real Estate-Related Securities. The Barclays MRA has a maximum facility size of $750.0 million and repurchase agreements under the Barclays MRA have longer dated maturity compared to our other counterparties. The initial maturity date of the repurchase agreements under the Barclays MRA is September 29, 2021. The terms of the Barclays MRA contain specific spread and advance rate provisions based on the rating of the underlying CMBS.

Additionally, during the nine months ended September 30, 2018, the Company has entered into repurchase agreements with Morgan Stanley Bank, N.A. (the "MS MRA") and HSBC Bank USA, National Association (the "HSBC MRA"). Previously, the Company entered into master repurchase agreements with Citigroup Global Markets Inc. (the "Citi MRA"), Royal Bank of Canada (the "RBC MRA"), and Bank of America Merrill Lynch (the "BAML MRA") to provide the Company with additional financing capacity secured by the Company's $2.0 billion of investments in Real Estate-Related Securities. The terms of the Citi MRA, RBC MRA, BAML MRA, MS MRA, and HSBC MRA provide the lenders the ability to determine the size and terms of the financing provided based upon the particular collateral pledged by the Company from time-to-time.

The following tables are a summary of the Company's repurchase agreements ($ in thousands):

	September 30, 2018					
Facility	Weighted Average Interest Rate(1)	Weighted Average Maturity Date(2)	Security Interests	Collateral Assets(3)	Outstanding Balance	Prepayment Provisions
RBC MRA	L+1.27%	4/23/2019	CMBS(4)	$ 773,216	$ 625,913	None
Barclays MRA	L+1.72%	9/29/2021	CMBS	513,231	384,764	None
Citi MRA	L+1.21%	10/25/2018	CMBS	504,364	377,915	None
BAML MRA	L+1.06%	10/15/2018	CMBS	105,903	80,687	None
MS MRA	L+0.96%	10/15/2018	CMBS	86,304	72,436	None
				$ 1,983,018	$ 1,541,715	

	December 31, 2017					
Facility	Weighted Average Interest Rate(1)	Weighted Average Maturity Date(2)	Security Interests	Collateral Assets(3)	Outstanding Balance	Prepayment Provisions
Citi MRA	L+1.57%	8/23/2018	CMBS	$ 694,808	$ 512,975	None
RBC MRA	L+1.54%	11/24/2018	CMBS	194,918	150,238	None
BAML MRA	L+1.16%	2/9/2018	CMBS	26,016	19,635	None
				$ 915,742	$ 682,848	

(1) The term "L" refers to the one-month or three-month LIBOR. As of September 30, 2018 and December 31, 2017, one-month LIBOR was 2.3% and 1.6%, respectively, and three-month LIBOR was equal to 2.4% and 1.7%, respectively.
(2) Subsequent to quarter end, the Company rolled its repurchase agreement contracts expiring in October 2018 into new one month contracts.
(3) Represents the fair value of the Company's investments in Real Estate-Related Securities that serve as collateral.
(4) As of September 30, 2018, the security interests pledged under the RBC MRA include one corporate bond.

8. Other Assets and Other Liabilities

The following table summarizes the components of other assets ($ in thousands):

	September 30, 2018	December 31, 2017
Real estate intangibles, net	$ 269,941	$ 113,844
Receivables	38,354	7,386
Prepaid expenses	12,739	3,267
Straight-line rent receivable	8,398	2,045
Pre-acquisition costs	6,134	6,588
Deferred leasing costs, net	6,049	1,193
Deferred financing costs, net	5,736	5,248
Other	11,138	5,711
Total	$ 358,489	$ 145,282

The following table summarizes the components of accounts payable, accrued expenses, and other liabilities ($ in thousands):

	September 30, 2018	December 31, 2017
Subscriptions received in advance	$ 180,425	$ 107,576
Real estate taxes payable	61,223	13,202
Accounts payable and accrued expenses	52,285	13,169
Intangible liabilities, net	44,347	13,156
Prepaid rental income	22,109	5,381
Tenant security deposits	20,018	8,107
Distribution payable	17,670	7,716
Accrued interest expense	16,410	8,072
Other	31,836	6,456
Total	$ 446,323	$ 182,835

9. Equity and Redeemable Non-controlling Interest

Common Stock

The following table details the movement in the Company's outstanding shares of common stock (in thousands):

	Nine Months Ended September 30, 2018				
	Class S	Class T	Class D	Class I	Total
December 31, 2017	130,085	5,625	3,955	30,719	170,384
Common stock issued	104,482	13,387	20,084	55,983	193,936
Distribution reinvestment	4,217	238	255	1,537	6,247
Common stock repurchased	(1,521)	(23)	(115)	(1,194)	(2,853)
Independent directors' restricted stock grant(1)	—	—	—	37	37
September 30, 2018	237,263	19,227	24,179	87,082	367,751

(1) The independent directors' restricted stock grant represents $0.1 million of the annual compensation paid to each of the independent directors. The grant is amortized over the one-year service period of such grant.

Share Repurchase Plan

The Company has adopted a share repurchase plan whereby, subject to certain limitations, stockholders may request on a monthly basis that the Company repurchases all or any portion of their shares. Should repurchase requests, in the Company's judgment, place an undue burden on its liquidity, adversely affect its operations or risk having an adverse impact on the Company as a whole, or should the Company otherwise determine that investing its liquid assets in real properties or other illiquid investments rather than repurchasing its shares is in the best interests of the Company as a whole, then the Company may choose to repurchase fewer shares than have been requested to be repurchased, or none at all. Further, the Company's board of directors may modify, suspend or terminate the Company's share repurchase plan if it deems such action to be in the Company's best interest and the best interest of its stockholders. In the event that the Company determines to repurchase some but not all of the shares submitted for repurchase during any month, shares repurchased at the end of the month will be repurchased on a pro rata basis.

For the nine months ended September 30, 2018, the Company repurchased 2,853,188 shares of common stock representing a total of $30.6 million. The Company had no unfulfilled repurchase requests during the nine months ended September 30, 2018.

Distributions

The Company generally intends to distribute substantially all of its taxable income, which does not necessarily equal net income as calculated in accordance with GAAP, to its stockholders each year to comply with the REIT provisions of the Internal Revenue Code.

The following table details the aggregate distributions declared for each applicable class of common stock for the nine months ended September 30, 2018 ($ in thousands, except share and per share data):

	Class S	Class T	Class D	Class I
Aggregate gross distributions declared per share of common stock	$ 0.4699	$ 0.4699	$ 0.4699	$ 0.4699
Stockholder servicing fee per share of common stock	(0.0683)	(0.0672)	(0.0199)	—
Net distributions declared per share of common stock	$ 0.4016	$ 0.4027	$ 0.4500	$ 0.4699

Redeemable Non-controlling Interest

During 2017, the Special Limited Partner earned a performance participation allocation in the amount of $17.0 million. On January 1, 2018, the Company issued 1.6 million Class I units in BREIT OP to the Special Limited Partner as payment for the 2017 performance participation allocation based on the Company's Net Asset Value ("NAV") at December 31, 2017. In June 2018, the Special Limited Partner redeemed 0.8 million Class I units in BREIT OP for $8.4 million based on the NAV of the Class I units at May 31, 2018. As of September 30, 2018, Blackstone and its employees, including the Company's executive officers, continue to own an aggregate of $57.4 million worth of shares of the Company and Class I units of BREIT OP.

Because the Special Limited Partner has the ability to redeem its Class I units for Class I shares in the Company or cash, at the election of the Special Limited Partner, the Company has classified these Class I units as Redeemable Non-controlling Interest in mezzanine equity on the Company's Condensed Consolidated Balance Sheets. The Redeemable Non-controlling Interest is recorded at the greater of the carrying amount, adjusted for their share of the allocation of income or loss and dividends, or the redemption value, which is equivalent to fair value, of such units at the end of each measurement period. As the redemption value was greater than the adjusted carrying value at September 30, 2018, the Company recorded an allocation adjustment of $1.8 million between Additional Paid-in Capital and Redeemable Non-controlling Interest.

Non-controlling Interests

The following table summarizes the components of non-controlling interests ($ in thousands):

	September 30, 2018	December 31, 2017
Non-controlling interests attributable to third party joint ventures	$ 61,664	$ 23,848
Non-controlling interests attributable to Class B Units	49,125	—
Non-controlling interests	$ 110,789	$ 23,848

On July 27, 2018, the Company entered into an Amended and Restated Limited Partnership Agreement (the "A&R OP Agreement") for BREIT OP. The A&R OP Agreement amended the limited partnership agreement governing BREIT OP to provide for a new class of units ("Class B Units") of BREIT OP, among other changes. Class B Units are available to certain suitable investors in private placements generally utilizing a "draw-down" structure. Class B Units are sold at their NAV per unit, which will equal the NAV per Class I unit of BREIT OP and will generally correspond to the NAV per share of the Company's Class I shares.

Class B Units are subject to the same fees and expenses of Class I Units and do not have any preferential rights relative to the Company's interest in BREIT OP, nor are they exchangeable for any shares of the Company's common stock. Holders of the Class B Units have a right to redeem their units for cash in a manner similar to the ability of the Company's stockholders to have their shares repurchased under the Company's share repurchase plan. Class B Unit redemptions are subject to similar limitations as share repurchases under the Company's share repurchase plan, namely the early repurchase deduction and caps on monthly and quarterly repurchases (calculated on an aggregate basis with shares of the Company's common stock submitted for repurchase for the applicable period). The redemption rights of the Class B unitholders do not affect the terms of the Company's share repurchase plan. Class B Units have the same limited voting rights as the other BREIT OP units and such rights do not affect the Company's exclusive power, as general partner of BREIT OP, to manage and conduct the business of BREIT OP.

During the three months ended September 30, 2018, BREIT OP received $50.0 million in Class B Units subscriptions from a Blackstone-advised entity. As of September 30, 2018, there were 4,646,441 Class B Units outstanding. The total commitment made by the Blackstone-advised entity was $100.0 million and the remaining $50.0 million commitment was funded subsequent to September 30, 2018. Class B Units subscriptions are recorded as a component of Non-controlling Interests on the Company's Condensed Consolidated Balance Sheets.

10. Related Party Transactions

Management Fee and Performance Participation Allocation

The Adviser is entitled to an annual management fee equal to 1.25% of the Company's NAV, payable monthly, as compensation for the services it provides to the Company. The management fee can be paid, at the Adviser's election, in cash, shares of common stock, or BREIT OP units. The Adviser has elected to receive the management fee in shares of the Company's common stock to date. During the three and nine months ended September 30, 2018, the Company incurred management fees of $11.8 million and $28.1 million, respectively. The Company issued 2,220,262 unregistered Class I shares to the Adviser as payment for such management fee and also had a payable of $4.3 million related to management fees as of September 30, 2018, which is included in Due to Affiliates on the Company's Condensed Consolidated Balance Sheets. During October 2018, the Adviser was issued 393,894 unregistered Class I shares as payment for the $4.3 million management fee accrued as of September 30, 2018. 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. In accordance with the advisory agreement between the Company, BREIT OP and the Adviser, the Adviser waived management fees for the period January 1, 2017 to June 30, 2017, as such the management fee incurred for both the three and nine months ended September 30, 2017 was $3.7 million. During September 2018, the Company repurchased 700,298 Class I shares previously issued to the Adviser as payment for the Company's management fee. The shares were repurchased at the then current transaction price resulting in a total repurchase of $7.6 million.

Additionally, the Special Limited Partner holds a performance participation interest in BREIT OP that entitles it to receive an allocation of BREIT OP's total return to its capital account. During the three and nine months ended September 30, 2018, the Company recognized $12.4 million and $29.8 million, respectively, of Performance Participation Allocation Expense in the Company's Condensed Consolidated Statements of Operations as the participation hurdle was achieved as of September 30, 2018. During the three and nine months ended September 30, 2017, the Company recognized $5.7 million and $11.0 million, respectively, of Performance Participation Allocation Expense as the participation hurdle was achieved as of September 30, 2017.

Due to Affiliates

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

	September 30, 2018	December 31, 2017
Accrued stockholder servicing fee(1)	$ 203,199	$ 102,076
Performance participation allocation	29,796	16,974
Advanced organization and offering costs	8,693	10,160
Accrued management fee	4,265	1,904
Accrued affiliate service provider expenses	1,579	1,485
Advanced expenses	729	472
Total	$ 248,261	$ 133,071

(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. As of September 30, 2018, the Company accrued $203.2 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 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

Accrued affiliate service provider expenses

Beginning January 1, 2018, the Company engaged Gateway Industrial Properties L.L.C., a portfolio company owned by a Blackstone-advised fund, to provide the services that Equity Office Management, L.L.C. had previously provided to the Company's industrial properties. Additionally, beginning April 1, 2018, the Company 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, treasury, as applicable), and transaction support services to certain of the Company's investments directly.

For further details on the Company’s relationships with its affiliated service providers, see Note 11 to the Company’s Annual Report on Form 10-K for the year ended December 31, 2017. The following table details the amounts incurred for such providers during the three and nine months ended September 30, 2018 and 2017 ($ in thousands). Such amounts are included in the Company’s Condensed Consolidated Statements of Operations and Condensed Consolidated Balance Sheets, respectively.

	Affiliate Service Provider Expenses For the Three Months Ended September 30,		Affiliate Service Provider Expenses For the Nine Months Ended September 30,		Capitalized Transaction Support Fees(For the Nine Months Ended September 30,	
	2018	2017	2018	2017	2018	2017
LivCor, L.L.C.	$ 1,995	$ 394	$ 5,186	$ 464	$ 145	$ 6
Gateway Industrial Properties L.L.C.	1,336	—	2,414	—	196	
ShopCore Properties TRS Management LLC	470	72	968	142	—	
BRE Hotels and Resorts LLC	260	38	578	53	—	
Equity Office Management, L.L.C.	—	286	—	757	—	
Revantage Corporate Services, L.L.C.	69	—	69	—	9	
Total	$ 4,130	$ 790	$ 9,215	$ 1,416	$ 350	$ 6

(1) Transaction support fees were capitalized to Investments in Real Estate on the Company’s Condensed Consolidated Balance Sheets.

During the three and nine months ended September 30, 2018, the Company has not paid or accrued any incentive fees to its affiliated service providers.

Other

During the three and nine months ended September 30, 2018, the Company paid Lexington National Land Services $3.1 million and $3.7 million, respectively, for title services related to 13 investments and such costs were capitalized to Investments in Real Estate or recorded as deferred financing costs which is a reduction to Mortgage Notes, Term Loans, and Revolving Credit Facilities on the Company’s Condensed Consolidated Balance Sheet. For additional information regarding this affiliate relationship, see Note 11 to the Company’s Annual Report on Form 10-K for the year ended December 31, 2017.

11. Commitments and Contingencies

As of September 30, 2018 and December 31, 2017, the Company was not subject to any material litigation nor is the Company aware of any material litigation threatened against it.

Three of the Company's investments in real estate include ground lease obligations with varying maturity dates through 2104. The Company recognizes ground rent expense on a straight-line basis as a component of Rental Property Operating or Hotel Operating expense on the Company's condensed consolidated statement of operations. The following table details the Company's ground lease payment obligations subsequent to September 30, 2018 ($ in thousands):

Year	Future Commitments
2018 (remaining)	$ 350
2019	1,410
2020	1,445
2021	1,481
2022	1,518
Thereafter	460,905
Total	$ 467,109

12. Five Year Minimum Rental Payments

The following table presents the future minimum rents the Company expects to receive for its industrial and retail properties ($ in thousands). Leases at the Company's multifamily investments are short term, generally 12 months or less, and are therefore not included.

Year	Future Minimum Rents
2018 (remaining)	$ 43,810
2019	171,760
2020	153,760
2021	133,045
2022	106,053
Thereafter	237,722
Total	$ 846,150

13. Segment Reporting

The Company operates in five reportable segments: Multifamily properties, Industrial properties, Hotel properties, Retail properties, and Real Estate-Related Securities. The Company allocates resources and evaluates results based on the performance of each segment individually. The Company believes that Segment Net Operating Income is a key performance metric that captures the operating performance of each segment.

The following table sets forth the total assets by segment ($ in thousands):

	September 30, 2018	December 31, 2017
Multifamily	$ 5,379,132	$ 2,567,735
Industrial	2,876,939	636,900
Hotel	1,125,262	281,242
Retail	138,091	103,138
Real Estate-Related Securities	2,040,501	918,975
Other (Corporate)	167,249	117,318
Total assets	$ 11,727,174	$ 4,625,308

The following table sets forth the financial results by segment for the three months ended September 30, 2018 ($ in thousands):

	Multifamily	Industrial	Hotel	Retail	Real Estate-Related Securities	Total
Revenues:						
Rental revenue	$ 88,799	$ 43,719	$ —	$ 2,049	$ —	$ 134,567
Tenant reimbursement income	5,049	12,746	—	476	—	18,271
Hotel revenue	—	—	40,000	—	—	40,000
Other revenue	6,337	165	781	41	—	7,324
Total revenues	100,185	56,630	40,781	2,566	—	200,162
Expenses:						
Rental property operating	46,196	16,818	—	769	—	63,783
Hotel operating	—	—	26,822	—	—	26,822
Total expenses	46,196	16,818	26,822	769	—	90,605
Income from real estate-related securities	—	—	—	—	28,647	28,647
Segment net operating income	$ 53,989	$ 39,812	$ 13,959	$ 1,797	$ 28,647	$ 138,204
Depreciation and amortization	$ 62,929	$ 31,966	$ 7,633	$ 1,230	$ —	$ 103,758
Other income (expense):						
General and administrative						(3,027)
Management fee						(11,823)
Performance participation allocation						(12,447)
Interest income						82
Interest expense						(65,711)
Other income (expense)						(283)
Net loss						$ (58,763)
Net loss attributable to non-controlling interests						$ 1,096
Net loss attributable to BREIT stockholders						$ (57,667)

The following table sets forth the financial results by segment for the three months ended September 30, 2017 ($ in thousands):

	Multifamily	Industrial	Hotel	Retail	Real Estate-Related Securities	Total
Revenues:						
Rental revenue	$ 24,911	$ 7,737	$ —	$ 951	$ —	$ 33,599
Tenant reimbursement income	964	2,036	—	230	—	3,230
Hotel revenue	—	—	9,874	—	—	9,874
Other revenue	2,182	7	—	12	—	2,201
Total revenues	28,057	9,780	9,874	1,193	—	48,904
Expenses:						
Rental property operating	12,588	3,029	—	321	—	15,938
Hotel operating	—	—	6,668	—	—	6,668
Total expenses	12,588	3,029	6,668	321	—	22,606
Income from real estate-related securities	—	—	—	—	4,026	4,026
Segment net operating income	$ 15,469	$ 6,751	$ 3,206	$ 872	$ 4,026	$ 30,324
Depreciation and amortization	$ 32,606	$ 5,408	$ 1,862	$ 483	$ —	$ 40,359
Other income (expense):						
General and administrative						(1,716)
Management fee						(3,712)
Performance participation allocation						(5,711)
Interest income						36
Interest expense						(10,866)
Other income (expense)						157
Net loss						$ (31,847)
Net loss attributable to non-controlling interests						$ 122
Net loss attributable to BREIT stockholders						$ (31,725)

The following table sets forth the financial results by segment for the nine months ended September 30, 2018 ($ in thousands):

	Multifamily	Industrial	Hotel	Retail	Real Estate-Related Securities	Total
Revenues:						
Rental revenue	$ 213,512	$ 104,206	$ —	$ 5,616	$ —	$ 323,334
Tenant reimbursement income	11,463	30,095	—	1,321	—	42,879
Hotel revenue	—	—	79,017	—	—	79,017
Other revenue	15,637	343	781	81	—	16,842
Total revenues	240,612	134,644	79,798	7,018	—	462,072
Expenses:						
Rental property operating	112,775	38,681	—	2,397	—	153,853
Hotel operating	—	—	51,958	—	—	51,958
Total expenses	112,775	38,681	51,958	2,397	—	205,811
Income from real estate-related securities	—	—	—	—	59,279	59,279
Segment net operating income	$ 127,837	$ 95,963	$ 27,840	$ 4,621	$ 59,279	$ 315,540
Depreciation and amortization	$ 166,983	$ 77,786	$ 14,643	$ 3,296	$ —	$ 262,708
Other income (expense):						
General and administrative						(7,973)
Management fee						(28,073)
Performance participation allocation						(29,796)
Interest income						280
Interest expense						(146,943)
Other income (expense)						(672)
Net loss						$ (160,345)
Net loss attributable to non-controlling interests						$ 4,648
Net loss attributable to BREIT stockholders						$ (155,697)

The following table sets forth the financial results by segment for the nine months ended September 30, 2017 ($ in thousands):

	Multifamily	Industrial	Hotel	Retail	Real Estate-Related Securities	Total
Revenues:						
Rental revenue	$ 39,466	$ 14,357	$ —	$ 1,904	$ —	$ 55,727
Tenant reimbursement income	1,472	3,703	—	328	—	5,503
Hotel revenue	—	—	15,048	—	—	15,048
Other revenue	3,385	6	—	18	—	3,409
Total revenues	44,323	18,066	15,048	2,250	—	79,687
Expenses:						
Rental property operating	19,473	5,664	—	495	—	25,632
Hotel operating	—	—	9,617	—	—	9,617
Total expenses	19,473	5,664	9,617	495	—	35,249
Income from real estate-related securities	—	—	—	—	7,435	7,435
Segment net operating income	$ 24,850	$ 12,402	$ 5,431	$ 1,755	$ 7,435	$ 51,873
Depreciation and amortization	$ 51,205	$ 9,852	$ 3,119	$ 969	$ —	$ 65,145
Other income (expense):						
General and administrative						(5,969)
Management fee						(3,712)
Performance participation allocation						(10,952)
Interest income						418
Interest expense						(16,413)
Other income (expense)						85
Net loss						$ (49,815)
Net loss attributable to non-controlling interests						$ 122
Net loss attributable to BREIT stockholders						$ (49,693)

14. Subsequent Events

Acquisitions

Subsequent to September 30, 2018, the Company acquired an aggregate of $993.1 million of real estate, exclusive of closing costs, across three separate transactions.

Subsequent to September 30, 2018, the Company acquired an aggregate of $222.7 million of Real Estate-Related Securities.

Status of the Offering

As of November 13, 2018, the Company had sold an aggregate of 415,835,450 shares of its common stock (consisting of 266,113,175 Class S shares, 21,790,145 Class T shares, 28,572,626 Class D shares, and 99,359,504 Class I shares) in the Offering resulting in net proceeds of $4.3 billion to the Company as payment for such shares.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

References herein to "Blackstone Real Estate Income Trust," "BREIT," the "Company," "we," "us," or "our" refer to Blackstone Real Estate Income Trust, Inc. and its subsidiaries unless the context specifically requires otherwise.

The following discussion should be read in conjunction with the unaudited condensed consolidated financial statements and notes thereto appearing elsewhere in this quarterly report on Form 10-Q.

Forward-Looking Statements

This Form 10-Q contains forward-looking statements about our business, operations and financial performance, including, in particular, statements about our plans, strategies and objectives. You can generally identify forward-looking statements by our use of forward-looking terminology such as "may," "will," "expect," "intend," "anticipate," "estimate," "believe," "continue" or other similar words. These statements include our plans and objectives for future operations, including plans and objectives relating to future growth and availability of funds, and are based on current expectations that involve numerous risks, uncertainties and assumptions. Assumptions relating to these statements involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to accurately predict and many of which are beyond our control. Although we believe the assumptions underlying the forward-looking statements, and the forward-looking statements themselves, are reasonable, any of the assumptions could be inaccurate and, therefore, there can be no assurance that these forward-looking statements will prove to be accurate and our actual results, performance and achievements may be materially different from that expressed or implied by these forward-looking statements as a result of various factors, including but not limited to those discussed in the Company's Registration Statement on Form S-11 (File No. 333-213043), as amended, under Item 1A. Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2017, and elsewhere in this quarterly report on Form 10-Q. In light of the significant uncertainties inherent in these forward looking statements, the inclusion of this information should not be regarded as a representation by us or any other person that our objectives and plans, which we consider to be reasonable, will be achieved.

Overview

BREIT is a non-exchange traded, perpetual life real estate investment trust ("REIT") that acquires primarily stabilized income-oriented commercial real estate in the United States and, to a lesser extent, real estate-related securities. We are externally managed by BX REIT Advisors L.L.C. (the "Adviser"), a subsidiary of The Blackstone Group L.P. ("Blackstone"). We are the sole general partner of BREIT Operating Partnership L.P. ("BREIT OP"), a Delaware limited partnership, and we own all or substantially all of our assets through BREIT OP. As of September 30, 2018, we operated our business in five reportable segments: Multifamily, Industrial, Hotel, and Retail Properties, and Real Estate-Related Securities. Multifamily includes various forms of rental housing including apartments, student housing and manufactured housing.

We qualified as a REIT under the Code for U.S. federal income tax purposes beginning with the taxable year ended December 31, 2017. We generally will not be subject to U.S. federal income taxes on our taxable income to the extent we annually distribute all of our net taxable income to stockholders and maintain our qualification as a REIT.

We have registered with the Securities and Exchange Commission (the "SEC") an offering of up to $5.0 billion in shares of common stock (in any combination of purchases of Class S, Class T, Class D and Class I shares of our common stock), consisting of up to $4.0 billion in shares in our primary offering and up to $1.0 billion in shares pursuant to its distribution reinvestment plan (the "Offering"). The share classes have different upfront selling commissions and ongoing stockholder servicing fees.

As of November 13, 2018, we had received net proceeds of $4.3 billion from selling an aggregate of 415,835,450 shares of our common stock (consisting of 266,113,175 Class S shares, 21,790,145 Class T shares, 28,572,626 Class D shares, and 99,359,504 Class I shares). We have contributed the net proceeds from the Offering to BREIT OP in exchange for a corresponding number of Class S, Class T, Class D, and Class I units. BREIT OP has primarily used the net proceeds to make investments in real estate and real estate-related securities as further described below under "— Portfolio". We intend to continue selling shares in the Offering on a monthly basis.

We are not aware of any material trends or uncertainties, favorable or unfavorable, other than national economic conditions affecting real estate generally, that may be reasonably anticipated to have a material impact on either capital resources or the revenues or income to be derived from acquiring properties or real estate-related securities, other than those disclosed in Item 1A. Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2017, our prospectus dated May 1, 2018 and filed with the SEC, as supplemented, and elsewhere in this quarterly report on Form 10-Q.

Q3 2018 Highlights

Operating Results:

- Raised $767.7 million and $2.1 billion of net proceeds in the Offering during the three and nine months ended September 30, 2018, respectively. In addition, during the three months ended September 30, 2018, we received $50.0 million in Class B Unit subscriptions from a Blackstone-advised entity.

- Declared monthly net distributions totaling $48.5 million and $114.9 million for the three and nine months ended September 30, 2018, respectively.

- Inception through September 30, 2018 annualized total return without upfront selling commissions of 9.7% for Class S, 10.1% for Class T, 11.1% for Class D, and 10.6% for Class I shares. Inception to date annualized total return assuming full upfront selling commissions of 7.5% for Class S, 7.3% for Class T, and 9.9% for Class D shares.

Investments:

- Our 351 properties as of September 30, 2018 consisted of Multifamily (56% based on fair value), Industrial (31%), Hotel (11%), and Retail (2%) and our portfolio of real estate was concentrated in the following regions: South (39%), West (37%), East (14%), and Midwest (10%).

- Real estate-related securities investments as of September 30, 2018 were diversified by credit rating — BB (47% based on fair value), B (24%), BBB (24%), and Other (5%) and collateral backing — Hospitality (62%), Office (25%), Multifamily (7%), Retail (5%), and Industrial (1%).

- During the three months ended September 30, 2018, we acquired 30 multifamily, six hotel and one retail property across eight transactions with a total purchase price of $2.4 billion, inclusive of closing costs, consistent with our strategy of acquiring diversified, income producing, commercial real estate assets concentrated in high growth markets across the U.S.

- Our acquisitions during the three months ended September 30, 2018 included our first investment in student housing, a component of our Multifamily segment. We acquired a portfolio of 20 student housing properties for a purchase price of $1.2 billion, inclusive of closing costs. The 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%).

- Made investments in real estate-related securities in the form of commercial mortgage-backed securities ("CMBS") and corporate debt of real estate-related companies (together with CMBS, "Real Estate-Related Securities") with a total cost basis of $374.0 million during the three months ended September 30, 2018.

Financings:

- Continued our strategy of obtaining revolving credit capacity with the financing of the JW Marriott San Antonio Hill Country Resort acquisition, which included a $202.5 million revolver and $202.5 million term loan.

- Entered into long-term financing for 17 of our select-service hotel properties, ten of which were previously financed under our Citi Revolving Credit Facility. The new $257.0 million loan has a seven year term and is floating rate at L+1.80%.

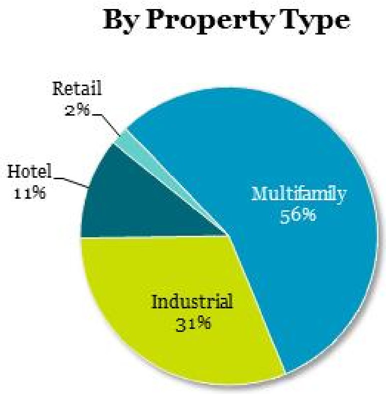
- Obtained $439.5 million of financings secured by our Real Estate-Related Securities positions unencumbered as of June 30, 2018 or acquired during the three months ended September 30, 2018.

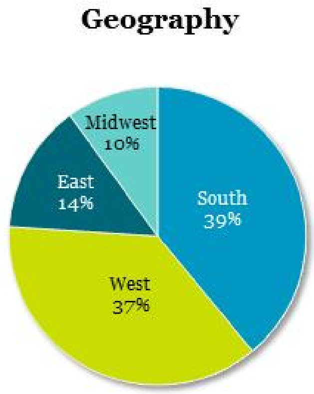
- Our financings secured by our Real Estate-Related Securities positions included $384.8 million of repurchase financings under the Barclays MRA, which includes longer duration and limited mark-to-market provisions compared to our other MRAs.

Portfolio

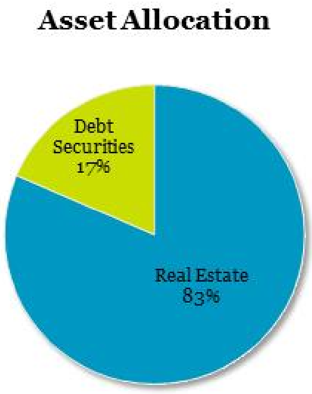
Summary of Portfolio

The following charts further describe our portfolio composition in real properties based on fair value as of September 30, 2018:





The following chart outlines the percentage of our investments in real properties and investments in Real Estate-Related Securities based on fair value as of September 30, 2018:



Investments in Real Estate

As of September 30, 2018, we had acquired 351 properties with a total purchase price of $9.6 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 and Retail properties, located in growth markets across the U.S. The following table provides a summary of our portfolio as of September 30, 2018:

Segment	Number of Properties	Sq. Feet (in thousands)/ Units/Sites/Beds/ Keys	Occupancy Rate(1)	Average Effective Annual Base Rent Per Leased Square Foot or Unit(2)	Gross Asset Value(3) ($ in thousands)	Segment Revenue	Percentage of Total Rental and Hotel Revenue
Multifamily	118	38,492 units/sites/beds	94%	$ 12,391	$ 5,621,392	$ 240,612	52%
Industrial	210	35,019 sq. ft.	95%	$ 4.97	2,955,068	134,644	29%
Hotel	20	3,431 keys	82%	$ 156.23/$127.40	1,099,213	79,798	17%
Retail	3	494 sq. ft.	99%	$ 18.78	137,302	7,018	2%
Total	351				$ 9,812,975	$ 462,072	100%

(1) The occupancy rate is as of September 30, 2018 for non-hotels. The occupancy rate for our hotel investments is the average occupancy rate for the nine months ended September 30, 2018.

(2) For Hotel properties, represents Average Daily Rate (“ADR”) and Revenue Per Available Room (“RevPAR”), respectively, for the nine months ended September 30, 2018 or for properties acquired during the nine months ended September 30, 2018, the date of acquisition through September 30, 2018.

(3) Based on fair value as of September 30, 2018.

Acquisitions of Real Estate

During the nine months ended September 30, 2018, we invested $6.0 billion in real estate investments consisting of 183 wholly-owned properties and 53 properties through joint ventures. The following table provides further details of the properties acquired during the nine months ended September 30, 2018:

Segment and Investment	Number of Properties	Location	Acquisition Date	Ownership Interest(1)	Purchase Price (in thousands)(2)	Sq. Feet (in thousands)/ Units/Sites/Beds/ Keys	Occupancy Rate(3)
Multifamily:							
Aston Multifamily Portfolio (second closing)	8	Various(4)	Jan. 2018	90%	$ 141,743	1,283 units	83%
The Boulevard	1	Phoenix, AZ	April 2018	100%	48,392	294 units	96%
Highroads MH	3	Phoenix, AZ	April 2018	99%	18,637	265 sites	92%
Blue Hills Multifamily	1	Boston, MA	May 2018	100%	131,747	472 units	90%
Wave Multifamily Portfolio	6	Various(5)	May 2018	100%	423,135	2,199 units	94%
ACG III Multifamily	2	Gresham, OR & Turlock, CA	May 2018	95%	96,182	475 units	93%
Carroll Florida Multifamily	2	Jacksonville & Orlando, FL	May 2018	100%	116,832	716 units	97%
Solis at Flamingo	1	Las Vegas, NV	June 2018	95%	72,560	524 units	95%
Evergreen Minari MH	2	Phoenix, AZ	June 2018	99%	8,614	114 sites	97%
Southwest MH	14	Various(6)	June 2018	99%	176,194	3,065 sites	80%
SVPAC MH	2	Phoenix, AZ	July 2018	99%	14,278	233 sites	92%
Hidden Springs MH	1	Desert Hot Springs, CA	July 2018	99%	17,122	317 sites	87%
Velaire at Aspera	1	Phoenix, AZ	July 2018	100%	64,573	286 units	97%
Coyote Multifamily Portfolio	6	Phoenix, AZ	Aug. 2018	100%	311,813	1,751 units	97%
EdR Student Housing Portfolio	20	Various(7)	Sept. 2018	95%	1,230,857	10,610 beds	98%
Total Multifamily	70				2,872,679	22,604 units/sites/beds	
Industrial:							
Kraft Chicago Industrial Portfolio	3	Aurora, IL	Jan. 2018	100%	151,365	1,693 sq. ft.	100%
Canyon Industrial Portfolio	146	Various(8)	Mar. 2018	100%	1,837,213	21,719 sq. ft.	94%
HP Cold Storage Industrial Portfolio	6	Various(9)	May 2018	100%	253,082	2,252 sq. ft.	94%
Total Industrial	155				2,241,660	25,664 sq. ft.	
Hotel:							
Henderson Select-Service 2-Pack	2	Henderson, NV	May 2018	100%	36,260	228 keys	82%
Orlando Select-Service 2-Pack	2	Orlando, FL	May 2018	100%	48,862	254 keys	88%
Corporex Select Service Portfolio	5	Various(10)	Aug. 2018	100%	117,869	601 keys	84%
JW Marriott San Antonio Hill Country Resort	1	San Antonio, TX	Aug. 2018	100%	604,323	1,002 keys	70%
Total Hotel	10				807,314	2,085 keys	
Retail:							
Vista Center	1	Miami, FL	Aug. 2018	100%	34,738	91,391 sq. ft.	96%
Total Retail	1				34,738	91,391 sq. ft.	
Total Investments in Real Estate	236				$ 5,956,391		

(1) 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.
(2) Purchase price is inclusive of acquisition-related costs.
(3) The occupancy rate is as of September 30, 2018 for non-hotels. The occupancy rate for our hotel investments is the average occupancy rate for the nine months ended September 30, 2018.
(4) The Aston Multifamily Portfolio is located in four markets: Dallas/Fort Worth, TX (48% of units), Austin/San Antonio, TX (35%), Louisville, KY (9%), and Nashville, TN (8%).
(5) The Wave Multifamily Portfolio is located in five markets: Sacramento, CA (28% of units), Las Vegas, NV (22%), Greater Seattle, WA (29%), Spokane, WA (14%), and Portland, OR (7%).
(6) Southwest MH is located in three markets: Phoenix, AZ (86% of sites), San Diego, CA (11%), and Palm Desert, CA (3%).
(7) 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%).
(8) The Canyon Industrial Portfolio consists of 146 industrial properties primarily concentrated in Chicago, IL (19% of sq. ft.), Dallas, TX (15%), Indianapolis, IN (11%), Baltimore/Washington, D.C. (9%), and Columbus, OH (7%).
(9) The HP Cold Storage Industrial Portfolio is located in four markets: Stockton, CA (52% of sq. ft.), Atlanta, GA (24%), Baltimore, MD (18%), and Austin, TX (6%).
(10) 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%).

Subsequent to September 30, 2018, the Company acquired an aggregate of $993.1 million of real estate, exclusive of closing costs, across three separate transactions.

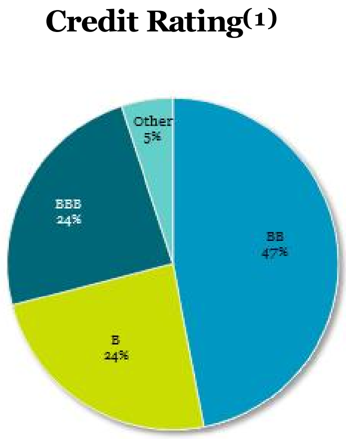
Investments in Real Estate-Related Securities

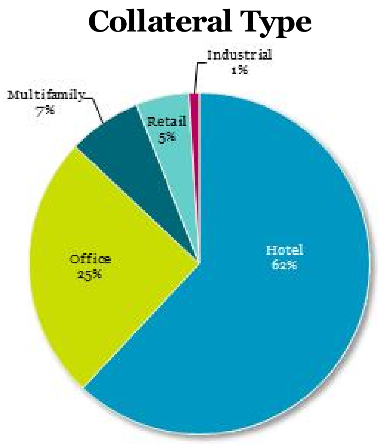
During the nine months ended September 30, 2018, we invested $1.1 billion in Real Estate-Related Securities. The following table details our investments in Real Estate-Related Securities as of September 30, 2018 ($ in thousands):

Number of Positions	Credit Rating(1)	Collateral(2)	Weighted Average Coupon(3)	Weighted Average Maturity Date(4)	Face Amount	Cost Basis	Fair Value
38	BB(5)	Hospitality, Office, Multifamily, Retail	L+2.70%	9/11/2024	$ 949,082	$ 947,436	$ 953,583
20	B	Hospitality, Office, Multifamily, Retail	L+3.57%	9/16/2024	494,296	493,032	496,036
24	BBB	Hospitality, Office, Multifamily, Industrial, Retail	L+2.15%	10/7/2024	486,858	486,362	488,141
9(6)	Other	Multifamily, Hospitality	L+1.22%	5/27/2026	138,127	83,925	84,127
2(7)	Other	Multifamily	N/A	5/25/2028	N/A	7,448	7,447
93					$ 2,068,363	$ 2,018,203	$ 2,029,334

(1) 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, 2018, were either not ratable or have not been submitted to ratings agencies.
(2) Multifamily Real Estate-Related Securities 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, 2018, one-month LIBOR was 2.3%.
(4) Weighted average maturity date is based on the fully extended maturity date of the underlying collateral.
(5) Includes one corporate bond position with a fair value of $54.0 million.
(6) Includes one zero coupon position. Excluding the zero coupon position, the weighted average coupon was L+2.20%.
(7) Includes two interest-only positions with a total notional amount of $1.2 billion.

The following charts further describe the diversification of our Real Estate-Related Securities investments by credit rating and collateral type based on fair value as of September 30, 2018:





(1) 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, 2018, were either not ratable or have not been submitted to ratings agencies.

Subsequent to September 30, 2018, we purchased an aggregate of $222.7 million of Real Estate-Related Securities.

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, 2018 ($ and square feet data in thousands). The table below excludes our multifamily 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
2018 (remaining)	19	$ 3,281	2%	411	1%
2019	88	22,176	10%	3,480	10%
2020	89	29,704	14%	4,751	13%
2021	108	35,920	17%	5,403	15%
2022	77	27,896	13%	4,144	12%
2023	74	44,597	21%	7,686	22%
2024	47	10,522	5%	1,593	5%
2025	28	14,224	7%	1,994	6%
2026	12	7,580	3%	1,510	4%
2027	13	7,774	3%	1,193	3%
Thereafter	22	10,876	5%	3,345	9%
Total	577	$ 214,550	100%	35,510	100%

(1) Annualized base rent is determined from the annualized September 2018 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.

Affiliate Service Providers

For details regarding our affiliate service providers, see Note 10 to our condensed consolidated financial statements and Note 11 to our Annual Report on form 10-K for the year ended December 31, 2017.

Results of Operations

Due to the significant amount of acquisitions of real estate and Real Estate-Related Securities we have made since we commenced principal operations in January 2017, our results of operations for the three and nine months ended September 30, 2018 and 2017 are not comparable. However, certain properties in our portfolio were owned for both the three months ended September 30, 2018 and 2017 and are discussed further below.

Same Property Results of Operations

We evaluate our consolidated results of operations on a same property basis, which allows us to analyze our property operating results excluding acquisitions during the periods under comparison. Properties in our portfolio are considered same property if they were owned for the full periods presented, otherwise they are considered non-same property. Newly acquired or recently developed properties that have not achieved stabilized occupancy are excluded from same property results and are considered non-same property. We do not consider our real estate-related securities segment to be same property.

For both the three months ended September 30, 2018 and 2017, our same property portfolio consisted of 13 multifamily, 39 industrial, two hotel, and one retail properties. We did not own any properties in our portfolio for the full nine months ended September 30, 2018 and 2017 and as such, same property comparisons are not presented for these periods.

Same property operating results are measured by calculating same property net operating income ("NOI"). Same property NOI is a supplemental non-GAAP disclosure of our operating results that we believe is meaningful as it enables management to evaluate the impact of occupancy, rents, leasing activity, and other controllable property operating results at our real estate properties. We define same property NOI as operating revenues less operating expenses, which exclude (i) depreciation and amortization, (ii) interest expense and other non-property related revenue and expenses items such as (a) general and administrative expenses, (b) management fee, (c) performance participation allocation, (d) interest income, and (e) income from Real Estate-Related Securities.

Our same property NOI may not be comparable to that of other REITs and should not be considered to be more relevant or accurate in evaluating our operating performance than the current GAAP methodology used in calculating net income (loss). The following table reconciles GAAP net loss attributable to BREIT stockholders to same property NOI for the three months ended September 30, 2018 and 2017 ($ in thousands):

	Three Months Ended September 30,	
	2018	2017
Net loss attributable to BREIT stockholders	$ (57,667)	$ (31,725)
Adjustments to reconcile to same property NOI		
General and administrative	3,027	1,716
Management fee	11,823	3,712
Performance participation allocation	12,447	5,711
Depreciation and amortization	103,758	40,359
Income from real estate-related securities	(28,647)	(4,026)
Interest income	(82)	(36)
Interest expense	65,711	10,866
Other income (expense)	283	(157)
Non-controlling interests	(1,096)	(122)
NOI	109,557	26,298
Non-same property NOI	86,077	3,681
Same property NOI	$ 23,480	$ 22,617

The following table details the components of same property NOI for the three months ended September 30, 2018 and 2017 ($ in thousands):

	Three Months Ended September 30, 2018	Three Months Ended September 30, 2017	2018 vs. 2017 $
Same property NOI			
Rental revenue	$ 29,514	$ 28,790	$ 724
Tenant reimbursement income	3,208	2,980	228
Hotel revenue	6,649	5,982	667
Other revenue	1,917	1,915	2
Total revenues	41,288	39,667	1,621
Rental property operating	13,377	13,199	178
Hotel operating	4,431	3,851	580
Total expenses	17,808	17,050	758
Same property NOI	$ 23,480	$ 22,617	$ 863

Same Property – Rental Revenue

Same property rental revenue increased $0.7 million for the three months ended September 30, 2018 compared to the corresponding period in 2017. The increase in rental revenue was primarily the result of an increase in occupancy of 3% at our multifamily properties.

Same Property – Hotel Revenue

Same property hotel revenue increased $0.7 million for the three months ended September 30, 2018, compared to the corresponding period in 2017. The increase in hotel revenue was primarily due to an increase in occupancy, ADR and RevPAR. Occupancy at the hotels increased from 85% to 88% period over period. ADR increased from $184 to $197 and RevPAR increased from $156 to $173 during the three months ended September 30, 2018 compared to the corresponding period in 2017.

Same Property – Hotel Operating Expenses

Same property hotel operating expenses increased $0.6 million during the three months ended September 30, 2018, compared to the corresponding period in 2017. The increase in hotel operating expenses for the three months ended September 30, 2018 was primarily a result of an increase in general operating expenses related to the increase in occupancy and RevPAR.

Other Operating Income and Expense Items

General and Administrative Expenses

During the three and nine months ended September 30, 2018, general and administrative expenses increased $1.3 million and $2.0 million, respectively, compared to the corresponding periods in 2017, primarily due to miscellaneous corporate level expenses related to the increased size of our portfolio. The increase was partially offset by $1.8 million of organization costs during the nine months ended September 30, 2017, which we did not incur in the same period of 2018.

Management Fee

During the three and nine months ended September 30, 2018, the management fee increased by $8.1 million and $24.4 million, respectively, compared to the corresponding periods in 2017. The increase was primarily due to the Adviser management fee waiver for the first six months of 2017 as well as the growth in our net asset value ("NAV").

Performance Participation Allocation

During the three and nine months ended September 30, 2018, the unrealized performance participation allocation accrual increased $6.7 million and $18.8 million, respectively, compared to the corresponding periods in 2017. Both increases were the result of the increased NAV of BREIT and a higher total return than the corresponding period in 2017. Such amount was allocated to the Special Limited Partner.

Depreciation and amortization

Depreciation and amortization increased significantly compared to the corresponding period in 2017. The increase was driven by the growth in our portfolio, which increased from 85 properties as of September 30, 2017 to 351 properties as of September 30, 2018.

Income from Real Estate-Related Securities

During the three and nine months ended September 30, 2018, income from Real Estate-Related Securities increased $24.6 million and $51.8 million, respectively, compared to the corresponding periods in 2017. Each increase was primarily due to the growth of our portfolio of investments in Real Estate-Related Securities which increased from 24 positions as of September 30, 2017 to 93 positions as of September 30, 2018.

Interest Expense

During the three and nine months ended September 30, 2018, interest expense increased $54.8 million and $130.5 million, respectively, compared to the corresponding periods in 2017. Each increase was primarily due to the growth in our portfolio of real estate and Real Estate-Related Securities and the related indebtedness of such investments.

Funds from Operations and Adjusted Funds from Operations

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 Associational 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 ("GAAP")), excluding gains or losses from sales of depreciable real property and impairment write-downs on depreciable real property, plus real estate-related depreciation and amortization, and similar adjustments for unconsolidated joint ventures.

The following table presents a reconciliation of FFO to net loss ($ in thousands):

	Three Months Ended September 30, 2018		Nine Months Ended September 30,	
	2018	2017	2018	2017
Net loss attributable to BREIT stockholders	$ (57,667)	$ (31,725)	$ (155,697)	$ (49,(
Adjustments:				
Real estate depreciation and amortization	103,758	40,359	262,708	65,1
Amount attributable to non-controlling interests for above adjustment	(2,272)	(169)	(7,434)	(1
Funds from Operations attributable to BREIT stockholders	$ 43,819	$ 8,465	$ 99,577	$ 15,2

We also believe that adjusted FFO ("AFFO") is a meaningful supplemental non-GAAP 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 straight-line rental income, amortization of above- and below-market lease intangibles, amortization of mortgage premium/discount, organization costs, unrealized gains or losses from changes in the fair value of financial instruments, amortization of stock awards, and performance participation allocation or other non-cash incentive compensation even if repurchased by us. AFFO is not defined by NAREIT and our calculation of AFFO may not be comparable to disclosures made by other REITs.

The following table presents a reconciliation of FFO to AFFO ($ in thousands):

	Three Months Ended September 30,		Nine Months Ended S	
	2018	2017	2018	
Funds from Operations attributable to BREIT stockholders	$ 43,819	$ 8,465	$ 99,577	$
Adjustments:				
Straight-line rental income	(2,606)	(551)	(6,366)	
Amortization of above- and below-market lease intangibles	(1,275)	(348)	(3,132)	
Amortization of mortgage premium	(75)	—	(176)	
Organization costs	—	—	—	
Unrealized (gains) losses from changes in the fair value of real estate-related securities	(4,913)	641	(8,761)	
Amortization of restricted stock awards	62	25	112	
Performance participation allocation	12,447	5,711	29,796	
Amount attributable to non-controlling interests for above adjustments	(36)	—	(83)	
Adjusted Funds from Operations attributable to BREIT stockholders	$ 47,423	$ 13,943	$ 110,967	$

FFO and AFFO 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 and AFFO 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 and AFFO 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.

Net Asset Value

The purchase price per share for each class of our common stock will generally equal our prior month's NAV per share, as determined monthly, plus applicable selling commissions and dealer manager fees. 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, and any stockholder servicing fees applicable to such class of shares.

The following table provides a breakdown of the major components of our NAV ($ and shares in thousands, except per share data):

Components of NAV	September 30, 2018
Investments in real properties	$ 9,812,975
Investments in real estate-related securities	2,029,334
Cash and cash equivalents	75,529
Restricted cash	223,368
Other assets	70,720
Debt obligations	(7,686,674)
Subscriptions received in advance	(180,425)
Other liabilities	(223,479)
Accrued performance participation allocation	(29,796)
Management fee payable	(4,265)
Accrued stockholder servicing fees(1)	(2,005)
Non-controlling interests	(103,732)
Net Asset Value	$ 3,981,550
Number of outstanding shares	367,751

(1) Stockholder servicing fees only apply to Class S, Class T, and Class D shares. See Reconciliation of Stockholders' Equity to NAV below for an explanation of the difference between the $2.0 million accrued for purposes of our NAV and the $203.2 million accrued under U.S. GAAP.

The following table provides a breakdown of our total NAV and NAV per share by share class as of September 30, 2018 ($ and shares in thousands, except per share data):

NAV Per Share	Class S Shares	Class T Shares	Class D Shares	Class I Shares	Total
Monthly NAV	$ 2,574,481	$ 205,019	$ 259,032	$ 943,018	$ 3,981,550
Number of outstanding shares	237,263	19,227	24,179	87,082	367,751
NAV Per Share as of September 30, 2018	$ 10.8508	$ 10.6629	$ 10.7133	$ 10.8290	

Set forth below are the weighted averages of the key assumptions in the discounted cash flow methodology used in the September 30, 2018 valuations, based on property types.

Property Type	Discount Rate	Exit Capitalization Rate
Multifamily	7.8%	5.6%
Industrial	7.3%	6.3%
Hotel	9.7%	9.2%
Retail	7.7%	6.6%

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:

Input	Hypothetical Change	Multifamily Investment Values	Industrial Investment Values	Hotel Investment Values	Retail Investment Values
Discount Rate	0.25% decrease	+1.9%	+1.5%	+0.9%	+1.8%
(weighted average)	0.25% increase	(1.8%)	(1.4%)	(0.9%)	(1.8%)
Exit Capitalization Rate	0.25% decrease	+2.9%	+2.7%	+2.0%	+2.3%
(weighted average)	0.25% increase	(2.7%)	(2.4%)	(1.9%)	(2.2%)

The following table reconciles stockholders' equity per our condensed consolidated balance sheet to our NAV ($ in thousands):

Reconciliation of Stockholders' Equity to NAV	September 30, 2018
Stockholders' equity under GAAP	$ 3,200,724
Adjustments:	
Accrued stockholder servicing fee	201,194
Organization and offering costs	8,693
Unrealized real estate appreciation	197,738
Accumulated depreciation and amortization	373,201
NAV	$ 3,981,550

The following details the adjustments to reconcile GAAP stockholders' equity to our NAV:

- Accrued stockholder servicing fee represents the accrual for the full cost of the stockholder servicing fee for Class S, Class T, and Class D shares. Under GAAP, we accrued the full cost of the stockholder servicing fee payable over the life of each share (assuming such share remains outstanding the length of time required to pay the maximum stockholder servicing fee) as an offering cost at the time we sold the Class S, Class T, and Class D shares. Refer to Note 2 to our Annual Report on Form 10-K for the year ended December 31, 2017 for further details of the GAAP treatment regarding the stockholder servicing fee. For purposes of NAV we recognize the stockholder servicing fee as a reduction of NAV on a monthly basis when such fee is paid.

- The Adviser agreed to advance certain organization and offering costs on our behalf through December 31, 2017. Such costs are being reimbursed to the Adviser pro-rata basis over 60 months beginning January 1, 2018. Under GAAP, organization costs are expensed as incurred and offering costs are charged to equity as such amounts are incurred. For NAV, such costs will be recognized as a reduction to NAV as they are reimbursed ratably over 60 months.

- Our investments in real estate are presented under historical cost in our GAAP consolidated financial statements. Additionally, our mortgage notes, term loans, revolving credit facilities, and repurchase agreements ("Debt") are presented at their carrying value in our consolidated GAAP financial statements. As such, any increases or decreases in the fair market value of our investments in real estate or our Debt are not included in our GAAP results. For purposes of determining our NAV, our investments in real estate and our Debt are recorded at fair value.

- In addition, we depreciate our investments in real estate and amortize certain other assets and liabilities in accordance with GAAP. Such depreciation and amortization is not recorded for purposes of determining our NAV.

Distributions

We declared monthly distributions for each class of our common stock which are generally paid 20 days after month-end. Each class of our common stock received the same gross distribution per share, which was $0.4699 per share for the nine months ended September 30, 2018. The net distribution varies for each class based on the applicable stockholder servicing fee, which is deducted from the monthly distribution per share and paid directly to the applicable distributor. The table below details the net distribution for each of our share classes for the nine months ended September 30, 2018.

	Class S Shares	Class T Shares	Class D Shares	Class I Shares
January 31, 2018	$ 0.0441	$ 0.0442	$ 0.0495	$ 0.0517
February 28, 2018	0.0443	0.0444	0.0492	0.0513
March 31, 2018	0.0445	0.0446	0.0500	0.0522
April 30, 2018	0.0445	0.0446	0.0498	0.0520
May 31, 2018	0.0446	0.0448	0.0501	0.0524
June 30, 2018	0.0447	0.0448	0.0500	0.0522
July 31, 2018	0.0448	0.0450	0.0504	0.0526
August 31, 2018	0.0450	0.0451	0.0505	0.0528
September 30, 2018	0.0451	0.0452	0.0505	0.0527
Total	$ 0.4016	$ 0.4027	$ 0.4500	$ 0.4699

The following tables summarize our distributions declared during the three and nine months ended September 30, 2018 and 2017 ($ in thousands).

	Three Months Ended September 30, 2018		Three Months Ended September 30, 2017	
	Amount	Percentage	Amount	Percentage
Distributions				
Payable in cash	$ 17,866	37%	$ 5,033	33%
Reinvested in shares	30,588	63%	10,018	67%
Total distributions	$ 48,454	100%	$ 15,051	100%
Sources of Distributions				
Cash flows from operating activities	$ 48,454	100%	$ 15,051	100%
Offering proceeds	—	—%	—	—%
Total sources of distributions	$ 48,454	100%	$ 15,051	100%
Cash flows from operating activities	$ 74,723		$ 24,776	
Funds from Operations	$ 43,819		$ 8,465	

	Nine Months Ended September 30, 2018		Nine Months Ended September 30, 2017	
	Amount	Percentage	Amount	Percentage
Distributions				
Payable in cash	$ 41,942	37%	$ 8,221	32%
Reinvested in shares	72,939	63%	17,100	68%
Total distributions	$ 114,881	100%	$ 25,321	100%
Sources of Distributions				
Cash flows from operating activities	$ 114,881	100%	$ 25,321	100%
Offering proceeds	—	—%	—	—%
Total sources of distributions	$ 114,881	100%	$ 25,321	100%
Cash flows from operating activities	$ 179,048		$ 44,260	
Funds from Operations	$ 99,577		$ 15,283	

Liquidity and Capital Resources

Our primary needs for liquidity and capital resources are to fund our investments, make distributions to our stockholders, repurchase shares of our common stock pursuant to our share repurchase plan, pay our organization and offering costs (including reimbursement of organization and offering costs advanced by the Adviser), operating expenses, capital expenditures and to pay debt service on our outstanding indebtedness. We anticipate our operating expenses will include, among other things, the management fee we pay to the Adviser (to the extent the Adviser elects to receive the management fee in cash or requests that we repurchase shares previously issued to the Adviser for payment of the management fee), the performance participation allocation that BREIT OP pays to the Special Limited Partner, general corporate expenses, and fees and expenses related to managing our properties and other investments. We do not have any office or personnel expenses as we do not have any employees.

Our cash needs for acquisitions and other investments will be funded primarily from the sale of shares of our common stock and through the assumption or incurrence of debt. Through September 30, 2018, our distributions have been funded entirely from cash flows from operations.

As of September 30, 2018, our indebtedness included loans secured by our properties, master repurchase agreements with Royal Bank of Canada (the "RBC MRA"), Barclays Bank PLC (the "Barclays MRA"), Citigroup Global Markets Inc. (the "Citi MRA"), Bank of America Merrill Lynch (the "BAML MRA"), and Morgan Stanley Bank, N.A. (the "MS MRA") secured by our investments in Real Estate-Related Securities, and an unsecured line of credit.

The following table is a summary of our indebtedness ($ in thousands):

Indebtedness	Weighted Average Interest Rate(1)	Weighted Average Maturity Date(2)(3)	Maximum Facility Size	Principal Balance as Of September 30, 2018	Principal Balance as Of December 31, 2017
Fixed rate loans:					
Fixed rate mortgages	4.02%	11/17/2025	N/A	$ 4,285,301	$ 1,468,294
Canyon Industrial Portfolio Mezzanine Loan	5.85%	4/5/2025	N/A	200,000	—
Total fixed rate loans	4.10%	11/7/2025		4,485,301	1,468,294
Variable rate loans:					
Floating rate mortgages	L+1.62%	10/4/2026	N/A	591,235	63,600
BAML Industrial Term Loan(4)	L+1.75%	6/1/2022	N/A	236,000	186,000
BAML Revolving Credit Facility(4)	L+1.75%	6/1/2022	$ 236,000	127,000	186,000
Citi JW San Antonio Revolving Credit Facility	L+1.70%	9/9/2023	202,500	202,500	—
Citi JW San Antonio Term Loan	L+1.70%	9/9/2023	N/A	202,500	—
Citi Revolving Credit Facility(5)	L+1.88%	10/26/2020	300,000	171,200	178,831
Capital One Term Loan(6)	L+1.60%	12/12/2022	N/A	101,000	22,500
Capital One Revolving Credit Facility(6)	L+1.60%	12/12/2022	101,000	101,000	20,600
Total variable rate loans	3.95%	2/6/2024		1,732,435	657,531
Total loans secured by the Company's properties	4.06%	5/13/2025		6,217,736	2,125,825
Repurchase agreement borrowings secured by our real estate-related securities:					
RBC MRA	L+1.27%	4/23/2019	N/A	625,913	150,238
Barclays MRA	L+1.72%	9/29/2021	750,000	384,764	—
Citi MRA	L+1.21%	10/25/2018	N/A	377,915	512,975
BAML MRA	L+1.06%	10/15/2018	N/A	80,687	19,635
MS MRA	L+0.96%	10/15/2018	N/A	72,436	—
Total repurchase agreement borrowings secured by our real estate-related securities				1,541,715	682,848
Unsecured loan:					
Affiliate line of credit	L+2.25%	1/23/2019	250,000	—	5,374
Total indebtedness				$ 7,759,451	$ 2,814,047

(1) The term "L" refers to (i) the one-month LIBOR with respect to the Line of Credit, Revolving Credit Facilities, and Term Loans, and (ii) the one-month and three-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 2018 into new one month contracts.
(4) The BAML Industrial Term Loan and BAML Revolving Credit Facility are secured by certain of our industrial assets.
(5) As of September 30, 2018, the Citi Revolving Credit Facility is secured by certain of our multifamily investments and as of December 31, 2017, certain of our hotel investments.
(6) The Capital One Term Loan and Capital One Revolving Credit Facility are secured by certain of our industrial assets.

As of November 13, 2018, we had received net proceeds of $4.3 billion from selling an aggregate of 415,835,450 shares of our common stock (consisting of 266,113,175 Class S shares, 21,790,145 Class T shares, 28,572,626 Class D shares, and 99,359,504 Class I shares).

During the three months ended September 30, 2018, BREIT OP received $50.0 million in Class B Unit subscriptions from a Blackstone-advised entity. As of September 30, 2018, there were 4,646,441 Class B Units outstanding. The total commitment made by the Blackstone-advised entity was $100.0 million and the remaining $50.0 million commitment was funded subsequent to September 30, 2018. Refer to Note 9 to our condensed consolidated financial statements for further details on our Class B Units.

Other potential future sources of capital include secured or unsecured financings from banks or other lenders and proceeds from the sale of assets. If necessary, we may use financings or other sources of capital in the event of unforeseen significant capital expenditures. We have not yet identified any sources for these types of financings.

Cash Flows

The following table provides a breakdown of the net change in our cash and cash equivalents and restricted cash ($ in thousands):

	Nine Months Ended September 30, 2018	Nine Months Ended September 30, 2017
Cash flows provided by operating activities	$ 179,048	$ 44,260
Cash flows used in investing activities	(6,856,263)	(2,901,931)
Cash flows provided by financing activities	6,818,383	2,994,172
Net increase in cash and cash equivalents and restricted cash	$ 141,168	$ 136,501

Cash flows provided by operating activities increased $134.8 million during the nine months ended September 30, 2018 compared to the corresponding period in the 2017 due to increased cash flows from the operations of the investments in real estate and income on our investments in Real Estate-Related Securities.

Cash flows used in investing activities increased $4.0 billion during the nine months ended September 30, 2018 compared to the corresponding period in 2017 primarily due to an increase of $3.4 billion in the acquisition of real estate investments and $0.6 billion of Real Estate-Related Securities.

Cash flows provided by financing activities increased $3.8 billion during the nine months ended September 30, 2018 compared to the corresponding period in 2017 primarily due to a net increase of $3.1 billion in borrowings and an increase of $0.7 billion in proceeds from issuance of our common stock.

Critical Accounting Policies

The preparation of the financial statements in accordance with GAAP involves significant judgments and assumptions and requires estimates about matters that are inherently uncertain. These judgments will affect our reported amounts of assets and liabilities and our disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the reporting periods. With different estimates or assumptions, materially different amounts could be reported in our condensed consolidated financial statements. We consider our accounting policies over investments in real estate and lease intangibles, investments in Real Estate-Related Securities, and revenue recognition to be our critical accounting policies. See Note 2 to our Annual Report on Form 10-K for the year ended December 31, 2017 for further descriptions of such accounting policies.

Recent Accounting Pronouncements

See Note 2 — "Summary of Significant Accounting Policies" to our condensed consolidated financial statements in this quarterly report on Form 10-Q for a discussion concerning recent accounting pronouncements.

Off-Balance Sheet Arrangements

We currently have no off-balance sheet arrangements that are reasonably likely to have a material current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Contractual Obligations

The following table aggregates our contractual obligations and commitments with payments due subsequent to September 30, 2018 ($ in thousands).

Obligations	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Indebtedness (1)	$ 9,585,203	$ 1,448,139	$ 1,167,757	$ 1,639,566	$ 5,329,741
Ground leases	467,109	1,401	2,908	3,056	459,744
Organizational and offering costs	8,693	2,045	4,091	2,557	—
Other	18,027	2,398	7,823	5,911	1,895
Total	$ 10,079,032	$ 1,453,983	$ 1,182,579	$ 1,651,090	$ 5,791,380

(1) The allocation of our indebtedness includes both principal and interest payments based on the current maturity date and interest rates in effect at September 30, 2018.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Indebtedness

We are exposed to interest rate risk with respect to our variable-rate indebtedness, whereas an increase in interest rates would directly result in higher interest expense costs. We seek to manage our exposure to interest rate risk by utilizing a mix of fixed and floating rate financings with staggered maturities and through interest rate protection agreements to fix or cap a portion of our variable rate debt. As of September 30, 2018, the outstanding principal balance of our variable rate indebtedness was $3.3 billion and consisted of mortgage notes, term loans, revolving credit facilities, and repurchase agreements.

Certain of our mortgage notes, term loans, and revolving credit facilities are variable rate and indexed to one-month U.S. Dollar denominated LIBOR. For the three and nine months ended September 30, 2018, a 10% increase in one-month U.S. Dollar denominated LIBOR would have resulted in increased interest expense of $0.6 million and $1.1 million, respectively.

Our repurchase agreements are variable rate and indexed to one-month or three-month U.S. Dollar denominated LIBOR. For the three and nine months ended September 30, 2018, a 10% increase in the one-month, three-month or twelve-month U.S. Dollar denominated LIBOR rate would have resulted in increased interest expense of $0.4 million and $1.2 million, respectively.

Investments in real estate-related securities

As of September 30, 2018, we held $2.0 billion of Real Estate-Related Securities. Our investments in Real Estate-Related Securities investments are primarily floating-rate and indexed to one-month U.S. denominated LIBOR and as such, exposed to interest rate risk. Our net income will increase or decrease depending on interest rate movements. While we cannot predict factors which may or may not affect interest rates, for the three and nine months ended September 30, 2018, a 10% increase or decrease in the one-month U.S. denominated LIBOR rate would have resulted in an increase or decrease to income from real estate-related securities of $0.8 million and $2.5 million, respectively.

We may also be exposed to market risk with respect to our investments in Real Estate-Related Securities due to changes in the fair value of our investments. We seek to manage our exposure to market risk with respect to our investments in Real Estate-Related Securities by making investments in securities backed by different types of collateral and varying credit ratings. The fair value of our investments may fluctuate, thus the amount we will realize upon any sale of our investments in Real Estate-Related Securities is unknown. As of September 30, 2018, the fair value at which we may sell our investments in Real Estate-Related Securities is not known, but a 10% change in the fair value of our investments in Real Estate-Related Securities may result in an unrealized gain or loss of $202.9 million.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

An evaluation of the effectiveness of the design and operation of our “disclosure controls and procedures” (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)), as of the end of the period covered by this quarterly report on Form 10-Q was made under the supervision and with the participation of our management, including our Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”). Based upon this evaluation, our CEO and CFO have concluded that as of the end of the period covered by this report our disclosure controls and procedures (a) were effective to ensure that information required to be disclosed by us in reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified by SEC rules and forms and (b) included, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in reports filed or submitted under the Exchange Act is accumulated and communicated to our management, including our CEO and CFO, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Controls over Financial Reporting

There have been no changes in our “internal control over financial reporting” (as defined in Rule 13a-15(f) of the Exchange Act) that occurred during the period covered by this quarterly report on Form 10-Q that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, we may be involved in various claims and legal actions arising in the ordinary course of business. As of September 30, 2018, we were not involved in any material legal proceedings.

ITEM 1A. RISK FACTORS

There have been no material changes to the risk factors previously disclosed under Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2017.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Unregistered Sales of Equity Securities

Except as described below, during the three months ended September 30, 2018, we did not sell any equity securities that were not registered under the Securities Act. As described in Note 10 to our condensed consolidated financial statements, the Adviser is entitled to an annual management fee payable monthly in cash, shares of common stock, or BREIT OP Units, in each case at the Adviser's election. For the three months ended September 30, 2018, the Adviser elected to receive its management fee in Class I shares and we issued 700,298 unregistered Class I shares to the Adviser in satisfaction of the management fee for July through August 2018. Additionally, we issued 393,894 unregistered Class I shares to the Adviser in October 2018 in satisfaction of the September 2018 management fee.

The Special Limited Partner is also entitled to an annual performance participation allocation. As further described in our Annual Report on Form 10-K for the fiscal year ended December 31, 2017, the 2017 performance participation allocation became payable on December 31, 2017 and in January 2018, the Company issued approximately 1.6 million Class I units in BREIT OP to the Special Limited Partner as payment for the 2017 performance participation allocation. Each Class I unit is exchangeable into one Class I share. Each issuance to the Adviser and the Special Limited Partner was made pursuant to Section 4(a)(2) of the Securities Act.

Use of Offering Proceeds

On August 31, 2016, the Registration Statement on Form S-11 (File No. 333-213043) for the Offering was declared effective under the Securities Act. Amendment No. 8 to our Registration Statement was declared effective under the Securities Act on May 1, 2018. The offering price for each class of our common stock is determined monthly and is made available on our website and in prospectus supplement filings.

As of September 30, 2018, we had received net proceeds of $3.8 billion from the Offering. The following table summarizes certain information about the Offering proceeds therefrom ($ in thousands except for share data):

	Class S Shares	Class T Shares	Class D Shares	Class I Shares	Total
Offering proceeds:					
Shares sold	238,809,136	19,250,630	24,293,198	85,179,975	367,532,939
Gross offering proceeds	$ 2,510,920	$ 206,688	$ 256,222	$ 894,292	$ 3,868,122
Selling commissions and dealer manager fees	(25,895)	(5,722)	(75)	—	(31,692)
Accrued stockholder servicing fees	(19,604)	(1,012)	(277)	—	(20,893)
Net offering proceeds	$ 2,465,421	$ 199,954	$ 255,870	$ 894,292	$ 3,815,537

We primarily used the net proceeds from the Offering toward the acquisition of $9.6 billion of real estate and $2.0 billion of Real Estate-Related Securities. In addition to the net proceeds from the Offering, we financed our acquisitions with $6.2 billion of financing secured by our investments in real estate, $1.5 billion of repurchase agreements, and borrowings on the line of credit from Blackstone Holdings Finance Co. L.L.C., an affiliate of Blackstone. See "Management's Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources" for additional details on our borrowings.

Share Repurchases

Under our share repurchase plan, to the extent we choose to repurchase shares in any particular month, we will only repurchase shares as of the opening of the last calendar day of that month (each such date, a "Repurchase Date"). Repurchases will be made at the transaction price in effect on the Repurchase Date (which will generally be equal to our prior month's NAV per share), except that shares that have not been outstanding for at least one year will be repurchased at 95% of the transaction price (an "Early Repurchase Deduction") subject to certain limited exceptions. Settlements of share repurchases will be made within three business days of the Repurchase Date. The Early Repurchase Deduction will not apply to shares acquired through our distribution reinvestment plan.

The total amount of aggregate repurchases of Class S, Class T, Class D, Class I shares, and Class B Units is limited to no more than 2% of our aggregate NAV per month and no more than 5% of our aggregate NAV per calendar quarter.

Should repurchase requests, in our judgment, place an undue burden on our liquidity, adversely affect our operations or risk having an adverse impact on the company as a whole, or should we otherwise determine that investing our liquid assets in real properties or other illiquid investments rather than repurchasing our shares is in the best interests of the Company as a whole, then we may choose to repurchase fewer shares than have been requested to be repurchased, or none at all. Further, our board of directors may modify, suspend or terminate our share repurchase plan if it deems such action to be in our best interest and the best interest of our stockholders. In the event that we determine to repurchase some but not all of the shares submitted for repurchase during any month, shares repurchased at the end of the month will be repurchased on a pro rata basis.

If the transaction price for the applicable month is not made available by the tenth business day prior to the last business day of the month (or is changed after such date), then no repurchase requests will be accepted for such month and stockholders who wish to have their shares repurchased the following month must resubmit their repurchase requests.

During the nine months ended September 30, 2018, we repurchased shares of our common stock in the following amounts, which represented all of the share repurchase requests received for the same period.

Period	Total Number of Shares Repurchased	Repurchases as a Percentage of Shares Outstanding	Average Price Paid per Share	Total Number of Shares Repurchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares Pending Repurch Pursuant to Publicly Announced Plans or Programs(1)
January 1 - January 31, 2018	29,942	0.02%	$ 10.57	29,942	
February 1 - February 28, 2018	88,765	0.04%	10.63	88,765	
March 1 - March 31, 2018	97,380	0.04%	10.64	97,380	
April 1 - April 30, 3018	164,420	0.07%	10.57	164,420	
May 1 - May 31, 2018	282,194	0.10%	10.64	282,194	
June 1 - June 30, 2018	376,302	0.13%	10.72	376,302	
July 1 - July 31, 2018	380,892	0.12%	10.74	380,892	
August 1 - August 31, 2018	382,988	0.11%	10.73	382,988	
September 1 - September 30, 2018(2)	1,050,305	0.29%	10.79	1,050,305	
Total	2,853,188	N/M	$ 10.73	2,853,188	

(1) Repurchases are limited under the share repurchase plan as described above. Under the share repurchase plan, we would have been able to repurchase up to an aggregate of $184.4 million of Class S, Class T, Class D, Class I shares, and Class B Units based on our August 31, 2018 NAV in the third quarter of 2018 (if such repurchase requests were made). Pursuant to the share repurchase plan, this amount resets at the beginning of each quarter.

(2) Includes 700,298 Class I shares previously issued to the Adviser as payment for the management fee. The shares were repurchased at the then current transaction price resulting in a total repurchase of $7.6 million. As of September 30, 2018, the Adviser owned 2.4 million of our Class I common shares.

Additionally, in June 2018, the Special Limited Partner redeemed 0.8 million Class I units in BREIT OP for $8.4 million based on the net asset value of the Class I units at May 31, 2018. The Special Limited Partner continues to hold 0.9 million Class I units in BREIT OP. The redemption of Class I units are not considered part of our share repurchase plan as described above.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Not applicable.

ITEM 6. EXHIBITS

4.1*	Distribution Reinvestment Plan
4.2*	Share Repurchase Plan
10.1	BREIT Operating Partnership L.P. Amended and Restated Partnership Agreement by and between Blackstone Real Estate Income Trust, Inc., BREIT Special Limited Partner L.P. (f/k/a BREIT Special Limited Partner L.L.C.) and the limited partners party thereto from time to time (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed July 27, 2018)
31.1	Certification of Chief Executive Officer, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1 +	Certification of Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2 +	Certification of Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.SCH	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document

+ This exhibit shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of that Section. Such exhibit shall not be deemed incorporated into any filing under the Securities Act or the Exchange Act.

* Filed herewith

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure other than with respect to the terms of the agreements or other documents themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by us in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time.

SIGNATURES

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

	BLACKSTONE REAL ESTATE INCOME TRUST, INC.
November 13, 2018	/s/ Frank Cohen
Date	Frank Cohen Chief Executive Officer (Principal Executive Officer)
November 13, 2018	/s/ Paul D. Quinlan
Date	Paul D. Quinlan Chief Financial Officer and Treasurer (Principal Financial Officer and Principal Accounting Officer)

EX-4.1 2 breit-ex41_610.htm EX-4.1

Exhibit 4.1

DISTRIBUTION REINVESTMENT PLAN

This Distribution Reinvestment Plan (the "Plan") is adopted by Blackstone Real Estate Income Trust, Inc. (the "Company") pursuant to its Articles of Amendment and Restatement (as amended, restated or otherwise modified from time to time, the "Charter"). Unless otherwise defined herein, capitalized terms shall have the same meaning as set forth in the Charter.

1. ***Distribution Reinvestment.*** As agent for the stockholders (the "Stockholders") of the Company who (i) purchase Class T shares, Class S shares, Class D shares or Class I shares of the Company's common stock (collectively the "Shares") pursuant to the Company's continuous public offering (the "Offering"), or (ii) purchase Shares pursuant to any future offering of the Company (a "Future Offering"), and who do not opt out of participating in the Plan (or, in the case of Alabama, Arkansas, Idaho, Kansas, Kentucky, Maine, Maryland, Nebraska, New Jersey, Ohio, Oregon, Vermont and Washington investors and clients of participating broker-dealers that do not permit automatic enrollment in the Plan, who opt to participate in the Plan) (the "Participants"), the Company will apply all dividends and other distributions declared and paid in respect of the Shares held by each Participant and attributable to the class of Shares purchased by such Participant (the "Distributions"), including Distributions paid with respect to any full or fractional Shares acquired under the Plan, to the purchase of additional Shares of the same class for such Participant.

2. ***Effective Date.*** The effective date of this Plan shall be the date that the minimum offering requirements are met in connection with the Offering and the escrowed subscription proceeds are released to the Company.

3. ***Procedure for Participation.*** Any Stockholder (unless such Stockholder is a resident of Alabama, Arkansas, Idaho, Kansas, Kentucky, Maine, Maryland, Nebraska, New Jersey, Ohio, Oregon, Vermont or Washington or is a client of a participating broker-dealer that does not permit automatic enrollment in the Plan) who has received a Prospectus, as contained in the Company's registration statement filed with the Securities and Exchange Commission (the "SEC"), will automatically become a Participant unless they elect not to become a Participant by noting such election on their subscription agreement. Any Stockholder who is a resident of Alabama, Arkansas, Idaho, Kansas, Kentucky, Maine, Maryland, Nebraska, New Jersey, Ohio, Oregon, Vermont or Washington or is a client of a participating broker-dealer that does not permit automatic enrollment in the Plan who has received a Prospectus, as contained in the Company's registration statement filed with the SEC, will become a Participant if they elect to become a Participant by noting such election on their subscription agreement. If any Stockholder initially elects not to be a Participant, they may later become a Participant by subsequently completing and executing an enrollment form or any appropriate authorization form as may be available from the Company, the Company's transfer agent, the dealer manager for the Offering or any soliciting dealer participating in the distribution of Shares for the Offering. Participation in the Plan will begin with the next Distribution payable after acceptance of a Participant's subscription, enrollment or authorization. Shares will be purchased under the Plan on the date that Distributions are paid by the Company.

4. ***Suitability.*** Each Participant is requested to promptly notify the Company in writing if the Participant experiences a material change in his or her financial condition, including the failure to meet the income, net worth and investment concentration standards imposed by such Participant's state of residence and set forth in the Company's most recent prospectus. For the avoidance of doubt, this request in no way shifts to the Participant the responsibility of the Company's sponsor, or any other person selling shares on behalf of the Company to the Participant to make every reasonable effort to determine that the purchase of Shares is a suitable and appropriate investment based on information provided by such Participant.

5. Purchase of Shares.

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 NAV 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). No upfront selling commissions will be payable with respect to shares purchased pursuant to the Plan, but such shares will be subject to ongoing stockholder servicing fees. Participants in the Plan may purchase fractional Shares so that 100% of the Distributions will be used to acquire Shares. However, a Participant will not be able to acquire Plan Shares and such Participant's participation in the Plan will be terminated to the extent that a reinvestment of such Participant's distributions in Shares would cause the percentage ownership or other limitations contained in the Charter to be violated.

B. Shares to be distributed by the Company in connection with the Plan may (but are not required to) be supplied from: (i) the Plan Shares which will be registered with the SEC in connection with the Offering or (ii) Shares to be registered with the SEC in a Future Offering for use in the Plan (a "Future Registration").

6. ***Taxes.*** THE REINVESTMENT OF DISTRIBUTIONS DOES NOT RELIEVE A PARTICIPANT OF ANY INCOME TAX LIABILITY THAT MAY BE PAYABLE ON THE DISTRIBUTIONS. INFORMATION REGARDING POTENTIAL TAX INCOME LIABILITY OF PARTICIPANTS MAY BE FOUND IN THE PUBLIC FILINGS MADE BY THE COMPANY WITH THE SEC.

7. ***Share Certificates.*** The ownership of the Shares purchased through the Plan will be in book-entry form unless and until the Company issues certificates for its outstanding Shares.

8. ***Reports.*** On a quarterly basis, the Company shall provide each Participant a statement of account describing, as to such Participant: (i) the Distributions reinvested during the quarter; (ii) the number and class of Shares purchased pursuant to the Plan during the quarter; (iii) the per share purchase price for such Shares; and (iv) the total number of Shares purchased on behalf of the Participant under the Plan. On an annual basis, tax information with respect to income earned on Shares under the Plan for the calendar year will be provided to each applicable participant.

9. ***Termination by Participant.*** A Participant may terminate participation in the Plan at any time, without penalty, by delivering 10 days' prior written notice to the Company. This notice must be received by the Company prior to the last day of a quarter in order for a Participant's termination to be effective for such quarter (i.e., a timely termination notice will be effective as of the last day of a quarter in which it is timely received and will not affect participation in the Plan for any prior quarter). Any transfer of Shares by a Participant to a non-Participant will terminate participation in the Plan with respect to the transferred Shares. If a Participant requests that the Company repurchase all or any portion of the Participant's Shares, the Participant's participation in the Plan with respect to the Participant's Shares for which repurchase was requested but that were not repurchased will be terminated. If a Participant terminates Plan participation, the Company may, at its option, ensure that the terminating Participant's account will reflect the whole number of shares in such Participant's account and provide a check for the cash value of any fractional share in such account. Upon termination of Plan participation for any reason, future Distributions will be distributed to the Stockholder in cash.

10. ***Amendment, Suspension or Termination by the Company.*** The Board of Directors may by majority vote amend any aspect of the Plan; provided that the Plan cannot be amended to eliminate a Participant's right to terminate participation in the Plan and that notice of any material amendment must be provided to Participants at least 10 days prior to the effective date of that amendment. The Board of Directors may by majority vote suspend or terminate the Plan for any reason upon ten days' written notice to the Participants.

11. ***Liability of the Company.*** The Company shall not be liable for any act done in good faith, or for any good faith omission to act, including, without limitation, any claims or liability (i) arising out of failure to terminate a Participant's account upon such Participant's death prior to timely receipt of notice in writing of such death or (ii) with respect to the time and the prices at which Shares are purchased or sold for a Participant's account. To the extent that indemnification may apply to liabilities arising under the Securities Act, or the securities laws of a particular state, the Company has been advised that, in the opinion of the SEC and certain state securities commissioners, such indemnification is contrary to public policy and, therefore, unenforceable.

EX-4.2 3 breit-ex42_611.htm EX-4.2

Exhibit 4.2

BLACKSTONE REAL ESTATE INCOME TRUST, INC.

Class T, S, D and I Share Repurchase Plan

Effective as of November 6, 2018

Definitions

Class D shares – shall mean the shares of the Company's common stock classified as Class D.

Class I shares – shall mean the shares of the Company's common stock classified as Class I.

Class S shares – shall mean the shares of the Company's common stock classified as Class S.

Class T shares – shall mean the shares of the Company's common stock classified as Class T.

Company – shall mean Blackstone Real Estate Income Trust, Inc., a Maryland corporation.

Dealer Manager – shall mean Blackstone Advisory Partners L.P.

NAV – shall mean the net asset value of the Company or a class of its shares, as the context requires, determined in accordance with the Company's valuation policies and procedures.

Operating Partnership – shall mean BREIT Operating Partnership L.P.

Operating Partnership units – shall mean limited partnership interests in the Operating Partnership.

Special Limited Partner – shall mean BREIT Special Limited Partner L.L.C.

Stockholders – shall mean the holders of Class T, Class S, Class D or Class I shares.

Transaction Price – shall mean the repurchase price per share for each class of common stock, which shall be equal to the then-current offering price before applicable selling commissions and dealer manager fees.

Share Repurchase Plan

Stockholders may request that the Company repurchase shares of its common stock through their financial advisor or directly with the Company's transfer agent. The procedures relating to the repurchase of shares of the Company's common stock are as follows:

- Certain broker-dealers require that their clients make repurchase requests through their broker-dealer, which may impact the time necessary to process such repurchase request. Stockholders should contact their broker-dealer first if they want to request the repurchase of their shares.
- Under this share repurchase plan, to the extent the Company chooses to repurchase shares in any particular month the Company will only repurchase shares as of the last calendar day of that month (a "Repurchase Date"). To have shares repurchased, a Stockholder's repurchase request and required documentation must be received in good order by 4:00 p.m. (Eastern time) on the second to last business day of the applicable month. Settlements of share repurchases will be made within three business days of the Repurchase Date. The Company will begin this share repurchase plan in the first month of the first full calendar quarter following the conclusion of its escrow period. Repurchase requests received and processed by the Company's transfer agent will be effected at a repurchase price equal to the Transaction Price on the applicable Repurchase Date (which will generally be equal to the Company's prior month's NAV per share), subject to any Early Repurchase Deduction (as defined below).

- A Stockholder may withdraw his or her repurchase request by notifying the transfer agent, directly or through the Stockholder's financial intermediary, on our toll-free, automated telephone line, 844-702-1299. The line is open on each business day between the hours of 9:00 a.m. and 6:00 p.m. (Eastern time). Repurchase requests must be cancelled before 4:00 p.m. (Eastern time) on the last business day of the applicable month.
- If a repurchase request is received after 4:00 p.m. (Eastern time) on the second to last business day of the applicable month, the purchase order will be executed, if at all, on the next month's Repurchase Date at the Transaction Price applicable to that month (subject to any Early Repurchase Deduction), unless such request is withdrawn prior to the repurchase. Repurchase requests received and processed by the Company's transfer agent on a business day, but after the close of business on that day or on a day that is not a business day, will be deemed received on the next business day.
- Repurchase requests may be made by mail or by contacting a financial intermediary, both subject to certain conditions described in this share repurchase plan. If making a repurchase request by contacting the Stockholder's financial intermediary, the Stockholder's financial intermediary may require the Stockholder to provide certain documentation or information. If making a repurchase request by mail to the transfer agent, the Stockholder must complete and sign a repurchase authorization form, which can be found at the end of this share repurchase plan and which will also be available on our website, *www.breit.com*. Written requests should be sent to the transfer agent at the following address:

DST Systems, Inc.
PO Box 219349
Kansas City, MO 64121-9349

Overnight Address:
DST Systems, Inc.
430 W 7th St. Suite 219349
Kansas City, MO 64105

Toll Free Number: 844-702-1299

Corporate investors and other non-individual entities must have an appropriate certification on file authorizing repurchases. A signature guarantee may be required.

- For processed repurchases, Stockholders may request that repurchase proceeds are to be paid by mailed check provided that the check is mailed to an address on file with the transfer agent for at least 30 days. Stockholders should check with their broker-dealer that such payment may be made via check or wire transfer, as further described below.
- Stockholders may also receive repurchase proceeds via wire transfer, provided that wiring instructions for their brokerage account or designated U.S. bank account are provided. For all repurchases paid via wire transfer, the funds will be wired to the account on file with the transfer agent or, upon instruction, to another financial institution provided that the Stockholder has made the necessary funds transfer arrangements. The customer service representative can provide detailed instructions on establishing funding arrangements and designating a bank or brokerage account on file. Funds will be wired only to U.S. financial institutions (ACH network members).
- A medallion signature guarantee may be required in certain circumstances described below. A medallion signature guarantee may be obtained from a domestic bank or trust company, broker-dealer, clearing agency, savings association or other financial institution which participates in a medallion program recognized by the Securities Transfer Association. The three recognized medallion programs are the

Securities Transfer Agents Medallion Program, the Stock Exchanges Medallion Program and the New York Stock Exchange, Inc. Medallion Signature Program. Signature guarantees from financial institutions that are not participating in any of these medallion programs will not be accepted. A notary public cannot provide signature guarantees. The Company reserves the right to amend, waive or discontinue this policy at any time and establish other criteria for verifying the authenticity of any repurchase or transaction request. The Company may require a medallion signature guarantee if, among other reasons: (1) the amount of the repurchase request is over $500,000; (2) a Stockholder wishes to have repurchase proceeds transferred by wire to an account other than the designated bank or brokerage account on file for at least 30 days or sent to an address other than such Stockholder's address of record for the past 30 days; or (3) the Company's transfer agent cannot confirm a Stockholder's identity or suspects fraudulent activity.

- If a Stockholder has made multiple purchases of shares of the Company's common stock, any repurchase request will be processed on a first in/first out basis unless otherwise requested in the repurchase request.

Minimum Account Repurchases

In the event that any Stockholder fails to maintain the minimum balance of $500 of shares of the Company's common stock, the Company may repurchase all of the shares held by that Stockholder at the repurchase price in effect on the date the Company determines that such Stockholder has failed to meet the minimum balance, less any Early Repurchase Deduction. Minimum account repurchases will apply even in the event that the failure to meet the minimum balance is caused solely by a decline in the Company's NAV. Minimum account repurchases are subject to Early Repurchase Deduction.

Sources of Funds for Repurchases

The Company may fund repurchase requests from sources other than cash flow from operations, including, without limitation, the sale of assets, borrowings, return of capital or offering proceeds (including from sales of the Company's common stock or Operating Partnership units to the Special Limited Partner, an affiliate of Blackstone), and the Company has no limits on the amounts it may pay from such sources.

Repurchase Limitations

The Company may repurchase fewer shares than have been requested in any particular month to be repurchased under this share repurchase plan, or none at all, in its discretion at any time. In addition, the total amount of aggregate repurchases of Class T, Class S, Class D and Class I shares will be limited to no more than 2% of the Company's aggregate NAV per month and no more than 5% of the Company's aggregate NAV per calendar quarter.

In the event that the Company determines to repurchase some but not all of the shares submitted for repurchase during any month, shares submitted for repurchase during such month will be repurchased on a pro rata basis. All unsatisfied repurchase requests must be resubmitted after the start of the next month or quarter, or upon the recommencement of this share repurchase plan, as applicable.

If the Transaction Price for the applicable month is not made available by the tenth business day prior to the last business day of the month (or is changed after such date), then no repurchase requests will be accepted for such month and stockholders who wish to have their shares repurchased the following month must resubmit their repurchase requests.

Should repurchase requests, in the Company's judgment, place an undue burden on the Company's liquidity, adversely affect the Company's operations or risk having an adverse impact on the Company as a whole, or should the Company otherwise determine that investing its liquid assets in real properties or other illiquid investments rather than repurchasing the Company's shares is in the best interests of the Company as a whole, the Company may choose to repurchase fewer shares in any particular month than have been requested to be repurchased, or none at all. Further, the Company's board of directors may modify, suspend or terminate this share repurchase plan if it deems such action to be in the best interest of the Company and its Stockholders. Material modifications, including any amendment to the 2% monthly or 5% quarterly limitations on repurchases, to and suspensions of the share repurchase plan will be promptly disclosed to stockholders in a prospectus supplement (or post-effective amendment if required by the Securities Act) or special or periodic report filed by us. Material modifications will also be disclosed on the Company's website. In addition, the Company may determine to suspend this share repurchase plan due to regulatory changes, changes in law or if the Company becomes aware of undisclosed material information that it believes should be publicly disclosed before shares are repurchased. Once this share repurchase plan is suspended, the Company's board of directors must affirmatively authorize the recommencement of this plan before Stockholder requests will be considered again.

Early Repurchase Deduction

There is no minimum holding period for shares of the Company's common stock and Stockholders can request that the Company repurchase their shares at any time. However, subject to limited exceptions, shares that have not been outstanding for at least one year will be repurchased at 95% of the Transaction Price (an "Early Repurchase Deduction") on the applicable Repurchase Date. The one-year holding period is measured as of the subscription closing date immediately following the prospective Repurchase Date. Additionally, Stockholders who have received shares of the Company's common stock in exchange for their Operating Partnership units may include the period of time such Stockholder held such Operating Partnership units for purposes of calculating the holding period for such shares of the Company's common stock. This Early Repurchase Deduction will also generally apply to minimum account repurchases.

The Company may, from time to time, waive the Early Repurchase Deduction in the following circumstances:

- repurchases resulting from death or qualifying disability; or
- in the event that a Stockholder's shares are repurchased because such Stockholder has failed to maintain the $500 minimum account balance.

As set forth above, the Company 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 through a revocable grantor 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 revocable grantor trust, the trustee of such trust, who shall have the sole ability to request repurchase on behalf of the trust. The Company must receive the written repurchase request within 12 months after the death of the Stockholder in order for the requesting party to rely on any of the special treatment described above that may be afforded in the event of the death of a Stockholder. Such a written request must be accompanied by a certified copy of the official death certificate of the Stockholder. If spouses are joint registered holders of shares, the request to repurchase the shares may be made if either of the registered holders dies. If the Stockholder is not a natural person, such as certain trusts or a partnership, corporation or other similar entity, the right of repurchase upon death does not apply.

Furthermore, as set forth above, the Company may waive the Early Repurchase Deduction in respect of repurchase of shares held by a Stockholder who is a natural person who is deemed to have a qualifying disability (as such term is defined in Section 72(m)(7) of the Code), subject to the conditions and limitations described above, including shares held by such Stockholder through a revocable grantor trust, or an IRA or other retirement or profit-sharing plan, after receiving written notice from such Stockholder, provided that the condition causing the qualifying disability was not pre-existing on the date that the Stockholder became a

Stockholder. The Company must receive the written repurchase request within 12 months of the initial determination of the Stockholder's disability in order for the Stockholder to rely on any of the waivers described above that may be granted in the event of the disability of a Stockholder. If spouses are joint registered holders of shares, the request to repurchase the shares may be made if either of the registered holders acquires a qualifying disability. If the Stockholder is not a natural person, such as certain trusts or a partnership, corporation or other similar entity, the right of repurchase upon disability does not apply.

Items of Note

- Stockholders will not receive interest on amounts represented by uncashed repurchase checks;
- Under applicable anti-money laundering regulations and other federal regulations, repurchase requests may be suspended, restricted or canceled and the proceeds may be withheld;
- IRS regulations require the Company to determine and disclose on Form 1099-B the adjusted cost basis for shares of the Company's stock sold or repurchased. Although there are several available methods for determining the adjusted cost basis, unless a Stockholder elects otherwise, which such Stockholder may do by checking the appropriate box on the subscription agreement or calling the Company's customer service number at 844-702-1299, the Company will utilize the first-in-first-out method; and
- All shares of the Company's common stock requested to be repurchased must be beneficially owned by the Stockholder of record making the request or his or her estate, heir or beneficiary, or the party requesting the repurchase must be authorized to do so by the Stockholder of record of the shares or his or her estate, heir or beneficiary, and such shares of common stock must be fully transferable and not subject to any liens or encumbrances. In certain cases, the Company may ask the requesting party to provide evidence satisfactory to the Company that the shares requested for repurchase are not subject to any liens or encumbrances. If the Company determines that a lien exists against the shares, the Company will not be obligated to repurchase any shares subject to the lien.

Mail and Telephone Instructions

The Company and its transfer agent will not be responsible for the authenticity of mail or phone instructions or losses, if any, resulting from unauthorized Stockholder transactions if they reasonably believe that such instructions were genuine. The Company and the its transfer agent have established reasonable procedures to confirm that instructions are genuine including requiring the Stockholder to provide certain specific identifying information on file and sending written confirmation to Stockholders of record no later than five days following execution of the instruction. Failure by the Stockholder or its agent to notify the Company's transfer agent in a timely manner, but in no event more than 60 days from receipt of such confirmation, that the instructions were not properly acted upon or any other discrepancy will relieve the Company, the Company's transfer agent and the financial advisor of any liability with respect to the discrepancy.

Blackstone

REPURCHASE AUTHORIZATION
FOR Blackstone Real Estate Income Trust, Inc.

Use this form to request repurchase of your shares in Blackstone Real Estate Income Trust, Inc. Please complete all sections below.

1 REPURCHASE FROM THE FOLLOWING ACCOUNT

Name(s) on the Account	
Account Number	Social Security Number/TIN
Financial Advisor Name	Financial Advisor Phone Number

2 REPURCHASE AMOUNT *(Check one)*

☐ All Shares
☐ Number of Shares ________________
☐ Dollar Amount $ ________________

3 REPURCHASE TYPE *(Check one)*

☐ Normal
☐ Death
☐ Disability

Additional documentation is required if repurchasing due to Death or Disability. Contact Investor Relations for detailed instructions at 844-702-1299.

4 PAYMENT INSTRUCTIONS *(Select only one)*

Indicate how you wish to receive your repurchase payment below. If an option is not selected, a check will be sent to your address of record. Repurchase proceeds for qualified accounts, including IRAs and other Custodial accounts, and certain Broker-controlled accounts as required by your Broker/Dealer of record, will automatically be issued to the Custodian or Broker/Dealer of record, as applicable. ***All Custodial held and Broker-controlled accounts must include the Custodian and/or Broker/Dealer signature.***

☐ **Cash/Check Mailed to Address of Record**

☐ **Cash/Check Mailed to Third Party/Custodian** *(Signature Guarantee required)*

Name / Entity Name / Financial Institution		Mailing Address	
City	State	Zip Code	Account Number

☐ Cash/Direct Deposit Attach a pre-printed voided check. *(Non-Custodian Investors Only)*

I authorize Blackstone Real Estate Income Trust, Inc. or its agent to deposit my distribution into my checking or savings account. In the event that Blackstone Real Estate Income Trust, Inc. deposits funds erroneously into my account, they are authorized to debit my account for an amount not to exceed the amount of the erroneous deposit.

Financial Institution Name	Mailing Address	City	State
Your Bank's ABA Routing Number		Your Bank Account Number	

PLEASE ATTACH A PRE-PRINTED VOIDED CHECK

5 SHARE REPURCHASE PLAN CONSIDERATIONS ***(Select only one)***

Our share repurchase plan contains limitations on the number of shares that can be repurchased under the plan during any month and quarter. In addition to these limitations, we cannot guarantee that we will have sufficient funds to accommodate all repurchase requests made in any applicable repurchase period and we may elect to repurchase fewer shares than have been requested in any particular month, or none at all. If the number of shares subject to repurchase requests exceeds the then applicable limitations, or if we otherwise do not make all requested repurchases, each shareholder's request will be reduced on a pro rata basis after we have repurchased all shares for which repurchase has been requested due to death or disability. If repurchase requests are reduced on a pro rata basis, you may elect (at the time of your repurchase request) to either withdraw your entire request for repurchase or have your request honored on a pro-rata basis. If you wish to have the remainder of your initial request repurchased, you must resubmit a new repurchase request for the remaining amount. **Please select one of the following options below. If an option is not selected, your repurchase request will be processed on a pro-rata basis, if needed.**

☐ Process my repurchase request on a pro-rata basis.

☐ Withdraw (do not process) my entire repurchase request if amount will be reduced on a pro-rata basis.

6 COST BASIS SELECTION ***(Select only one)***

U.S. federal income tax information reporting rules generally apply to certain transactions in our shares. Where they apply, the "cost basis" calculated for the shares involved will be reported to the Internal Revenue Service ("IRS") and to you. Generally these rules apply to our shares, including those purchased through our distribution reinvestment plan. You should consult your own tax advisor regarding the consequences of these new rules and your cost basis reporting options.

Indicate below the cost basis method you would like us to apply.

IMPORTANT: If an option is not selected, your cost basis will be calculated using the FIFO method.

☐ FIFO (First – In / First Out)

☐ LIFO (Last – In / First Out) *Consult your tax advisor to determine whether this method is available to you.*

☐ Specific Lots

If you have selected "Specific Lots," please identify the lots below:

Date of Purchase:	Amount of Purchase:
Date of Purchase:	Amount of Purchase:
Date of Purchase:	Amount of Purchase:

7 AUTHORIZATION AND SIGNATURE

IMPORTANT: Signature Guarantee may be required if any of the following applies:

- Amount to be repurchased is $500,000 or more.
- The repurchase is to be sent to an address other than the address we have had on record for the past 30 days.
- The repurchase is to be sent to an address other than the address on record.
- If name has changed from the name in the account registration, we must have a one-and-the-same name signature guarantee. A one-and-the-same signature guarantee must state "<Previous Name> is one-and-the-same as <New Name>" and you must sign your old and new name.
- The repurchase proceeds are deposited directly according to banking instructions provided on this form. *(Non-Custodial Investors Only)*

Investor Name (Please Print)	Signature	Date

Co-Investor Name (Please Print)	Signature	Date

Signature Guarantee *(Affix Medallion or Signature Guarantee Stamp Below)*	**Custodian and/or Broker/Dealer Authorization** *(if applicable)* Signature of Authorized Person

* Please refer to the prospectus you received in connection with your initial investment in Blackstone Real Estate Income Trust, Inc., as amended by any amendments or supplements to that prospectus, for a description of the current terms of our share repurchase plan. A copy of the prospectus, as amended and supplemented to date, is located at www.breit.com and at www.sec.gov. The repurchase price will be available in our prospectus supplements and at www.breit.com and www.sec.gov. There are various limitations on your ability to request that we repurchase your shares, including, subject to certain exceptions, an early repurchase deduction if your shares have been outstanding for less than one year. Please see a copy of the applicable prospectus, as amended and supplemented to date, for the current repurchase price. Our board of directors may determine to amend, suspend or terminate our share repurchase plan without stockholder approval. We will provide written notice of any amendment, suspension or termination of the plan in a filing with the SEC at www.sec.gov, which will also be made available at www.breit.com. Repurchase of shares, when requested, will generally be made monthly; provided however, that the board of directors may determine from time to time to adjust the timing of repurchases. All requests for repurchases must be received in good order by 4:00 p.m. (Eastern time) on the second to last business day of the applicable month. A Stockholder may withdraw his or her repurchase request by notifying the transfer agent, directly or through the Stockholder's financial intermediary, on our toll-free, automated telephone line, 844-702-1299. Repurchase requests must be cancelled before 4:00 p.m. (Eastern time) on the applicable Repurchase Date (or if such Repurchase Date is not a business day, the prior business day). We cannot guarantee that we will have sufficient available funds or that we will otherwise be able to accommodate any or all requests made in any applicable repurchase period.

Mail to: Blackstone Real Estate Income Trust ¢ DST Systems, Inc. ¢ PO Box 219349 ¢ Kansas City, MO 64121-9349

Overnight Delivery: Blackstone Real Estate Income Trust ¢ DST Systems, Inc. ¢ 430 W. 7th St. ¢ Kansas City, MO 64105

Investor Relations: 844-702-1299

Exhibit 31.1

CERTIFICATION
PURSUANT TO 17 CFR 240.13a-14
PROMULGATED UNDER
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Frank Cohen, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Blackstone Real Estate Income Trust, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 13, 2018

/s/ Frank Cohen
Frank Cohen
Chief Executive Officer

Exhibit 31.2

CERTIFICATION
PURSUANT TO 17 CFR 240.13a-14
PROMULGATED UNDER
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Paul D. Quinlan, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Blackstone Real Estate Income Trust, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 13, 2018

/s/ Paul D. Quinlan
Paul D. Quinlan
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Blackstone Real Estate Income Trust, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2018 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Frank Cohen, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Frank Cohen
Frank Cohen
Chief Executive Officer
November 13, 2018

This certification accompanies each Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

A signed original of this written statement required by Section 906 has been provided by the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Blackstone Real Estate Income Trust, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2018 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Paul D. Quinlan, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Paul D. Quinlan
Paul D. Quinlan
Chief Financial Officer
November 13, 2018

This certification accompanies each Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

A signed original of this written statement required by Section 906 has been provided by the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.