Blackstone Real Estate Income Trust

Declining New Supply is a Long-Term Tailwind

Limited new construction supports pricing power for BREIT's existing real estate assets

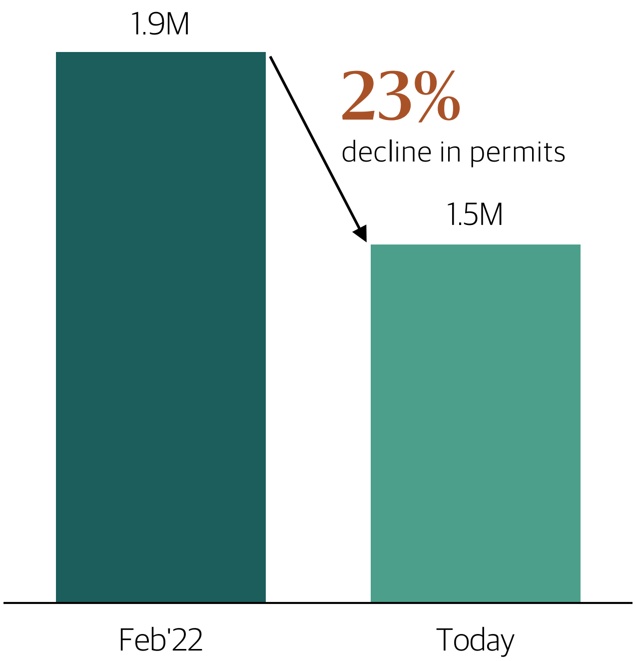
- **Higher material and labor costs:** ~30% more expensive to build rental housing and 2x more expensive to build a warehouse today vs. pre-COVID-19[1]
- **Higher financing costs and less availability:** historic increases in interest rates and muted activity from regional banks (historically ~30% of construction lending)[2,3]
- **Structural demand drivers in BREIT's largest sectors outpace elevated near-term supply:**
  - Rental housing (56% of BREIT's portfolio): undersupply of 4 million homes since the Global Financial Crisis; ~80% of BREIT's rental housing assets are in the Sunbelt, which has experienced 5x population growth vs. the rest of the U.S.[4,5,6,7]
  - Industrial (23% of BREIT's portfolio): e-commerce and supply chain realignment tailwinds[4,8]

Rental Housing

93% BREIT occupancy[9]

U.S. Housing Permits, Decline from '22 Peak[10]

Units, Trailing 3-Month Average, Annualized

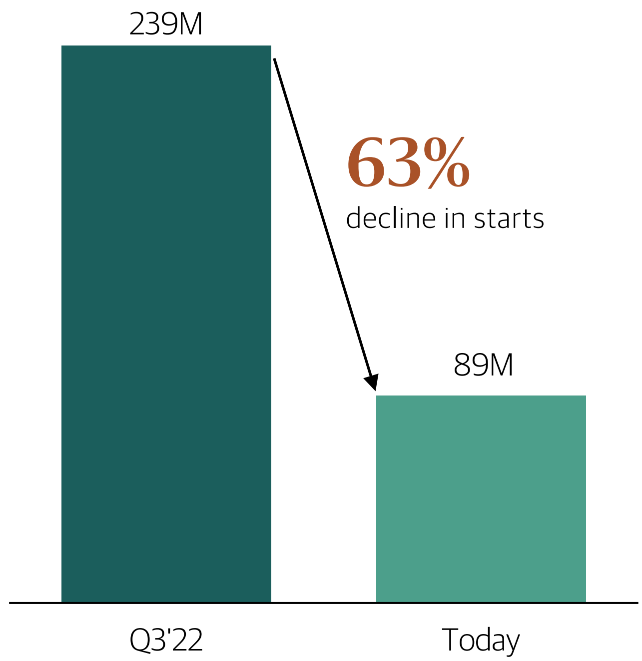


Industrial

97% BREIT occupancy[9]

U.S. Industrial Starts, Decline from '22 Peak[11]

Square Feet



Note: As of June 30, 2023, unless otherwise indicated. Represents BREIT's view of the current market environment as of the date appearing in this material only, which is subject to change. Diversification does not assure a profit or protect against a loss in a declining market. **Past performance does not predict future results**. There can be no assurance that any Blackstone fund or investment will be able to implement its investment strategy, achieve its investment objectives or avoid substantial losses. See "Disclosures-Trends".

Endnotes

1. Blackstone Proprietary Data, as of June 30, 2023. Represents estimated percent change in the costs of new development by sector between December 31, 2019 and June 30, 2023 and comprises land, hard costs and soft costs. Industrial development cost increase reflects industrial properties in 5 representative U.S. markets. Rental housing development cost increase reflects primarily suburban multifamily properties in 9 representative U.S. markets. Markets indicate the metropolitan statistical area ("MSA") in which BREIT's properties are located.

2. U.S. Department of the Treasury, as of June 30, 2023. The 10-Year U.S. Treasury yield increased by more than 0.45% in a calendar month five times since the beginning of 2022. Since 1990, there have been only 18 such increases.

3. MSCI Real Capital Analytics, as of December 31, 2022. Reflects regional/local bank transaction activity in 2022 as a percentage of total lending activity.

4. As of June 30, 2023. "Property Sector Concentration" weighting is measured as the asset value of real estate investments for each sector category (Rental Housing, Industrial, Net Lease, Data Centers, Self Storage, Hospitality, Retail, Office) divided by the total asset value of all real estate investments, excluding the value of any third-party interests in such real estate investments ("Real Estate TAV"). The following sectors each have subsectors comprising over 1.0% of Real Estate TAV. Rental Housing: multifamily (36%, including affordable housing, which accounts for 9%), student housing (11%), single family rental housing (8%) and manufactured housing (1%); Industrial: warehouses (22%); and Hospitality: select service hotels (2%). Please see the prospectus for more information on BREIT's investments.

5. Freddie Mac, as of December 31, 2020, released May 7, 2021.

6. "Region Concentration" represents regions as defined by the National Council of Real Estate Investment Fiduciaries ("NCREIF") and the weighting is measured as the asset value of real estate properties and unconsolidated property investments for each regional category (South, West, East, Midwest, Non-U.S.) divided by the total asset value of all (i) real estate properties, excluding the value of any third-party interests in such real estate properties, and (ii) unconsolidated property investments. "Non-U.S." reflects investments in Europe and Canada. "Sunbelt" refers to the South and West regions. BREIT's total rental housing portfolio is 77% concentrated in the Sunbelt. Our portfolio is currently concentrated in certain industries and geographies, and, as a consequence, our aggregate return may be substantially affected by adverse economic or business conditions affecting that particular type of asset or geography.

7. Population growth reflects U.S. Bureau of Economic Analysis, as of June 22, 2022. Represents 5-year compound annual growth rate of population from mid-quarter Q1 2017 to mid-quarter Q1 2022. Reflects comparison between the South and West regions versus the rest of the United States as defined by NCREIF.

8. U.S. Census Bureau, as of March 31, 2023. Reflects growth in annual e-commerce penetration. Penetration calculated on a trailing one-year basis and represents e-commerce sales' share of total retail sales excluding auto, gas and food services.

9. As of June 30, 2023. Occupancy is an important real estate metric because it measures the utilization of properties in the portfolio. BREIT's occupancy, weighted by the total value of all consolidated real estate properties, excluding our hospitality investments, and any third-party interests in such properties, was 95%. For our industrial, data center, retail and office investments, occupancy includes all leased square footage as of the date indicated. For our multifamily and student housing investments, occupancy is defined as the percentage of actual rent divided by gross potential rent (defined as actual rent for occupied units and market rent for vacant units) for the three months ended on the date indicated. For our net lease investments, occupancy includes leased properties as of the date indicated. For our single family rental housing investments, the occupancy rate includes occupied homes for the three months ended on the date indicated. For our self storage, manufactured housing and senior living investments, the occupancy rate includes occupied square footage, occupied sites and occupied units, respectively, as of the date indicated. The average occupancy rate for our hospitality investments was 72% for the twelve months ended March 31, 2023. Hospitality investments owned less than twelve months are excluded from the average occupancy rate calculation.

10. U.S. Census Bureau, as of June 30, 2023. Represents decline in seasonally adjusted U.S. new privately owned housing units authorized in permit-issuing places from 2022 peak of the trailing three-month period ended February 28, 2022 to today. Today refers to the trailing three-month period ended June 30, 2023. Includes single and multifamily dwellings. Privately owned housing units authorized in permit-issuing places reflect the earliest phase of a residential construction project as defined by the U.S. Census Bureau and is distinct from later phases such as starts, under construction and completed housing units, which may differ in volume over a given period. As of June 30, 2023, the rental housing sector accounted for 56% of BREIT's real estate asset value.

11. Industrial supply reflects CoStar data as of July 17, 2023 and represents the decline in new industrial construction starts from the 2022 peak of Q3 2022 to today. Today represents Q2 2023. As of June 30, 2023, the industrial sector accounted for 23% of BREIT's real estate asset value.

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