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

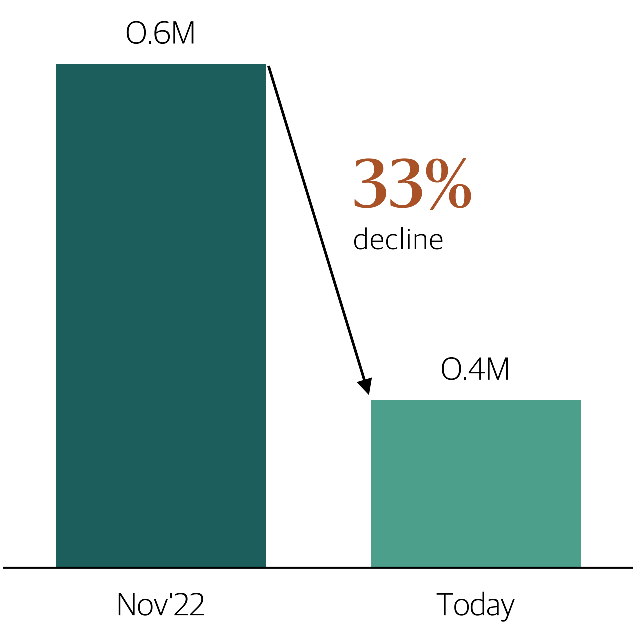
- **Higher material and labor costs:** ~30% more expensive to build rental housing and 2x more expensive to build a warehouse today vs. pre-COVID-19[1]
- **Higher financing costs and less availability:** historic increases in interest rates and muted activity from regional banks (historically ~30% of construction lending)[2,3]
- **Structural demand drivers in BREIT's largest sectors outpace elevated near-term supply:**
  - Rental housing (53% 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 8x population growth vs. the rest of the U.S.[4,5,6,7]
  - Industrial (25% of BREIT's portfolio): e-commerce and supply chain realignment tailwinds[4,8]

Rental Housing

93% BREIT occupancy[9]

U.S. Multifamily Starts, Decline from '22 Peak[10]

Units, Trailing 3-Month Average, Annualized

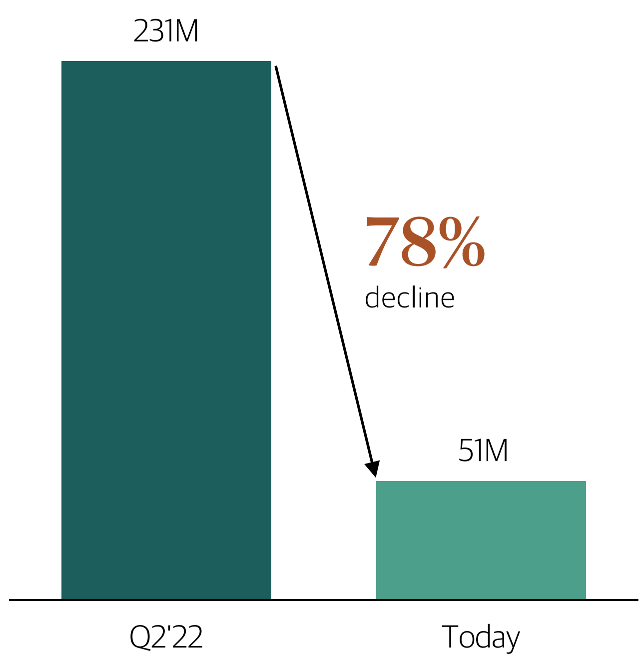


Industrial

97% BREIT occupancy[9]

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

Square Feet



Note: As of September 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 returns**. 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 "Important Disclosure Information-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 September 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 19 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 September 30, 2023. "Property Sector" weighting is measured as the asset value of real estate investments for each sector category divided by the asset value of all real estate investments, excluding the value of any third-party interests in such real estate investments. Rental Housing includes the following subsectors comprising over 1.0% of real estate asset value: multifamily (25%, including senior housing, which accounts for <1%), student housing (10%), single family rental housing (10%, including manufactured housing, which accounts for 1%) and affordable housing (8%). 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 for each regional category divided by the asset value of all real estate properties, excluding the value of any third-party interests in such real estate properties. "Non-U.S." reflects investments in Europe and Canada. 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 30, 2023. Represents 5-year compound annual growth rate of population from mid-quarter Q1 2018 to mid-quarter Q1 2023. 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 June 30, 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 September 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 73% for the twelve months ended June 30, 2023. Hospitality investments owned less than twelve months are excluded from the average occupancy rate calculation.

10. Multifamily supply reflects U.S. Census Bureau, as of September 30, 2023. Represents decline in seasonally adjusted annualized rate of U.S. new privately owned multifamily starts from 2022 peak of the trailing three-month period ended November 30, 2022 to the trailing three-month period ended September 30, 2023. Privately owned multifamily starts are distinct from U.S. Census permits and completions figures and total housing starts (which include both single family and multifamily), which may differ in volume over a given period. As of September 30, 2023, the multifamily (including senior housing) and affordable housing sectors accounted for 25% and 8% of BREIT's real estate asset value, respectively.

11. Industrial supply reflects CoStar data as of September 30, 2023 and represents the decline in new industrial construction starts from the 2022 peak of Q2 2022 to today. Today represents Q3 2023. As of September 30, 2023, the industrial sector accounted for 25% of BREIT's real estate asset value.

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