Brookfield

Brookfield Real Estate Income Trust Inc.

11.8% SINCE INCEPTION TOTAL RETURN FOR CLASS I[1]	12.2% 3-YEAR TOTAL RETURN FOR CLASS I[1]	98% PORTFOLIO OCCUPANCY	8% SAME-PROPERTY NOI GROWTH 1H 2023[2]	5.6% DISTRIBUTION RATE FOR CLASS I[3]

Brookfield REIT Q2 Performance

During a challenging second quarter of 2023 for private real estate, Brookfield Real Estate Income Trust Inc. ("Brookfield REIT") had a total return of -1.6%. Despite substantial current dislocation in the real estate sector and the U.S. economy, Brookfield REIT's portfolio was built to generate stable income and appreciation over the long term and has produced strong annualized total returns since inception of 11.83% and an annualized distribution rate of 5.61% for Class I shares as of June 30, 2023.

Lingering uncertainty about how the U.S. Federal Reserve's monetary tightening policy will play out has led to cautious valuation and growth assumptions within private real estate. Adjustments to real estate valuations typically lag changes in interest rates, and over the last 12 months we have been subject to significant rate hikes, which have put pressure on individual property valuations and on private real estate portfolios more broadly.

We have been consistent with the market on adjusting cap rates across our portfolio to reflect continued macroeconomic uncertainty. With inflation cooling significantly in the second quarter, we appear to be nearing the end of this monetary tightening cycle, and once rates plateau, that should translate fairly quickly into a positive for real estate values. Once this rate stabilization occurs, we anticipate that the consistent cash flow growth we have demonstrated will be better reflected in property valuations.

It is worth stressing that these recent impairments in value reflect a particular point in time, which we believe is more indicative of today's market environment and not the longer-term value or performance of our portfolio.

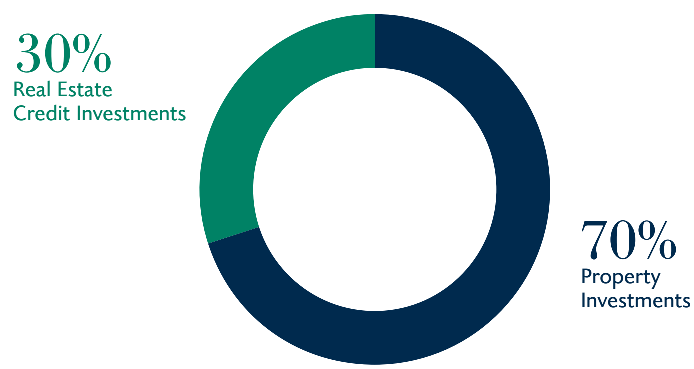
The real estate fundamentals and operating performance of our portfolio remain strong, with consistently high occupancy (98%) and growing cash flows. Same-property net operating income (NOI) has grown 8% over the first half of 2023 compared with the same period the year prior.

Reasons for Optimism

Against this backdrop, there are reasons for optimism. For example, real estate credit is presenting some of the best risk-adjusted return opportunities in recent years, in our view. Partnering with Oaktree, our credit portfolio has grown to over $310 million, or almost 30% of our net asset value (Figure 1).

Over the past 12 months, we have invested virtually all newly raised capital into real estate credit, primarily in floating-rate CMBS, which has continued to perform well in today's environment. Our credit investments have a current yield of over 8% with all-in yields-to-maturity of approximately 10%. Since Brookfield REIT's inception, our liquid credit portfolio has outpaced the performance of comparable indexes (Figure 2).

Figure 1: Today, Real Estate Credit Is 30% of Brookfield REIT's Net Asset Value



As of June 30, 2023. Measured based on the net asset value of Brookfield REIT's investments, which is calculated as the sum of (a) the gross asset value of property investments (based on fair value) less the fair value of debt liabilities adjusted for investment-level working capital, excluding any third-party interest in such real estate investments, plus (b) the fair value of real estate-related debt investments and investments in short-term treasuries. There is no indebtedness on our real estate-related debt investments.

One of our largest advantages is that Brookfield REIT leverages Oaktree's real estate credit expertise. Oaktree's real-time insight into the real estate debt markets allows us to identify opportunities, and our team is able to react and deploy capital quickly—whether it be in attractive residential mortgage bonds, or commercial mortgage assets backed by strong, well-capitalized sponsors. The capability of our credit team is wide-ranging and continues to present ongoing opportunities to generate returns, which is especially meaningful during a time when private real estate transactions are limited.

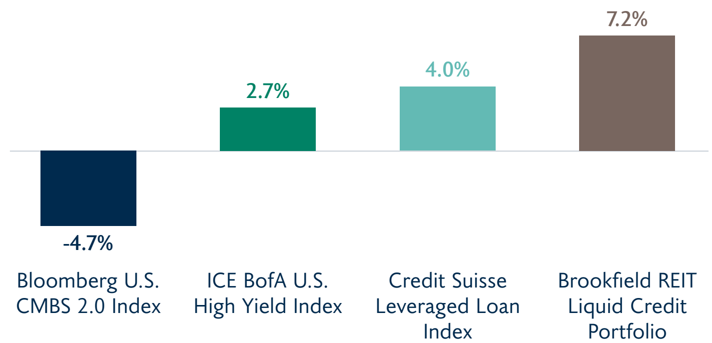
Tailwinds Supporting Brookfield REIT

We continue to see strong fundamentals and a positive outlook in rental housing—multifamily/apartments and single-family rental homes—a sector already performing quite well. The net operating income of our multifamily portfolio grew by 14% in the first half of 2023 compared to the same period last year, a pace well above what we would underwrite in our investment models (Figure 3).

We believe our strong operating performance is attributable to owning desirable buildings with best-in-class amenities, favorable tenant demographics, and properties located in markets with tight housing supply.

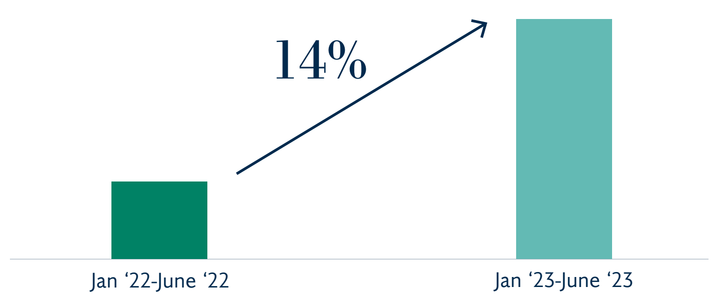
We believe rental housing in the United States will benefit from several significant tailwinds. Housing remains a fundamental necessity, and as long as the population and household formation keeps growing, demand will continue to rise. At the same time, U.S. multifamily supply has failed to meet aggregate demand for the past decade, causing a material housing supply-demand imbalance (Figure 4). Rising construction costs, the scarcity of land, high interest rates, and limited lending for new construction as large banks shore up their balance sheets should keep housing supply constrained for years.

Figure 2: Our Liquid Credit Portfolio Has Outpaced Indexes



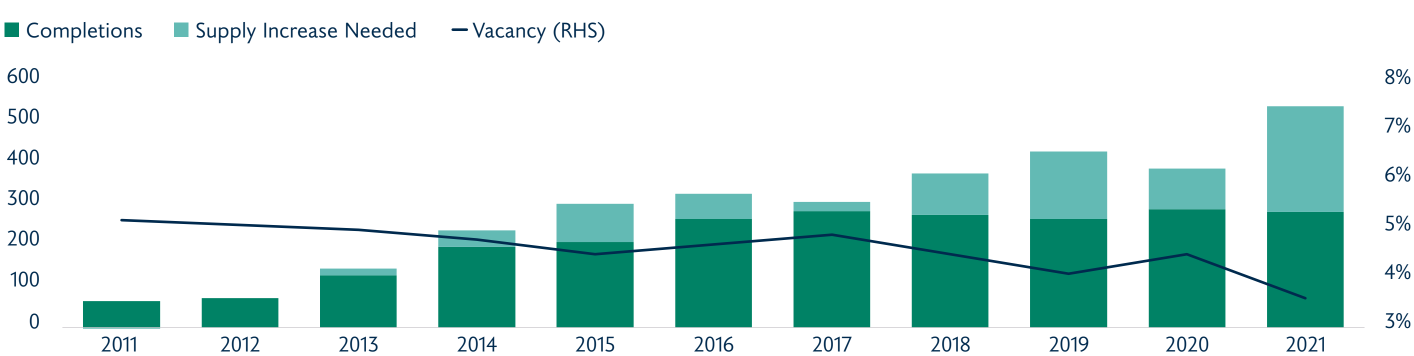
As of June 30, 2023. Source: OCM, Bloomberg. Past performance is not a guarantee of future results. The returns shown here are since inception and do not represent the full performance of the Brookfield REIT. Bloomberg U.S. CMBS 2.0 Index measures the market of conduit and fusion CMBS deals with a minimum deal size of $250 million. ICE BofA Merrill Lynch U.S. High Yield Index tracks the performance of U.S. dollar-denominated below-investment-grade corporate debt publicly issued in the U.S. domestic market. Credit Suisse Leveraged Loan Index is designed to mirror the investable universe of the U.S. dollar-denominated leveraged loan market. An investor cannot invest in an index.

Figure 3: Brookfield REIT's Multifamily Portfolio Has Demonstrated Strong Growth



Data shown represent 1H 2023 vs 1H 2022 same-property NOI, which is a supplemental non-generally accepted accounting principles ("GAAP") measure of our property operating results. For a reconciliation of estimated GAAP net loss to same-property NOI for the first six months ended June 30 of 2023 and 2022, please refer to page 5.

Figure 4: Multifamily Supply Has Failed to Meet Demand for a Decade



Source: Dodge Data & Analytics, RealPage Inc, CBRE Econometrics Advisors 2022 RHS Graph.

Positioned for Attractive Opportunities

As the record rent growth of recent years continues to moderate, we expect that some real estate markets will correct, creating opportunities to acquire properties in some of these markets at more appropriate prices. We continue to leverage Brookfield's platform and scale, providing us visibility into potential pipeline opportunities that have yet to come to market and are seeing more equity investment opportunities begin to present themselves. Capital markets volatility may create stress for undercapitalized owners of real estate, leading to motivated sales of the types of high-quality, stabilized properties that Brookfield REIT targets. As these opportunities arise, we believe Brookfield REIT has ample cash to invest, with roughly $480 million of available liquidity as of June 30, 2023.

Given the uncertainty around monetary policy, it is difficult to predict exactly what the second half of the year may look like. Nevertheless, we are cautiously optimistic about the investment outlook and believe that Brookfield REIT is well positioned to take advantage of the attractive opportunities that we expect will arise.

This communication is for stockholder use only and is not an offer to sell or a solicitation of an offer to buy any securities.

Total Returns as of June 30, 2023[1]

	YTD	1-Year	3-Year	Since Inception	Distribution Rate[3]
Class S No Sales Load	-3.79%	-4.87%	11.19%	10.72%	4.82%
Class S With Sales Load	-7.04%	-8.09%	9.92%	9.66%	
Class D No Sales Load	-2.09%	-3.22%	—	-2.47%	5.33%
Class D With Sales Load	-3.54%	-4.65%	—	-3.80%	
Class I	-3.35%	-4.05%	12.22%	11.83%	5.61%

Past performance is historical and not a guarantee of future results.

[1] Total Return is calculated as the percent change in the net asset value ("NAV") per share from the beginning of the applicable period, plus the amount of any net distribution per share declared in the period. Total return is not a measure used under GAAP in the United States. Returns greater than one year are annualized. All returns shown assume reinvestment of distributions pursuant to Brookfield REIT's distribution reinvestment plan, are derived from unaudited financial information, and are net of all Brookfield REIT expenses, including general and administrative expenses, transaction-related expenses, management fees, performance fees and share-class-specific fees but exclude the impact of early repurchase deductions on the repurchase of shares that have been outstanding for less than one year. Past performance is historical and not a guarantee of future results. Class D and Class S shares listed as "With Sales Load" reflect the returns after the maximum up-front selling commission and dealer manager fees. Class D and Class S shares listed as "No Sales Load" exclude up-front selling commissions and dealer manager fees. The returns have been prepared using unaudited data and valuations of the underlying investments in the Brookfield REIT portfolio, which are estimates of fair value and form the basis for Brookfield REIT's NAV. Valuations based upon unaudited reports from the underlying investments may be subject to later adjustments, may not correspond to realized value and may not accurately reflect the price at which assets could be liquidated. Please refer to Brookfield REIT's annual and quarterly reports filed with the SEC, which are available at BrookfieldREIT.com, for a full reconciliation of NAV to GAAP measures. For information on how Brookfield REIT calculates NAV, see the "Net Asset Value Calculation and Valuation Guidelines" section of Brookfield REIT's prospectus.

[2] Brookfield REIT announced preliminary estimated, unaudited same-property NOI for the six months ending June 30, 2023, and based on estimated financial results, Brookfield REIT expects same property NOI for the six months ended June 30, 2023 to have increased approximately 8% from the same period in the prior year (based on the midpoint of the preliminary estimated range of same property NOI). This data is not a comprehensive statement of Brookfield REIT's financial results for the six months ended June 30, 2023, and Brookfield REIT's actual results may differ materially from this preliminary estimated data. Please see page 5 for adjustments to reconcile to same-property NOI.

NOI is a supplemental non-GAAP measure of Brookfield REIT's property operating results that Brookfield REIT believes is meaningful because it enables management to evaluate the impact of occupancy, rents, leasing activity and other controllable property operating results of Brookfield REIT's real estate. Brookfield REIT defines NOI as operating revenues less operating expenses, which excludes (i) impairment of investments in real estate, (ii) depreciation and amortization, (iii) straight-line rental income and expense, (iv) amortization of above- and below-market lease intangibles, and (v) other non-property related revenue and expense items such as (a) general and administrative expenses, (b) management fee, (c) performance fee, (d) income from real estate-related loans and securities, (e) interest expense, (f) realized loss (gain) on real estate investments, net, (g) realized gain on financial instruments, and (h) unrealized loss (gain) on investments, net.

Brookfield REIT evaluates its consolidated results of operations on a same-property basis, which allows Brookfield REIT to analyze its property operating results excluding acquisitions and dispositions during the periods under comparison. Properties in Brookfield REIT's portfolio are considered same-property if they were owned for the full periods presented, otherwise they are considered non-same-property. Recently developed properties are not included in same-property results until the properties have achieved stabilization for both full periods presented. Properties held for sale, properties that are being redeveloped, and interests in unconsolidated entities are excluded from same-property results. Brookfield REIT does not consider its investments in real estate-related loans and securities to be same-property.

As such, same-property NOI assists in eliminating disparities in net income due to the acquisition, disposition, development or redevelopment of properties during the periods presented, and therefore Brookfield REIT believes it provides a more consistent performance measure for the comparison of the operating performance of Brookfield REIT's properties, which it believes is useful to investors. Brookfield REIT's 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 Brookfield REIT's operating performance than the current GAAP methodology used to calculate Brookfield REIT's net income (loss).

Brookfield REIT's independent registered public accounting firm, Deloitte & Touche LLP, has not audited, reviewed, compiled or performed any procedures with respect to this preliminary financial data, and, accordingly, Deloitte & Touche LLP does not express an opinion or any other form of assurance with respect thereto.

[3] Annualized Distribution Rate reflects the current month's distribution annualized and divided by the prior month's NAV. NAV-based calculations involve significant professional judgment. The calculated value of Brookfield REIT's assets and liabilities may differ from actual realizable value or future value, which would affect the NAV as well as any returns derived from that NAV, and ultimately the value of your investment. As return information is calculated based on NAV, return information presented will be impacted should the assumptions on which NAV was determined prove to be different. There is no assurance Brookfield REIT will pay distributions in any particular amount, if at all. Any distributions Brookfield REIT makes will be at the discretion of the Brookfield REIT board of directors. Brookfield REIT may fund any distributions from sources other than cash flow from operations, including, without limitation, the sale of assets, borrowings, return of capital or offering proceeds, and Brookfield REIT has no limits on the amounts Brookfield REIT may pay from such sources. Brookfield REIT cannot guarantee that it will make distributions. Brookfield REIT believes that the likelihood that it pays distributions from sources other than cash flow from operations will be higher in the early stages of the offering.

The following table reconciles preliminary estimated GAAP net loss to preliminary estimated same-property NOI for the six months ended June 30, 2023 and 2022 ($ in thousands).

	Six Months Ended June 30, 2023		Six Months Ended June 30, 2022
	Estimated (Unaudited)		
	Low ($)	High ($)	Actual ($)
Net Loss	(8,670)	(8,413)	(14,306)
Adjustments to reconcile to same-property NOI			
Management fee	7,257	7,257	3,293
Performance fee	–	–	8,231
Depreciation and amortization	25,569	25,569	28,543
Income from real estate-related loans and securities	(11,685)	(11,339)	(2,489)
Interest expense	28,003	28,856	14,773
Realized loss (gain) on real estate investments, net	(496)	(511)	(669)
Realized gain on financial instruments	(107)	(104)	(7,094)
Unrealized loss (gain) on investments, net	(1,544)	(1,591)	1,008
General and administrative	4,477	4,613	4,474
Other*	1,147	1,112	(1,904)
NOI	43,951	45,449	33,860
Less: Non-same-property NOI	12,080	12,448	3,735
Same-property NOI	$31,871	$33,001	$30,125

* Includes straight-line rental income/expense and amortization of above- and below-market leases.

FORWARD-LOOKING STATEMENTS

Statements contained in this letter that are not historical facts are based on our current expectations, estimates, projections, opinions or beliefs. Such statements are not facts and involve known and unknown risks, uncertainties and other factors. Stockholders should not rely on these statements as if they were fact. Certain information contained in this letter constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "project," "target," "estimate," "intend," "continue," "forecast" or "believe" or the negatives thereof or other variations thereon or other comparable terminology. Due to various risks and uncertainties, including those described in our annual and quarterly reports filed with the SEC, actual events or results or our actual performance may differ materially from those reflected or contemplated in such forward-looking statements.

No representation or warranty is made as to future performance or such forward-looking statements. 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 or entity that our objectives and plans, which we consider to be reasonable, will be achieved. Stockholders should carefully review the "Risk Factors" section of our annual and quarterly reports filed with the SEC for a discussion of the risks and uncertainties that we believe are material to our business, operating results, prospects and financial condition. Except as otherwise required by federal securities laws, we do not undertake to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by law.

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