

Brookfield Real Estate Income Corp. (“Brookfield REIC”)

Dear Shareholders,

Brookfield Real Estate Income Trust Inc. (“Brookfield REIT”), the Master Fund of Brookfield REIC, is strategically positioned to capitalize on compelling real estate recovery opportunities, while enhanced investor incentives reinforce its commitment to delivering long-term value.

Since the beginning of 2025, we have shifted our portfolio mix toward properties with strong growth potential and attractive valuations, committing approximately \$345M of equity to new investments. This repositioning is reflected in Brookfield REIC’s positive performance over the last year.

We are also introducing new incentives for existing and new investors in the third quarter of 2026 and updating our distribution policy. Together, these actions are designed to position Brookfield REIT to invest in a compelling opportunity set while continuing to deliver value to shareholders.

Portfolio Positioning and Investment Activity

Although property prices are beginning to recover, the market remains uneven, with many investors still on the sidelines due to capital structure and liquidity constraints. We have been deploying capital into sectors supported by durable demand, constrained supply, and pricing below replacement cost. These investments reflect several compelling long-term themes in private real estate:

In **Housing**, we continue to see durable demand for high-quality, affordable homes. In the U.S., home prices have risen 87% since 2016,¹ while elevated interest rates and limited supply continue to constrain ownership. These conditions support rental housing and affordable alternatives to traditional homeownership.

We are focused on housing segments with distinct demand drivers, including multifamily, affordable housing, build-to-rent, student housing, and manufactured housing. This diversified approach may enhance returns, reduce volatility, and provide downside protection.

Logistics remains a high-conviction sector for Brookfield REIT, especially in supply-constrained markets where replacement costs, limited new development, and strong tenant demand support rent growth. Demand continues to be driven by e-commerce and the need for proximity to end consumers seeking rapid delivery. At the same time, supply is tightening, with 2026 deliveries expected to be approximately 60% below the market peak earlier this decade.²

We also believe **Data Centers** represent a compelling long-term opportunity, driven by rising demand for artificial intelligence, cloud computing, e-commerce, and mission-critical digital infrastructure. We are focused on data centers leased long term to high-credit-quality tenants, which we believe helps mitigate technology risk while supporting durable income.

Recent acquisitions Brookfield REIT has made or committed to align with these themes:

- In March, we acquired 34 Market Street, a 222,000-square-foot warehouse and distribution facility in Everett, Massachusetts, for approximately \$155 million. Located less than five miles from downtown Boston, the asset sits in a supply-constrained logistics market. It is 100% leased on a triple-net basis to an investment-grade tenant, with annual contractual rent escalators for the next 12 years, a corporate guarantee, and no termination or contraction options. This investment reflects our focus on high-quality logistics assets with durable cash flow and embedded growth.
- In May, we completed our first data center investment, acquiring a 125,000-square-foot, 6.5-megawatt powered-shell facility in Sunnyvale, California, for approximately \$90 million. The asset provides mission-critical digital infrastructure in a high-demand market with significant barriers to new supply. The building and its connection to the power grid are owned by Brookfield REIT, while the internal technology infrastructure is owned and maintained by the tenant. The property is leased on a net-lease basis to an investment-grade tenant, with annual rent escalators that support cash flow growth. This investment reflects our focus on data centers with strong tenant credit and long-term income visibility.
- Most recently, we acquired an interest in a large manufactured housing portfolio across several U.S. markets. This investment expands our exposure to a needs-based housing segment with resilient demand and attractive affordability characteristics. Brookfield has significant experience in manufactured housing, and we believe this portfolio complements our existing rental housing exposure while adding diversification across defensive real estate sectors. This investment reflects our focus on housing assets supported by durable demand.

We believe the current market is creating opportunities to invest in high-growth real estate with strong occupancy and current yield. We have been reducing credit exposure and increasing our allocation to real estate equity to capitalize on this environment. Over time, we expect to broaden diversification further through investments in sectors such as grocery-anchored retail and self-storage.

The Best of Brookfield

Brookfield REIT benefits from Brookfield's global real estate platform, which includes approximately \$277 billion of assets under management, 650 real estate professionals, and 24,000 operating employees worldwide. Over the last 15 months, Brookfield REIT has made three investments alongside Brookfield's other investment vehicles, giving shareholders access to opportunities sourced through one of the world's largest real estate investment platforms.

While these co-investments represent a minority of Brookfield REIT's holdings (~16% of NAV), they are strategically important. They allow Brookfield REIT investors to participate alongside Brookfield's institutional capital in larger, high-quality transactions that may otherwise be difficult for individual investors to access. They also enhance Brookfield REIT's ability to pursue opportunities at scale, often where competition is limited and pricing is more attractive. In our view, this is a key differentiator for Brookfield REIT and an important driver of long-term total return potential.

In addition to the dedicated Brookfield REIT leadership team, Brookfield's senior real estate executives are actively involved in Brookfield REIT. Notably, Alex Elawadi, Managing Partner in Brookfield's Real Estate group, was recently named Chief Investment Officer of Brookfield REIT. The North American investments team he oversees has visibility into every potential transaction in Brookfield's real estate pipeline across managed funds. His direct involvement strengthens Brookfield REIT's access to opportunities and supports disciplined decision-making about where and when Brookfield REIT participates.

Bonus Share Program

Brookfield REIC is introducing a bonus share program for shares purchased from the July 1, 2026 issuance date through the October 1, 2026 closing, or until a maximum of \$250 million in new capital has been raised, whichever comes first. Brookfield, as our sponsor, will fund these bonus shares on behalf of investors.

The details on the bonus shares offering are as follows:

- Any existing investor subscribing in our common shares will receive an additional 4% of their subscription in bonus shares.
- Any new investor subscribing in our common shares will receive an additional 3% of their subscription in bonus shares.

Looking Ahead

The first half of 2026 has shown encouraging signs of a more constructive environment for private real estate. Asset values have recalibrated to a higher-rate backdrop, debt markets are healthy and accessible, and capital has begun to return to the real estate sector. We believe this improving liquidity is creating opportunities for disciplined investors to deploy capital into high-quality assets and real estate businesses at attractive values.

Against this backdrop, we believe Brookfield REIC is well positioned to capitalize on the opportunities ahead. Our portfolio repositioning, recent acquisitions, and access to Brookfield's global platform give us the scale, sourcing advantage, and investment expertise to pursue attractive opportunities as the market recovers. We remain focused on deploying capital selectively, generating stable income, and building a diversified portfolio designed to compound value across cycles.

We appreciate your continued support and confidence in Brookfield REIC.

Summary of Risk Factors

Because Brookfield REIC (or the Fund) has been established to invest substantially all of its assets in the Brookfield REIT, an investment in the Fund involves all of the risks of investing in Brookfield REIT in addition to those risks particular to the Fund and its operation as a “feeder fund.” Brookfield REIT may purchase certain instruments or utilize certain investment techniques that carry specific risks. Accordingly, investment in the Fund involves considerations and risk factors that prospective investors should consider before subscribing. The risks associated with Brookfield REIT are not summarized fully below but rather are summarized in the Brookfield REIT prospectus. The following are key risks of an investment in the Fund itself.

Investment Risks in General. All investments in securities risk the loss, including the complete loss of capital. No guarantee or representation is made that the Fund’s investment strategy will be successful, and investment results may vary substantially over time. Adverse changes in regulation and provincial, national or international economic conditions—including, for examples, financial market fluctuations, local market conditions, governmental rules and fiscal policies, availability of terms of debt financing, and interest rates—can substantially and adversely affect the prospects of the investments of Brookfield REIT and, consequently, the performance of the Fund.

Investment of Substantially All Assets in Brookfield REIT. Because the Fund will invest substantially all of its assets in, and conduct its investment program through, Brookfield REIT, prospective investors should also carefully consider the risks that accompany an investment in Brookfield REIT. The returns of the Fund will depend almost entirely on the performance of its investment in Brookfield REIT, and there is no assurance that Brookfield REIT will be able to implement its investment objective and strategy. Certain ongoing operating expenses of the Fund, which will be in addition to those expenses indirectly borne by the Fund as an investor in Brookfield REIT, generally will be borne by the Fund and the Shareholders, with a corresponding impact on the returns to the Shareholders. Such additional expenses of the Fund will reduce the Fund’s performance relative to Brookfield REIT. Although the Fund will be an investor in Brookfield REIT, investors in the Fund will not themselves be investors of Brookfield REIT and will not be entitled to enforce any rights directly against Brookfield REIT or assert claims directly against Brookfield REIT or its affiliates. Brookfield Public Securities Group LLC (the “Manager”) is not the general partner or manager of Brookfield REIT and does not have any control whatsoever over its trading strategies or policies. None of the Fund or the Manager will take part in the management of Brookfield REIT or have control over its management strategies and policies. The Fund is subject to the risk of bad judgment, negligence or misconduct of the REIT Adviser and Oaktree Fund Advisers, LLC (the “REIT Sub-Adviser”). The terms of Brookfield REIT are subject to change.

General Real Estate Risks. The Fund expects to have significant exposure to real estate through Brookfield REIT. All real estate investments, ranging from equity investments to debt investments, are subject to some degree of risk. For example, real estate investments are relatively illiquid and, therefore, will tend to limit Brookfield REIT’s ability to vary its portfolio promptly in response to changes in economic or other conditions. No assurances can be given that the fair market value of any real estate investments held directly or indirectly by Brookfield REIT will not decrease in the future or that Brookfield REIT will recognize full value for any investment that Brookfield REIT is required to sell for liquidity reasons. In addition, the ability of Brookfield REIT to realize anticipated rental and interest income on its equity and debt investments will depend on, among other factors, the financial reliability of its tenants and borrowers, the location and attractiveness of the properties in which it invests, the supply of comparable space in the areas in which its properties are located, and general economic conditions. Other risks include changes in zoning, building, environmental and other governmental laws, changes in operating expenses, changes in real estate tax rates, changes in interest rates, changes in the availability of property relative to demand, changes in costs and terms of mortgage loans, energy prices, changes in the relative popularity of properties, changes in the number of buyers and sellers of properties, the ongoing need for capital improvements, cash flow risks, and construction risks, as well as natural catastrophes, acts of war, terrorism, civil unrest, uninsurable losses and other factors beyond the control of Brookfield REIT’s and REIT Adviser’s management.

Additionally, Brookfield REIT may, in certain instances, be responsible for structural repairs, improvements and general maintenance of real property. The expenditure of any sums in connection therewith beyond those budgeted for by Brookfield REIT will reduce the cash available for distribution and may require Brookfield REIT to fund deficits resulting from the operation of a property. No assurance can be given that Brookfield REIT will have funds available to make such repairs or improvements. These factors and any others that would impede Brookfield REIT’s ability to respond to adverse changes in the performance of its assets could significantly affect Brookfield REIT’s and, accordingly, the Fund’s financial condition and operating results. For a detailed discussion with regard to risks generally applicable to investment in real estate, please see “Risk Factors” in the Brookfield REIT prospectus.

No Diligence of Brookfield REIT. The Fund has been formed specifically to invest in Brookfield REIT, and the Manager has not conducted due diligence to evaluate alternative potential investments for the Fund. The Manager does not intend to conduct investment or operational due diligence with respect to Brookfield REIT and its target investments. Similarly, the Manager will not perform any due diligence on or otherwise gauge the effectiveness of Brookfield REIT’s investment program or process. Accordingly, there is a risk that the Manager may not detect potential conflicts of interest, fraudulent behavior or investment, administrative or operational weaknesses with respect to Brookfield REIT, any of which may give rise to substantial losses.

Brookfield REIC

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Accordingly, there is a risk that the Manager may not detect potential conflicts of interest, fraudulent behavior or investment, administrative or operational weaknesses with respect to Brookfield REIT, any of which may give rise to substantial losses.

Reliance on the REIT Adviser and the REIT Sub-Adviser. Brookfield REIT's success, and in turn the Fund's success, is dependent on the relationship with and the performance of the REIT Adviser and the REIT Sub-Adviser in the acquisition and management of Brookfield REIT's real estate portfolio, and Brookfield REIT's corporate operations.

The REIT Adviser or the REIT Sub-Adviser may suffer or become distracted by adverse financial or operational problems in connection with its business and activities unrelated to Brookfield REIT and over which Brookfield REIT, the Fund and the Manager have no control. Should the REIT Adviser or the REIT Sub-Adviser fail to allocate sufficient resources to perform its responsibilities to Brookfield REIT for any reason, the Fund may be unable to achieve its investment objectives or to pay distributions to investors.

Tracking Error. Although the Fund will invest substantially all of its assets in Brookfield REIT, its performance will not be identical to the returns achieved by Brookfield REIT. The costs and expenses applicable to an investment in the Fund itself (including the Management Fee) will necessarily result in the Fund underperforming the Brookfield REIT shares. In addition, a variety of other factors may contribute to deviations between the performance of the Fund and Brookfield REIT, including but not limited to tax consequences, the Fund's loan facility, the fact that a portion of the Fund's assets may be invested in securities other than securities of Brookfield REIT, and fluctuations in the exchange rate between the Canadian dollar and the U.S. dollar. From time to time and over time, there will be a tracking error between the performance of the Fund and the performance of Brookfield REIT that could, under certain circumstances, be material.

Reliance on Information Received from Brookfield REIT and the REIT Adviser and/or Sub-Adviser. The Fund has no means of independently verifying the information supplied to it by Brookfield REIT or the REIT Adviser and/or REIT Sub-Adviser, including valuations and estimates of valuations (and subsequent potentially material revisions to such valuations or estimates) of the Fund's investment in Brookfield REIT. All information prepared by the Fund and the Administrator and provided to Shareholders generally will be based on information received from the REIT Adviser and/or Sub-Adviser. There is no assurance that such information will be accurate. The Manager is entitled to rely conclusively on valuations provided to it by the REIT Adviser and/or Sub-Adviser (including but not limited to the calculation of all asset-based fees and allocations), and shall not be liable to existing or former Shareholders for its reliance on any erroneous valuations or calculations provided by the REIT Adviser and/or Sub-Adviser or Brookfield REIT or any other service provider thereto.

Reliance on Past Performance. Prospective investors should not rely on the prior performance of Brookfield REIT or any other accounts or funds managed by the REIT Adviser or the REIT Sub-Adviser or their affiliates as an indication of the future performance of Brookfield REIT or the Fund. There is no assurance that any trading or investment strategy will produce profitable results. The past performance of Brookfield REIT and/or the REIT Adviser and/or Sub-Adviser or its affiliates is not indicative of how the Fund or Brookfield REIT will perform in the future. There is no assurance that the performance of Brookfield REIT will be comparable in the future to what it has been in the past, or that Brookfield REIT will achieve its investment objective or avoid substantial or total losses.

Government Intervention. In recent years the global financial markets have undergone disruptions that have led to certain governmental intervention. Such intervention has in certain cases been implemented on an "emergency" basis, suddenly and substantially eliminating market participants' ability to continue to implement certain strategies or manage the risk of their outstanding positions. In addition, these interventions have typically been unclear in scope and application, resulting in confusion and uncertainty which in itself has been materially detrimental to the efficient functioning of the markets as well as previously successful investment strategies. It is impossible to predict what additional interim or permanent governmental restrictions may be imposed on the market, or the effects of such restrictions on the objective and strategies of the Fund and Brookfield REIT.

Deployment of Capital by Brookfield REIT. In light of the nature of Brookfield REIT's continuous offering and its investment strategy and the need to be able to deploy capital quickly to capitalize on potential investment opportunities, Brookfield REIT may from time to time hold cash pending deployment into investments, which may at times be significant, particularly at times when Brookfield REIT is receiving high amounts of offering proceeds and/or times when there are few attractive investment opportunities. Such cash may be held in an account for the benefit of Brookfield REIT's shareholders that may be invested in money market accounts or other similar temporary investments, each of which are subject to Brookfield REIT's management fees. In the event Brookfield REIT is unable to find suitable investments, such cash may be maintained for longer periods, which would be dilutive to overall investment returns. It is not anticipated that the temporary investment of such cash into money market accounts or other similar temporary investments (pending deployment into investments) will generate significant interest, and investors should understand that such low interest payments on the temporarily invested cash may adversely affect overall returns.

Endnotes

1. Source: Costar, 2024.
2. Source: JLL, 2025.

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. Shareholders 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. Shareholders 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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Contact Us

 privatewealth.brookfield.com

 privatewealth@brookfield.com

 Follow us on LinkedIn