

Brookfield Real Estate Income Trust Inc. (‘Brookfield REIT’)

Dear Stockholders,

Brookfield REIT is strategically positioned to capitalize on compelling real estate recovery opportunities, while enhanced investor incentives and an updated distribution policy 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 has coincided with a period of improved performance, including 14 consecutive months of positive total returns.

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 stockholders.

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 stockholders 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 REIT 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.

Distribution Policy

To retain capital for our acquisition pipeline and support future growth, we are updating our distribution policy. Beginning with the next distribution to be declared later this month, our monthly distribution will reflect an annualized yield of 5.25% on class I shares. We believe this rate remains attractive and competitive while allowing us to reinvest more capital into opportunities we expect will enhance long-term stockholder value.

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 REIT 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 REIT.

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. 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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