

Brookfield

Brookfield Real Estate Income Trust Inc.

6.44%

TOTAL NET RETURN SINCE
INCEPTION FOR CLASS I¹

95%

PORTFOLIO
OCCUPANCY

6.81%

ANNUALIZED DISTRIBUTION
RATE FOR CLASS I²

Q2 2025 Performance

We are pleased to report a strong second quarter of 2025, delivering a total net return of 1.1% for Class I stockholders. Amidst broader market volatility and uncertainty, our investment strategy has delivered an attractive source of recurring income. Our annualized distribution rate on Class I shares is 6.8%²; since our inception in December 2019, all distributions have been classified as return of capital.

The operating performance of our property portfolio continues to be strong, with overall occupancy at 95% and a weighted average lease term (WALT) of seven years across our commercial holdings, which are primarily backed by investment-grade credit tenants. Many of these leases include annual rent escalations, and expenses are the responsibility of the tenant(s), contributing to durable cash flow growth. In our rental housing assets, we remain focused on driving rent and ancillary revenue growth while containing expenses through Brookfield's vertically integrated operating platforms.

Recent Investment Activity

We were active on the acquisitions front in the first half of 2025, having deployed or committed approximately \$230 million of capital into both real estate equity and credit investments that we expect to deliver core-plus returns. In the second quarter, we acquired a 20% interest in a 3.6 million-square-foot portfolio of multi-tenant logistics assets strategically located across four premier Sun Belt markets—allowing us to scale our logistics exposure while maintaining geographic and asset diversification.³

This portfolio carries 96% occupancy and a WALT of 2.7 years. We believe shorter WALT logistics assets are more attractive in today's environment given pent-up rent growth attributable to strong demand and lack of new competitive supply being delivered. Additionally, it provides flexibility to potentially exit assets early upon realization of the in-place mark-to-market. Based on in-place rents in the portfolio today, there is an embedded 29% mark-to-market rent opportunity, which we believe should result in strong asset appreciation over time.

With an average building size of 64,000 square feet, this portfolio is targeted at the most under-supplied segment of industrial warehouses—small-bay infill last-mile distribution. We estimate that our acquisition basis represents a 25% discount to recent comparable market trades and a 40% discount to peak trades and replacement cost.

Following completion of this transaction, we now have a 16% sector allocation to logistics, which is an increase from 5% at the start of 2025.

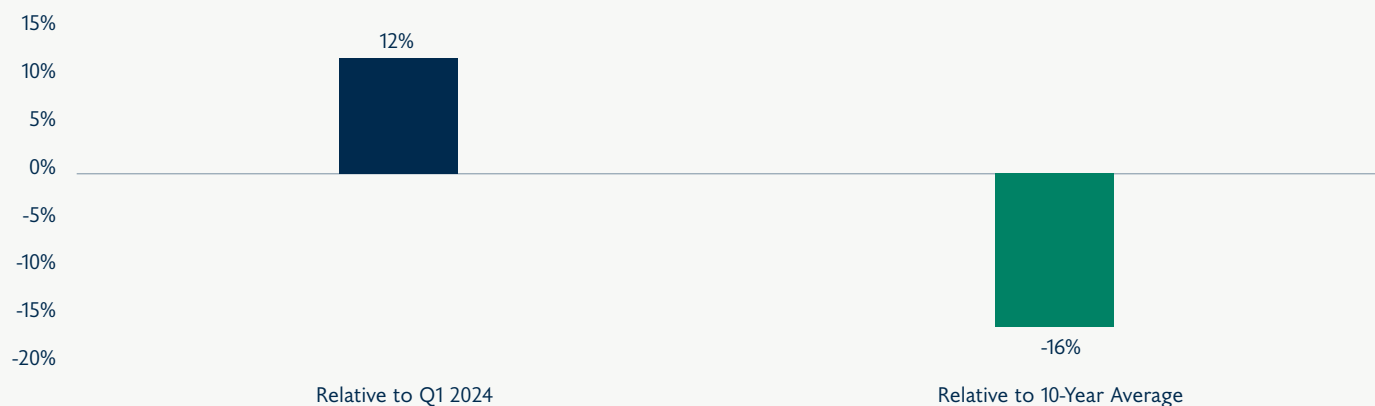
The two logistics portfolio acquisitions we have made in 2025 were invested alongside Brookfield's flagship private real estate fund, which traditionally has only been available to qualified institutional investors. We believe these investments are compelling for Brookfield REIT stockholders—giving individual investors access to investments that offer the potential for attractive returns⁴—and we are seeking to add more investments like this in the future.

Market Environment and Outlook

While macroeconomic uncertainty and geopolitical risk remain present, we believe real estate fundamentals are on solid footing, and the negative impact of higher interest rates have widely been absorbed. This phase of the cycle is marked by a healthy repricing of assets, historically low levels of new supply, and strong tenant demand across key sectors, particularly in logistics and rental housing, where long-term structural tailwinds remain intact.

Capital is returning to real estate, and investor sentiment has turned noticeably more positive on the sector, as the valuation resets offer more attractive entry points for new capital deployment. Transaction activity year-to-date is well ahead of 2024 and 2023 volumes for the same period (see **Figure 1**). Our focus is on sourcing opportunities to invest in high-quality assets with embedded growth potential, where we can execute business plans by leveraging Brookfield's extensive owner-operator capabilities to seek growth in cash flows and build long-term value.

Figure 1: As of Q1 2025, Transaction Volumes Are Materially Higher Than the Same Time Last Year



Source: Green Street Advisors, as of July 2025.

We believe Brookfield's vertically integrated owner-operator model is a key differentiator for us. With approximately 26,000 operating professionals, Brookfield's ability to execute business plans across sectors and geographies continues to drive consistent returns. We rely on operational performance, not financial engineering, to create value. Our focus is on occupancy gains, rental growth, and cost efficiency.

Growth Runway Opportunity for Individual Investors

We continue to see significant runway for growth in private real estate allocations within the private wealth channel, including not only in discretionary accounts but also retirement accounts and estate-planning vehicles. As individual investors increasingly seek diversification away from traditional public markets, we are seeing growing interest in strategies that offer income, stability, tax efficiency and long-term capital appreciation.³ We believe our scale, investment discipline, and long-term track record position us to meet this growing demand, and we aim to deliver value across all market cycles.

Thank you for your continued support and investment in our business.

This communication is for stockholder use only and is not an offer to sell or a solicitation of an offer to buy any securities.⁵

Total Net Returns as of June 30, 2025¹

	YTD	1-Year	3-Year	5-Year	Since Inception	Distribution Rate ²
Class S No Sales Load	-1.56%	-0.76%	-3.91%	5.09%	5.41%	6.05%
Class S With Sales Load	-4.88%	-4.11%	-5.01%	4.37%	4.76%	
Class D No Sales Load	-1.28%	-0.16%	-2.79%	–	-2.53%	6.49%
Class D With Sales Load	-2.74%	-1.63%	-3.27%	–	-3.00%	
Class T No Sales Load	-1.48%	–	–	–	-1.48%	5.94%
Class T With Sales Load	-4.81%	–	–	–	-4.81%	
Class I	-1.11%	0.17%	-3.03%	6.07%	6.44%	6.81%

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 Distribution Rate reflects the current month's net 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. Distributions have consisted entirely of return of capital, which may reduce the value of your investment and may not be sustainable. The annualized distribution rate and total return figures are based on historical performance and are not guarantees of future results. Actual returns may be lower, and there is a risk of loss. Investments in real estate are subject to risks including market volatility, illiquidity, and the potential for loss of principal.

³ Diversification does not ensure a profit or protect against loss in a declining market.

⁴ Investments in private real estate carry significant risks, including lack of liquidity, limited operating history, and the potential for loss of value. These investments are speculative and may not achieve the returns described.

⁵ Private funds are speculative investments and are not suitable for all investors, nor do they represent a complete investment program. Private funds are available only to qualified investors who are comfortable with the substantial risks associated with investing in private funds. An investment in a private fund includes the risks inherent in an investment in securities. There can be no assurance that an investment strategy will be successful.


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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