



March 31, 2024

Starwood Real Estate Income Trust (SREIT)

# Well-Positioned for the Long-Term

**SREIT is a Hand Selected Portfolio of High-Quality, Stabilized, Income-Producing Real Estate** and seeks to provide investors with a unique combination of portfolio benefits, including<sup>1</sup>:

- Stable, tax-efficient income
- Capital appreciation over time
- Potential hedge against inflation
- Limited correlation to the equity and fixed income markets

**SREIT is managed by Starwood Capital Group**, one of the world's leading real estate investment managers with over 30 years of experience navigating market cycles. We believe SREIT's portfolio is uniquely positioned in the three key areas that matter today and drive performance over the long-term.

## Key Drivers of Performance

1

**Asset Class Selection**

2

**Market Selection**

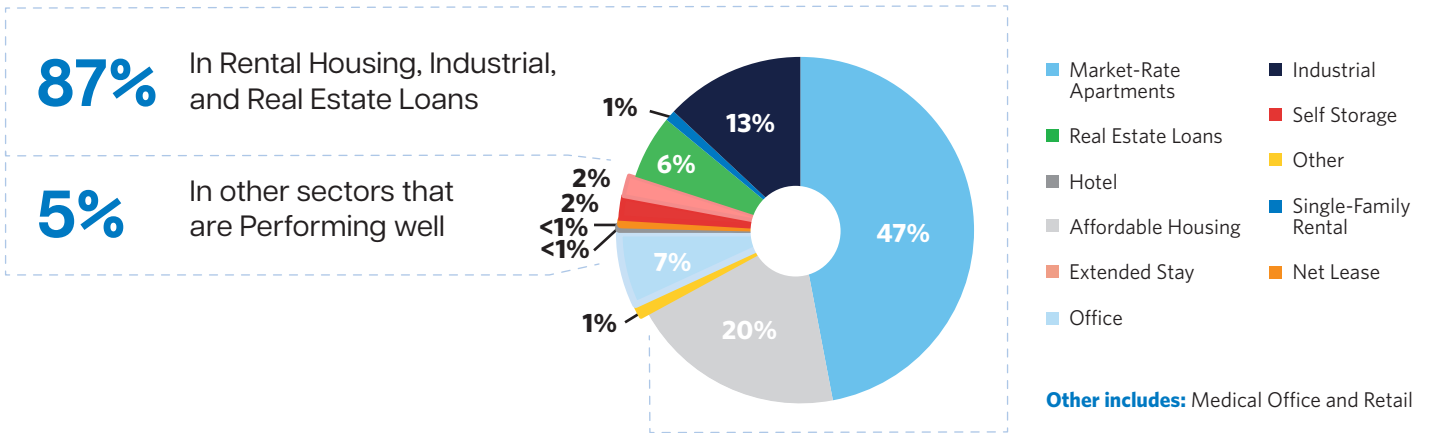
3

**Debt Structuring**

All data is as of March 31, 2024 unless otherwise noted. This sales material does not constitute an offer to sell nor a solicitation of an offer to buy or sell securities. An offering is made only by the prospectus. **This material must be read in conjunction with the Starwood Real Estate Income Trust, Inc. prospectus in order to fully understand all of the implications and risks of the offering of securities to which the prospectus relates. A copy of the prospectus must be made available to you in connection with any offering.** No offering is made except by a prospectus filed with the Department of Law of the State of New York. Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of our securities or determined if our prospectus is truthful or complete. Neither the Attorney General of the State of New York nor any other regulatory body has passed on or endorsed the merits of this offering. Any representation to the contrary is a criminal offense. The selected images of certain SREIT investments above are provided for illustrative purposes only, are not representative of all SREIT investments of a given property type and are not representative of SREIT's entire portfolio. For more information, visit [www.starwoodnav.reit](http://www.starwoodnav.reit)

# 1. Asset Class Selection

**92%** Allocation to Asset Classes that are Well-Positioned in the Current Environment



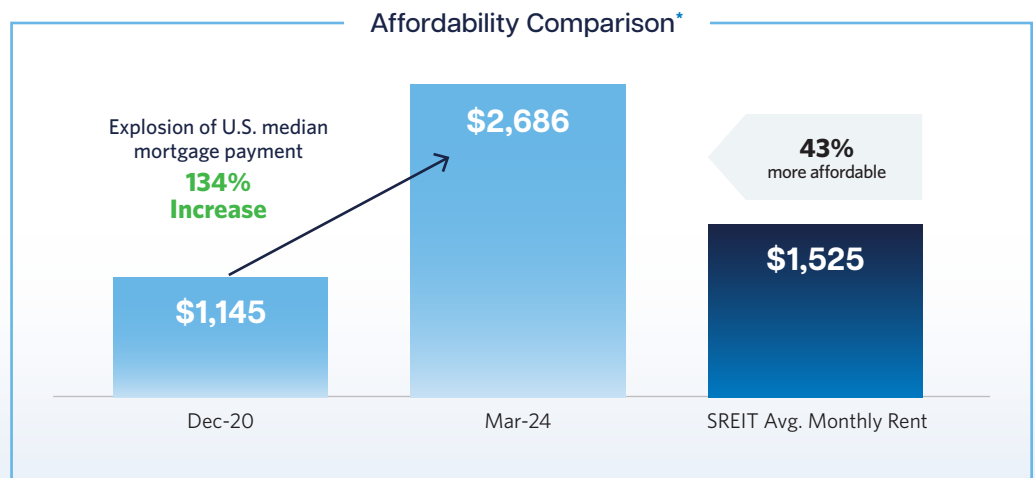
## SREIT Rental Housing Portfolio<sup>2</sup>

- SREIT's largest asset class: **68% invested in rental housing**
  - Market rate multifamily apartments (2/3 of our rental housing portfolio)
  - Affordable housing (1/4 of our rental housing portfolio)
  - Single-family rentals
- 95%-96% occupied since inception**
- Performance driven by:
  - 4-5 million unit housing shortfall
  - Relative affordability compared to homeownership



### Driving Demand: Cost of Living

The average rent in our rental housing portfolio is **43% more affordable** than the median U.S. mortgage payment today



\* Source: Redfin as of March 10, 2024

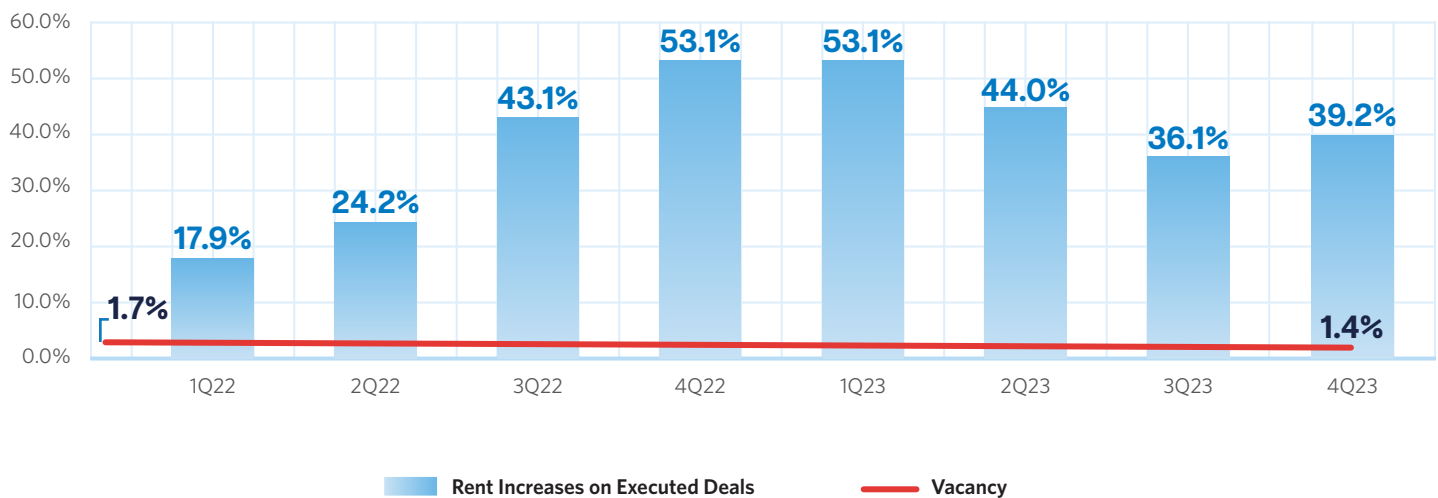
# SREIT Industrial Portfolio<sup>3</sup>

- SREIT's second largest asset class: **13% invested in Industrial**
- **98% to 100%** occupied since inception with 4 year average lease duration
- Performance is driven by the continued growth in e-commerce activity
- Portfolio concentration in infill/ last mile and infrastructure centric locations
- Emphasis on mid-bay, multi-tenant assets



## SREIT Industrial Portfolio: Strong Rent Increases with Low Vacancy Rates<sup>4</sup>

SREIT Industrial Portfolio Vacancy & Rent Increases on Executed Deals



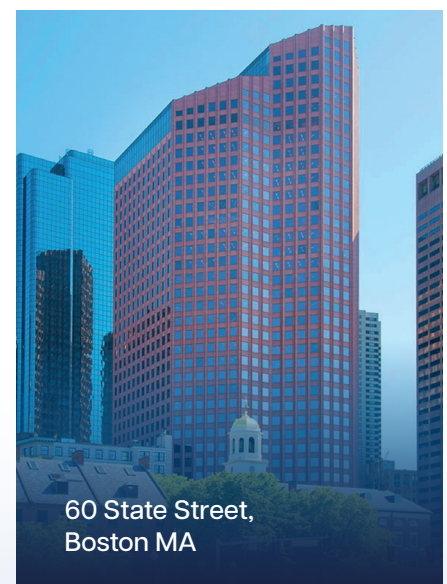
## Limited Exposure to Office and Retail

Not all office is created equal: SREIT owns Class A or Trophy quality properties that are 91% occupied in strong, low cost markets, with more than 6 years of average lease duration.

### Example of SREIT Office: 60 State Street, Boston, MA

- Class A/Trophy quality
- Acquired March 2020: 91% occupancy at acquisition
- As of March 31, 2024: 95% occupied
- In-place rents have grown 15% since acquisition\*

SREIT has virtually no exposure to retail, which is an asset class that is underperforming in today's environment.

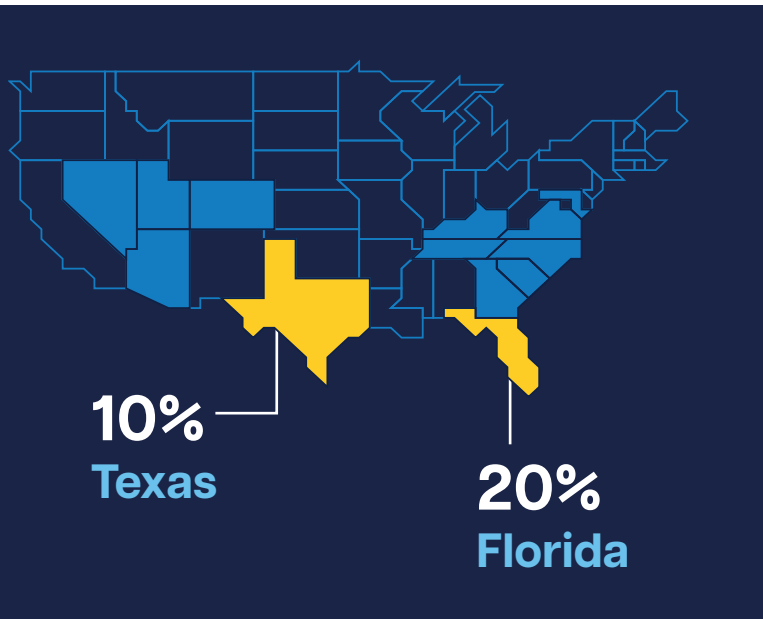


\* Calculation compares February 29, 2024 in-place base rent vs. acquisition, and excludes temporary free rent provided to tenants for recently signed leases.

## 2. Market Selection

### Invested in High-Growth Sunbelt Markets

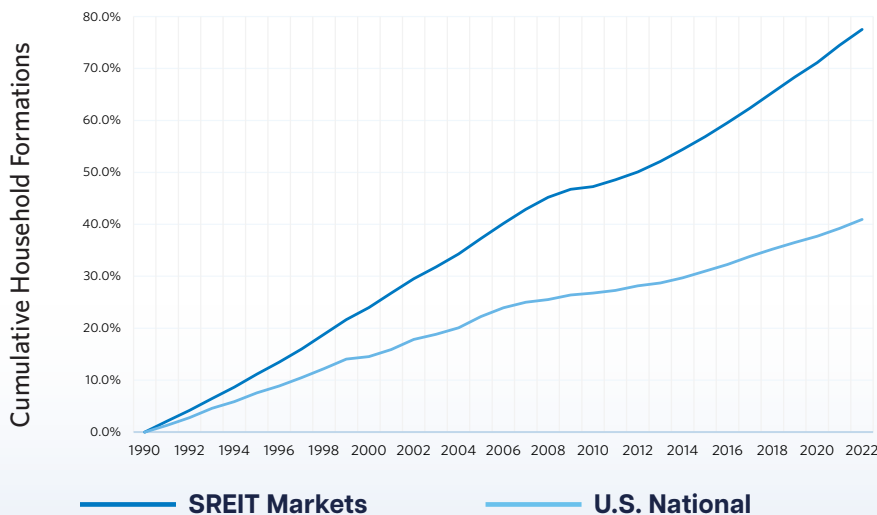
Starwood has been investing in the high-growth Sunbelt markets for more than a decade due to **higher levels of job, income, and population growth**, as well as low-to-no income taxes and better relative affordability when compared to the major gateway markets. We have almost no exposure to the higher cost markets such as New York, California, and Illinois, which are currently seeing population declines.



- 77% Concentrated in the Southeast and Southwest U.S.
- 30% In the Two Fastest Growing States: Florida and Texas
- 11% In International Markets For Further Diversification

### SREIT Markets Outpacing the U.S.

Population Growth: SREIT markets vs. U.S. Overall



- High population growth leads to strong demand for rental housing
- Cumulative household formation was 37% higher in SREIT markets
- From 2019-2022, SREIT markets saw a household formation growth rate 40x that of non-SREIT markets

Source: Starwood Capital Group and John Burns Real Estate Consulting Data.

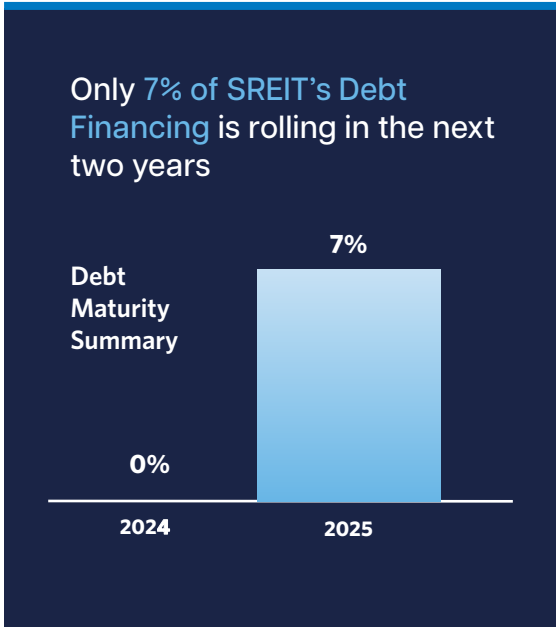
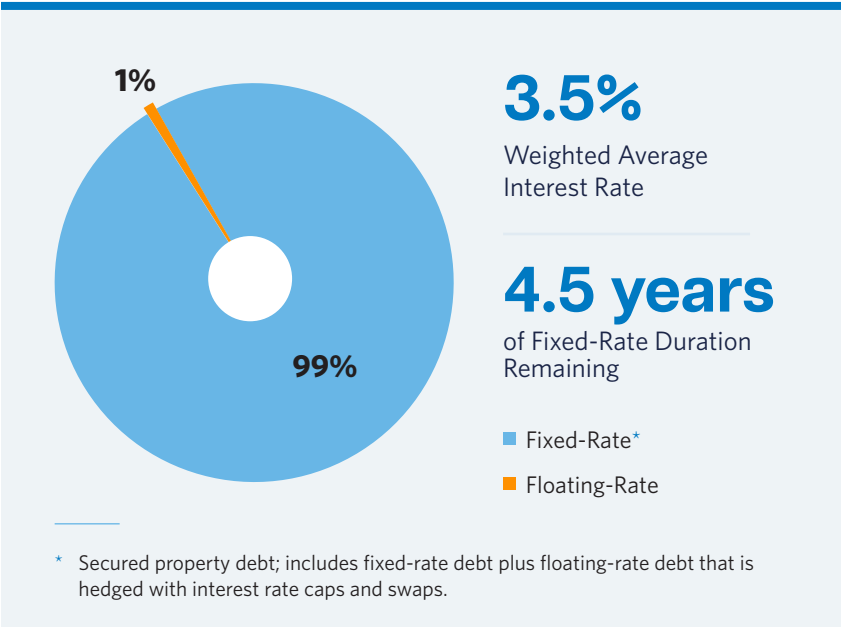


# 3. Debt Structuring

Most importantly, SREIT's debt structure can not be replicated today

This valuable asset enables SREIT to deliver stable, monthly distributions of operating cash flow, and will help SREIT navigate through the current environment.<sup>5</sup>

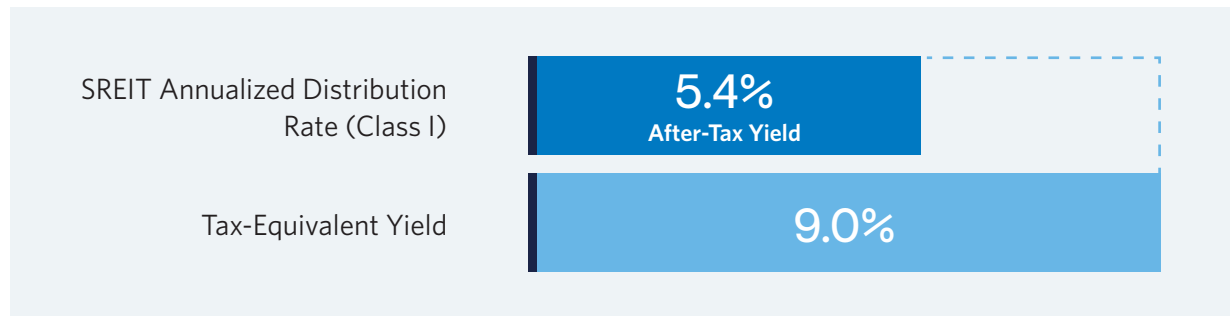
## SREIT Balance Sheet



# Key Takeaways

**1** Private Real Estate is a long-term investment that offers a way to diversify investor portfolios beyond traditional stocks and bonds

**2** Beyond low correlation and low volatility, it's a real asset that seeks to provide inflation protection and tax-efficient income<sup>6</sup>



**3** We believe SREIT's portfolio is uniquely positioned

It would be very difficult to replicate our portfolio construction in the scale we have given the limited transaction volume and where interest rates are today.



We own good quality assets, in the best performing sectors (overweight rental housing and industrial), across strong markets in the Southeast and Southwest U.S. — with some modest international exposure.



Our debt in particular is irreplaceable at approximately 3.5% and less than 5 years of duration remaining.



Manager selection matters: Starwood Capital Group is one of the world's leading real estate investment managers with over 30 years of experience navigating market cycles.

If you are considering investing in private real estate, we believe SREIT offers a strong, well-positioned portfolio.

To learn more, please visit [www.starwoodnav.reit](http://www.starwoodnav.reit)

# Disclosures

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**Past performance does not guarantee future results.** Financial data is estimated and unaudited. All figures as of March 31, 2024 unless otherwise noted. Opinions expressed reflect the current opinions of SREIT as of the date appearing in the materials only and are based on SREIT's opinions of the current market environment, which is subject to change. Certain information contained in the materials discusses general market activity, industry or sector trends, or other broad-based economic, market or political conditions and should not be construed as research or investment advice.

**Starwood Proprietary Data.** Certain information and data provided herein is based on Starwood REIT Advisor, L.L.C.'s ("Starwood") proprietary knowledge and data. Portfolio companies may provide proprietary market data to Starwood, including about local market supply and demand conditions, current market rents and operating expenses, capital expenditures and valuations for multiple assets. Such proprietary market data is used by Starwood to evaluate market trends as well as to underwrite potential and existing investments. While Starwood currently believes that such information is reliable for purposes used herein, it is subject to change, and reflects Starwood's opinion as to whether the amount, nature and quality of the data is sufficient for the applicable conclusion, and no representations are made as to the accuracy or completeness thereof.

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**Trends.** There can be no assurances that any of the trends described herein will continue or will not reverse. Past events and trends do not imply, predict or guarantee, and are not necessarily indicative of, future events or results.

1. There can be no assurance we will meet our investment objectives. The payment of distributions is not guaranteed and distributions may come from the sale of assets, offering proceeds or borrowings. While our shares are less volatile, they have limited liquidity compared to publicly-traded REITs. The appraisal of properties is subjective and any volatility smoothing biases in the appraisal process may lower the volatility of our NAV and cause our NAV to not accurately reflect the actual value of such properties.
2. Data provided by Starwood Capital Group. For our multifamily investments, occupancy represents the percentage of all leased units divided by the total unit count as of the date indicated. Affordable Housing estimated rents reflect Starwood Proprietary Data and expectations of market/legal rent growth.
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4. Rent increases on recent SREIT industrial leasing represent leasing spreads and compare new or renewal rents to prior rents or expiring rents, as applicable. Vacancy reflects trailing 12-month average in SREIT's industrial portfolio.
5. The payment of distributions is not guaranteed and distributions may come from the sale of assets, offering proceeds or borrowings.
6. NAV of non-traded REITs may be subject to volatility related to the values of their underlying assets. A portion of REIT distributions may be tax deferred given the ability to characterize ordinary income as Return of Capital ("ROC"). ROC distributions reduce the stockholder's tax basis in the year the distribution is received, and generally defer taxes on that portion until the stockholder's stock is sold via redemption. Certain non-cash deductions, such as depreciation and amortization, lower the taxable income for REIT distributions. Investors should be aware that a REIT's ROC percentage may vary significantly in a given year and, as a result, the impact of the tax law and any related advantages may vary significantly from year to year. SREIT's return of capital was 92% in 2019, 100% in 2020, 100% in 2021 and 100% in 2022. SREIT's Return of Capital for 2023 was 100%, which means the maximum effective tax rate on SREIT's 2023 distributions is 0%. This assumes the maximum ordinary tax bracket of 37% and includes the 3.8% Medicare surtax that is applied to the net investment income above certain thresholds. Please note the effective tax rate is after the 20% reduction in rates introduced under the Tax Cuts and Jobs Act of 2017.

## Forward-Looking Statement Disclosure

This material contains forward-looking statements within the meaning of the federal securities laws and the Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by the use of forward-looking terminology such as "outlook," "indicator," "believes," "expects," "potential," "continues," "identified," "may," "will," "should," "seeks," "approximately," "predicts," "intends," "plans," "estimates," "anticipates," "confident," "conviction" or other similar words or the negatives thereof. These may include financial estimates and their underlying assumptions, statements about plans, objectives, intentions, and expectations with respect to positioning, including the impact of macroeconomic trends and market forces, future operations, repurchases, acquisitions, future performance and statements regarding identified but not yet closed acquisitions. Such forward looking statements are inherently subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in such statements. We believe these factors include but are not limited to those described under the section entitled "Risk Factors" in SREIT's annual report for the most recent fiscal year, and any such updated factors included in SREIT's periodic filings with the SEC, which are accessible on the SEC's website at [www.sec.gov](http://www.sec.gov). These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this document (or SREIT's public filings). Except as otherwise required by federal securities laws, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.



# Summary of Risk Factors

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**An investment in Starwood Real Estate Income Trust, Inc. involves a high degree of risk. These securities are not liquid instruments. You should purchase these securities only if you can afford the complete loss of your investment. You should carefully read the information set forth in the “Risk Factors” section of the prospectus before buying our shares. Risks include, but are not limited to:**

- We have incurred GAAP net losses attributable to stockholders and an accumulated deficit in the past and may incur GAAP net losses attributable to stockholders and continue to have an accumulated deficit in the future.
- This is a “blind pool” offering. You will not have the opportunity to evaluate our future investments before we make them.
- Since there is no public trading market for shares of our common stock, repurchase of shares by us will likely be the only way to dispose of your shares. Our share repurchase plan provides stockholders with the opportunity to request that we repurchase their shares on a monthly basis, but we are not obligated to repurchase any shares and may choose to repurchase only some, or even none, of the shares that have been requested to be repurchased in any particular month in our discretion. In addition, repurchases are subject to available liquidity and other significant restrictions. Further, our board of directors may modify or suspend our share repurchase plan if it deems such action to be in our best interest and the best interest of our stockholders. As a result, our shares should be considered as having only limited liquidity and at times may be illiquid.
- We cannot guarantee that we will make distributions, and if we do we may fund such distributions from sources other than cash flow from operations, including, without limitation, the sale of assets, borrowings, return of capital or offering proceeds, and we have no limits on the amounts we may pay from such sources.
- The purchase and repurchase price for shares of our common stock are generally based on our prior month’s NAV (subject to material changes as described in the prospectus) and are not based on any public trading market. While there are independent annual appraisals of our properties, the appraisal of properties is inherently subjective, and our NAV may not accurately reflect the actual price at which our properties could be liquidated on any given day.
- We have no employees and are dependent on Starwood REIT Advisors, L.L.C. (the “Advisor”) to conduct our operations. The Advisor will face conflicts of interest as a result of, among other things, the allocation of investment opportunities among us and Other Starwood Accounts (as defined in the prospectus), the allocation of time of its investment professionals and the substantial fees that we will pay to the Advisor.
- This is a “best efforts” offering. If we are not able to raise a substantial amount of capital, our ability to achieve our investment objectives could be adversely affected.
- There are limits on the ownership and transferability of our shares.
- If we fail to qualify as a REIT and no relief provisions apply, our NAV and cash available for distribution to our stockholders could materially decrease.
- The acquisition of properties may be financed in substantial part by debt. The use of leverage involves a high degree of financial risk and will increase the exposure of the investments to adverse economic factors.
- Investing in commercial real estate assets involves certain risks, including, but not limited to: changes in values caused by global, national, regional or local economic performance, the performance of the real estate sector, unemployment, stock market volatility and other impacts of the COVID-19 pandemic, demographic or capital market conditions; increases in interest rates and lack of availability of financing; vacancies, fluctuations in the average occupancy and room rates for hospitality properties; and bankruptcies, financial difficulties or lease defaults by our tenants.
- A change in U.S. tax laws could adversely impact benefits of investing in our shares.

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For more information, please visit [www.starwoodnav.reit](http://www.starwoodnav.reit)

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