

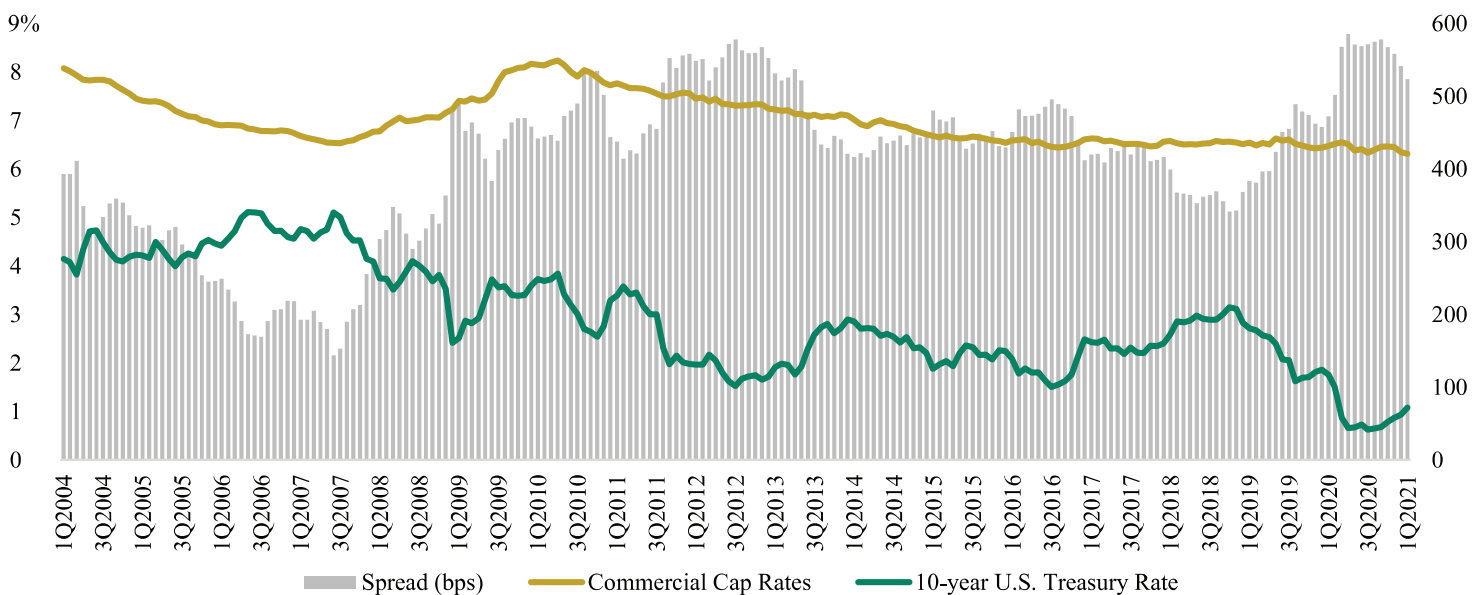


OAKTREE OBSERVATIONS

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- Treasury yields dropped dramatically in 2020, while real estate cap rates were largely unchanged. As a result, the spreads between the two rates are well above the historical average, implying that real estate potentially offers an outsized yield premium on a historical basis.¹
- The recent increase in interest rates has marginally increased the cost of financing across floating-rate loans, but it is important to note that rising interest rates do not necessarily mean declining real estate values. Historically, rising interest rates are largely the result of economic growth, which should hopefully translate into higher market rents for real estate. In the meantime, there is potential for further interest rate spread compression for in-favor sectors (multifamily in high-growth markets, e-commerce related industrial) which may help offset some of the increases in reference rates. This is due to the continued demand for those sectors and a search for yield in today’s low interest rate environment.
- While the direction of the economy remains highly uncertain, we believe, although do not guarantee, a low interest rate environment should continue for quite some time. The spread between real estate cap rates and interest rates remains wide of its historical average. We believe these conditions position real estate for potential growth.

Commercial Cap Rates vs. 10-Year U.S. Treasury Over Time



As of March 31, 2021

Source: Real Capital Analytics, U.S. Federal Reserve St. Louis

Note: Reflects Oaktree’s views based on current data and trends. There can be no assurance that current trends will continue.

¹ Source: Real Capital Analytics, U.S. Federal Reserve St. Louis.

This is neither an offer to sell nor a solicitation of an offer to buy the securities described herein, and must be read in conjunction with the prospectus in order to understand fully all of the implications and risks of the offering to which this sales and advertising literature relates. A copy of the prospectus must be made available to you in connection with this offering, and is available at www.OaktreeREIT.com. Independent Brokerage Solutions, LLC (Member FINRA/SIPC – Dealer Manager).

SUMMARY OF RISK FACTORS

You should carefully review the “Risk Factors” section of our prospectus 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.

This sales material must be read in conjunction with our prospectus in order to fully understand all the implications and risks of the offering of securities to which it relates. This sales material is neither an offer to sell nor a solicitation of an offer to buy securities. An offering is made only by the prospectus. Neither the U.S. Securities and Exchange Commission, the Attorney General of the State of New York nor any other state securities regulator has approved or disapproved of these securities or determined if the prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Oaktree Real Estate Income Trust, Inc. (“Oaktree REIT”) is a non-traded REIT that seeks to invest in a diversified portfolio of income-producing real estate and real estate-related debt investments; generate an attractive, stable level of current income for regular distributions to our stockholders; and invest in assets with long-term growth potential to achieve attractive risk-adjusted total returns, with an emphasis on downside protection. This investment involves a high degree of risk. These securities should only be purchased if you can afford to lose your complete investment. Please read the prospectus for a description of the risks associated with an investment in Oaktree REIT. These risks include but are not limited to the following:

- Oaktree REIT has a limited prior operating history and we cannot assure you that we will achieve our investment objectives.
- This is a “blind pool” offering. We have only made limited investments to date and you will not have the opportunity to evaluate our future investments before we make them.
- We do not intend to list our shares of common stock for trading on an exchange or other trading market. The only likely way to dispose of your shares will be by repurchases from us since there is no public trading market for shares of our common stock. Through our share repurchase plan, stockholders may 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 requested shares in any particular month in our discretion. Repurchases will be subject to available liquidity and other significant restrictions and our board of directors may modify, suspend or terminate our share repurchase plan if deemed to be in our best interest and the best interest of our stockholders. Our shares should be considered as having limited to no liquidity.
- Distributions may be funded by sources other than cash flow from operations, including, without limitation, the sale of assets, borrowings, return of capital or offering proceeds, although we cannot guarantee that we will make distributions. We believe that the likelihood that we pay distributions from sources other than cash flow from operations will be higher in the early stages of the offering.
- The purchase and repurchase price for shares of our common stock will generally be based on the prior month’s net asset value (“NAV”) and not on any public trading market. While there will be independent annual appraisals of our properties, the properties’ appraisal is inherently subjective, and our NAV may not accurately reflect the actual price at which our assets could be liquidated on any given day. We may offer shares at a price that we believe more appropriately reflects the NAV per share of such common stock rather than the prior month’s NAV per share, including updates to a previously disclosed offering price, in cases where we believe there has been a material change (positive or negative) to our NAV per share since the end of the prior month. Each class of shares may have a different NAV per share.
- We have no employees and are dependent on Oaktree Fund Advisors, LLC (the “Advisor”) to conduct our operations. Oaktree will face conflicts of interest as a result of, among other things, the allocation of investment opportunities among us and other real estate accounts, the allocation of time of its investment professionals and the substantial fees that we will pay to the Advisor.
- As a “best efforts” offering, our ability to achieve our investment objectives could be adversely affected if we are not able to raise a substantial amount of capital in the near term.
- Principal and interest payments on borrowings will reduce funds available for distribution or investment.
- There are limits on the ownership and transferability of our shares.
- We do not own the Oaktree name, but we are permitted to use it as part of our corporate name pursuant to a trademark license agreement with an affiliate of Oaktree Capital Management, L.P. (together with its affiliates, “Oaktree”). Use of the name by other parties or the termination of our trademark license agreement may harm our business.
- An investment in Oaktree REIT is not an investment in fixed income. Fixed income has material differences from an investment in a non-traded REIT, including those related to vehicle structure, investment objectives and restrictions, risks, fluctuation of principal, safety, guarantees or insurance, fees and expenses, liquidity and tax treatment.

- If we fail to maintain our qualification as a REIT and no relief provisions apply, our NAV and cash available for distribution to our stockholders could materially decrease as a result of becoming subject to corporate income taxes.
- Subject to maintaining our REIT qualification and the limitations in our charter, we may elect to leverage our investments on a recourse or non-recourse basis or otherwise engage in certain investment activities that involve the use of leverage, which may increase losses.
- Investing in commercial real estate involves certain risks, including but not limited to: bankruptcy, financial difficulty or lease default of a major tenant; interest rate fluctuations and lack of availability of financing; adverse national real estate trends, including increasing vacancy rates; and changes in supply and demand fundamentals.
- Oaktree REIT will directly own private real estate. Individual investors will own shares of common stock in Oaktree REIT as opposed to direct ownership of private, non-traded real estate.

The words “we”, “us”, and “our” refer to Oaktree Real Estate Income Trust, Inc., unless the context requires otherwise. Numerical data relating to Oaktree includes Oaktree Real Estate-led activities in public and private portfolio companies (unless otherwise noted).

FORWARD-LOOKING STATEMENT DISCLOSURE

Statements contained in this sales material that are not historical facts are based on our current expectations, estimates, projections, opinions, and/or beliefs. Such statements are not facts and involve known and unknown risks, uncertainties, and other factors. Prospective investors should not rely on these statements as if they were fact. Certain information contained in this sales material 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 prospectus, 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 that our objectives and plans, which we consider to be reasonable, will be achieved