



## KKR to Acquire \$1.64 Billion Student Housing Portfolio from BREIT

April 25, 2024

NEW YORK--(BUSINESS WIRE)-- KKR and Blackstone Real Estate Income Trust, Inc. ("BREIT") today announced a definitive agreement for funds managed by KKR to acquire a portfolio of 19 purpose-built student housing properties from BREIT for approximately \$1.64 billion.

The over 10,000-bed portfolio is comprised of 19 purpose-built, premium student housing assets anchored to 14 leading four-year public universities across 10 states. The communities feature a wide range of best-in-class amenities and the majority are located with easy pedestrian access to campus. BREIT acquired this portfolio in 2018 in a joint venture with Greystar Real Estate Partners, LLC ("Greystar").

"Student housing is a sector that we have long-term conviction in. We are pleased to be working with Blackstone to complete this transaction which will add a diverse mix of high-quality properties to our portfolio," said Justin Pattner, Partner at KKR and Head of Real Estate Equity in the Americas. "The operating capabilities we have built with University Partners over the past decade and our ability to transact at scale, position us to create value for our investors and to continue investing in great living experiences across these communities. We are deploying into what we view as a compelling market environment to purchase quality real estate."

Jacob Werner, Co-Head of Americas Acquisitions for Blackstone Real Estate, said: "This transaction is an excellent outcome for BREIT's investors and demonstrates the strong demand for the high-quality assets in attractive markets that BREIT owns. We continue to have long-term conviction in student housing and are actively growing through BREIT's student housing platform, American Campus Communities, which is the largest owner of student housing in the U.S."

Upon closing of the transaction, the portfolio will be managed by University Partners, a leading owner and operator of student housing across the U.S. KKR launched University Partners in 2016 with a team of industry veterans as part of its strategy of creating vertically-integrated platforms to build scaled exposures to attractive real estate sectors. Over the past decade, KKR has acquired institutional-quality properties in top university markets across the country and expanded University Partners' business to include third-party property management. Inclusive of the pending acquisition, University Partners will own and manage over 25,000 beds, representing nearly \$4 billion of property value owned by KKR and other investors.

"This is a high quality, scaled portfolio of purpose-built student housing assets serving the country's leading four-year public universities," said Travis Roberts, Chief Executive Officer of University Partners. "Approximately half of the portfolio is in markets where we have existing operating experience, and this transaction will enable us to expand our presence into a number of attractive new markets. We believe student housing in the top university markets will continue to benefit from strong enrollment growth and structural constraints on new supply."

Blackstone, predominantly through its wholly owned portfolio company American Campus Communities (ACC), is the largest owner of student housing in the U.S., with more than 190 properties, representing approximately 140,000 beds. Since acquiring ACC in 2022, Blackstone has enabled ACC to build more student housing, including breaking ground on four new student housing communities since Fall 2023. ACC expects to welcome students to six additional new ACC communities across the country in 2024.

The transaction is expected to close by the third quarter of 2024, subject to customary closing conditions. KKR is making its investment in this portfolio primarily from its KKR Real Estate Partners Americas III fund.

Gibson, Dunn & Crutcher LLP served as legal advisor to KKR.

TSB Capital Advisors and J.P. Morgan Securities LLC served as BREIT's financial advisors. Simpson Thacher & Bartlett LLP served as BREIT's legal advisor.

### About KKR

KKR is a leading global investment firm that offers alternative asset management as well as capital markets and insurance solutions. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and supporting growth in its portfolio companies and communities. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR's insurance subsidiaries offer retirement, life and reinsurance products under the management of Global Atlantic Financial Group. References to KKR's investments may include the activities of its sponsored funds and insurance subsidiaries. For additional information about KKR & Co. Inc. (NYSE: KKR), please visit KKR's website at [www.kkr.com](http://www.kkr.com). For additional information about Global Atlantic Financial Group, please visit Global Atlantic Financial Group's website at [www.globalatlantic.com](http://www.globalatlantic.com).

### About Blackstone Real Estate Income Trust, Inc.

Blackstone Real Estate Income Trust, Inc. (BREIT) is a perpetual-life, institutional quality real estate investment platform that brings private real estate to income focused investors. BREIT invests primarily in stabilized, income-generating U.S. commercial real estate across key property types and to a lesser extent in real estate debt investments. BREIT is externally managed by a subsidiary of

Blackstone (NYSE: BX), a global leader in real estate investing. Blackstone's real estate business was founded in 1991 and has approximately \$339 billion in investor capital under management. Further information is available at [www.breit.com](http://www.breit.com).

### **Cautionary Note Regarding Forward-Looking Statements**

This press release includes 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 uncertain and there are or may be important factors that could cause actual outcomes or results to differ materially from those indicated in such statements. These factors include but are not limited to those described under the section entitled "Risk Factors" in BREIT's prospectus and annual report for the most recent fiscal year, and any such updated factors included in BREIT'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 herein (or in BREIT's public filings). Except as otherwise required by federal securities laws, BREIT undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

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Source: KKR