Satori West Ashley
Charleston, SC | Multi-family senior mortgage

J.P. Morgan Real Estate Income Trust, Inc.

2024 Stockholder Letter

J.P.Morgan
ASSET MANAGEMENT

April 2025

PODS Tampa
Tampa, FL | Infill industrial

Dear JPMREIT Stockholder,

We are pleased to report that J.P. Morgan Real Estate Income Trust, Inc. ("JPMREIT," the "Company," "us" or "we") has once again delivered outstanding performance for the calendar year 2024. The Company achieved an industry-leading return of 6.1% (Class I), outperforming the public non-listed REIT category by 5.0% and the private real estate index by 8.4%.[1] Notably, 94.0% of JPMREIT's 2024 distributions were classified as Return of Capital ("ROC")[2] for federal income tax purposes. Our annualized distribution rate stands at 4.3%, which translates to approximately 6.7% on a tax-equivalent basis for investors in the highest income tax bracket.[3]

2024 In Review

High borrowing rates throughout 2024 presented a strategic advantage for JPMREIT, enabling us to deploy capital effectively while asset prices remained attractive. In contrast, other companies with legacy portfolios and higher leverage faced ongoing challenges, with loan proceeds decreasing and cash reserves being held for refinancing. This environment led to a reduced pool of potential buyers, allowing JPMREIT to be selective and negotiate favorable deals. As a result, we acquired high-quality assets in prime markets at 15-25% discounts from peak 2022 pricing, often below replacement cost. With these advantageous purchase prices, leverage was unnecessary to achieve strong returns. Should interest rates decline, we may add debt later. Meanwhile, we recognize that while debt impacts are short-term, purchase prices are permanent.

In 2024, JPMREIT capitalized on this advantageous time to invest in compelling opportunities, strategically focusing on sub-sectors anticipated to deliver revenue growth exceeding inflation. This initiative led to the introduction of two new sub-sectors to our portfolio over the course of the year – infill industrial and service-oriented retail. JPMREIT acquired two storage facilities in Florida's Pinellas County located in Tampa, one of the nation's fastest-growing metro areas. This investment provides stable cash flow, secured by a long-term lease with PODS, a leader in portable storage solutions, with 4% annual rent increases. Another notable acquisition was the Shops at Grand Avenue, a service-oriented retail center in densely populated Queens. The property is less than 5 miles east of Manhattan, reaching 1 million people within a 3-mile radius. This center offers unique features for the community, including substantial parking and excellent logistics facilities, such as a spacious truck unloading area and a high-capacity elevator for rooftop customer pickups.

JPMREIT Highlights

8.4%
outperformance compared to the private real estate index[1]

5.0%
outperformance compared to the public non-listed REIT category[1]

94%
of 2024 distributions characterized as Return of Capital[2]

87%
allocation to residential and logistics[7]

2025 Outlook

We are seeing a sharp rise in economic and tariff policy uncertainty that has increased stock market volatility and boosted recession concerns. This environment serves to remind investors that sentiment drives securities prices, while direct real estate pricing may be more stable due to buyers' focus on longer-term factors. Most important among these factors is the sharp decline in apartment (down 36%) and warehouse (down 62%) construction starts.[4] With a new supply pipeline already shrinking at a recessionary pace, we see both lenders and equity acquirers of properties remaining relatively sanguine about the property market even as economic concerns grow. For example, lenders continue to quote low leverage mortgages at historically small spread premiums versus U.S. Treasury bonds.[5] This, combined with flat Treasury interest rates, has modestly boosted pricing for equity property transactions.

JPMREIT is focused on logistics and residential strategies that are both resilient and growth-oriented. For example, we have continued conviction in attainable residential in high growth markets with collapsing new supply. Also, we now control and expect to acquire several industrial properties with tenants engaged in local property and infrastructure maintenance as well as light manufacturing. Importantly, these tenants serve their communities' current needs and do not require speculative growth or expansion of international trade. In sum, our goal is to deliver returns primarily by investing where there are shortages in attainable housing and last mile logistics subsectors.

JPMREIT's total asset value (TAV) finished 2024 at $635 million and is now approaching $1 billion as of March 2025, more than 2.5 times what it was at the end of 2023.[6] In recent months, JPMREIT has experienced an acceleration in fundraising. This extraordinary increase in our dry powder is well-timed for a property market that has seen an increase in transaction volume but at values that remain well below their 2022 peaks. At this point, we remain one of the few public, non-listed REITs that is capitalized to take advantage of current market weakness. Through March 2025, we have 13 assets and we expect to grow the size of our portfolio in the coming months.

Owners, operators, and brokers know about our existing dry powder as well as our continued inflows and so they are coming to us with compelling investment opportunities. Our net leverage is near zero, and as borrowing becomes more accretive, we plan to increase our buying capacity by adding debt to both our existing assets and new acquisitions. This strategy will provide a tailwind to performance and enhance our distribution yield.

Thank you for entrusting us with your capital. U.S. real estate's resilience is helped by the fact that property markets are still priced well below peak and construction starts have already collapsed. We will remain cautious about adding leasing risk to the portfolio and will continue targeting a strategy that delivers consistent growth in our property net operating income as well as our dividends.

Chad Tredway
Chairperson of the Board
& Chief Executive Officer

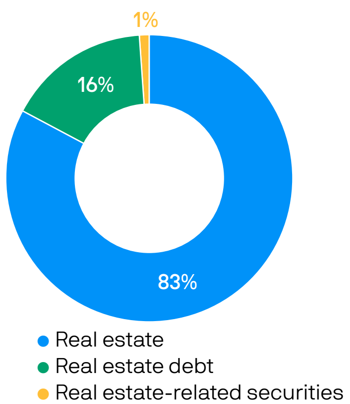
Dave Esrig, CFA
Co-President

Doug Schwartz
Co-President

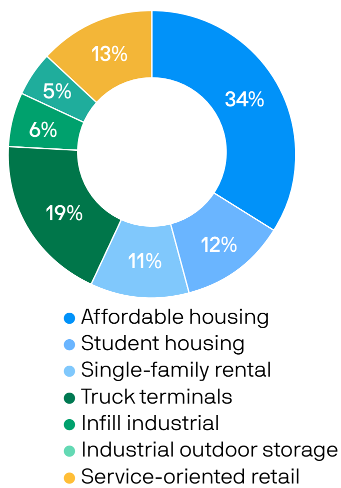
Portfolio Overview[7]

$635M	9%	10	97%	July '22
Total asset value[6]	Leverage ratio[8]	Investments	Occupancy[9]	Inception

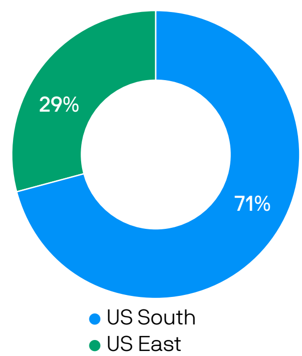
Asset allocation



Sector



Region



Portfolio Performance

Class		2024	Since Inception	Annualized Distribution Rate
Class S	No load With load	6.12% 2.54%	3.35% 0.87%	3.28%
Class D	No load With load	6.06% 4.49%	6.12% 5.33%	4.32%
Class I		6.11%	6.20%	4.30%

As of December 31, 2024, unless otherwise stated. Total Return and Annualized Distribution Rate assume payments of the full upfront selling commissions and dealer manager fees (1.5% for Class D shares; 3.5% for Class S and Class T shares). Returns are annualized after one year. Performance quoted is past performance and is no guarantee of future results. Investment returns and principal value will fluctuate, so shares, when sold, may be worth more or less than original cost. Current performance may be higher or lower than returns shown. Performance includes the reinvestment of income and is net of all fees and expenses. Total Return is calculated as the percent change in the 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 generally accepted accounting principles in the United States ("GAAP"), and you should not consider Total Return to be equivalent to stockholders' equity or any other GAAP measure. NAV is calculated in accordance with the valuation guidelines approved by our board of directors. NAV is not a measure used under GAAP, and you should not consider NAV to be equivalent to stockholders' equity or any other GAAP measure. As of December 31, 2024, our total NAV was approximately $345.0 million and total stockholders' equity was approximately $ 296.1 million. For a full reconciliation of NAV to stockholders' equity and a discussion of the limitations and risks associated with our valuation methodology, please see the "Management's Discussion and Analysis of Financial Condition and Results of Operations—Net Asset Value" and "Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities—Net Asset Value" sections of our quarterly and annual reports filed with the SEC, which are available at www.jpmreit.com. For information on how we calculate NAV, see the "Net Asset Value Calculation and Valuation Guidelines" section of our prospectus. All returns shown assume reinvestment of distributions pursuant to JPMREIT's distribution reinvestment plan, are derived from unaudited financial information and are net of all JPMREIT 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 and costs advanced by the Adviser as outlined in the prospectus. The returns have been prepared using unaudited data and valuations of the underlying investments in the JPMREIT portfolio, which are estimates of fair value and form the basis for JPMREIT'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. The Annualized Distribution Rate reflects the current month's distribution annualized and divided by the prior month's net asset value, which is inclusive of all fees and expenses. Distributions are not guaranteed and may be sourced from non-income items. JPMREIT may pay distributions from sources other than cash flow from operations, including, without limitation, the sale of assets, borrowings, return of capital or offering proceeds, and advances or the deferral of fees and expense reimbursements and JPMREIT has no limits on such amounts it may pay from such sources. Through December 31, 2024, 78% of distributions were from cash flows from operating activities and 22% were from offering proceeds.

Investment Highlights

Bass Lofts | Atlanta, GA
Attainable housing

The Preserve at Pine Valley | Wilmington, NC
Attainable housing

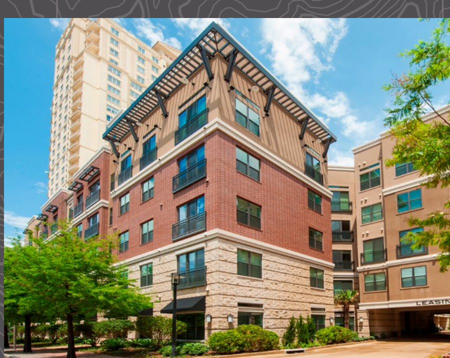
PODS Tampa | Tampa, FL
Infill industrial

Satori West Ashley | Charleston, SC
Multi-family senior mortgage

Shops at Grand Avenue | Queens, NY
Grocery- and service-oriented retail

Fiore | Sarasota, FL
Single-family rental townhomes

Savannah Truck Terminal | Savannah, GA
Truck terminal



Caroline West Gray | Houston, TX
Affordable housing

6200 Bristol Pike | Levittown, PA
Industrial outdoor storage

Overall Creek Apartments | Greater Nashville, TN
Multi-family mezzanine debt

Notes

For existing stockholders of JPMREIT only. This letter is not an offer to sell nor a solicitation of an offer to buy any securities.

All figures are as of December 31, 2024, unless otherwise stated. **Past performance does not guarantee future results.**

Forward-Looking Statements. This document contains forward-looking statements about our business, the real estate capital markets and sectors within the real estate market. These forward-looking statements can be identified by the use of forward-looking terminology such as “expect,” “continue,” “may,” “will,” “should,” “anticipate,” “intend” or other similar words or the negatives thereof. These may include statements about plans, objectives, intentions, and expectations with respect to acquisitions and positioning within the real estate market, including the impact of macroeconomic trends and market forces. 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. We believe these factors include those described under the section entitled “Risk Factors” in JPMREIT’s annual report for the most recent fiscal year, and any such updated factors included in JPMREIT’s periodic filings with the SEC, which are accessible on the SEC’s website at 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 JPMREIT’s public filings. Except as otherwise required by federal securities laws, JPMREIT undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

The selected images of certain JPMREIT investments are provided for illustrative purposes only, are not representative of all JPMREIT investments of a given property type and are not representative of JPMREIT’s entire portfolio. It should not be assumed that JPMREIT’s investment in the properties identified and discussed herein were or will be profitable.

1 As of December 31, 2024. Sources: JPMorgan Asset Management, Stanger (NAV REIT Index) and NCREIF Fund Index (NFI – ODCE). For the year 2024, Stanger Index returned net 1.1% and the NCREIF Fund Index returned net -2.3%.The NFI-ODCE Index has material differences from an investment in JPMREIT, including those related to investment objectives, risks, fees and expenses, liquidity and tax treatment. The NFI-ODCE Index is not a measure of public, non-listed REIT performance. It is not possible to invest directly into an index.

2 Tax Information: 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 dividend 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. JPMREIT’s return of capital was 100% in 2023. JPMREIT’s Return of Capital for 2024 was 94%, which means the maximum effective tax rate on JPMREIT’s 2024 distributions is 1.8%. This assumes the maximum ordinary tax bracket of 37%. Please note the effective tax rate is after the 20% reduction in rates introduced under the Tax Cuts and Jobs Act of 2017. The Tax Cuts and Jobs Act of 2017 is not applicable to capital gain dividends or certain qualified dividend income. It is only available for qualified REITs and the board is authorized to revoke the REIT election. The tax benefit is set to expire in 2026. There may be adverse legislative or regulatory tax changes. Other investments may offer tax advantages. An accelerated depreciation schedule does not guarantee a profitable return on investment.

3 6.7% tax-equivalent distribution rate assumes that the investment in JPMREIT shares is not sold or redeemed and reflects the pre-tax distribution rate an investor would need to receive from a theoretical investment to match the 4.3% after-tax distribution rate earned by a JPMREIT Class I stockholder based on JPMREIT’s 2024 ROC of 94%, if the distributions from the theoretical investment (i) were classified as ordinary income subject to tax at the top marginal tax rate of 37%, (ii) did not benefit from the 20% tax rate deduction and (iii) were not classified as ROC. The ordinary income tax rate could change in the future. Upon redemption, an investor is assumed to be subject to tax on all prior ROC distributions at the current maximum capital gains rate of 20%. The capital gains rate could change in the future. At this time, the 20% rate deduction to individual tax rates on the ordinary income portion of distributions is set to expire on December 31, 2025.

4 Source: Multifamily data from the U.S. Census Bureau (2024 Q4) and industrial data from Costar (2024 Q4).

5 Source: JPMIM Debt Capital Markets team.

6 Total asset value is measured as the gross asset value (based on fair value) of real estate investments and real estate debt investments plus the total fair value of real estate-related securities as well as the addition of any other assets (including cash or any other cash equivalents, but excluding cash associated with subscriptions received in advance).

7 **Investment Allocation** is measured as the asset value (based on fair value) of each investment category (real estate investments, real estate debt investments and real estate-related securities) divided by the total asset value of all investment categories, including the value of any third-party interests in consolidated properties.

Sector weighting is measured as the asset value (based on fair value) of real estate investments and real estate debt for each sector category divided by the gross asset value of all real estate investments and real estate debt, including the value of any third-party interests in such real estate investments. Consumption, live and work sector allocations reflect the total of the applicable subsectors.

Region Concentration represents regions as defined by NCREIF and the weighting is measured as the asset value of real estate properties and unconsolidated property investments for each regional category divided by the total asset value of all real estate properties, including the value of any third-party interests in consolidated properties. Please see the prospectus for more information on JPMREIT’s investments.

8 JPMREIT’s leverage ratio is measured by dividing (i) consolidated property-level and entity-level debt net of cash and loan-related restricted cash by (ii) the asset value of real estate investments (measured using the greater of fair market value and cost) plus the equity in JPMREIT’s real estate debt and real estate-related investments. Indebtedness incurred (i) in connection with funding a deposit in advance of the closing of an investment or (ii) as other working capital advances, is not included as part of the calculation.

9 Reflects real estate operating property investments only and does not include real estate debt investments or real estate-related securities. Occupancy for our multifamily properties is measured monthly by dividing property market rent for occupied units by the gross market rent potential of all units. Gross market rent potential is the average monthly market rent of all units at the operating property. For our commercial investments, occupancy represents the percentage of all leased square footage divided by the total available square footage as indicated. Occupancy is weighted by the total real estate asset value of all investments in real estate. An operating property is an existing property that was purchased. For a newly developed property, operating is defined as reaching 60% occupancy or having been available for occupancy for a year from its certificate of occupancy.