

Blackstone

Blackstone Real Estate Debt Strategies III L.P.

For the Exclusive Use of Villanova University
Capital Account Statement as of September 30, 2021
Highly Confidential & Trade Secret

Summary

(Amounts in \$)

	BREDS III	LIMITED PARTNER		BREDS III GROSS IRR ⁽²⁾	BREDS III NET IRR ⁽²⁾	LIMITED PARTNER NET IRR ⁽²⁾
Capital Commitment	3,999,617,470	5,000,000	QTD	3.9%	3.1%	2.8%
Capital Contributed	(4,362,206,307)	(5,358,500)	YTD	14.4%	11.1%	10.3%
Add back: Return of Capital ⁽¹⁾	2,422,491,694	2,977,436	ITD	13.0%	8.8%	7.9%
Less: Return of Capital not subject to recall ⁽¹⁾	(626,425,592)	(775,590)				
UNFUNDED CAPITAL COMMITMENT	1,433,477,265	1,843,347				

Capital Account Statement

(Amounts in \$)

BREDS III INVESTMENTS								LIMITED PARTNER INVESTMENTS						
DISTRIBUTIONS								DISTRIBUTIONS						
DATE	INVESTMENT NAME	BEGINNING BALANCE	CONTRIBUTIONS	CAPITAL	INCOME ⁽³⁾	UNREALIZED INCOME, GAINS & LOSSES ⁽⁴⁾	ENDING BALANCE	INVESTMENT %	BEGINNING BALANCE	CONTRIBUTIONS	CAPITAL	INCOME ⁽³⁾	UNREALIZED INCOME, GAINS & LOSSES ⁽⁴⁾	ENDING BALANCE
09/02/2016	Diamond Resorts Secured Bonds/Term Loan	62,469,520	-	(16,765,390)	(429,882)	(9,248)	45,265,000	0.12%	78,071	-	(20,959)	(537)	(18)	56,558
09/29/2016	325 Bay Street Hotel & Condos Whole Loan	58,977	-	-	-	-	58,977	0.12%	74	-	-	-	-	74
11/09/2016	HFZ 4-Pack Senior Loan	12,067,915	-	-	(353,043)	322,778	12,037,650	0.12%	14,801	-	-	(433)	396	14,764
11/18/2016	Cosmopolitan Junior Mezzanine Loan	(21,079)	-	-	-	-	(21,079)	0.13%	(28)	-	-	-	-	(28)
11/29/2016	Hilton Grand Vacations Senior Unsecured Bonds	42,000	-	-	-	-	42,000	0.12%	51	-	-	-	-	51
12/20/2016	Manhattan Hotel Whole Loan	14,738,543	-	-	-	564,447	15,302,990	0.21%	31,577	-	-	-	1,202	32,780
01/20/2017	Millharbour Whole Loan	55,949,414	-	-	-	1,357,350	57,306,765	0.12%	69,925	-	-	-	1,678	71,603
03/08/2017	110 William Street Mezzanine Loan	(104)	-	-	-	-	(104)	-	-	-	-	-	-	-
03/22/2017	Manhattan Hotel Whole Loan 2	11,196,870	-	-	-	431,195	11,628,066	-	-	-	-	-	-	-
03/31/2017	Office First Mezzanine Loan	20,024,675	-	(16,209,372)	(4,214,272)	(12,481)	(411,449)	0.12%	25,033	-	(20,264)	(5,268)	(15)	(513)
04/10/2017	Aqualand 3-Pack Mortgage Loan	269,967	-	-	-	-	269,967	0.11%	287	-	-	-	-	287

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DATE	INVESTMENT NAME	BEGINNING BALANCE	DISTRIBUTIONS			UNREALIZED INCOME, GAINS & LOSSES ⁽⁴⁾	ENDING BALANCE	INVESTMENT %	BEGINNING BALANCE	DISTRIBUTIONS			UNREALIZED INCOME, GAINS & LOSSES ⁽⁴⁾	ENDING BALANCE	
			CONTRIBUTIONS	CAPITAL	INCOME ⁽³⁾					CONTRIBUTIONS	CAPITAL	INCOME ⁽³⁾			
04/20/2017	The Lion Vail Whole Loan	(24,101)	-	-	-	-	(24,101)	0.19%	(45)	-	-	-	-	(45)	
04/25/2017	Ripon Portfolio	327,214	-	-	-	7,725	334,939	0.12%	409	-	-	-	10	419	
06/06/2017	The Row DTLA Whole Loan	921,815	-	-	-	-	921,815	0.22%	1,983	-	-	-	-	1,983	
06/08/2017	Graduate Hotel Portfolio Mezzanine Loan	24,747	-	-	-	-	24,747	0.22%	53	-	-	-	-	53	
06/16/2017	Project Septer Mezzanine Loan	4,331,257	-	-	-	(11,856)	4,319,401	0.13%	5,414	-	-	-	(15)	5,399	
07/21/2017	St. Giles Circus Whole Loan	125,314,357	-	-	(3,228,197)	5,249,203	127,335,363	0.12%	156,605	-	-	(4,036)	6,564	159,133	
09/22/2017	Graduate Hotel Portfolio Mezzanine Loan 2	(5,866)	-	-	-	-	(5,866)	-	-	-	-	-	-	-	
10/27/2017	Polar Mezzanine Portfolio	144,215,369	-	-	(2,197,737)	2,663,645	144,681,277	0.13%	182,222	-	-	(2,778)	3,366	182,811	
11/17/2017	111 Murray 2017 Refi	772,121	-	(729,502)	-	(2,687)	39,932	0.21%	1,661	-	(1,569)	-	(6)	86	
11/17/2017	111 Murray Mortgage & Mezzanine Loan	264,263	-	(217,183)	-	(58)	47,022	0.22%	568	-	(467)	-	-	101	
11/17/2017	111 Murray Mortgage & Mezzanine Loan 2	182,099	-	(127,146)	-	(23)	54,930	-	-	-	-	-	-	-	
11/30/2017	Philadelphia Marriot Mezzanine Loan	20,219,532	-	-	(438,434)	535,326	20,316,424	0.21%	43,301	-	-	(939)	1,147	43,508	
12/18/2017	Hornby Mortgage Portfolio	144,461,717	-	-	(3,586,545)	3,619,452	144,494,624	0.12%	169,245	-	-	(4,203)	4,242	169,284	
12/29/2017	Old Post Office Mezzanine Loan	361	-	-	-	-	361	-	-	-	-	-	-	-	
03/23/2018	Philadelphia Marriott Downtown 2	15,925,668	-	-	(345,261)	421,562	16,001,970	-	-	-	-	-	-	-	
04/03/2018	Prudential Plaza Preferred Equity Investment	147,435,271	-	-	(2,953,314)	3,083,297	147,565,254	0.16%	239,384	-	-	(4,796)	5,008	239,595	
04/04/2018	FREMF 2013-K32 Class D/X2B Bonds	18,700,232	-	-	(1,128,737)	1,018,608	18,590,103	0.11%	21,223	-	-	(1,286)	1,234	21,171	
04/16/2018	Diamond Resorts Term Loan Upsize	15,403,240	-	(7,327,085)	-	(52,965)	8,023,190	0.21%	33,108	-	(15,750)	-	(114)	17,244	
04/18/2018	UK Urban Logistics Mezzanine Loan	32,909,150	-	-	-	446,322	33,355,472	0.11%	37,450	-	-	-	497	37,947	

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Villanova University
For the quarter ended September 30, 2021
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Capital Account Statement

(Amounts in \$)

BREDS III INVESTMENTS								LIMITED PARTNER INVESTMENTS							
DATE	INVESTMENT NAME	BEGINNING BALANCE	DISTRIBUTIONS			UNREALIZED INCOME, GAINS & LOSSES ⁽⁴⁾	ENDING BALANCE	INVESTMENT %	BEGINNING BALANCE	DISTRIBUTIONS			UNREALIZED INCOME, GAINS & LOSSES ⁽⁴⁾	ENDING BALANCE	
			CONTRIBUTIONS	CAPITAL	INCOME ⁽³⁾					CONTRIBUTIONS	CAPITAL	INCOME ⁽³⁾			
05/10/2018	CMBX.8 BBB-Index	38,382,839	-	-	(1,206,231)	2,551,850	39,728,457	0.11%	43,887	-	-	(1,380)	2,919	45,426	
05/23/2018	Bayonne Logistics Center Senior Loan	8,853,486	-	-	(743,522)	503,982	8,613,946	0.21%	19,002	-	-	(1,597)	1,080	18,485	
05/29/2018	111 Murray 2 2017 Refi	524,900	-	(322,517)	-	(1,826)	200,557	-	-	-	-	-	-	-	
06/05/2018	Apple Leisure Group Refi Term Loan	138,430,825	-	(450,685)	(2,405,182)	30,443,509	166,018,468	0.12%	161,018	-	(524)	(2,799)	35,426	193,121	
07/03/2018	Santander Spanish Portfolio	120,899,234	-	-	(2,005,233)	2,276,721	121,170,722	0.12%	143,343	-	-	(2,378)	2,701	143,666	
07/20/2018	FREMF 2015-K43 Class D/X2B/X2A Bonds	15,254,176	-	-	(360,846)	1,059,153	15,952,483	0.12%	17,801	-	-	(422)	1,246	18,625	
07/20/2018	FREMF 2015-K720 Class D/X2B/X2A Bonds	25,815,584	-	-	(1,010,027)	1,025,198	25,830,755	0.12%	30,126	-	-	(1,182)	1,270	30,214	
07/20/2018	FREMF 2017-K725 Class D/X2B/X2A Bonds	14,405,292	-	-	(1,419,363)	407,902	13,393,830	0.12%	16,817	-	-	(1,661)	511	15,668	
08/15/2018	Diamond Resorts Term Loan Upsize 2	11,087,091	-	-	-	(34,416)	11,052,675	-	-	-	-	-	-	-	
09/11/2018	Bayonne Logistics Center Senior Loan 2	7,176,431	-	-	(602,287)	408,852	6,982,996	-	-	-	-	-	-	-	
09/13/2018	Bay Club Term Loan	37,784,086	-	(120,292)	(133,363)	281,618	37,812,049	0.13%	49,408	-	(157)	(174)	365	49,442	
09/27/2018	FREMF 2018-K51 Class C Bonds	12,022,593	-	(431,338)	(310,062)	421,352	11,702,544	0.13%	15,690	-	(563)	(405)	547	15,269	
09/28/2018	Libra II Mezzanine Loan	3,215,787	-	-	(1,499,186)	(31,878)	1,684,723	0.13%	4,198	-	-	(1,958)	(42)	2,199	
09/29/2018	CMBX.9 BBB-Index	1,302,167	-	-	(36,093)	38,143	1,304,217	0.12%	1,515	-	-	(42)	44	1,517	
10/23/2018	Four Seasons Las Colinas	25,299,090	-	-	-	779,865	26,078,955	0.21%	54,277	-	-	-	1,661	55,939	
12/07/2018	Dedica	107,957	-	-	-	(195,309)	(87,352)	0.11%	124	-	-	-	(224)	(100)	
12/18/2018	Florida East Coast Industries	(1,228)	-	-	-	(424)	(1,652)	0.12%	(1)	-	-	-	(1)	(2)	
12/31/2018	Ascenty Term Loan	18,246,840	-	(6,410,555)	(81,146)	(148,821)	11,606,318	0.12%	21,273	-	(7,476)	(95)	(174)	13,529	
02/04/2019	Network Rail	83,469,855	-	-	(1,340,663)	1,652,395	83,781,588	0.12%	98,029	-	-	(1,575)	1,941	98,395	
03/06/2019	Courtyard Cambridge	6,037,552	-	-	(157,006)	240,025	6,120,571	0.21%	12,969	-	-	(337)	516	13,147	

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			CONTRIBUTIONS	CAPITAL	INCOME ⁽³⁾					CONTRIBUTIONS	CAPITAL	INCOME ⁽³⁾		
03/12/2019	Parkdean Resorts	9,230,031	-	-	-	29,168	9,259,199	0.11%	10,327	-	-	-	24	10,351
03/29/2019	Danias Portfolio	14,812,730	-	-	-	534,580	15,347,310	0.12%	17,230	-	-	-	612	17,841
05/22/2019	CMBX.10 BBB	38,749,889	-	-	-	1,027,113	39,777,002	0.12%	45,430	-	-	-	1,191	46,622
06/19/2019	Colombo Bavastro	30,486,665	-	-	(2,263,016)	739,141	28,962,790	0.12%	35,598	-	-	(2,643)	863	33,819
06/19/2019	Courtyard Cambridge 2	4,610,795	-	-	(119,564)	183,184	4,674,416	-	-	-	-	-	-	-
06/19/2019	Four Seasons Las Colinas Junior 2	15,030,045	-	-	-	465,588	15,495,634	-	-	-	-	-	-	-
06/19/2019	IMC Corporate Term Loan	14,048,125	-	-	(405,348)	440,235	14,083,011	0.12%	16,616	-	-	(480)	521	16,657
06/19/2019	One Beekman	10,324,052	-	-	(328,539)	494,262	10,489,775	0.21%	22,171	-	-	(706)	1,062	22,527
06/19/2019	One Manhattan Square	57,539,653	-	-	(1,641,379)	1,866,275	57,764,549	0.21%	123,531	-	-	(3,525)	4,010	124,015
06/19/2019	Progress Residential Fund II Term Loan	17,232,554	-	-	-	531,569	17,764,122	0.21%	37,008	-	-	-	1,133	38,141
07/31/2019	FREMF 2019-KF64	17,580,052	-	(1,824,989)	(415,653)	1,441,227	16,780,637	0.08%	14,590	-	(1,515)	(345)	1,197	13,928
08/23/2019	One Beekman 2	7,777,390	-	-	(247,307)	372,109	7,902,191	-	-	-	-	-	-	-
09/06/2019	Septer Refi	88,745,223	-	-	(1,612,607)	1,942,059	89,074,675	0.09%	79,482	-	-	(1,445)	1,740	79,778
09/19/2019	Progress Residential Fund II Term Loan 2	14,665,683	-	-	-	455,428	15,121,112	-	-	-	-	-	-	-
09/29/2019	GreenStreet	318,435	-	-	-	596,998	915,433	0.21%	657	-	-	-	1,273	1,931
10/01/2019	OYO Las Vegas	11,068,641	-	-	(538,247)	480,557	11,010,951	0.22%	24,267	-	-	(1,182)	1,087	24,172
10/16/2019	Merlin Entertainments	26,888,944	-	-	(582,511)	484,498	26,790,932	0.09%	25,025	-	-	(543)	448	24,930
11/25/2019	VICI 2026 Unsecured Notes	5,595,191	-	-	(161,782)	403,579	5,836,988	0.11%	5,960	-	-	(173)	440	6,228
12/05/2019	One Manhattan Square 2	35,224,172	-	-	(1,000,870)	1,137,586	35,360,889	-	-	-	-	-	-	-
12/23/2019	Progress Residential Fund I Term Loan	25,158,236	-	-	-	515,939	25,674,175	0.09%	23,428	-	-	-	474	23,902
01/17/2020	OYO Las Vegas 2	10,376,206	-	-	(459,929)	502,819	10,419,097	-	-	-	-	-	-	-
01/24/2020	GreenStreet 2	347,685	-	-	-	630,477	978,162	-	-	-	-	-	-	-
02/14/2020	Hercules Spanish Portfolio	53,539,697	-	-	(1,487,859)	1,216,030	53,267,867	0.14%	73,119	-	-	(2,033)	1,664	72,751

Capital Account Statement

(Amounts in \$)

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DATE	INVESTMENT NAME	BEGINNING BALANCE	DISTRIBUTIONS			UNREALIZED INCOME, GAINS & LOSSES ⁽⁴⁾	ENDING BALANCE	INVESTMENT %	BEGINNING BALANCE	DISTRIBUTIONS			UNREALIZED INCOME, GAINS & LOSSES ⁽⁴⁾	ENDING BALANCE
			CONTRIBUTIONS	CAPITAL	INCOME ⁽³⁾					CONTRIBUTIONS	CAPITAL	INCOME ⁽³⁾		
03/13/2020	Dream Global Mezzanine Loan	120,457,244	-	-	(2,996,216)	3,102,986	120,564,013	0.12%	157,271	-	-	(4,002)	(3,858)	149,410
03/25/2020	Opportunistic Securities Portfolio	28,832,244	-	-	(245,416)	149,151	28,735,979	0.13%	38,477	-	-	(328)	201	38,350
Investments Pending Initial Capital Call														
12/31/2018	Ascenty Delayed Draw Term Loan	19,326	-	-	-	(28,619)	(9,293)	0.13%	21	-	-	-	(33)	(12)
09/19/2019	Proprium Term Loan	464,413	-	-	-	7,461	471,874	0.05%	278	-	-	-	(24)	254
	Other ⁽⁵⁾	(3,297,769)	-	-	9,702,405	(9,008,796)	(2,604,160)	0.34%	(14,145)	-	-	12,671	(7,289)	(8,763)
	Subtotal	2,072,315,258	-	(50,936,054)	(36,989,466)	72,022,084	2,056,411,822		2,538,189	-	(69,244)	(45,012)	81,700	2,505,633
	Est. Carried Interest/Clawback ⁽⁶⁾	-	-	-	-	-	-		(43,956)	-	-	4,647	(12,788)	(52,097)
	TOTAL	2,072,315,258	-	(50,936,054)	(36,989,466)	72,022,084	2,056,411,822		2,494,232	-	(69,244)	(40,365)	68,912	2,453,536

Supplemental Information ⁽⁷⁾

(Amounts in \$)

	BREDS III	LIMITED PARTNER
Quarterly Management Fees ⁽⁸⁾	7,811,958	10,308
Quarterly Administration Fees	190,907	239
Quarterly Servicing Fees	56,618	8,079

Appendix

Capital Account Statement

- (1) Return of capital distributions that are subject to recall or reserve by the General Partner increase the amount of unfunded capital commitment. Capital commitments that have not been invested or reserved may be released by the General Partner following the termination of the Investment Period.
- (2) The IRR's presented represent the IRR's through the current period. Net returns reflect the deduction of management fees, carried interest, and expenses.
- (3) Income received by investments, net of allocable expenses and realized carried interest.
- (4) Primarily accrued interest and gains, net of allocable expenses and losses, currency fluctuations, and valuation adjustments.
- (5) Other is primarily composed of non-deal related income and expenses, including broken deal expenses and unused commitment fees.
- (6) Represents the allocation of carried interest to or clawback from the General Partner and is subject to final realized proceeds.
- (7) Supplemental information is allocated to individual investment balances through the unrealized income, gains and losses column in the accompanying quarterly activity table.
- (8) Pursuant to the investment advisory agreement, quarterly management fees are calculated as the applicable management fee percentage multiplied by each limited partner's applicable share of investments that were made or committed by the fund, weighted by time outstanding during the quarter.

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"Investments Pending Initial Capital Call" were acquired using the Fund's subscription-based credit facility. The Fund generally pays all investment related expenses, including interest on the fund-level subscription facility.

Unless otherwise indicated, all internal rates of return are presented on a "gross" basis (i.e., before management fees, organizational expenses, and the general partner's allocation of profit, but after expenses withheld from distributions). Investments valued at original cost are included in the computation of the unrealized returns. Actual realized returns on unrealized investments will depend on, among other factors, future operating results, the value of the assets, and market conditions at the time of disposition, any related transaction costs, and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which the valuations used in the performance data contained herein are based. Accordingly, the actual realized returns on these unrealized investments may differ materially from the returns indicated herein. Calculations of net and gross IRRs in respect of investment and performance data with respect to the Fund are based on the payment date of capital contributions received from Limited Partners. This treatment also applies in instances where the Fund utilizes borrowings under its subscription-based credit facility in lieu of or in advance of receiving capital contributions from limited partners to repay any such borrowings and related interest expense. As a result, use of a subscription-based credit facility will result in a higher reported IRR than if the facility had not been utilized and instead limited partners' capital had been contributed at the inception of an investment. Statements contained herein that are not historical facts are based on current expectations, estimates, projections, opinions and beliefs, and may constitute forward-looking statements. Due to various risks and uncertainties, actual events or results may differ materially from such forward-looking statements, and undue reliance should not be placed thereon.