

Dear KREST Shareholders,

Thank you for your support of KKR Real Estate Select Trust Inc. (“KREST” or the “Fund”). In today’s complex and evolving market environment, KREST has continued to deliver on its goal of providing investors with access to the potential benefits of income-oriented real estate equity and credit in a single fund. We established KREST with three complementary strategy pillars – stabilized real estate, prime single tenant, and real estate credit – that we believed would create a well-balanced portfolio that provides investors with access to tax-advantaged income, growth potential, and downside protection, as well as a level of inflation hedging through a wide range of market environments. Since inception, the Fund has delivered an 11.90% annualized net total return (Class I) and an annualized net distribution rate of 5.41% (Class I) as of June 30, 2023.¹ At 100% return of capital (“ROC”)² for tax purposes, this represents an approximately 8.6% tax-equivalent net yield.

**Performance as of
June 30, 2023¹**

5.41%

*Net Distribution Rate
(Class I)*

11.90%

*ITD Net Total Return
(Class I)*

(2.58%)

*YTD Net Total Return
(Class I)*

While property-level performance remains strong across the portfolio, changes in valuation assumptions have resulted in wider exit capitalization rates and discount rates across KREST’s real estate equity portfolio, weighing on KREST’s short-term performance for the first half of 2023. The Fund’s emphasis on real estate credit has offset some of the impact of wider exit capitalization rates and discount rates on overall performance, while supporting the Fund’s ability to continue to deliver consistent, tax-efficient income to shareholders.

As market conditions continue to evolve and we move past the impact of higher interest rates and elevated inflation, we remain focused on optimizing the Fund’s portfolio across high-quality, income-oriented real estate equity and credit investments. We continue to have strong conviction in our portfolio construction, which currently focuses on real estate credit (27% of KREST’s Total Investments as of June 30, 2023), contractual cash flows (46% of KREST’s Total Investments as of June 30, 2023) backed by creditworthy tenants and sponsors, high-quality, well-located real estate, and favorable real estate fundamentals supporting our investments and themes. To that end, the Fund’s current industrial rents present a 25%+ mark-to-market opportunity, as high quality, well-located industrial space continues to attract tenant demand. We expect this income upside to be realized as leases expire. The Fund has no near-term loan maturities, and 100% of asset-level financing is fixed or hedged, helping to mitigate any adverse impacts from rising interest rates.

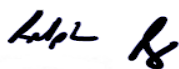
Importantly, KREST also maintains a robust and multifaceted liquidity position, representing 35% of net asset value (“NAV”) as of June 30, 2023.³ We believe this liquidity position should enable the Fund to provide a level of liquidity to investors of up to 5% of NAV through quarterly repurchases going forward, while also positioning the Fund to capitalize on new investment opportunities that arise.

KREST’s flexible strategy and diligent focus on portfolio construction allows us to pivot towards what we believe are the best available risk-adjusted opportunities in the real estate markets. Our immediate focus is on adding real estate credit investments to our portfolio, selectively increasing international exposure to markets like Japan, and over the next several months taking advantage of dislocated U.S. equity opportunities, as stress in the debt markets unlocks attractive assets with currently over-levered capital structures.

We believe credit investments represent some of the best available risk-reward opportunities in real estate markets, and, over the last 18 months, we have invested nearly \$500 million in floating-rate real estate credit positions that generate low double-digit yields at average pricing of SOFR + 567 basis points and are backed by high quality real estate collateral, strong sponsorship, and downside protection in the form of structural seniority. Most recently, KREST added credit positions backed by diversified industrial portfolios and strong sponsorship.

We believe KREST is well-positioned for today’s market environment as we seek to continue to deliver upon our objectives for our shareholders. We appreciate your continued trust and are excited to build upon KREST’s results as we expand our portfolio and seek to continue to deliver high-quality and resilient, tax-efficient income.

Sincerely,



Ralph Rosenberg
Chairman of the Board



Billy Butcher
Chief Executive Officer & President



Julia Butler
Chief Investment Officer

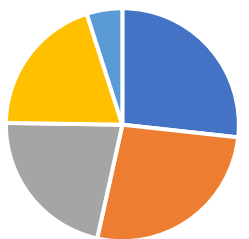
As of June 30, 2023, unless otherwise noted. Past performance is not indicative of future results. There can be no assurance that KREST will achieve its investment objective or avoid losses. Please refer to definitions and important disclosures in the Glossary of Terms. Performance figures are for Class I shares unless otherwise indicated.

KREST Portfolio Summary

as of June 30, 2023

Fund Statistics	\$1.5 billion Total Assets (GAAP)	\$1.5 billion Net Asset Value	0% Fund-Level Gross Leverage
Real Estate Metrics	\$3.5 billion Gross Property Value <i>(inc. unconsolidated subsidiaries)</i>	83 Total Properties	98% Occupancy Rate
			49% Combined Net Leverage <i>(inc. unconsolidated subsidiaries)</i>

Property Sector



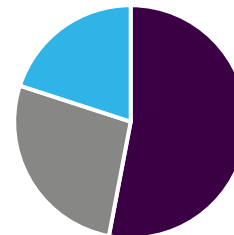
- Residential: 27%
- Real Estate Credit: 27%
- Industrial: 22%
- Prime Single Tenant: 20%
- Medical Office: 5%

Geography



- West: 32%
- East: 28%
- South: 23%
- Midwest: 10%
- Non-U.S.: 7%

Investment Strategy



- Stabilized Real Estate: 53%
- Real Estate Credit: 27%
- Prime Single Tenant: 20%

Performance Summary as of June 30, 2023¹

Share Class	Net Distribution Rate	1-Month	YTD 2023	2022	ITD	NAV per Share
Class I	5.41%	(0.96%)	(2.58%)	8.32%	11.90%	\$28.85
Class U <i>(No Sales Load)</i>	4.55%	(1.03%)	(2.99%)	7.42%	8.52%	\$28.85
Class S <i>(No Sales Load)</i>	4.55%	(1.03%)	(2.99%)	N/A*	(5.22%)	\$28.85

*Full-year 2022 performance is not applicable for Class S shares, which have an inception date of September 9, 2022.

Notes:
All figures are approximate and as of June 30, 2023, unless otherwise indicated. The terms “we”, “us” and “our” refer to KREST with reference to portfolio and performance data. In all other instances, including with respect to current and forward-looking views and opinions of the market and KREST’s portfolio and performance positioning, as well as the experience of KREST’s management team, these terms refer to KREST’s adviser, KKR Registered Advisor LLC, which is part of the real estate group of Kohlberg Kravis Roberts & Co. L.P. (together with its affiliates, “KKR”), a leading global investment firm. Certain information contained in this material constitutes “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 the negative versions of these words or other comparable words thereof. These may include KREST’s financial estimates and their underlying assumptions, statements about plans, objectives and expectations with respect to future operations, statements with respect to acquisitions, statements regarding 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. KREST believes these factors also include but are not limited to those described under the section entitled “Risk Factors” in its prospectus and this report, and any such updated factors included in its periodic filings with the Securities and Exchange Commission (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 this report (or KREST’s prospectus and other filings). Except as otherwise required by federal securities laws, KREST undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

1. The Fund employs leverage, which increases the volatility of investment returns and subjects the Fund to magnified losses if investments decline in value. Diversification of portfolio holdings does not assure a profit or protect against loss in a declining market. The Fund is classified as “non-diversified” under the Investment

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Company Act of 1940 (the "1940 Act"), and is not intended to be a complete investment program. Past performance does not guarantee future results. There can be no guarantee that current trends will continue. The investment return and principal value of an investment will fluctuate so that an investor's shares, when repurchased, may be worth more or less than their original cost and current performance may be lower or higher than the performance data quoted. Class I performance information is presented above; please refer to www.krest.reit/performance for additional performance information, including performance details for Class U and Class S shares.

2. Return of capital ("ROC") distributions are distributions in excess of current or accumulated earnings and profits as determined for U.S. tax purposes. Such distributions are not taxable to an investor to the extent they do not exceed the investor's tax basis in its shares. Rather, the ROC distribution reduces an investor's tax basis in the year the distribution is received, and generally defers taxes on that portion of the distribution until the investor's stock is sold via redemption. To the extent that a ROC exceeds an investor's tax basis, it generally will be taxable as capital gain. Such gain will be long-term capital gain if the investor has held its shares for more than one year. There is no guarantee future income will be treated as ROC for U.S. tax purposes. Stockholders will be informed of the tax characteristics of the distributions after the close of the 2023 fiscal year.

3. Represents assets such as cash, cash-equivalents and liquid securities, as well as committed and unfunded credit facility capacity.

Glossary of Terms

Gross Property Value: Represents real estate and other assets held by KREST's unconsolidated subsidiaries, including any portion not owned by the Fund. As of June 30, 2023, the Fund's economic interest in such joint ventures ranges from 50.5% to 99.5%. For financial reporting purposes, KREST includes the fair value of its equity interests in these subsidiaries in its total assets. As of June 30, 2023, the estimated fair value of the Fund's net equity interest in these subsidiaries is approximately \$1.06 billion.

Annualized ITD Net Return: Performance since inception through date indicated. Class I inception date is July 2, 2020; Class U inception date is June 30, 2021; Class D inception date is March 4, 2022; Class S inception date is September 9, 2022. On May 11, 2023, KREST's outstanding Class D shares were converted to Class I shares; as of June 30, 2023, there are no outstanding Class D shares. ITD performance number is annualized if time period is longer than one year. Reflects the percentage change in NAV per share plus the applicable distributions per share for the applicable period. Assumes the reinvestment of distributions pursuant to the Fund's distribution reinvestment plan. Past performance is historical and not a guarantee of future results.

Net Distribution Rate: Reflects the annualized monthly dividend for June 2023 divided by the month-end NAV for the respective share class. KREST intends to make distributions necessary to maintain its qualification as a real estate investment trust. However, there is no assurance that we will pay distributions in any particular amount, if at all. Any distributions we make will be at the discretion of our board of directors. KREST may pay distributions from sources other than cash flow from operations, including without limitations, the sale of assets, borrowings, return of capital or offering proceeds. For the 12 months ended December 31, 2022, 96% of KREST's distributions were funded through adjusted funds from operations ("AFFO"). The Fund defines AFFO as the increase in net assets applicable to common stockholders from operations (calculated in accordance with GAAP), excluding (i) the change in net unrealized (appreciation) depreciation of investments, (ii) amortization premium (accretion of discount) on real estate securities, (iii) amortization of deferred origination fees on real estate loans, (iv) amortization of deferred financing costs, (v) management and incentive fees paid in shares of the Fund and (vi) realized and including undistributed income attributable to the Fund's unconsolidated subsidiaries. This statement is not an indication of the tax treatment of any KREST distributions. Stockholders will be informed of the tax characteristics of any distributions after the close of KREST's fiscal year. As of June 30, 2023, the Class I net distribution rate is 5.41%, the Class U net distribution rate is 4.55%, and the Class S net distribution rate is 4.55%. On May 11, 2023, KREST's outstanding Class D shares were converted to Class I shares; as of June 30, 2023, there are no outstanding Class D shares.

Fund-Level Gross Leverage: Refers only to borrowings made by the Fund and its consolidated subsidiaries. The Fund may employ leverage in the form of loans, preferred stock, reverse repurchase agreements and/or other instruments. As of June 30, 2023, KREST had no borrowings outstanding under its credit facility and no Fund-level leverage outstanding.

Combined Net Leverage is a calculation provided to illustrate the combined leverage of the Fund and the Weighted Average LTV of the Fund's unconsolidated subsidiaries. It is calculated as the ratio of i) the Fund's borrowings, less cash and subscription proceeds receivable, plus the Equity-Weighted Unconsolidated Debt of the Fund's investments divided by ii) the Fund's total assets plus the Equity-Weighted Unconsolidated Debt of the Fund's investments.

Equity-Weighted Unconsolidated Debt is a measure of the non-recourse property level financing of the Fund's investments weighted by the Fund's equity exposure in such investments, calculated as the Fund's total investments divided by one minus the Weighted Average LTV, with the result then multiplied by the Weighted Average LTV.

Weighted Average LTV means the loan-to-value ratio of each of the Fund's investments (whether consolidated or unconsolidated) averaged with a weighting based on the value of the Fund's equity in each such investment.

Properties and Occupancy are reported based on the equity portion of the KREST portfolio. Excludes equity investment deposits and Real Estate Credit, which includes private real estate debt, including securities, and preferred equity. Property count excludes single family rental homes. Occupancy excludes single family rental homes that have been acquired and/or renovated, as applicable, within 3 months or less.

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