

**NEXPOINT**  
DIVERSIFIED REAL ESTATE

NYSE: NXDT

# NexPoint Diversified Real Estate Trust

## Q4 and FY 2023 Investor Presentation

**ADDRESS**

300 Crescent Ct  
Suite 700  
Dallas, TX 75201

**CONTACT**

**Investor Relations**

Kristen Thomas, NexPoint  
[IR@nexpoint.com](mailto:IR@nexpoint.com)

# Disclosures

## FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements reflect the current views of management with respect to future events and financial performance. Forward looking statements can be identified by words such as “may,” “ability,” “target,” “believe,” “plan,” “continue,” “grow,” “future,” “brought,” “progress,” “estimate,” “should,” “objective,” “complete,” “bullish,” “will,” “intend,” “project,” “establishing,” “forecast,” “soon,” and “seeks” and similar expressions, variations and negatives of these words. These forward-looking statements include, but are not limited to, statements regarding the Company’s business and industry in general, the Company’s business strategy and target property types, Cityplace Tower plans, including a hotel and class A multifamily units, the results of renovations and remodeling at Cityplace Tower, the trajectory of rents at Cityplace Tower, NXDT’s net asset value and related assumptions and components, including valuation techniques, inputs, input/range values and fair values based on those techniques, VineBrook Homes Trust, Inc.’s business strategies and investment targets, the NSP and SAFstor combination will provide scale to attract better financing, NSP continues to look to grow this vertical, and NSP’s projected development yield on cost. Forward-looking statements address matters that involve risks and uncertainties. Accordingly, there are or will be important factors that could cause the Company’s actual results to differ materially from those indicated in these statements. For a discussion of the factors that could change these forward-looking statements, see our Annual Report on Form 10-K filed with the SEC. The statements made herein speak only as of the date of this presentation and except as required by law, the Company does not undertake any obligation to publicly update or revise any forward-looking statements.

## NON-GAAP FINANCIAL MEASURES

This presentation contains non-GAAP financial measures. A “non-GAAP financial measure” is defined as a numerical measure of a company’s financial performance that excludes or includes amounts so as to be different than the most directly comparable measure calculated and presented in accordance with GAAP in the statements of operations, balance sheets or statements of cash flows of the Company. The non-GAAP financial measures used within this presentation are net operating income (“NOI”), funds from operations attributable to common stockholders (“FFO”), adjusted FFO (“AFFO”), and net debt.

NOI is used by investors and our management to evaluate and compare the performance of our properties to other comparable properties, to determine trends in earnings and to compute the fair value of our properties. NOI is calculated by adjusting net income (loss) to add back (1) interest expense (2) advisory and administrative fees, (3) the impact of depreciation and amortization (4) corporate general and administrative expenses, (5) income tax expenses, (6) conversion expenses (7) property general and administrative expenses that are not reflective of the continuing operations of the properties or are incurred on behalf of the Company at the property for expenses such as legal, professional, centralized leasing service and franchise tax fees (8) non-operating property investment revenue as it is unrelated to the performance of our properties (9) realized and unrealized gains (losses) generated from non-real estate investments and (10) equity in income (losses) of unconsolidated equity method ventures.

FFO is defined by the National Association of Real Estate Investment Trusts (“NAREIT”), as net income (loss) computed in accordance with GAAP, excluding gains or losses from real estate dispositions, plus real estate depreciation and amortization. We compute FFO attributable to common shareholders as net income (loss), excluding gains or losses from real estate dispositions, plus real estate depreciation and amortization and realized gains (losses). Our calculation of FFO differs slightly from NAREIT’s definition of FFO because we exclude realized gains (losses). We believe the exclusion of realized gains (losses) is appropriate because these realized gains (losses) are not related to our real estate properties.

AFFO makes certain adjustments to FFO. There is no industry standard definition of AFFO, and practice is divergent across the industry. AFFO adjusts FFO to remove items such as the amortization of deferred financing costs incurred in connection with obtaining long-term debt financing, equity based compensation expenses and changes in unrealized gains (losses).

Net debt is calculated by subtracting cash and cash equivalents and restricted cash from total debt outstanding.

We believe that the use of NOI, FFO, AFFO, and net debt, combined with the required GAAP presentations, improves the understanding of operating results and debt levels of real estate investment trusts (“REITs”) among investors and makes comparisons of operating results and debt levels among such companies more meaningful. While NOI, FFO, AFFO, and net debt are relevant and widely used measures of operating performance, debt levels and asset values of REITs, they do not represent cash flows from operations, net income (loss) or total debt as defined by GAAP and should not be considered an alternative to those measures in evaluating our liquidity, operating performance or debt levels. NOI, FFO, and AFFO do not purport to be indicative of cash available to fund our future cash requirements. We present net debt because we believe it provides our investors a better understanding of our leverage ratio. Net debt should not be considered an alternative to total debt, as we may not always be able to use our available cash to repay debt. Our computation of NOI, FFO, AFFO, and net debt may not be comparable to NOI, FFO, AFFO, and net debt reported by other REITs.

We define Same Store as properties that are comparable between periods and that are stabilized.

## ADDITIONAL INFORMATION

For additional information, see our filings with the SEC. Our filings with the SEC are available on our website, [nxdn.nextpoint.com](http://nxdn.nextpoint.com), under the “Financials” tab.

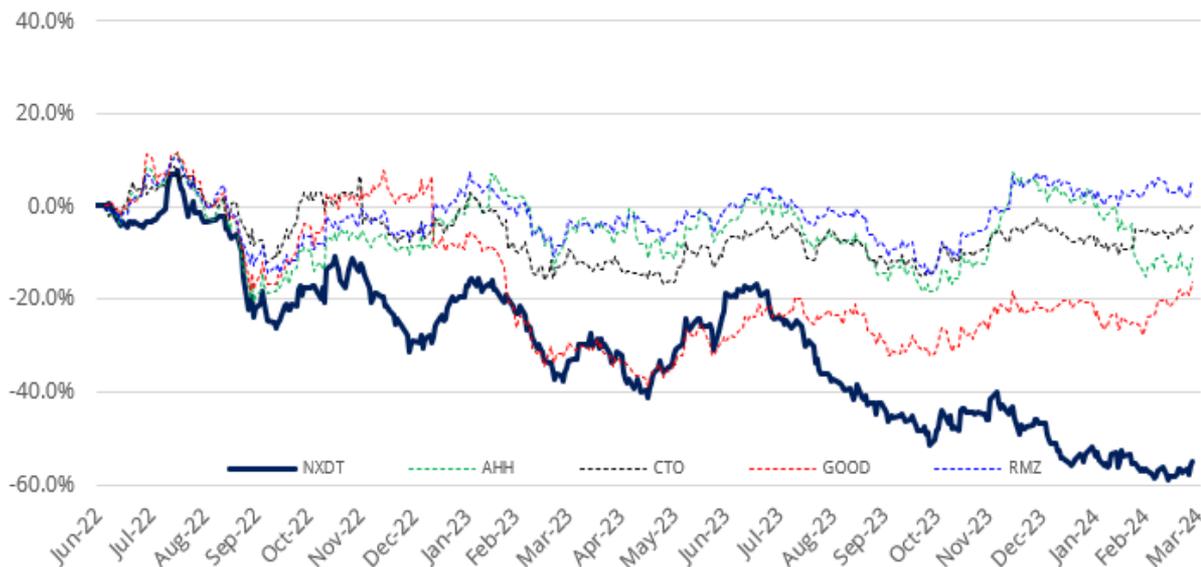
# NexPoint Diversified Real Estate Trust

## Company Overview

NexPoint Diversified Real Estate Trust (“NXDT”) is an externally advised diversified real estate investment trust (“REIT”), with its common shares and 5.50% Series A Cumulative Preferred Shares listed on the New York Stock Exchange under the symbols NXDT and NXDT-PA, respectively. As a diversified REIT, NXDT’s primary investment objective is to provide both current income and capital appreciation. NXDT seeks to achieve this objective by investing among various commercial real estate property types and across the capital structure, including but not limited to mortgage debt, mezzanine debt and common and preferred equity. Target underlying property types primarily include but are not limited to industrial, hospitality, net lease, retail, office, self-storage, life science and, to the extent currently owned, multifamily and single-family rentals. NXDT also may, to a limited extent, hold, acquire or transact in certain non-real estate securities.

NXDT is externally advised by NexPoint Real Estate Advisors X, L.P. (the “Adviser”), a subsidiary of NexPoint Advisors, L.P.

## NXDT Total Return<sup>1</sup>



1) BLOOMBERG. TOTAL RETURN, INCLUDING DIVIDENDS, AS OF CLOSE OF TRADING MARCH 28, 2024

2) IMPLIED DIVIDEND YIELD IS CALCULATED USING THE 4Q DIVIDEND OF \$0.15 PER COMMON SHARE, ANNUALIZED, DIVIDED BY THE SHARE PRICE AS OF CLOSE OF TRADING ON MARCH 28, 2024

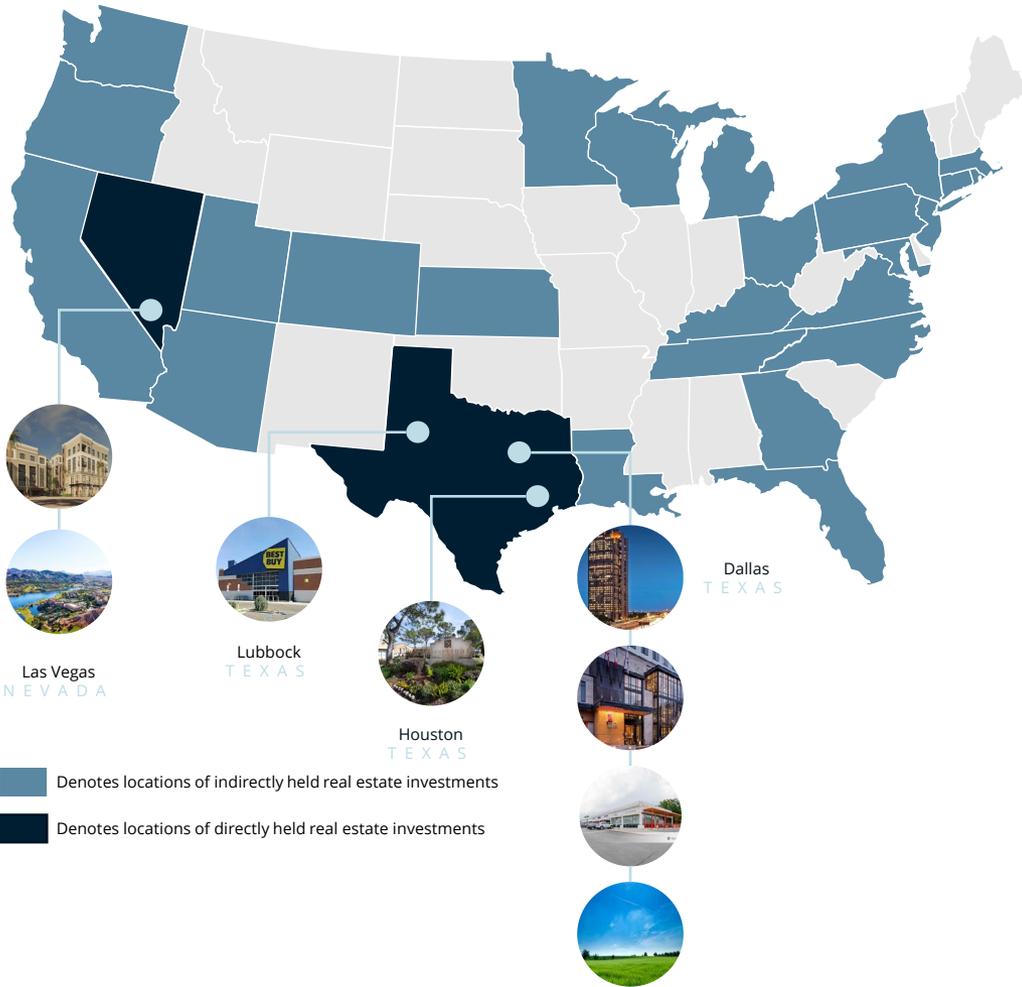
3) OF COMMON SHARES, INCLUDES OWNERSHIP BY FUNDS ADVISED OR MANAGED BY AFFILIATES OF OUR ADVISER AS OF THE CLOSE OF TRADING DECEMBER 31, 2023

**\$6.60**  
SHARE PRICE<sup>1</sup>

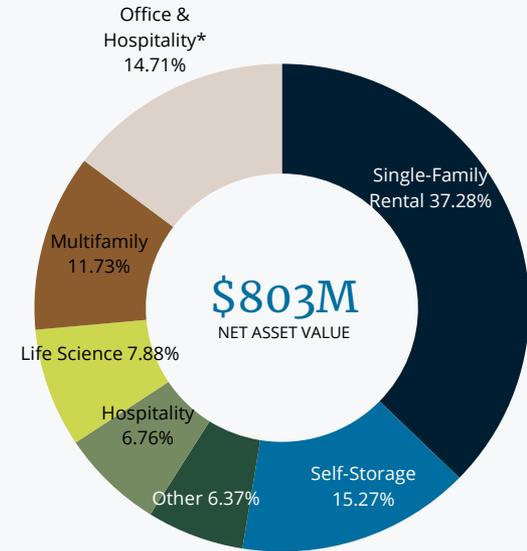
**9.1%**  
IMPLIED DIVIDEND  
YIELD<sup>2</sup>

**19.07%**  
INSIDER OWNERSHIP<sup>3</sup>

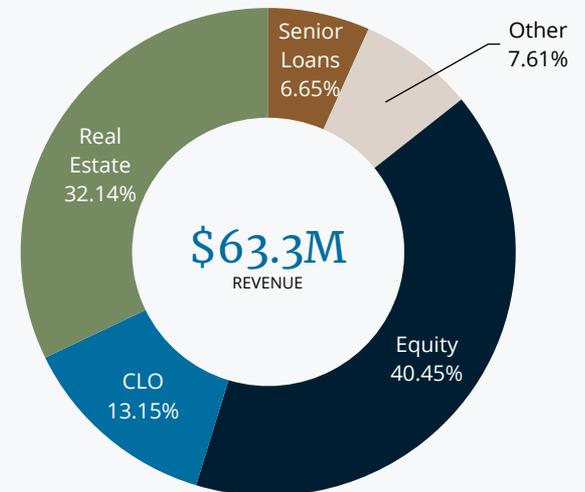
# Portfolio, Real Estate Owned



## Real Estate Asset Class<sup>1</sup>



## Revenue<sup>2</sup>



1) AS A PERCENTAGE OF REAL ESTATE DEBT AND EQUITY INVESTMENTS AS OF DECEMBER 31, 2023  
 2) REVENUE CONTRIBUTION BY ASSET CLASS FOR THE YEAR ENDED DECEMBER 31, 2023  
 3) INDICATES A VALUE LESS THAN 0.01%

\* CITYPLACE IS CURRENTLY UNDER DEVELOPMENT, AND THE COMPANY IS CONVERTING PART OF THE PROPERTY INTO A HOTEL

# Net Asset Value Estimate – Fair Value

(in thousands and as of December 31, 2023)

Investment	Asset Type	Real Estate Sector	Location	Ownership %	NXDT Fair Value
VineBrook Homes Operating Partnership, L.P.	LP Interest	Single-Family Rental	Various	11.2%	\$ 146,516
Cityplace Tower	Real Estate	Office/Hospitality/Multifamily	Dallas, Texas	100.0%	\$ 107,690 <sup>1</sup>
NexPoint Real Estate Finance Operating Partnership, L.P.	LP Interest	Diversified	Various	15.6%	\$ 76,688
NexPoint Storage Partners, Inc.	Common stock	Self-Storage	Various	52.9%	\$ 68,187
NexAnnuity Holdings, Inc.	Preferred Shares	N/A	N/A	100.0%	\$ 66,268
Non-Real Estate Common Equities	Common stock	N/A	N/A	N/A	\$ 52,827
NexPoint SFR Operating Partnership, L.P.	LP Interest	Single-Family Rental	Various	30.8%	\$ 49,383
IQHQ Holdings Class A-1	Common stock	Life Science	Various	1.4%	\$ 49,109
NexPoint Storage Partners Operating Company, LLC.	LLC Interest	Self-Storage	Various	30.0%	\$ 37,157
NexPoint Real Estate Finance, Inc.	Common stock	Diversified	Various	12.0%	\$ 33,075
Senior Loans	Senior Loans	N/A	N/A	N/A	\$ 31,016
AM Uptown Hotel, LLC	Real Estate	Hospitality	Dallas, Texas	60.0%	\$ 23,158 <sup>2</sup>
Convertible Notes in the Operating Partnership of NexPoint Hospitality Trust	Convertible Notes	Hospitality	Various	100.0%	\$ 21,437
7.50% Convertible Notes of NexPoint SFR Operating Partnership, L.P.	Convertible Notes	Self-Storage	Various	100.0%	\$ 20,814
NexPoint Dominion Land, LLC	Real Estate	Land	Plano, Texas	100.0%	\$ 12,967 <sup>1</sup>
White Rock Center	Real Estate	Real Estate Other	Dallas, Texas	100.0%	\$ 12,893 <sup>1</sup>
Las Vegas Land Owner, LLC	Real Estate	Multifamily	Las Vegas, Nevada	76.8%	\$ 12,312
Perilune Aero Equity Holdings One, LLC	LLC Interest	Aircraft	Aerospace	16.4%	\$ 12,256 <sup>2</sup>
Sandstone Pasadena Apartments, LLC	Real Estate	Multifamily	Pasadena, Texas	50.0%	\$ 11,458 <sup>2</sup>
LLV Holdco, LLC Revolver	Senior Loan	Land	Henderson, Nevada	100.0%	\$ 9,837
SFR WLIF III, LLC	LLC Interest	Single-Family Rental	Various	20.0%	\$ 7,079 <sup>2</sup>
IQHQ Holdings Class A-2	Common stock	Life Science	Various	0.5%	\$ 6,684
NSP OC Promissory Note	Promissory Note	Self-Storage	Various	100.0%	\$ 5,000
NexPoint Hospitality Trust	Common stock	Hospitality	Various	46.2%	\$ 4,886
Rights and Warrants	Rights and Warrants	N/A	N/A	N/A	\$ 3,993
5916 W Loop 289	Real Estate	Real Estate Other	Lubbock, Texas	100.0%	\$ 3,833 <sup>1</sup>
NexPoint Residential Trust, Inc.	Common stock	Multifamily	Various	0.3%	\$ 3,154

- 1) REPRESENTS THE NET EQUITY OF THE INVESTMENT. NET EQUITY REPRESENTS THE CARRYING VALUE OF THE INVESTMENT. FOR INVESTMENTS IN OPERATING PROPERTIES, ANY DEBT SECURED BY THE UNDERLYING REAL PROPERTY IS SUBTRACTED FROM THE CARRYING VALUE OF THE INSTRUMENT
- 2) REPRESENTS THE CARRYING AMOUNT OF THE INVESTMENT FOR ITS SHARE OF EARNINGS AND LOSSES REPORTED BY THE INVESTEE, DISTRIBUTIONS RECEIVED, AND OTHER-THAN-TEMPORARY IMPAIRMENTS
- 3) THE COMPANY OWNS 100% OF THE PREFERRED STOCK OF NEXANNUITY HOLDINGS, INC. BUT IT DOES NOT OWN ANY OF THE OUTSTANDING COMMON STOCK OF NEXANNUITY HOLDINGS, INC.

# Net Asset Value Estimate – Fair Value (continued)

(in thousands and as of December 31, 2023)

Investment	Asset Type	Investment Sector	Location	Ownership %	NXDT Fair Value
LLV Holdco, LLC	LLC Interest	Land	Henderson, Nevada	26.8%	\$ 2,242
CLOs	CLO	N/A	N/A	N/A	\$ 1,215
Real Estate Common Equities	Common Stock	Real Estate Other	Various	N/A	\$ 1,166
SFR OP Promissory Note	Promissory Note	Single-Family Rental	Various	100.0%	\$ 500
Bonds	Bonds	N/A	N/A	N/A	\$ 30
<b>Total Investments</b>					<b>\$894,884</b>
Other assets and liabilities					\$ (9,810)
Preferred shares					\$ (83,248)
<b>Net Asset Value</b>					<b>\$801,825</b>
Shares outstanding, diluted					38,980
<b>Estimated NAV/Share</b>					<b>\$20.57/sh</b>

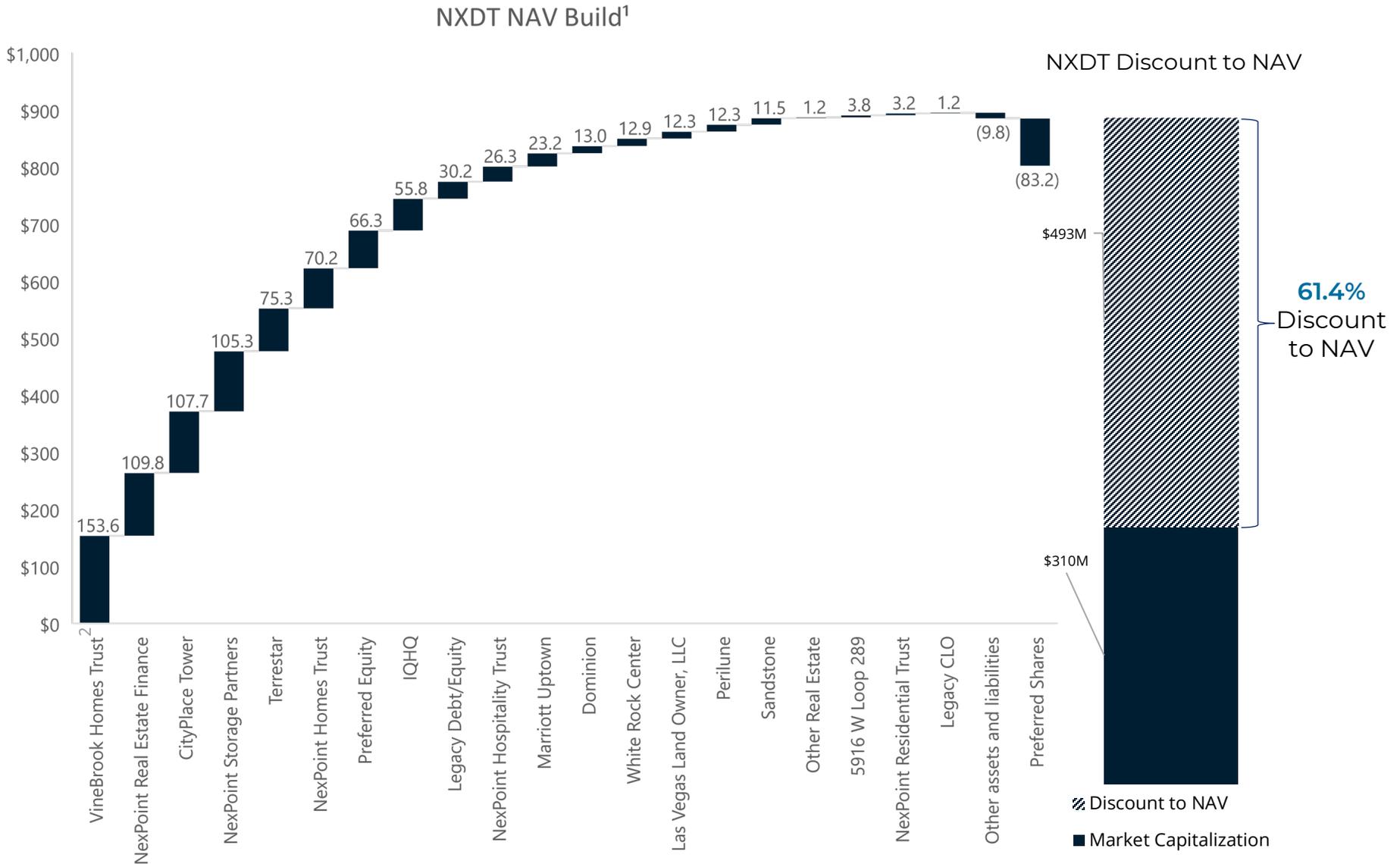
# Net Asset Value Estimate – Value of Assets Fair Value<sup>1</sup>

(In millions and as of December 31, 2023)

Asset Type	Valuation Technique	Inputs	Input/Range Values	Fair Value
Single-Family Rental	Discounted Cash Flow	Discount Rate	(12.5%) - (2.50%) (7.50%)	\$272.6
		Capitalization Rate	4.00% - 6.80% (5.39%)	
	Transaction Indication of Value	Price per Share	\$21.59	
Self-Storage	Discounted Cash Flow	Discount Rate	8.50%	110.8
		Capitalization Rate	5.25%	
		Market Rent (per sqft)	\$11.50 - \$41.00 \$(26.25)	
Multifamily	Direct Capitalization Method	Capitalization Rates	5.5%	85.9
	Transaction Indication of Value	Bid/Ask	Various	
	Transaction Indication of Value	Cost Price	N/A	
Office & Hospitality*	Direct Capitalization Method	Capitalization Rates	6.8%	107.7
	Discounted Cash Flow	Discount Rate	7.8%	
MidWave (fka TerreStar)	Multiples Analysis	Unadjusted Price/MHz-PoP	\$0.10 - \$0.90 \$(0.478)	75.3
		Cost of Capital	Discount Rate	
	Transaction Indication of Value	Enterprise Value \$(mm)	\$841	
Annuities	Discounted Cash Flow	Discount Rate	12.3%	66.3
		Transaction Indication of Value	Price per Share	
Life Science	Transaction Indication of Value	N/A	\$25.31 - \$28.00 \$(26.66)	55.7
	Multiples Analysis	NAV / sh multiple	1.00x - 1.25x (1.125x)	
Legacy CLO	NAV Approach	Discount Rate	N/A	1.2
Hospitality	Direct Capitalization Method	Capitalization Rates	6.5% - 9.5% (7.83%)	49.5
	Discounted Cash Flow	Discount Rate	7.5% - 9.75% (8.92%)	
	Discounted Cash Flow Black-Scholes Model	Discount Rate Volatility	8.25% - 10.25% (9.25%) 55.00% - 65.00% (60.00%)	
Real Estate Other	Transaction Indication of Value	Offer Price per Share	\$1.10	17.9
		Bid/Ask	Various	
	Direct Capitalization Method	Capitalization Rates	9.3%	
Land	Transaction Indication of Value	Rent PSF	\$7- \$9	25.0
	Transaction Indication of Value	Cost Price	N/A	
Aircraft	Discounted Cash Flow	Discount Rate	7.5% - 10.5%	12.3
Legacy Debt/Equity	Discounted Cash Flow	Discount Rate	28.0% - 33.0% (30.5%)	12.6
		NAV Approach	Discount Rate	
		Bid/Ask	Various	
	Multiples Analysis	Multiple of EBITDA	3.00x -4.00x (3.50x)	
Other assets and liabilities, net	N/A	N/A	N/A	(9.8)
(Less) Preferred shares	N/A	N/A	N/A	(83.2)
<b>Total</b>				<b>\$801.8</b>

1) PER THE COMPANY'S FAIR VALUE POLICIES AND PROCEDURES, THE FAIR VALUE POSITIONS ARE TYPICALLY ASSESSED ANNUALLY BY INDEPENDENT, THIRD-PARTY VALUATION SPECIALISTS. IF THE FAIR VALUE METHOD OF ACCOUNTING IS ELECTED FOR THESE INVESTMENTS, THESE THIRD-PARTY FAIR VALUES ARE ALSO SUBJECT TO AN INDEPENDENT AUDIT.

# NXDT Net Asset Value (NAV)



1) AS OF DECEMBER 31, 2023  
 2) INCLUDES VINEBROOK DEBT AND EQUITY INVESTMENTS

# Debt Look through of Equity Investments

(in thousands and as of December 31, 2023, and excludes non-affiliated publicly traded investments)

Investment	Total Debt per Investment	Ownership %
VineBrook Homes Operating Partnership, L.P.	\$2,394,578	11.2%
Cityplace Tower	\$142,305	100.0%
NexPoint Storage Partners, Inc.	\$835,061	52.9% <sup>1</sup>
NexPoint SFR Operating Partnership, L.P.	\$594,227	30.8%
Terrestar Corporation	Information is confidential	Information is confidential
IQHQ Holdings Class A-1	Information is confidential	1.4%
NexPoint Real Estate Finance, Inc. <sup>3</sup>	\$6,558,209	12.0% <sup>1</sup>
AM Uptown Hotel, LLC (Marriott Uptown)	Information is confidential	60.0%
NexPoint Hospitality Trust <sup>2</sup>	\$191,296	46.2%
White Rock Center	\$—	100.0%
NexPoint Dominion Land, LLC	\$13,250	100.0%
Las Vegas Land Owner, LLC	Information is confidential	76.8%
Sandstone Pasadena Apartments, LLC	Information is confidential	50.0%
Perilune Aero Equity Holdings One, LLC	Information is confidential	16.4%
SFR WLIF III, LLC	Information is confidential	20%
5916 W Loop 289	\$—	100.0%
NexPoint Residential Trust, Inc.	\$1,565,074	0.4%
LLV Holdco, LLC	Information is confidential	26.8%
IQHQ Holdings Class A-2	Information is confidential	0.5%

1) REFLECTS COMMON SHARES ONLY

2) AS OF 9/30/2023

3) REFLECTS THE LIABILITIES OF THE CMBS B PIECES WHICH ARE PRESENTED SEPARATELY FOR FINANCIAL REPORTING PURPOSES

The background of the slide features a tall, modern skyscraper with a grid of windows, partially obscured by a dark blue overlay. In the foreground, a red and white trolley is visible, with a sign on its front that reads "RIDE FREE". The trolley is positioned on a street with a modern, white, curved structure above it. The overall scene is set against a sky with scattered clouds.

**NEXPOINT**  
DIVERSIFIED REAL ESTATE

Q4 and FY 2023 INVESTOR PRESENTATION  
**Appendix**

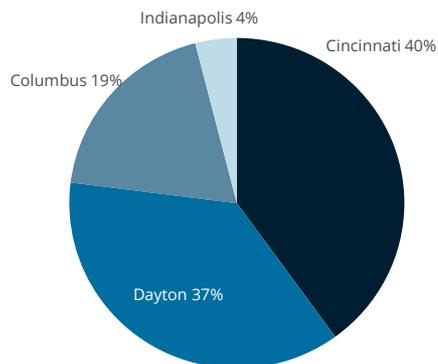
# VineBrook Homes

## OVERVIEW OF BUSINESS PLAN:

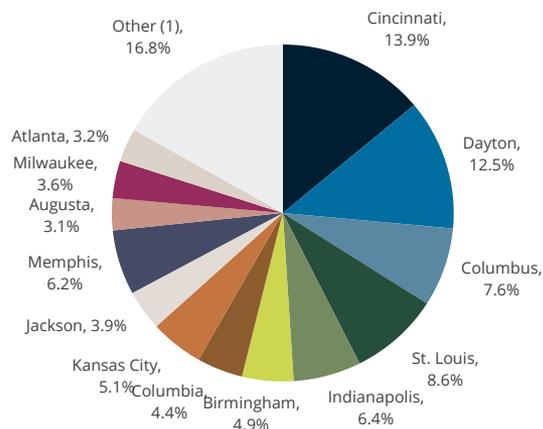
VineBrook Homes Trust, Inc.'s ("VineBrook") primary investment objectives are to provide their residents with affordable, safe, clean and functional dwellings with a high level of service through institutional management and a renovation program on the homes purchased, while enhancing the cash flow and value of properties owned. VineBrook intends to acquire properties with cash flow growth potential, provide quarterly cash distributions and achieve long-term capital appreciation for its stockholders.

## INVESTMENT GEOGRAPHIC RESULTS:

### REIT Formation (2018)



### Current (December 2023)



## ASSET PROFILE: AS OF 12/31/2023

Homes Owned <sup>2</sup> :	21,843 units
Stabilized Occupancy <sup>2</sup> :	95.1%
Average Stabilized Monthly Rent <sup>2</sup> :	\$1,239
Average Square Feet per Home <sup>2</sup> :	1,339 sq ft <sup>1</sup>
NXDT Ownership:	11.2%

## INVESTMENT HISTORY:

The Company, through NexPoint Real Estate Opportunities, LLC, its indirect subsidiary, contributed \$70.7 million to VineBrook in exchange for operating partnership units on November 1, 2018.

VineBrook began operations on November 1, 2018, as a result of the acquisition of various partnerships and limited liability companies owned and operated by the persons or entities affiliated with the manager of VineBrook and other third parties, which owned 4,129 single family rental ("SFR") assets located in Ohio, Kentucky and Indiana. Since then, NexPoint has provided access to over \$1 billion in equity and \$2 billion in debt, which has funded the purchase of more than 20,000 homes outside of the original portfolio. The VineBrook portfolio now covers 24 MSAs in 18 different states.

As of December 31, 2023, NXDT owns \$146.5 million of VineBrook, representing 11.2% ownership of VineBrook's operating partnership.



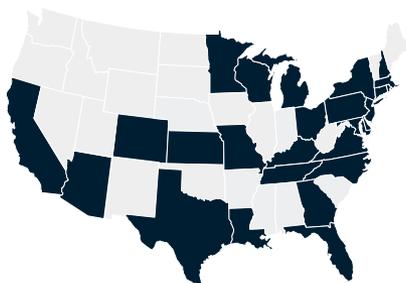
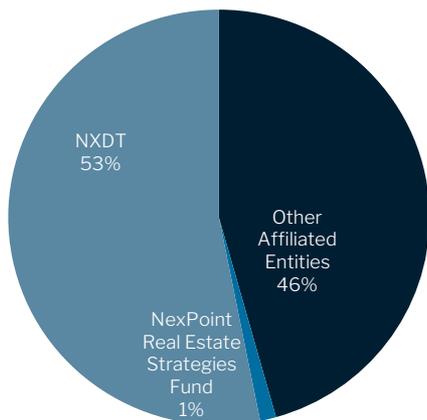
(1) AS OF 12/31/2023. OTHER INCLUDES MARKETS BELOW 3.0%: PITTSBURGH, PENSACOLA, GREENVILLE, LITTLE ROCK, HUNTSVILLE, RAEFORD, PORTALES, OMAHA, TRIAD, MONTGOMERY, AND CHARLESTON  
 (2) THESE FIGURES ONLY REFLECT THE VINEBROOK PORTFOLIO, AND DO NOT INCLUDE ANY PROPERTIES UNDER NEXPOINT HOMES TRUST, INC.

# NexPoint Storage Partners

## OVERVIEW OF BUSINESS PLAN:

NexPoint believes that combining NexPoint Storage Partners, Inc. ("NSP") and SAFStor, will provide NSP with the scale to attract better financing, as NSP continues to look to grow this vertical. Storage fundamentals have softened but look improved thus far in 2024; given the portfolio's quality and markets, we remain bullish on the future for this platform and its ability to outperform.

## OWNERSHIP BREAKDOWN AND MARKETS:



## ASSET PROFILE AS OF 12/31/2023:

Units Owned:	60,461 units
Total Investments:	75
Market Cap:	\$391 million
Total Rentable Sq. Ft.:	5.7 million
Projected Development Yield on Cost:	8.0%
NXDT Fair Value:	\$106 million <sup>2</sup>

## INVESTMENT HISTORY:

In November 2020, NexPoint took Jernigan Capital (formerly NYSE: JCAP) private in a \$900 million transaction. The company rebranded as NSP. JCAP was started as a hybrid mortgage-equity REIT, providing capital to self-storage developers and also owning facilities outright. Today, NSP invests in newly built, multi-story, climate-controlled, Class-A self storage facilities located in dense and growing markets. All assets are managed by Extra Space Storage, who also invested \$300 million in preferred equity during the JCAP buy out.

On December 8, 2022, NSP acquired and consolidated SAFStor (another Storage platform that was largely funded via LP equity by NexPoint). The newly acquired properties are in high-density, high-growth submarkets in major U.S. markets and benefit from demographics very similar to those of the existing NexPoint Storage portfolio, including strong household incomes, a high percentage of renters, and barriers to new development. The markets of the newly acquired properties include Baltimore, Cleveland, Detroit, Houston, Miami/Ft. Lauderdale, Nashville, New Orleans, Philadelphia, and Washington D.C.

1) CHART ONLY SHOWS COMMON STOCK OWNERSHIP OF NSP, INC.  
 2) INCLUDES COMMON STOCK OF NSP AND LLC UNITS OF NEXPOINT STORAGE PARTNERS OPERATING COMPANY, LLC, NSP'S OPERATING COMPANY.

# Cityplace Tower

## OVERVIEW OF BUSINESS PLAN:

There are ongoing renovation plans designed to optimize the functionality of the building, provide valuable amenities for current and future tenants, and enhance the Property and the surrounding area. Updates have been made to the lobby, concourse, and other common spaces in the building, adding several key class-A amenities. Additional redevelopment plans include adding a hotel and conference space within the building to attract corporate travelers, as well as weekend visitors, to the Dallas metroplex. There are also plans to convert a portion of the building from multi-tenant office to multifamily residential units. The Property is adjacent to a complementary 26-acre mixed-use development consisting of residential, retail, hotel, and office space. We believe these two projects will together serve as catalysts for redevelopment in the surrounding area, establishing Dallas's "East Village" neighborhood.

## INVESTMENT SUMMARY AND OPERATING RESULTS:

- NREO, a wholly-owned subsidiary of NXDT purchased the Property in August 2018 for \$195.75MM
- As of December 31, 2023, the office portion of Cityplace Tower is 37% occupied and 38% leased compared to the Uptown/Oak Lawn submarket average occupancy of 78.5%<sup>1</sup>

<i>\$s in 0,000s</i>	2019	2020	2021	2022	2023
Occupancy:	75%	70%	66%	58%	51%
NOI:	\$9,507	\$6,552	\$7,952	\$8,180	\$5,503

## LEASING RESULTS:

- Weighted average renewal/extension gross equivalent rent at Cityplace - \$24.36 per square foot<sup>2</sup> compared to:
  - Direct asking rents in the Uptown/Oak Lawn submarket are the highest in Dallas - \$49.91 per square foot<sup>2</sup>
  - Dallas average asking rent - \$30.23 per square foot<sup>3</sup>
- Weighted average increase in base rent of 47% on renewals and extensions signed<sup>2</sup>
  - Weighted average gross equivalent of renewals/extensions are 22% LOWER than the Uptown/Oak Lawn submarket and only 28% HIGHER than Dallas' average asking rent
- In 2023, Neiman Marcus Group opened its new corporate headquarters at the Property, occupying three floors of the building spanning over 85,000 square feet.
- Cityplace rents should be comfortably inside the Uptown/Oak Lawn submarket, which has superior location being on the West side of Highway-75, and the Dallas average, which is of inferior quality.

1) ACCORDING TO JLL OFFICE SUBMARKET REPORT – UPTOWN/OAK LAWN Q4 2023 QUARTERLY SUBMARKET  
 2) ACCORDING TO COSTAR FOURTH QUARTER STATISTICAL REPORT  
 3) ACCORDING TO CBRE DALLAS/FORT WORTH OFFICE REPORT – Q4 2023  
 4) DALLAS AREA RAPID TRANSIT ANNUAL COMPREHENSIVE REPORT FOR 2022



## ASSET PROFILE AS OF 12/31/2023:

Address:	2711 N. Haskell Ave, Dallas, Texas 75204
Total Rentable Area:	1,365,711 square feet
No. of Stories:	42
Year Built:	1988
NXDT Ownership:	100%

## PROPERTY HISTORY:

Cityplace Tower (the "Property") is a class-A trophy office building, originally constructed in 1988 for approximately \$300 million, which at the time was the most expensive office building ever constructed in Dallas, Texas. The Property is situated along the East side of Interstate 75 and N. Haskell Ave., adjacent to the Uptown, Dallas sub-market and less than 1-mile from downtown Dallas. The Property is 42 stories, contains 1.36 million square feet of office space and common areas. The Property was built as the headquarters for Southland Corporation (now 7-Eleven) and was originally planned to be Cityplace East of what would be "twin towers" on opposite sides of Highway 75 and connected by a skybridge. Construction of the second tower (Cityplace West) was eventually canceled due to the Savings and Loan crisis and resulting real estate crash in Dallas, Texas.

The Property is also the only office building in the DFW metroplex with direct access to the DART Light Rail and services the Red, Orange and Blue lines. The 10-story deep rail station is accessed via the concourse level of Cityplace or via entrance on the West side of Highway-75. The DART Light Rail had the 5<sup>th</sup> highest ridership of light rail systems in the United States, with more than 17.6 million annual rides, an average of 48,200 rides per weekday.<sup>4</sup>

# MidWave Wireless, Inc.

(fka. TerreStar Corporation)

## OVERVIEW OF BUSINESS PLAN:

- MidWave Wireless, Inc. ("MidWave"), formerly TerreStar Corporation, is one of the largest independent wireless spectrum license holders in the United States. Founded in 2013, MidWave's mid-band spectrum investments cover every major domestic market, representing more than 3.3 Billion MHz-POPs of aggregate Radio Frequency (RF) resource.

## 1.7 GHz SPECTRUM SUMMARY:

- MidWave owns ~30% of the critical 1.7GHz Band within the AWS-3 spectrum block. The AWS-3 is considered paired alongside AWS-4 as a result of 3GPP creating Band 70.
- MidWave's 1.7 asset is comprised of 18 licenses that cover 19% of the nation with a heavy presence in the Midwest spanning from Minnesota to Ohio, as well as Hawaii, Puerto Rico and the U.S. Virgin Islands.
- Mobile carriers such as Dish Network, Verizon Communications Inc. and AT&T Inc., are spending billions of dollars on similar spectrum assets as they build out their 5G networks for customers.<sup>2</sup>

## 1.4 GHz SPECTRUM SUMMARY:

- MidWave owns 100% of the 1.4 GHz Band, which is comprised of 64 licenses covering the entire United States. At 2.64 Billion MHz-POPs, this is the largest wide-area resource not controlled by a wireless carrier.<sup>1</sup>
- Having recently satisfied all outstanding FCC requirements, the 1.4 GHz band is now open to a diversity of private LTE and 5G NR use cases in support of next generation industrial and enterprise wireless applications.



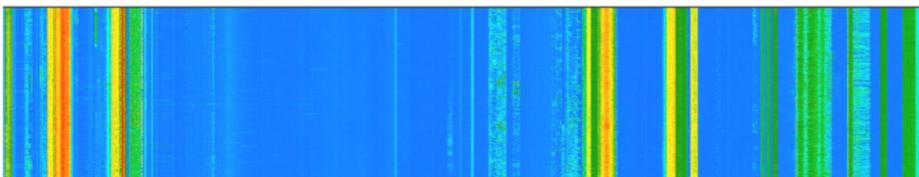
## ASSET PROFILE AS OF 12/31/2023:

Spectrum Portfolio:	1.4 GHz and 1.7 GHz
Wire Area Networks:	Industrial and Enterprise
Nationwide Coverage:	100% of US Population
Year Founded:	2013
NXDT Fair Value:	\$75.3 million

## INVESTMENT HISTORY:

MidWave is one of the largest independent wireless spectrum license holders in the United States. Founded in 2013, today's company was born from a restructuring of the original TerreStar, which was a mobile satellite network operator. MidWave's mid-band spectrum investments cover every major domestic market, representing more than 3.3 Billion MHz-POPs of aggregate Radio Frequency (RF) resource.

## RF SPECTRUM



↑  
1.4 GHz    1.7 GHz

1) ACCORDING TO MIDWAVE WIRELESS INC FACT SHEET, ACCESSIBLE AT MIDWAVE.NET  
2) (BIG 4 WIRELESS CARRIERS SPENT \$100B ON 5G SPECTRUM: WAS IT WORTH IT?, JAN. 26, 2022)



**NEXPOINT**  
DIVERSIFIED REAL ESTATE

Q4 AND FY 2023 INVESTOR PRESENTATION  
**Reconciliation**

# Reconciliations

## RECONCILIATION OF NET INCOME TO FFO AND AFFO

(in thousands except per share data)	For the Three Months Ended December 31, 2023	For the Three Months Ended December 31, 2022	For the Year Ended December 31, 2023
Net loss	\$(15,895)	\$(22,586)	\$(117,241)
Depreciation and amortization	3,009	3,614	13,937
Realized gains	916	5,169	1,634
<b>FFO</b>	<b>(11,970)</b>	<b>(13,803)</b>	<b>(101,670)</b>
Distributions to preferred shareholders	(1,154)	(1,155)	(4,619)
<b>FFO attributable to common shareholders</b>	<b>(13,124)</b>	<b>(14,958)</b>	<b>(106,289)</b>
<b>FFO per share - basic</b>	<b>\$(0.34)</b>	<b>\$(0.40)</b>	<b>\$(2.85)</b>
<b>FFO per share - diluted</b>	<b>\$(0.37)</b>	<b>\$(0.40)</b>	<b>\$(2.85)</b>
Equity-based compensation expense	431	—	1,344
Amortization of deferred financing costs - long term debt	(335)	(92)	(776)
Change in unrealized (gains) losses	18,651	13,793	108,249
<b>AFFO attributable to common shareholders</b>	<b>5,623</b>	<b>(1,257)</b>	<b>2,528</b>
<b>AFFO per share - basic</b>	<b>\$ 0.15</b>	<b>\$ (0.03)</b>	<b>\$ 0.07</b>
<b>AFFO per share - diluted</b>	<b>\$ 0.15</b>	<b>\$ (0.03)</b>	<b>\$ 0.07</b>
Weighted average common shares outstanding, basic	37,798	37,172	37,334
Weighted average common shares outstanding, diluted	38,388	37,172	37,773
Dividends declared per common share	\$0.15	\$0.15	\$0.60
<b>FFO Coverage, diluted (1)</b>	<b>-2.45x</b>	<b>-2.68x</b>	<b>-4.75x</b>
<b>AFFO Coverage, diluted (1)</b>	<b>0.98x</b>	<b>-0.23x</b>	<b>0.11x</b>

1) INCLUDES COVERAGE RATIO OF FFO/AFFO PER COMMON SHARE (DILUTED) OVER DIVIDENDS DECLARED PER COMMON SHARE DURING THE PERIOD

# Reconciliations

## RECONCILIATION OF NET INCOME TO NET OPERATING INCOME AND SAME STORE NET OPERATING INCOME

	For the Three Months Ended December 31	For the Year Ended December 31	For the Three Months Ended December 31	For the Six Months Ended December 31	For the Year Ended December			
	2023	2023	2022	2022	2022 <sup>1</sup>	2021 <sup>1</sup>	2020 <sup>1</sup>	2019 <sup>1</sup>
Net income (loss)	\$ (15,895)	\$ (117,241)	\$ (22,586)	\$ (81,573)	\$ 47,570	\$ 245,455	\$ (120,767)	\$ 65,781
Adjustments to reconcile net loss to NOI:								
Advisory and administrative fees	3,033	11,740	2,575	5,514	11,793	11,094	11,654	14,078
Corporate general and administrative expenses	2,548	7,981	1,142	3,080	5,425	5,090	4,374	3,996
Conversion expense	(241)	1,203	1,615	1,615	2,086	—	—	—
Income tax expense	1,287	2,731	2,459	9,975	11,975	14	—	22
Depreciation and amortization	3,009	13,937	3,614	7,175	7,175	—	—	—
Interest expense	4,505	15,902	3,218	5,759	6,455	2,435	4,650	10,936
Property general and administrative expenses	(2) —	—	(824)	(824)	(824)	—	—	—
Non—operating property investments revenue	(17,226)	(42,667)	(8,901)	(45,061)	(124,257)	(95,136)	(38,456)	(5,515)
Realized gains (losses)	916	1,634	5,169	2,323	(26,822)	41,721	59,248	388
Change in unrealized gains (losses)	18,651	108,249	13,793	92,031	(59,438)	(216,624)	79,296	(40,053)
Equity in income (losses) of unconsolidated equity method ventures	283	306	676	2,257	2,257	—	—	—
NOI	\$ 870	\$ 3,775	\$ 1,951	\$ 2,270	\$ 2,271	\$ —	\$ —	\$ —
Less Non—Same Store								
Revenues	\$ (4,603)	\$ (19,147)	\$ (5,073)	\$ (9,258)	\$ (9,258)	\$ —	\$ —	\$ —
Operating expenses	3,961	16,310	3,368	7,497	7,497	—	—	—
Operating income	—	—	—	—	—	—	—	—
Same Store NOI	\$ 228	\$ 938	\$ 245	\$ 509	\$ 510	\$ —	\$ —	\$ —

1) REFLECTS PERIODS WHERE THE COMPANY WAS PARTIALLY OR FULLY REGISTERED AS AN INVESTMENT COMPANY, AND AS A RESULT, ANY NOI WAS INCLUDED IN CHANGE IN UNREALIZED GAIN (LOSS)  
2) INCLUDES AN ADJUSTMENT TO NET LOSS TO EXCLUDE CERTAIN PROPERTY GENERAL AND ADMINISTRATIVE EXPENSES THAT ARE NOT REFLECTIVE OF THE CONTINUING OPERATIONS OF THE COMPANY

# Reconciliations

## RECONCILIATION OF CITYPLACE TOWER NET LOSS TO NET OPERATING INCOME

	For the Year Ended December 31	For the Year Ended December 31	For the Year Ended December	For the Year Ended December	For the Year Ended December
	2023	2022	2021	2020	2019
Net loss	\$ (18,624)	\$ (11,475)	\$ (9,940)	\$ (13,584)	\$ (8,207)
Adjustments to reconcile net loss to NOI:					
Amortization of leasing costs	525	229	146	148	52
Amortization of deferred leasing fees	118	288	155	41	5
Amortization of in place leases	3,519	3,671	2,676	11,243	4,883
Amortization of above/below market leases	(1,343)	(102)	1,422	(3,635)	592
Amortization of deferred legal expenses	42	46	31	19	—
Amortization of loan costs	517	394	740	850	843
Amortization of tenant inducements	59	7	—	—	—
Depreciation of building and building improvements	6,449	4,680	4,106	4,073	4,073
Depreciation of tenant improvements and inducements	2,299	1,430	733	1	1
Depreciation of furniture, fixtures and equipment	55	54	53	53	17
Interest expense	11,858	8,188	7,817	7,326	7,231
Bank charges	18	21	13	17	17
Other non—operating expense	(1) 9	749 <sup>1</sup>	—	—	—
Net Operating Income	\$ 5,503	\$ 8,180	\$ 7,952	\$ 6,552	\$ 9,507

1) INCLUDES AN ADJUSTMENT TO NET LOSS TO EXCLUDE CERTAIN PROPERTY GENERAL AND ADMINISTRATIVE EXPENSES THAT ARE NOT REFLECTIVE OF THE CONTINUING OPERATIONS OF THE COMPANY

# Reconciliations

## RECONCILIATION OF SAME STORE AND NON-SAME STORE NET OPERATING INCOME

(in thousands except per share data)	For the Three Months Ended December 31, 2023	For the Three Months Ended December 31, 2022	For the Year Ended December 31, 2023
<b>Revenues</b>			
Same Store			
Rental Income	\$344	\$393	\$1,471
Same Store revenues	<u>\$344</u>	<u>\$393</u>	<u>\$1,471</u>
Non-Same Store			
Rental Income	4,424	5,073	18,839
Other Income	52	—	308
Non-Same Store revenues	<u>4,604</u>	<u>5,073</u>	<u>19,147</u>
Total Revenues	<u>4,948</u>	<u>5,467</u>	<u>20,618</u>
<b>Operating expenses</b>			
Same Store			
Property operating expenses	42	29	127
Real estate taxes and insurance	41	84	264
Property management fees	18	18	74
Property general and administrative expenses	15	17	68
Same Store operating expenses	<u>116</u>	<u>148</u>	<u>533</u>
Non-Same Store			
Property operating expenses	1,894	1,834	7,361
Real estate taxes and insurance	279	1,109	4,113
Property management fees	155	174	653
Property general and administrative expenses	1,634	251	4,183
Non-Same Store operating expenses	<u>3,961</u>	<u>3,368</u>	<u>16,310</u>
Total operating expenses	<u>4,078</u>	<u>3,516</u>	<u>16,843</u>
<b>NOI</b>			
Same Store	228	245	938
Non-Same Store	642	1,706	2,837
Total NOI	<u>\$870</u>	<u>\$ 1,951</u>	<u>\$ 3,775</u>

# Reconciliations

## RECONCILIATION OF DEBT TO NET DEBT

(in thousands except per share data)	December 31, 2023	December 31, 2022
Mortgages payable, net	\$ 142,186	\$ 144,414
Notes payable	52,919	24,250
Prime brokerage borrowing	1,782	2,624
Total Debt	196,887	171,288
Adjustments to arrive at net debt:		
Cash and cash equivalents	(20,608)	(13,360)
Restricted cash	(32,561)	(35,289)
Net Debt	\$ 143,718	\$ 122,639
Enterprise Value (1)	\$ 499,645	\$ 592,215
Leverage Ratio	28.8%	20.7%

1) ENTERPRISE VALUE IS CALCULATED AS MARKET CAPITALIZATION AS OF PERIOD END PLUS NET DEBT