



November 2024

REITWorld

NYSE: NXRT

 The Avant at Pembroke Pines, FL

NEXPOINT
RESIDENTIAL TRUST

CAUTIONARY STATEMENTS

FORWARD LOOKING STATEMENTS

This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements reflect the current views of the Company's management with respect to future events and financial performance. These statements include, among others, statements relating to the Company's business, strategy and industry in general, the Company's target markets, the belief that the Company's value-add strategy will provide both dramatically-improved communities for our residents and outsized returns for our shareholders, the belief that NXRT is the only pure-play, publicly-traded REIT focused on value-add multifamily real property, share buybacks, NXRT's net asset value and the related components and assumptions, including estimated value add expenditures, debt payments, outstanding debt, net income and NOI guidance for the fourth quarter and full year 2024 and the related assumptions, the expected refinancing of portfolio-level debt, the effects, terms and timing of the refinancing, a potential recast of the Revolving Credit Facility, debt maturities after the refinancings and sale of properties, sunbelt migration and relocation, demand fundamentals, continued room for rent growth, the progression from apartment to entry-level homeowner is becoming increasingly difficult, projected supply in submarkets, the belief that the housing market is now permanently more expensive, the belief that "B" housing will outperform "A" and "C" housing in times of economic hardship, the belief that Swaps will potentially limit interest rate and duration risk above 1-month SOFR, path to grow from 2025 to 2027, including portfolio strategy and portfolio goals. Statements that include the words "expect," "intend," "estimate," "may," "should," "believe," "seek," "continue," "anticipate" and similar statements of a future or forward-looking nature identify forward-looking statements for purposes of the federal securities laws or otherwise. 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 and quarterly reports filed with the SEC. The statements made herein speak only as of the date of this presentation and the Company does not undertake to update this information except as required by law. Past performance does not guarantee future results. Performance during time periods shown is limited and may not reflect the performance in different economic and market cycles. There can be no assurance that similar performance will be experienced.

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 income, 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"), FFO per diluted share, Core FFO, Core FFO per diluted share, adjusted FFO ("AFFO"), AFFO per diluted share 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) depreciation and amortization expenses, (4) gains or losses from the sale of operating real estate assets that are included in net income (loss) computed in accordance with GAAP, (5) corporate income and corporate general and administrative expenses that are not reflective of operations of the properties, (6) other gains and losses that are specific to us including gain (loss) on extinguishment of debt and modification costs, (7) casualty-related expenses/recoveries and casualty gains (losses), (8) gain of forfeited deposits, (9) 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, and (10) equity in earnings of affiliates. We define "Same Store NOI" as NOI for our properties that are comparable between periods. We view Same Store NOI as an important measure of the operating performance of our properties because it allows us to compare operating results of properties owned for the entirety of the current and comparable periods and therefore eliminates variations caused by acquisitions or dispositions during the periods. 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, if applicable, plus real estate depreciation and amortization. We compute FFO in accordance with NAREIT's definition. Our presentation differs slightly in that we begin with net income (loss) before adjusting for amounts attributable to redeemable noncontrolling interests in the OP and we show the amount attributable to such noncontrolling interests as an adjustment to arrive at FFO attributable to common stockholders. Core FFO makes certain adjustments to FFO, which are not representative of the ongoing operating performance of our Portfolio. Core FFO adjusts FFO to remove items such as gain (loss) on extinguishment of debt and modification costs, gain on forfeited deposits, casualty-related expenses/and recoveries and gains (losses), the amortization of deferred financing costs, mark-to-market gains or losses related to interest rate cap agreements not designated as hedges for accounting purposes and the noncontrolling interests (as described above) related to these items. Starting in the third quarter of 2024, the Company has adjusted Core FFO to remove (1) the amortization of all deferred financing costs instead of those solely related to short-term debt financing and (2) mark-to-market gains or losses related to interest rate cap agreements not designated as hedges for accounting purposes. Prior periods have been recast to confirm to the current presentation. AFFO makes certain adjustments to Core FFO. In some circumstances, we do not provide a reconciliation of forward-looking non-GAAP measures or the most directly comparable forward-looking GAAP measure because the timing and nature of excluded items are unreasonably difficult to fully and accurately estimate. There is no industry standard definition of AFFO and practice is divergent across the industry. AFFO adjusts Core FFO to remove items such as equity-based compensation expense and the related noncontrolling interests. Net debt is calculated by subtracting cash and cash equivalents and restricted cash held for value-add upgrades and green improvements from total debt outstanding. We believe that the use of NOI, FFO, Core 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, Core FFO, AFFO and net debt are relevant and widely used measures of operating performance and debt levels 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 and debt levels. NOI, FFO, Core 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, Core FFO, AFFO and net debt may not be comparable to NOI, FFO, Core FFO, AFFO and net debt reported by other REITs. For a more complete discussion of NOI, FFO, Core FFO and AFFO, see our most recent Annual Report on Form 10-K and our other filings with the SEC.

ADDITIONAL INFORMATION

For additional information, see our filings with the SEC. Our filings with the SEC are available on our website, www.nxrt.nexpoint.com, under the "Financials" tab. Investors are urged to read our Annual Report on Form 10-K and our other filings with the SEC, including our Forms 10-Q and Forms 8-K, in their entirety.

NexPoint Residential Trust, Inc. (NYSE:NXRT)



Company Overview

NexPoint Residential Trust, Inc. is a publicly traded REIT, with its shares listed on the New York Stock Exchange under the symbol "NXRT," and is primarily focused on acquiring, owning and operating well-located middle-income multifamily properties with "value-add" potential in large cities, primarily in the Southeastern and Southwestern United States. NXRT is externally advised by NexPoint Real Estate Advisors, L.P., which is an affiliate of NexPoint Advisors, L.P., an SEC-registered investment adviser, which has extensive real estate experience.

We pursue investments in multifamily real property, typically with a value-add component, where we can invest capital to provide "life-style" amenities to "work-force" and middle-income housing. Our value-add strategies seek to provide both dramatically-improved communities for our residents and outsized returns for our shareholders. As of November 15, 2024, NXRT owned 12,984 units across the U.S. in Texas, Arizona, Georgia, Tennessee, Florida, Nevada, and North Carolina.

\$45.53

PRICE PER SHARE⁽¹⁾

14.37%

INSIDER OWNERSHIP⁽¹⁾

\$0.51

Q4 2024 DIVIDEND PER SHARE

4.48%

YIELD⁽¹⁾

NexPoint Residential Trust, Inc. (NYSE:NXRT)

NXRT Portfolio and Strategy

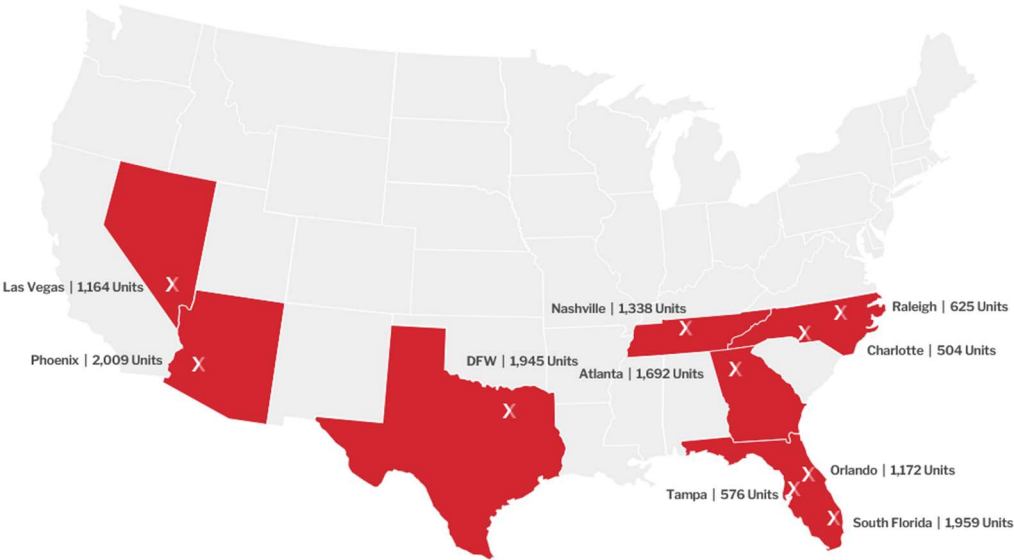
As of November 15, 2024, NXRT owned 35 multifamily properties, consisting of 12,984 units, across 10 markets in 7 Southeastern and Southwestern U.S. states.

We believe NXRT is the only pure-play, publicly-traded REIT focused on value-add multifamily real property. The company is focused on acquiring, owning and operating well-located middle-income multifamily properties with "value-add" potential in large cities, primarily in the Southeastern and Southwestern United States. We target markets that we believe have the following characteristics:

- Attractive job growth and household formation fundamentals
- High costs of homeownership or class A multifamily rental; and
- Elevated or increasing construction or replacement costs for multifamily real property

Our "value-add" program seeks to provide our residents with "life-style" amenities found in newly constructed multifamily property at a reasonable price as well as increase shareholder value for our investors.

During Q3 2024 Same Store ⁽¹⁾ revenue increased 1.7% and Same Store NOI decreased 2.4%, respectively, over the prior year period.



35
PROPERTIES (2)

12,984
UNITS OWNED (2)

\$1,496
AVERAGE MONTHLY RENT PER UNIT (3)

94.5%
PORTFOLIO OCCUPANCY (3)

(1) WE DEFINE "SAME STORE" PROPERTIES AS PROPERTIES THAT WERE IN OUR PORTFOLIO FOR THE ENTIRETY OF THE PERIODS BEING COMPARED.
(2) AS OF NOVEMBER 15, 2024.
(3) AS OF NOVEMBER 15, 2024. EXCLUDING 36 UNITS DOWN IN THE PORTFOLIO AND SAME STORE PORTFOLIO AS A RESULT OF FIRES AND WATER DAMAGE.

Performance Highlights

Q3 2024 Performance Highlights

FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTMEBER 30, 2024:

- NOI: **\$38.1M**
- Core FFO: **\$17.9M**, or **\$0.69/diluted share**

Same Store Results:		3Q 2024	
% of Total Units	98.6%	vs. Q3 2023	
Occupancy	94.9%	+1.0%	
Effective Rents	\$1,502	-1.8%	
Total revenues	\$62,817	+1.7%	
NOI	\$37,509	-2.4%	

RATES & OCCUPANCY:

	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24
New Leases	2.54%	0.04%	-4.18%	-7.83%	-6.49%	-5.33%	-6.43%
Renewals	4.75%	3.07%	1.90%	-0.21%	0.92%	2.11%	2.19%
Blended	3.58%	1.58%	-1.35%	-4.33%	-2.58%	-1.29%	-1.76%
Occupancy	93.99%	93.91%	93.97%	94.70%	94.61%	94.06%	94.86%

KEY HIGHLIGHTS & TRANSACTION ACTIVITY:

- On September 30, 2024, NXRT paid a third quarter dividend of \$0.46242 per share of common stock.
 - On October 29, 2024, NXRT announced a Q4 quarterly dividend of **\$0.51** per share, a **10.3%** increase from the previous dividend per share and **147.6%** increase since inception.
- On October 1, 2024, NXRT completed the sale of Stone Creek at Old Farm, located in Houston, TX, for a sales price of **\$24.5 million**, which equates to a **total IRR of 14.8% or 2.19x MoC**.
- During the year, NXRT has repurchased **438,678** shares for a weighted average price of **\$33.22** per share, which is a **39% discount** to the midpoint of our Q3'24 NAV. We believe this is an attractive arbitrage opportunity given the persistent private/public market discount.
 - We will continue to buy back shares when the market allows.
- We completed **45** full and partial upgrades and leased **39** units, achieving an average monthly rent premium of **\$233** and a **22.1%** ROI.
 - Since inception, for the properties currently in our Portfolio, we have completed **8,316** full & partial, **4,704** kitchen and laundry appliances, and **11,389** technology packages, resulting in a **\$175, \$48, and \$45** average monthly rental increase per unit and a **20.8%, 61.9%, and 37.2%** ROI, respectively.

Property	Status	Purchase Price	\$/u	Purchase Date	Sale Price	\$/u	T3/T12 Ins./Tax Adj Cap Rate	Total Equity Investment	Total Return	Net Sale Proceeds	IRR	Equity Multiple
Silverbrook	SOLD	\$30,400,000	\$47,352	1/31/2014	\$70,000,000	\$109,034	4.61%	\$8,706,455	\$53,327,116	\$19,532,561	33.95%	6.14x
Old Farm	SOLD	\$84,720,817	\$115,423	12/29/2016	\$103,000,000	\$140,327	5.29%	\$23,255,906	\$69,274,037	\$49,397,711	22.25%	2.98x
Stone Creek at Old Farm	SOLD	\$23,332,000	\$122,800	12/29/2016	\$24,500,000	\$128,947	5.25%	\$6,603,798	\$14,492,735	\$24,399,726	14.79%	2.19x
Timber Creek	SOLD	\$22,750,000	\$64,631	9/30/2014	\$49,000,000	\$139,205	5.01%	\$8,897,331	\$39,597,265	\$24,453,679	25.80%	4.45x
Radbourne Lake	SOLD	\$24,250,000	\$107,778	9/30/2014	\$39,250,000	\$174,222	5.18%	\$6,936,171	\$25,224,107	\$18,618,099	19.24%	3.64x
Total Portfolio		\$185,452,817	\$86,539		\$285,750,000	\$133,341	5.05%	\$54,399,661	\$201,915,261	\$136,401,777	37.85%	3.71x

2024 NAV Build

Components of Net Asset Value

(dollar and share amounts in thousands, except per share and per unit data)

Property Market	NOI Contribution	Cap Rate Range (1)		Value Range (2)	
		Min	Max	Min	Max
Texas					
Dallas/Fort Worth	10.7%	5.25%	5.75%	\$ 281,385	\$ 312,389
Houston	0.0%	5.50%	6.0%	-	-
North Carolina					
Raleigh	4.6%	5.25%	5.75%	122,282	135,755
Charlotte	3.8%	5.25%	5.75%	101,547	112,736
Georgia					
Atlanta	12.1%	5.25%	5.75%	319,758	354,989
Tennessee					
Nashville	9.3%	5.25%	5.75%	245,043	272,043
Florida					
Orlando	8.9%	5.25%	5.75%	235,311	261,238
Tampa	3.6%	5.25%	5.75%	95,829	106,388
South Florida	20.6%	5.25%	5.75%	543,986	603,923
Nevada					
Las Vegas	9.1%	5.25%	5.75%	240,429	266,920
Arizona					
Phoenix	17.2%	5.25%	5.75%	453,924	503,939
Total / Ave	100.0%	5.25%	5.75%	\$ 2,639,494	\$ 2,930,320

NOI ESTIMATE

2Q 2024 NOI Actual	38,867	
3Q 2024 NOI Actual	38,131	
	Low	High
Estimated 4Q 2024 NOI Guidance (3)	36,605	38,675
2024 NAV NOI Guidance (3)	151,771	153,842

Component	Min	Max
Tangible Assets		
Real Estate (2)	\$ 2,639,494	\$ 2,930,320
Cash		17,412
Restricted Cash - Renovation Reserves (4)		3,518
Renovation Expenditures (4)		(3,518)
Cash Adjustments (5)		(391)
Fair Market Value of Interest Rate Swaps		41,075
Other Assets		61,893
Stone Creek at Old Farm Gross Sale Proceeds (6)		24,500
Value of Assets	\$ 2,783,983	\$ 3,074,809
Tangible Liabilities		
Credit Facility (7)		-
Mortgage Debt		1,462,865
Total Outstanding Debt		1,462,865
Forward 12-month Principal Payments (5)		(391)
Total Outstanding Debt (FY 2024 Est.)		1,462,474
Other Tangible Liabilities (at Book)		45,492
Value of Liabilities		\$1,507,966
<i>Net Leverage (mid-point)</i>		51%
Net Asset Value	\$ 1,276,017	\$ 1,566,843
<i>Shares outstanding - diluted (as of September 30, 2024)</i>		26,161
Est. NAV / Share	\$ 48.77	\$ 59.89
<i>NAV / Share (mid-point)</i>		\$54.33

IMPLIED VALUATION METRICS

	Min	Max
Implied Real Estate Value	\$2,639,494	\$2,930,320
No. of Units (September 30, 2024) (2)	13,174	
Implied Value/Apartment Unit	\$200.4	\$222.4
Implied Value/Apartment Unit (mid-point)	\$211.4	

(1) Management estimates based on independent third-party review of our properties.

(2) Estimated value ranges are presented for the existing portfolio (36 properties as of September 30, 2024).

(3) The Company anticipates net income (loss) will be in the range between approximately \$(0.3) million and \$17 million for the full year 2024 and \$(28.5) million and \$(26.4) million for the fourth quarter of 2024. FY 2024 NOI Guidance considers a commensurate volume of capital recycling.

(4) Includes approximately \$3.5 million that is held for value-add upgrades; reduced by \$3.5 million for estimated 2024 rehab expenditures.

(5) Includes approximately \$0.4 million in forward 12-month principal payments.

(6) Stone Creek at Old Farm disposition closed on October 1, 2024.

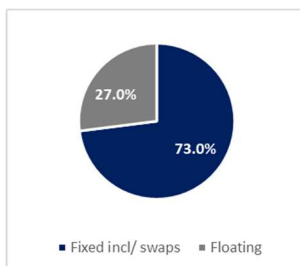
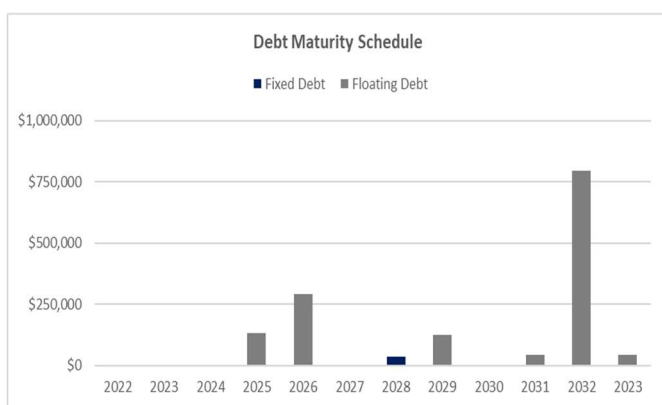
(7) Includes outstanding balance of September 30, 2024.

Update to Capital Structure & Maturities

BALANCE SHEET IMPROVEMENTS:

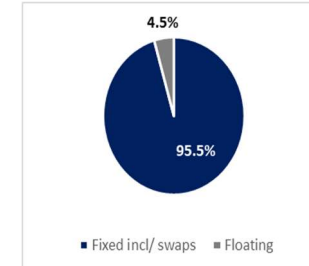
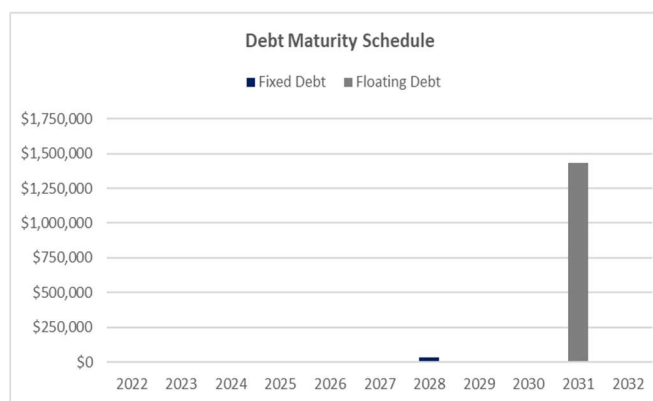
- NXRT has refinanced 17 property-level mortgages on October 1, 2024, and are on track to close the refinancing of 17 more property-level mortgages on November 29, 2024, through JP Morgan's agency financing team, in the aggregate, representing ~97.7% of the Company's total outstanding debt.
- Notably, NXRT agreed to refinance all 34 property-level mortgages at interest rate pricing improved from prior terms (SOFR + 109 bps).
- Further, this refinancing activity effectively extends the Company's weighted average debt maturity schedule to ~7.0 years (from ~5.8 years).
- NXRT has executed its 12-month extension option on the Revolving Credit Facility, pushing that maturity to June 30, 2025 and are in talks with its banking relationships to recast the Revolving Credit Facility.
- Old Farm was sold on March 1, 2024, with \$24 million of net proceeds used to pay down the Company's corporate credit facility to \$0 on the drawn balance.
- With the completion of this refinancing, sale of Old Farm and Stone Creek at Old Farm, the Company has no meaningful debt maturities until June 2028.
- Refinancing and extending maturities on a significant portion of the Company's first mortgage debt at favorable terms provide greater strategic flexibility, increases liquidity and modestly "de-risks" the Company's balance sheet.

DEBT MATURITY SCHEDULE AS OF 9/30/2024⁽¹⁾:



Total Debt	Amount (in 000s)	Wtd. Avg Int Rate	Fixed Debt	Amount (in 000s)	Wtd. Avg Int Rate	Floating Debt	Amount (in 000s)	Wtd. Avg Int Rate
2022	\$0.0	N/A	2022	\$0.0	N/A	2022	\$0.0	N/A
2023	0.0	N/A	2023	0.0	N/A	2023	0.0	N/A
2024	0.0	N/A	2024	0.0	N/A	2024	0.0	N/A
2025	133,469.0	6.43%	2025	0.0	N/A	2025	133,469.0	6.43%
2026	290,324.0	6.56%	2026	0.0	N/A	2026	290,324.0	6.56%
2027	0.0	N/A	2027	0.0	N/A	2027	0.0	N/A
2028	33,817.0	4.24%	2028	33,817.0	4.24%	2028	0.0	N/A
2029	124,897.0	7.14%	2029	0.0	N/A	2029	124,897.0	7.14%
2030	0.0	N/A	2030	0.0	N/A	2030	0.0	N/A
2031	41,180.0	6.88%	2031	0.0	N/A	2031	41,180.0	6.88%
2032	796,390.0	6.74%	2032	0.0	N/A	2032	796,390.0	6.74%
2033	42,788.0	7.34%	2033	0.0	N/A	2033	42,788.0	7.34%
Total / Wtd. Avg	\$1,462,865.0	6.67%	Total / Wtd. Avg	\$33,817.0 (2.0% of total)	4.24%	Total / Wtd. Avg	\$1,429,048 (98.0% of total)	6.73%

DEBT MATURITY SCHEDULE AS OF 10/1/2024 GIVING EFFECT TO ALL 34 PROPERTY REFINANCINGS ⁽¹⁾⁽²⁾:



Total Debt	Amount (in 000s)	Wtd. Avg Int Rate	Fixed Debt	Amount (in 000s)	Wtd. Avg Int Rate	Floating Debt	Amount (in 000s)	Wtd. Avg Int Rate
2022	\$0.0	N/A	2022	\$0.0	N/A	2022	\$0.0	N/A
2023	0.0	N/A	2023	0.0	N/A	2023	0.0	N/A
2024	0.0	N/A	2024	0.0	N/A	2024	0.0	N/A
2025	0.0	N/A	2025	0.0	N/A	2025	0.0	N/A
2026	0.0	N/A	2026	0.0	N/A	2026	0.0	N/A
2027	0.0	N/A	2027	0.0	N/A	2027	0.0	N/A
2028	33,817.0	4.24%	2028	33,817.0	4.24%	2028	0.0	N/A
2029	0.0	N/A	2029	0.0	N/A	2029	0.0	N/A
2030	0.0	N/A	2030	0.0	N/A	2030	0.0	N/A
2031	1,430,587.0	5.61%	2031	0.0	N/A	2031	1,430,587.0	5.61%
2032	0.0	N/A	2032	0.0	N/A	2032	0.0	N/A
Total / Wtd. Avg	\$1,464,404.0	5.58%	Total / Wtd. Avg	\$33,817.0 (2.3% of total)	4.24%	Total / Wtd. Avg	\$1,469,425.0 (97.7% of total)	5.61%

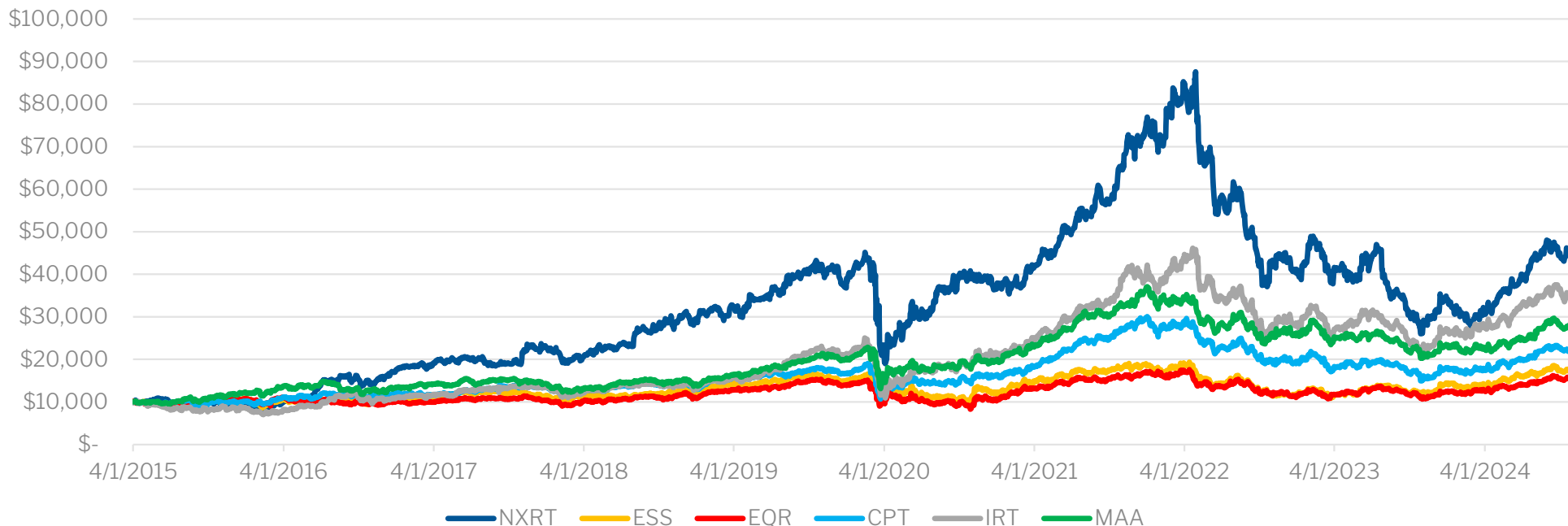
(1) THE COMPANY FINALIZED A 7-YEAR TERM REFINANCE ON 17 PROPERTIES AT SOFR PLUS A 1.09% MARGIN. THE REFINANCE CLOSED ON OCTOBER 1, 2024.
 (2) THE COMPANY IS FINALIZING A 7-YEAR TERM REFINANCE ON 17 PROPERTIES AT SOFR PLUS A 1.09% MARGIN. THE REFINANCE IS EXPECTED TO CLOSE ON NOVEMBER 29, 2024. FINAL LOAN AMOUNTS ARE SUBJECT TO CHANGE BASED ON FINAL COMMITMENT AT CLOSING.

Peer Comparison

Same Store NOI

	2015	2016	2017	2018	2019	2020	2021	2022	2023	FY'24 Guidance
AVB	5.0%	4.3%	2.5%	2.5%	2.2%	-3.7%	-4.6%	13.2%	6.2%	3.0%
CPT	5.2%	3.9%	2.9%	3.2%	3.6%	1.1%	4.8%	14.6%	4.3%	0.8%
EQR	5.1%	3.7%	2.2%	2.3%	3.2%	-4.0%	-8.1%	14.1%	6.2%	3.3%
ESS	8.0%	6.7%	3.7%	3.3%	3.4%	-3.9%	-2.7%	13.2%	4.3%	2.6%
MAA	5.7%	4.2%	2.9%	1.9%	3.4%	2.5%	6.2%	17.1%	6.0%	-1.3%
UDR	5.6%	5.7%	3.7%	3.4%	3.6%	-2.8%	-2.2%	14.2%	6.0%	1.2%
IRT	7.5%	4.5%	4.8%	2.6%	7.7%	3.1%	4.4%	13.7%	5.7%	3.2%
NXRT	34.2%	12.1%	8.6%	7.4%	6.7%	3.2%	5.5%	16.2%	8.2%	0.5%

Total Return as of the Close of Trading November 15, 2024 ⁽¹⁾

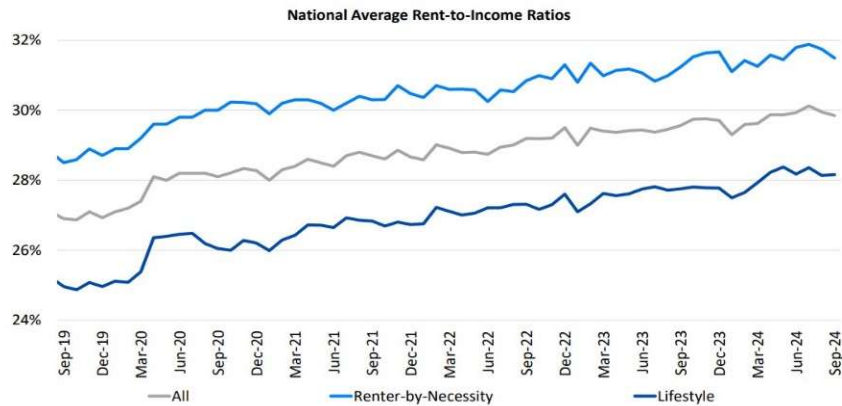


(1) TOTAL RETURN BASED ON CUMULATIVE DIVIDENDS SINCE INCEPTION AND STOCK PRICE AS OF CLOSING OF TRADING NOVEMBER 15, 2024.

Improved Tenant Quality

Incomes of NXRT Renters Are Better Positioned Than National Average (1)

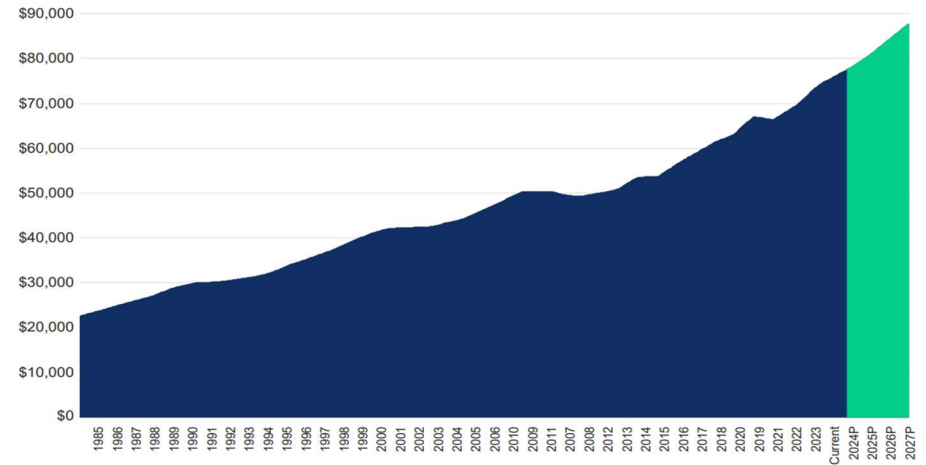
Rent-to-Income Ratios Highest in Renter-by-Necessity Class



NXRT Tenants Earn 12% Above The National Median Household Income (2)

Median Household Income

Current = \$77,391 (3% YOY)



NXRT Resident Demographics As Of November 4, 2024

Markets	Avg Income	Avg Rent	Rent-to-Income	Avg Age
ATL	\$95,458	\$1,464	18.40%	38
CHA	\$77,425	\$1,388	21.51%	40
DFW	\$73,935	\$1,234	20.03%	38
LSV	\$71,479	\$1,352	22.70%	36
NASH	\$84,330	\$1,280	18.21%	34
ORL	\$83,691	\$1,564	22.42%	37
PHX	\$80,635	\$1,456	21.66%	37
RDU	\$93,819	\$1,422	18.19%	41
SFL	\$113,152	\$2,132	22.61%	37
TPA	\$81,912	\$1,346	19.72%	37
Average Income	\$86,873	\$1,499	20.70%	37

(1) SOURCE: YARDI MULTIFAMILY NATIONAL OUTLOOK OCTOBER 2024.
 (2) SOURCE: JOHN BURNS REAL ESTATE CONSULTING; AS OF SEPTEMBER 2024.

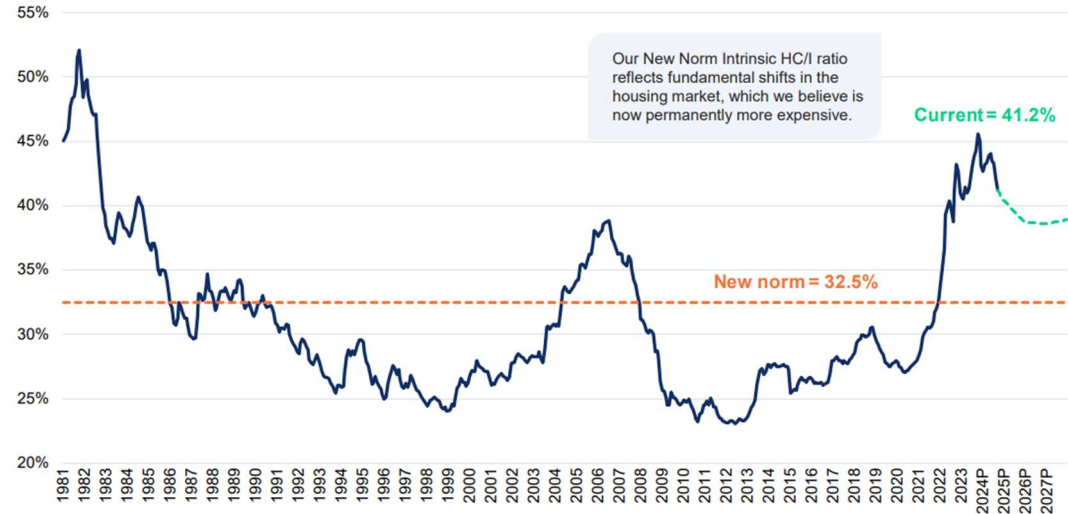
Homeownership Increasingly Out of Reach For Many

Low Inventory of Affordable Housing

- The natural progression from apartment to entry-level homeowner is becoming increasingly difficult for many Americans.
- As average mortgage rates have risen to 6.93%, more than 50% of the total household population of the US are currently priced out of a \$200K mortgage. ⁽¹⁾
- Most homes built in the past decade have not been entry level, creating a shortage in supply and subsequent price appreciation.
- This also assumes qualifying for a mortgage is simple, but tighter lending standards and elevated rates add headwinds to the process.
 - In 1Q'07, 15% of mortgage originations were to subprime borrowers with a credit score of < 620. As of 2Q'24, only 4% of mortgages went to borrowers with a credit score less than 620.⁽²⁾
- Another key component to household formation, Consumer Sentiment registered 70.10 in September, 17% worse than the historical average, per University of Michigan Survey data from 1978 to present.
- Only 19% of Fannie Mae National Housing Survey respondents believe it is a good time to buy in September 2024.

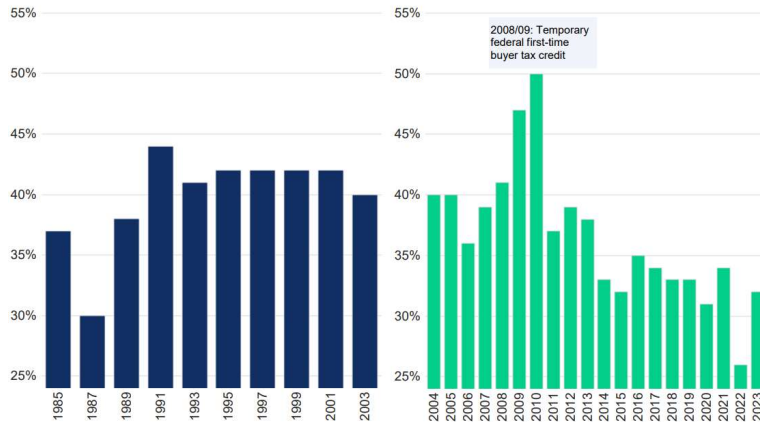
Housing Unaffordability ⁽²⁾

Burns Affordability Index™
Housing-cost-to-income ratio



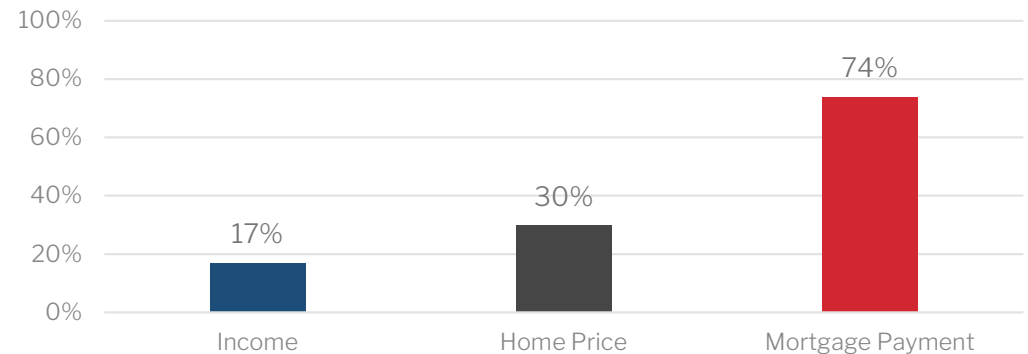
Declining Share of First-time Buyers ⁽³⁾

Share of Existing Homes Sold to First-Time Buyers
1985–2003 2004–2022



Income, Price and Mortgage Growth ⁽⁴⁾

Income, Home Price, and Mortgage Payment Growth
Change from 2020 lows



(1) SOURCE: BANKRATE.COM; AS OF NOVEMBER 2024.

(2) SOURCE: JOHN BURNS REAL ESTATE CONSULTING; AS OF OCTOBER 2024.

(3) SOURCE: NAR, JOHN BURNS REAL ESTATE CONSULTING; 2023 DATA.

(4) SOURCE: JOHN BURNS REAL ESTATE CONSULTING; AS OF SEPTEMBER 2024. ASSUMES HOME PRICE AT 80% OF MARKET MEDIAN, 5% DOWN PAYMENT, 30-YR MORTGAGE WITH MIP.

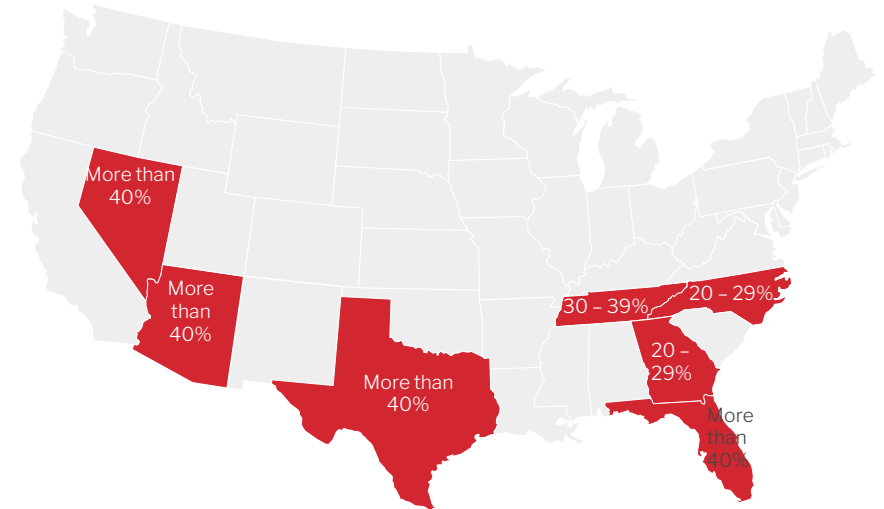
Affordable Rental Options Continue to Decline

We continue to believe middle market Class “B” affordable housing will outperform A & C in times of economic hardship

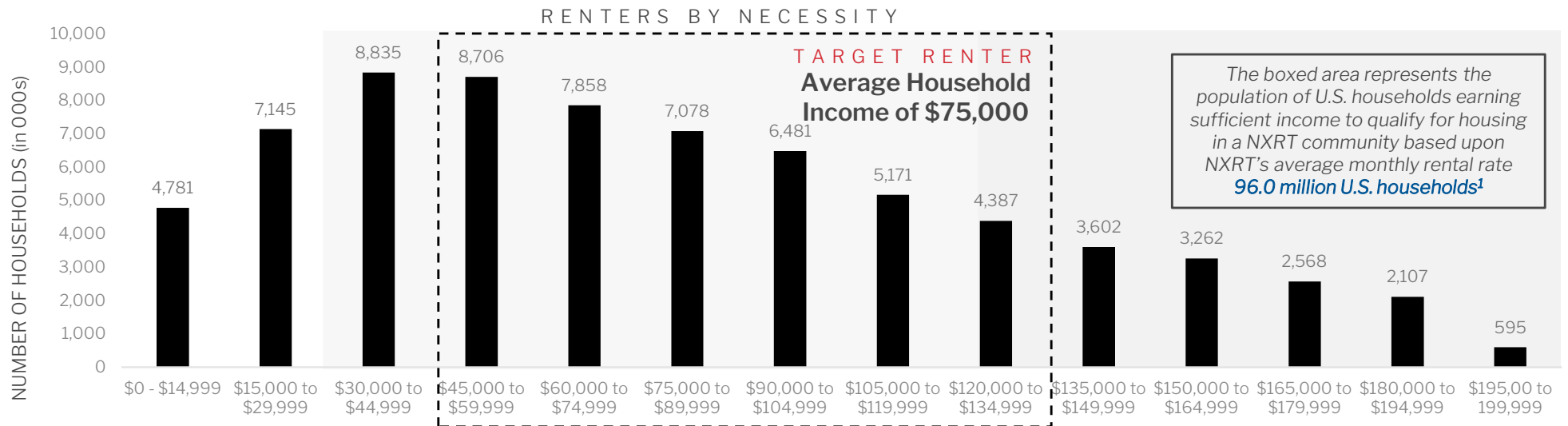
67.5 %

of total U.S. household population can afford to live in a NXRT community ⁽¹⁾

Loss in Affordable Units, 2011-2022 ⁽²⁾



Higher Barriers to Homeownership Led to Expanded Renters by Necessity Demographic

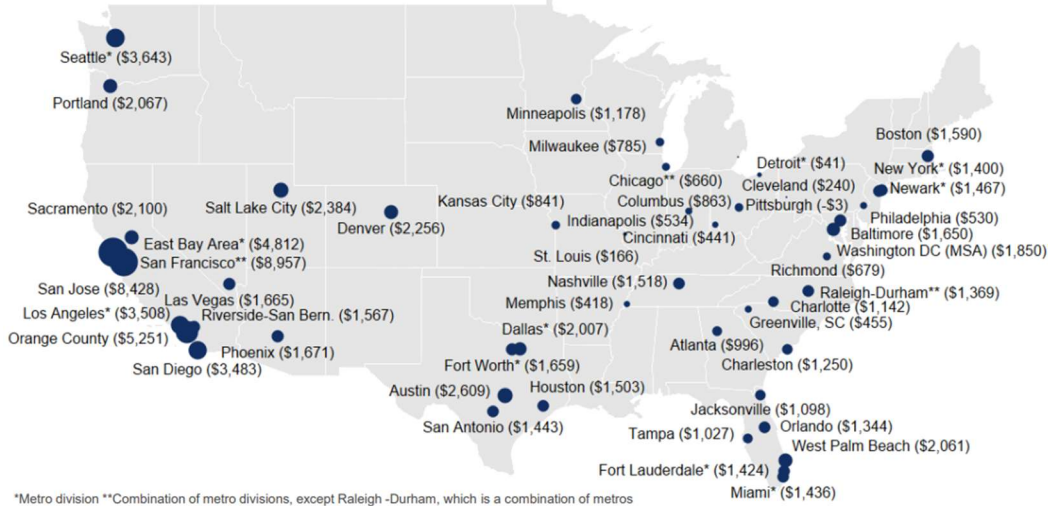


Sunbelt Continues to Shine

Homeownership Out of Reach For Many ⁽¹⁾

Cost of Purchasing vs. Monthly Apartment Asking Rents

Monthly entry-level housing cost of purchasing minus apartment asking rent



Population Growth Favors NXRT Market's ⁽²⁾

Rank	Metro*	Population	Population Gains 2020-2023
1	Dallas-Fort Worth, TX	8,100,037	462,639 6.1%
2	Houston, TX	7,510,253	360,649 5.0%
3	Phoenix, AZ	5,070,110	219,008 4.5%
4	Atlanta, GA	6,307,261	200,414 3.3%
5	Austin, TX	2,473,275	189,896 8.3%
6	Tampa, FL	3,342,963	167,672 5.3%
7	San Antonio, TX	2,703,999	145,884 5.7%
8	Charlotte, NC	2,805,115	144,767 5.4%
9	Orlando, FL	2,817,933	144,542 5.4%
10	Jacksonville, FL	1,713,240	107,396 6.7%
11	Raleigh, NC	1,509,231	95,264 6.7%
12	Lakeland, FL	818,330	93,282 12.9%
13	Riverside-San Bernardino, CA	4,688,053	88,211 1.9%
14	Nashville, TN	2,102,573	88,153 4.4%

● Denotes NXRT Markets

Sunbelt Job Growth Tops the Comps ⁽³⁾

Market Weighted Office - Using Job Growth

Rank	Apartment REIT Ticker	Weighted Growth Rate
1	NXRT	+0.6%
2	BRG	+0.3%
3	CPT	+0.1%
4	MAA	+0.1%
5	IRT	-0.4%
6	ESS	-0.5%
7	UDR	-0.5%
8	AVB	-0.6%
9	EQR	-0.6%

Sunbelt Migration And Relocations Continue

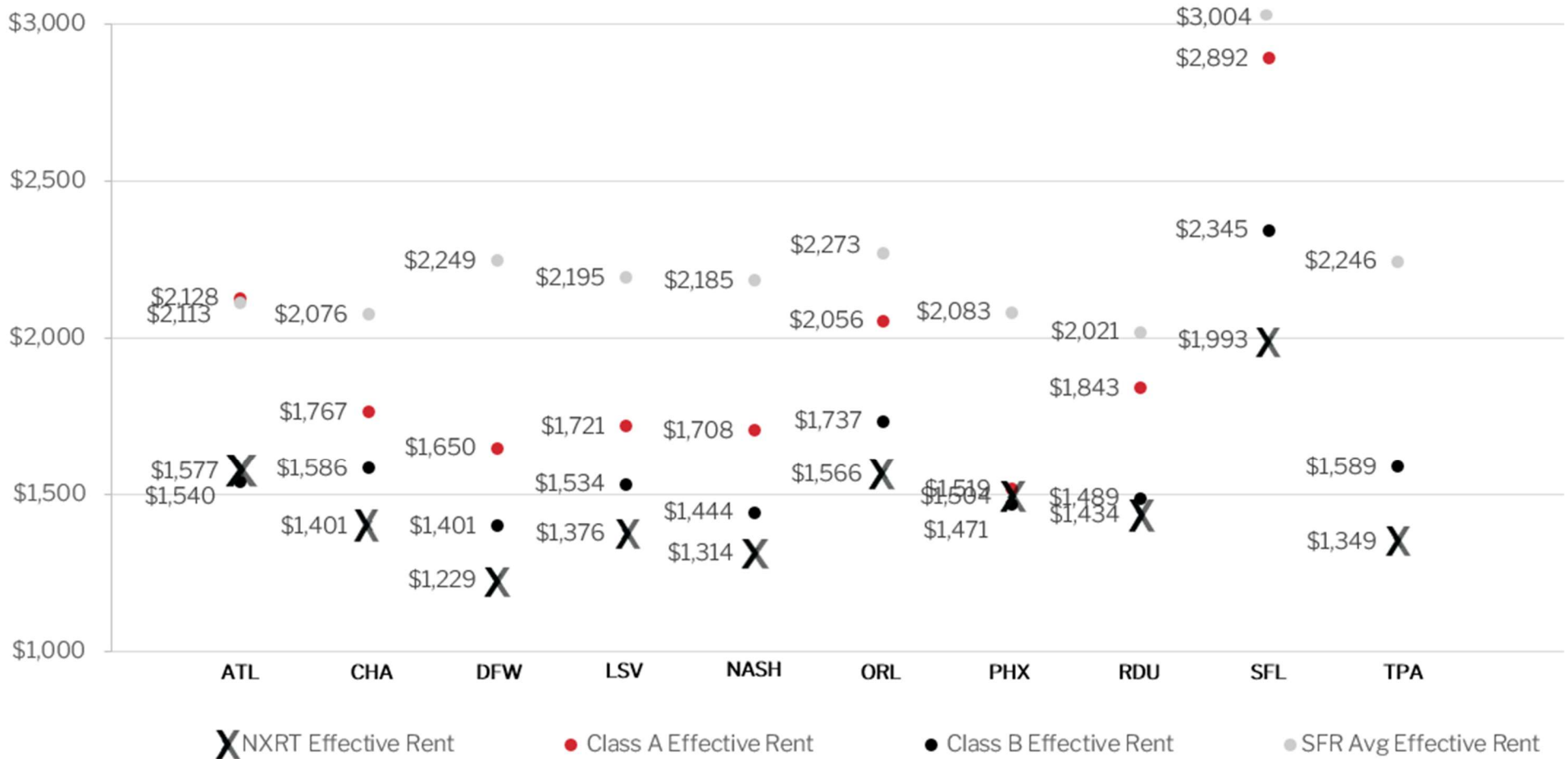
- Renters are fleeing higher rents and increasing housing prices in gateway and coastal markets and migrating to the Sunbelt in, what we believe, is a permanent move
- Additionally, many large corporations are relocating significant workforce footprints to tax-friendly Sunbelt markets, bringing thousands of workers with them, and also creating new jobs. **Aecom, AllianceBernstein, Amazon, Apple, CBRE, Charles Schwab, Fannie Mae, Goldman Sachs, HPE, JP Morgan Chase, Keurig DrPepper, Liberty Mutual, Microsoft, McKesson, Oracle, Tesla, Toyota, and many other large corporations have announced relocation of their headquarters or opening of a new office in the Sunbelt, particularly Texas and Florida**

12 (1) SOURCE: JOHN BURNS REAL ESTATE CONSULTING RENTAL COMMUNITIES ANALYSIS AND FORECAST AS OF OCTOBER 2024.
 (2) SOURCE: US CENSUS BUREAU METROPOLITAN AND MICROPOLITAN STATISTICAL AREAS POPULATION TOTALS: 2020-2023.
 (3) SOURCE: JEFFERIES OCTOBER 2024; BUREAU OF LABOR STATISTICS AUGUST 2024 DATA.

NXRT Continued Room for Rent Growth

NXRT Rent Compared to Other Rental Housing Options^{1,2}

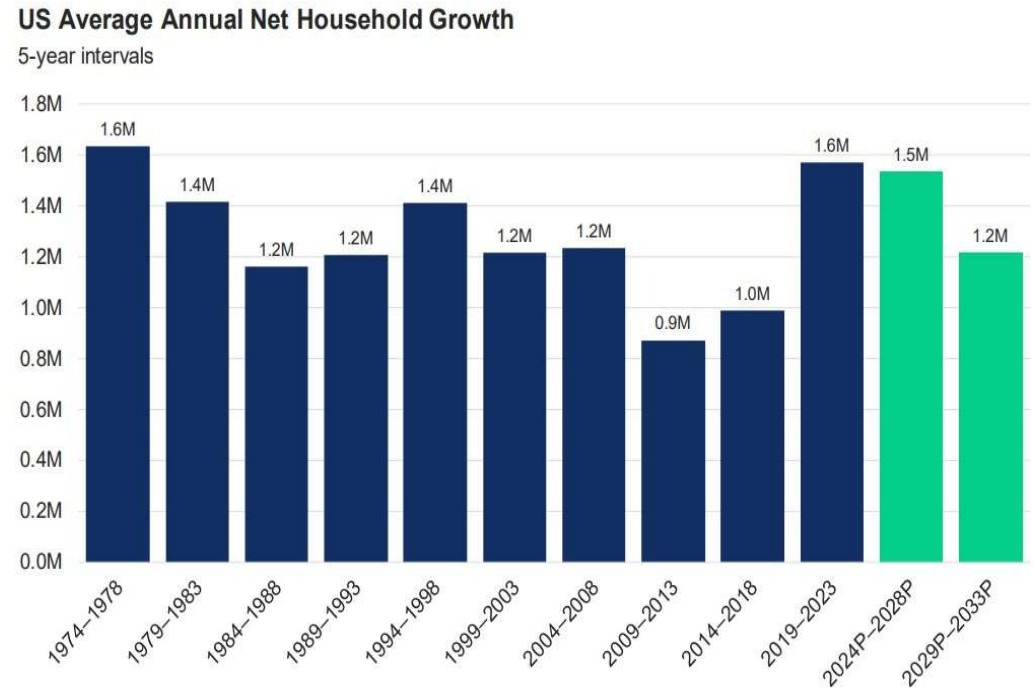
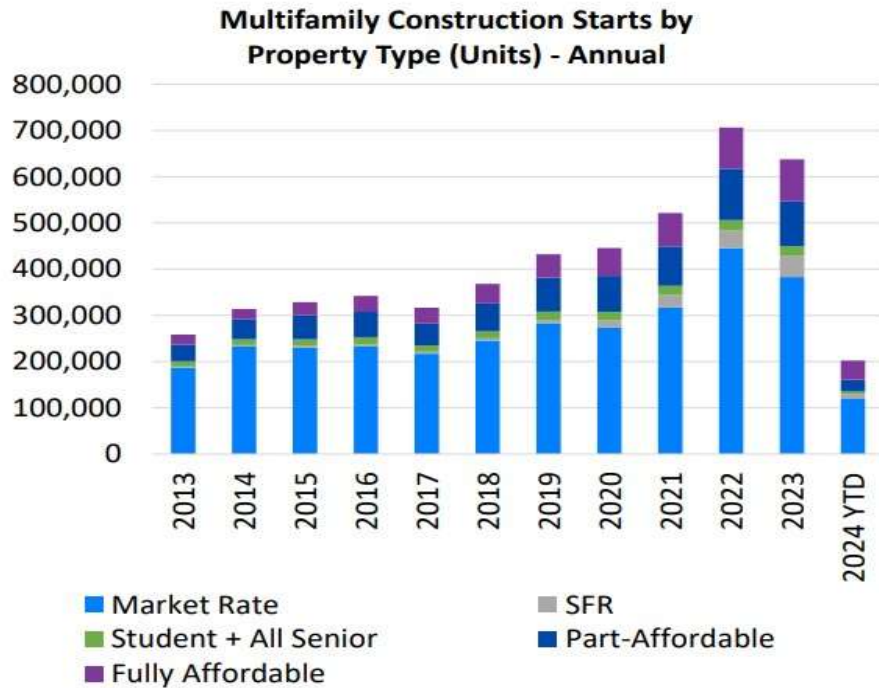
Compared to other multifamily options, there remains a significant variance between other multifamily Class B options¹ (\$122) and Class A options¹ (\$390), SFR options² (\$747) leaving plenty of room for continued NXRT rent growth.



(1) SOURCE: REALPAGE AND NXRT AVERAGE RENT AS OF OCTOBER 2024.
 (2) SOURCE: AVERAGE OF INVITATION HOME AND AMERICAN HOMES FOR RENT AVERAGE EFFECTIVE RENT PER MARKET BASED ON RECENT PUBLIC FILINGS.

Demand Fundamentals

Multifamily construction starts have plummeted in 2024 ⁽¹⁾ while national household formations have remained robust and project to continue in the coming years ⁽²⁾. These allow for sustained demand and will provide an environment for a return to rent growth.



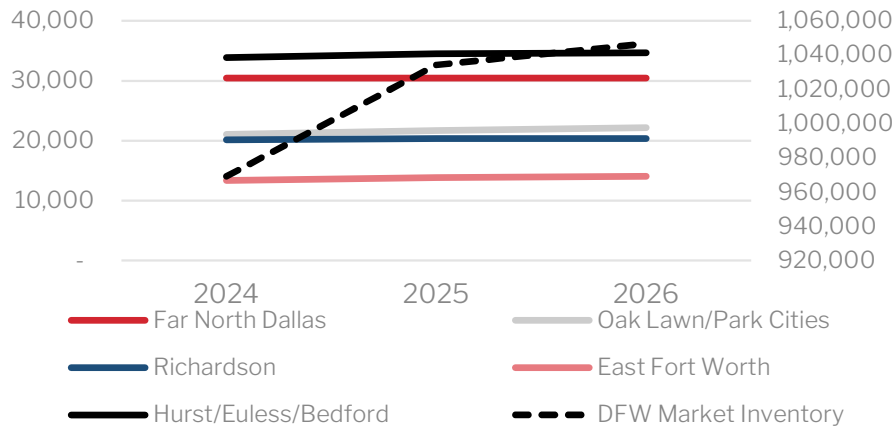
Data as of October | Source: Yardi Matrix

Sources: U.S. Census Bureau; John Burns Research and Consulting, LLC (Data: 2023, Pub: Sep-24)

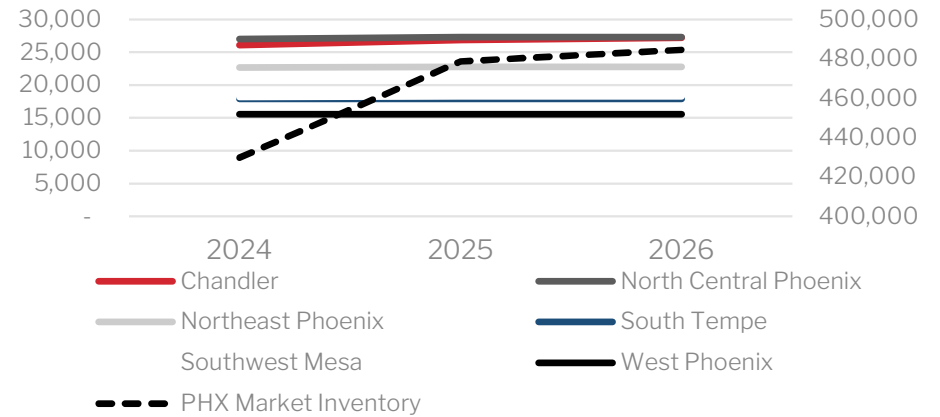
Insulated Submarket Supply

As compared to their broader MSA's, supply growth within NXRT submarkets is forecasted to remain subdued through the close of 2024 and 2025 deliveries, before flattening in 2026. ⁽¹⁾

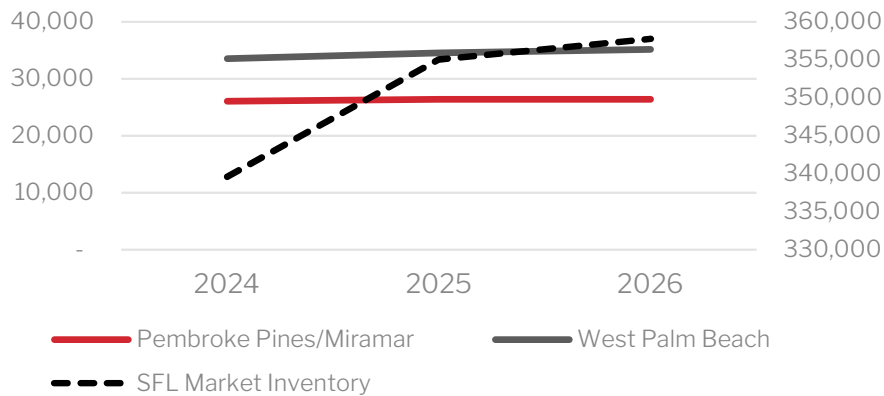
Dallas/Fort Worth Projected Supply



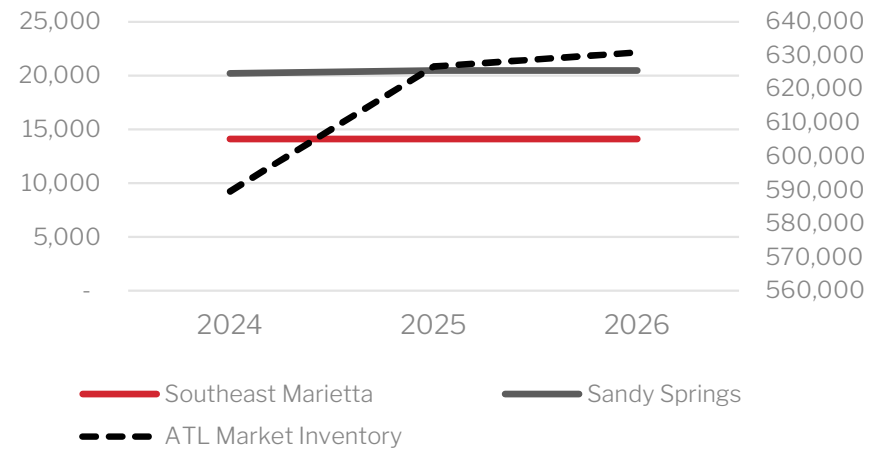
Phoenix Projected Supply



South Florida Projected Supply



Atlanta Projected Supply



Employment Trends Across NXRT Markets ⁽¹⁾

Job growth in nine of ten NXRT markets outpaced the national average of **1.31%**, according to the Bureau of Labor Statistics September 2024 employment report.

Average job growth, on a unit weighted basis, in our markets was **+1.69%**. Raleigh showed the strongest job growth on a year over year basis, **+2.49%**, while Nashville had the lowest year over year job growth, **+0.43%**.

When comparing the year over year total number of jobs added by market as of September 30, 2024, NXRT owns in 4 of the top 10 markets, 9 of the top 25 markets, and all 10 NXRT markets ranked within the top 72.

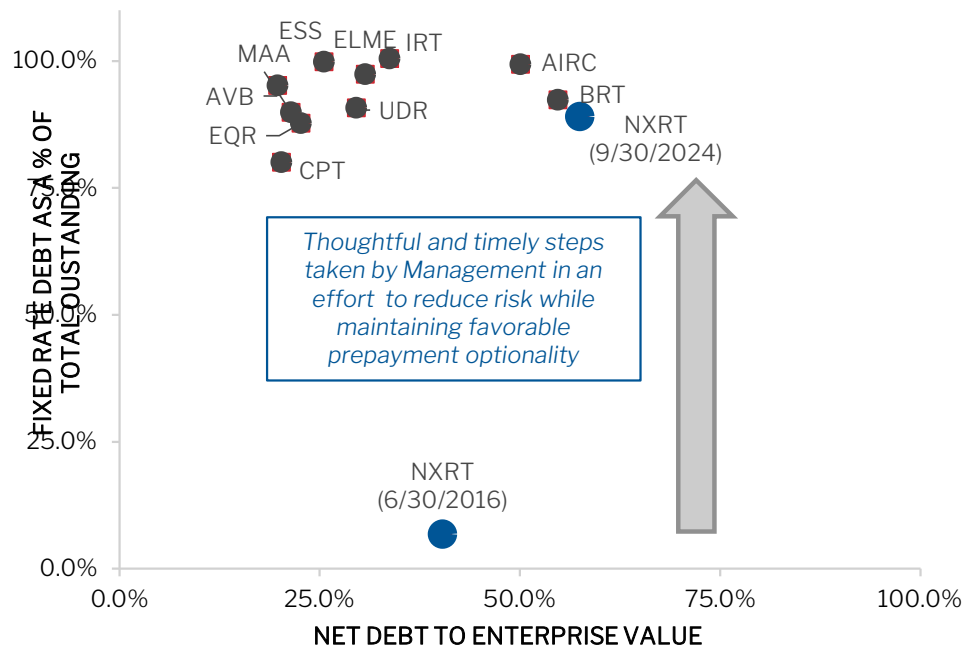
RALEIGH		SOUTH FLORIDA		CHARLOTTE		DALLAS/FORT WORTH	
% Change	2.49%	% Change	2.17%	% Change	2.11%	% Change	1.97%
# of Jobs Added	18,100	# of Jobs Added	63,000	# of Jobs Added	28,600	# of Jobs Added	83,300
No. of NXRT units in market	625	No. of NXRT units in market	1,959	No. of NXRT units in market	504	No. of NXRT units in market	1,945
LAS VEGAS		PHOENIX		TAMPA		ATLANTA	
% Change	1.81%	% Change	1.80%	% Change	1.66%	% Change	1.41%
# of Jobs Added	20,500	# of Jobs Added	43,500	# of Jobs Added	25,500	# of Jobs Added	43,000
No. of NXRT units in market	1,164	No. of NXRT units in market	2,009	No. of NXRT units in market	576	No. of NXRT units in market	1,692
		ORLANDO		NASHVILLE			
		% Change	1.34%	% Change	0.43%		
		# of Jobs Added	19,600	# of Jobs Added	5,000		
		No. of NXRT units in market	1,172	No. of NXRT units in market	1,338		

Capital Structure

Summary of NXRT's Capital Structure

- NXRT had approximately \$1.46 billion of total indebtedness (excluding deferred financing costs and mark-to-market adjustments) as of September 30, 2024.
- Of the total, \$33.8 million (or 2.3%) was fixed rate agency financing, while the remaining \$1.43 billion was tied to floating rate indices.
- From June 1, 2019, through March 1, 2022, the Company entered into ten interest rate swap contracts; eight remain in effect as of September 30, 2024, with a combined total notional value of \$1.07 billion.
 - These agreements effectively replace the floating interest rate with respect to that amount with a weighted average fixed rate of 0.9807%.
- Including the effect of the Swaps, the Company had an adjusted weighted average interest rate of 3.58% on the total indebtedness as of September 30, 2024.

Peer Comparison: Leverage & Floating Rate Debt Exposure⁽¹⁾



Summary of NXRT's Capital Structure: Interest Rate Swaps, Portfolio Refinance & Facility Payoff

Interest Rate Swaps – From June 1, 2019, through March 1, 2022, NXRT, through its operating partnership, NexPoint Residential Trust Operating Partnership, L.P., entered into ten interest rate swap transactions (the “Swaps”). Eight remain in effect as of September 30, 2024; five with KeyBank National Association with a notional amount of \$717.5 million and three with Truist Bank with a notional amount of \$350 million. The Company entered into the Swaps to fix a majority of and mitigate the risk associated with the Company’s floating rate indebtedness (without incurring substantial prepayment penalties or defeasance costs typically associated with fixed rate indebtedness).

- Effective dates: June 2019 – March 2022
- Termination dates: June 2024 – September 2026
- Notional Amount: \$1,067,500,000
- NXRT Obligation: 0.9807% average fixed monthly rate (on total notional amount)
- Counterparty Obligation: floating rate payments based on Fallback SOFR (LIBOR Replacement)
- Swaps will potentially limit interest rate and duration risk above 0.9807% 1-Month SOFR (4.66% as of October 31, 2024)
- Maintains prepayment flexibility

On October 1, 2024, the Company refinanced 17 properties for a total of \$813.5 million with an interest rate of 1.09% over SOFR, a reduction from the previous weighted-average spread of 1.61% on these 17 loans. The new loans carry a 7-year term and will mature on September 30, 2031.

The Company also expects to close on the refinancing of 17 additional loans on November 29, 2024, for total proceeds of \$652.5 million with an interest rate of 1.09% over SOFR, a reduction from the current weighted-average spread of 1.55%. These refinancings, in the aggregate, will represent ~97.7% of the Company’s total outstanding debt.

As of March 31, 2024, the Company has been able to reduce its Corporate Credit Facility (“Facility”), its highest cost debt, from \$335mm to \$0mm.

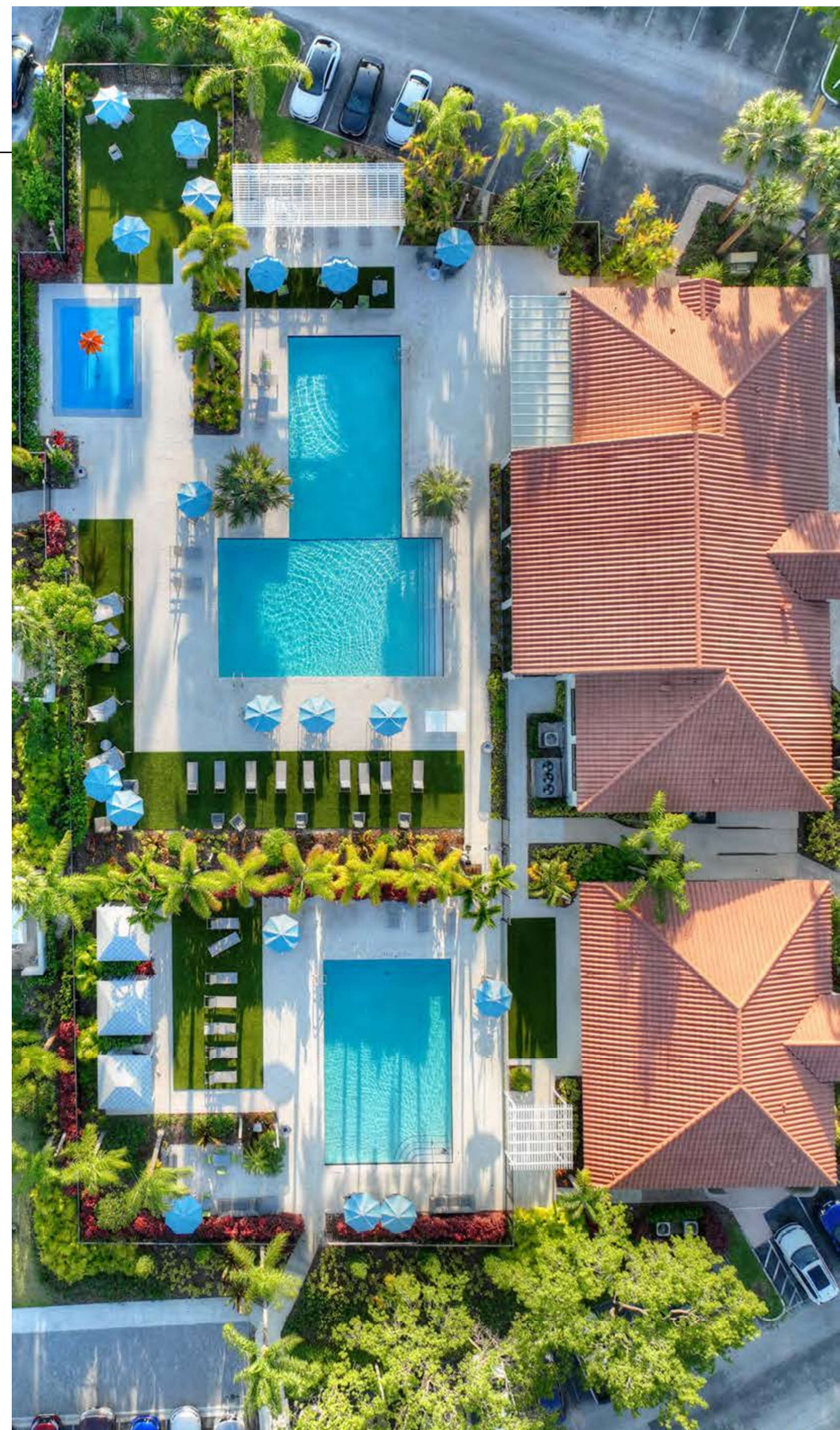
NXRT Path to Growth 2025 -2027

Portfolio Strategy

Sell well-seasoned assets with completed value-add programs to unlock $\geq 3x$ invested equity. Use liquidity to rebalance the portfolio to keep it in line with job, population, and wage growth. **This, along with rental rate gaps to Class-A assets, SFRs and for sale housing, will enhance NXRT's value-add program, boosting same-store earnings and dividend growth potential over time.**

Develop and deploy AI technologies to optimize performance: enhance centralization initiatives, drive improvements to revenue and expense / margin expansion, while continuing to **deliver best-in-class customer service and resident satisfaction.**

Refinance portfolio-level debt to current floating rate spreads, **successfully reducing the average SOFR spread from 155 bps to 109 bps.** This reduction is **estimated to provide a \$0.15-\$0.20 per share benefit annually through 2027**, assuming all other factors remain constant.



NXRT Path to Growth 2025 -2027

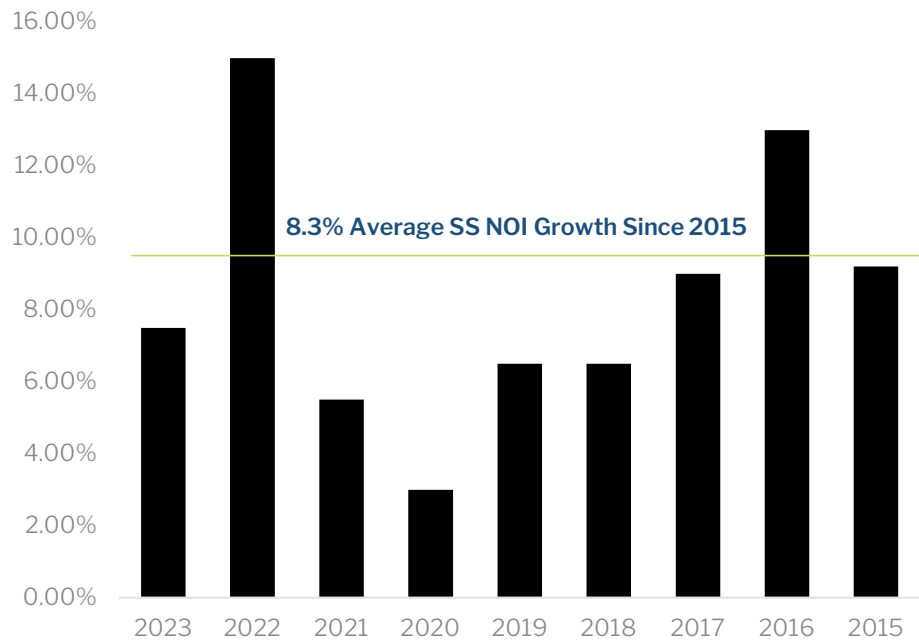
Portfolio Goals

Strive for **4.5%-5.5% Same Store NOI CAGR** thru 2027, which would deliver average annual Core FFO growth of \$0.15-\$0.20 per share, **offsetting the projected rise in interest expense attributable to expiring interest rate swaps.**

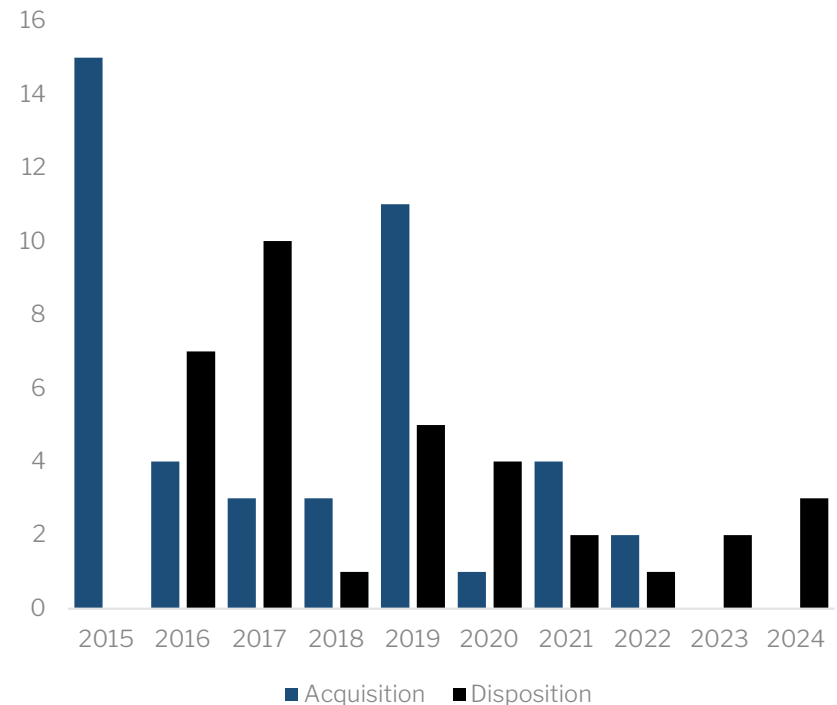
Continue transforming the portfolio and unlocking gains for tax-efficient capital recycling into high-conviction assets to grow NOI at an outsized rate, consistent with the company's historic execution.

Continue NXRT's core strategy of **internal growth through value-added renovations and asset repositioning** within the submarket and asset class.

SS Annual Net Operating Income Growth
2015 - 2023



Acquisitions & Dispositions
2015 - 2024 YTD



APPENDIX

NEXPOINT
RESIDENTIAL TRUST

Portfolio Performance Growth

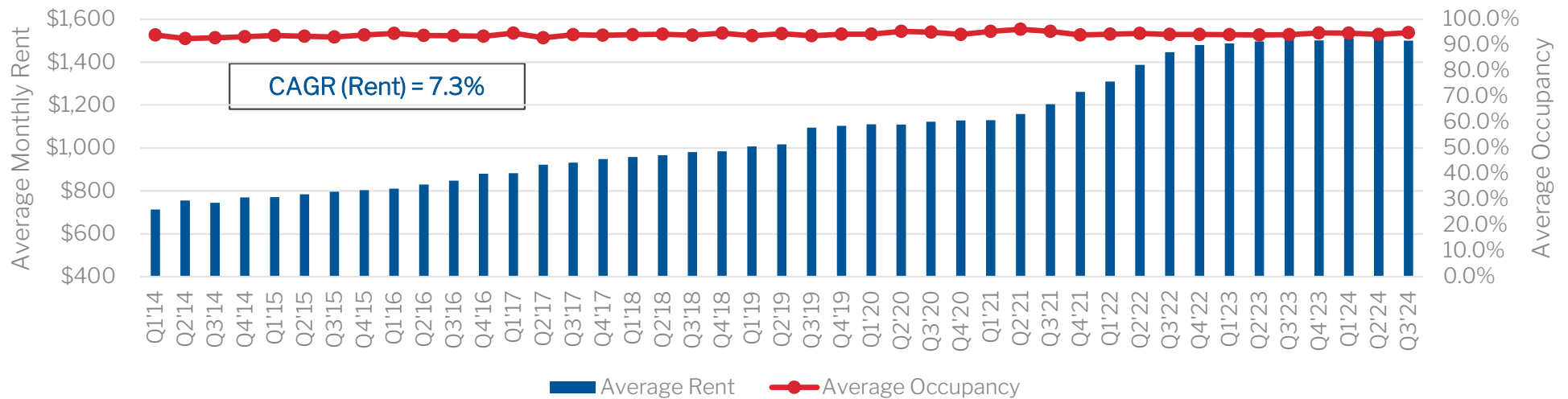
AVERAGE MONTHLY RENT⁽¹⁾

AVERAGE OCCUPANCY⁽¹⁾

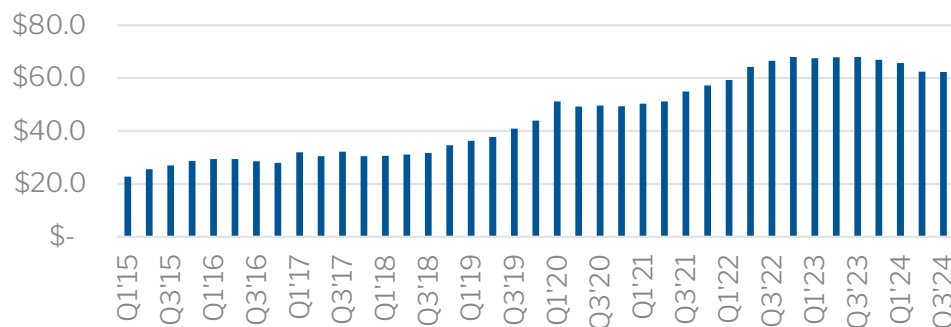
Average monthly rent across our markets for the third quarter 2024 ranged from \$1,236 (Dallas/Fort Worth) to \$2,130 (South Florida), with an average of \$1,500.

Average monthly occupancy across our markets for the third quarter 2024 ranged from 92.5% (Tampa) to 96.2% (Charlotte), with a portfolio average of 94.8%.

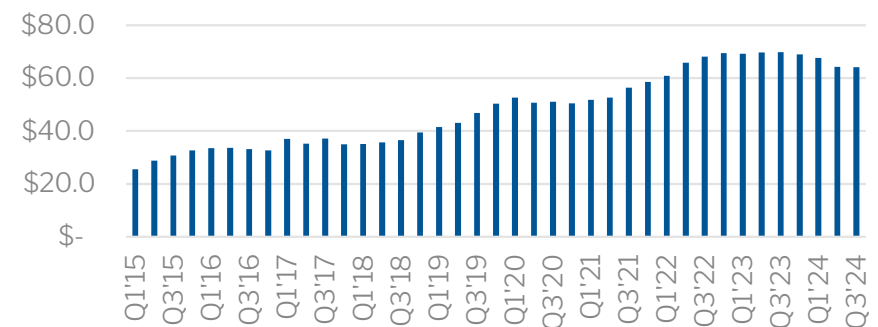
Stable Occupancy and Increasing Rent Per Unit



Rental Revenue (\$M)



Total Revenue (\$M)



Same Store YOY Rent Per Unit (1)

SOUTH FLORIDA		CHARLOTTE		LAS VEGAS		NASHVILLE		ORLANDO	
2024 Q3 Avg Rent	\$2,130	2024 Q3 Avg Rent	\$1,399	2024 Q3 Avg Rent	\$1,356	2024 Q3 Avg Rent	\$1,293	2024 Q3 Avg Rent	\$1,562
2023 Q3 Avg. Rent	\$2,095	2023 Q3 Avg. Rent	\$1,406	2023 Q3 Avg. Rent	\$1,368	2023 Q3 Avg. Rent	\$1,312	2023 Q3 Avg. Rent	\$1,588
% Change	1.7%	% Change	-0.5%	% Change	-0.9%	% Change	-1.4%	% Change	-1.6%

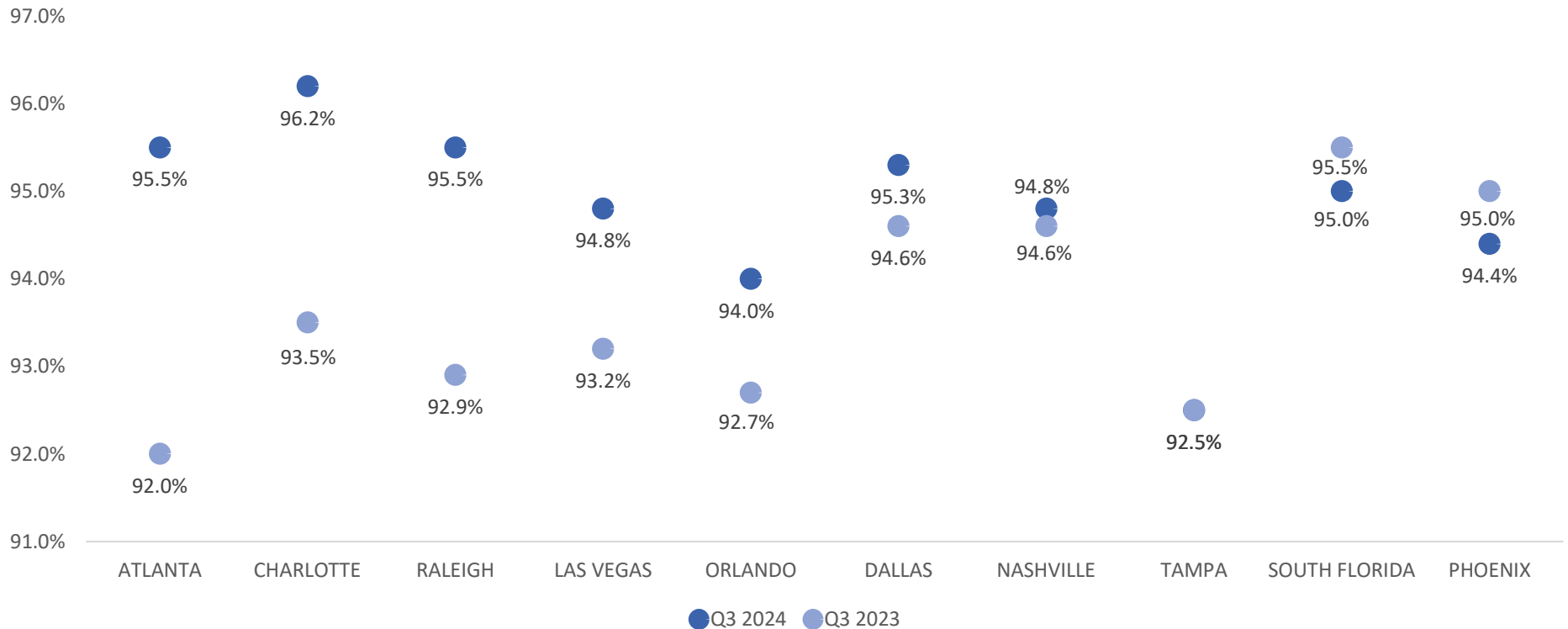
PHOENIX		RALEIGH		ATLANTA		DALLAS/FORTWORTH		TAMPA	
2024 Q3 Avg Rent	\$1,460	2024 Q3 Avg Rent	\$1,432	2024 Q3 Avg Rent	\$1,465	2024 Q3 Avg Rent	\$1,236	2024 Q3 Avg Rent	\$1,341
2023 Q3 Avg. Rent	\$1,487	2023 Q3 Avg. Rent	\$1,474	2023 Q3 Avg. Rent	\$1,517	2023 Q3 Avg. Rent	\$1,291	2023 Q3 Avg. Rent	\$1,433
% Change	-1.8%	% Change	-2.8%	% Change	-3.4%	% Change	-4.3%	% Change	-6.4%



Same Store YOY Average Occupancy (1)

ATLANTA		CHARLOTTE		RALEIGH		LAS VEGAS		ORLANDO	
2024 Q3	95.5%	2024 Q3	96.2%	2024 Q3	95.5%	2024 Q3	94.8%	2024 Q3	94.0%
2023 Q3	92.0%	2023 Q3	93.5%	2023 Q3	92.9%	2023 Q3	93.2%	2023 Q3	92.7%
% Change	3.5%	% Change	2.7%	% Change	2.6%	% Change	1.6%	% Change	1.3%

DALLAS/FORT WORTH		NASHVILLE		TAMPA		SOUTH FLORIDA		PHOENIX	
2024 Q3	95.3%	2024 Q3	94.8%	2024 Q3	92.5%	2024 Q3	95.0%	2024 Q3	94.4%
2023 Q3	94.6%	2023 Q3	94.6%	2023 Q3	92.5%	2023 Q3	95.5%	2023 Q3	95.0%
% Change	0.7%	% Change	0.2%	% Change	0.0%	% Change	-0.5%	% Change	-0.6%



Average Rent per Unit by Market

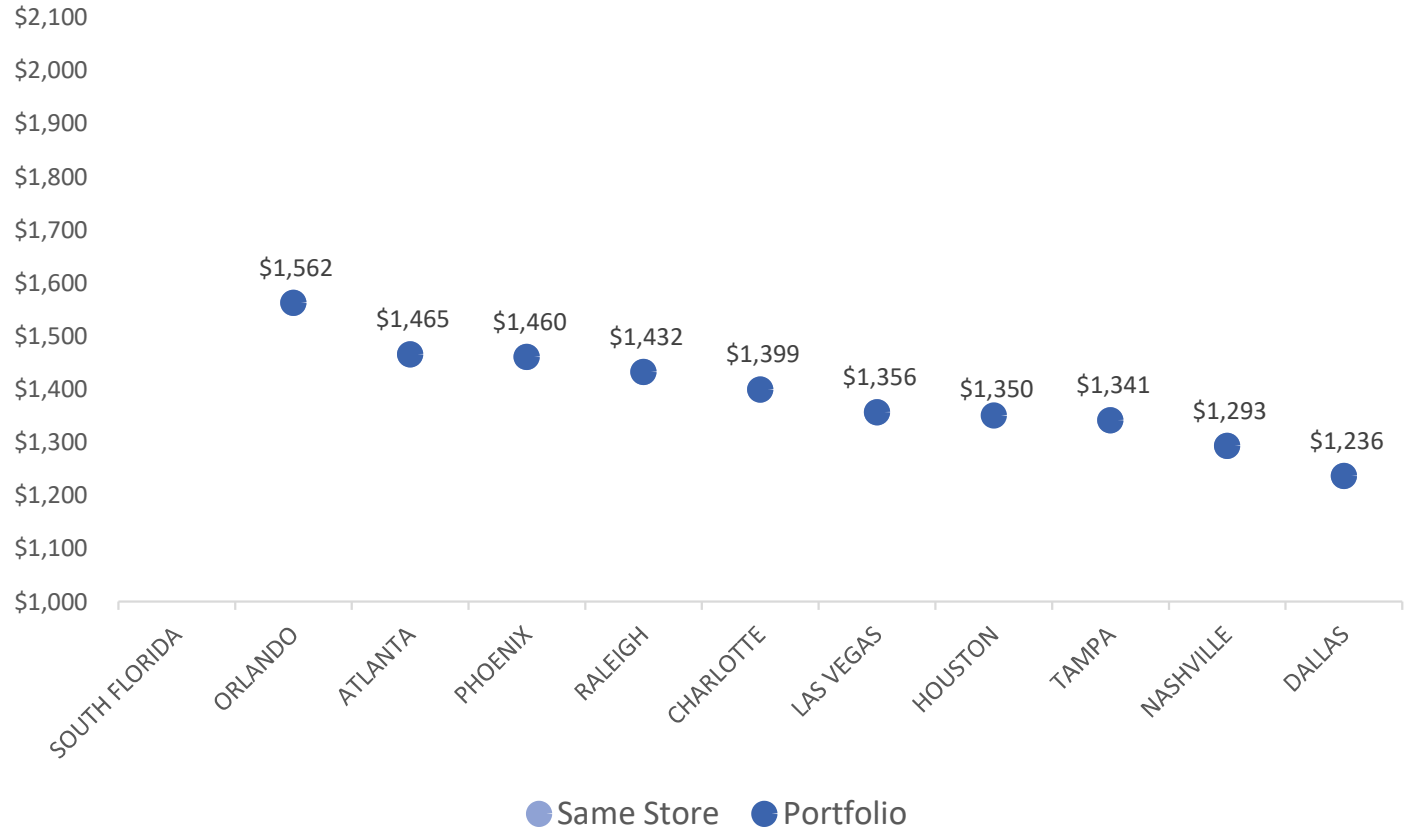
SOUTH FLORIDA		ORLANDO		ATLANTA		PHOENIX		RALEIGH	
2024 Q3 Same Store	\$2,130	2024 Q3 Same Store	\$1,562	2024 Q3 Same Store	\$1,465	2024 Q3 Same Store	\$1,460	2024 Q3 Same Store	\$1,432
2024 Q3 Portfolio	\$2,130	2024 Q3 Portfolio	\$1,562	2024 Q3 Portfolio	\$1,465	2024 Q3 Portfolio	\$1,460	2024 Q3 Portfolio	\$1,432
CHARLOTTE		LAS VEGAS		HOUSTON		TAMPA		NASHVILLE	
2024 Q3 Same Store	\$1,399	2024 Q3 Same Store	\$1,356	2024 Q3 Same Store	N/A	2024 Q3 Same Store	\$1,341	2024 Q3 Same Store	\$1,293
2024 Q3 Portfolio	\$1,399	2024 Q3 Portfolio	\$1,356	2024 Q3 Portfolio	\$1,350	2024 Q3 Portfolio	\$1,341	2024 Q3 Portfolio	\$1,293
DALLAS/FORT WORTH									
2024 Q3 Same Store	\$1,236								
2024 Q3 Portfolio	\$1,236								

AVERAGE MONTHLY RENT⁽¹⁾

Average monthly rent across our markets for the third quarter 2024 ranged from \$1,236 (Dallas/Fort Worth) to \$2,130 (South Florida), with a portfolio average of \$1,500.

SAME STORE AVERAGE MONTHLY RENT⁽¹⁾

Same store average rent across our markets for the third quarter 2024 ranged from \$1,236 (Dallas/ Fort Worth) to \$2,130 (South Florida), with a same store portfolio average of \$1,502.

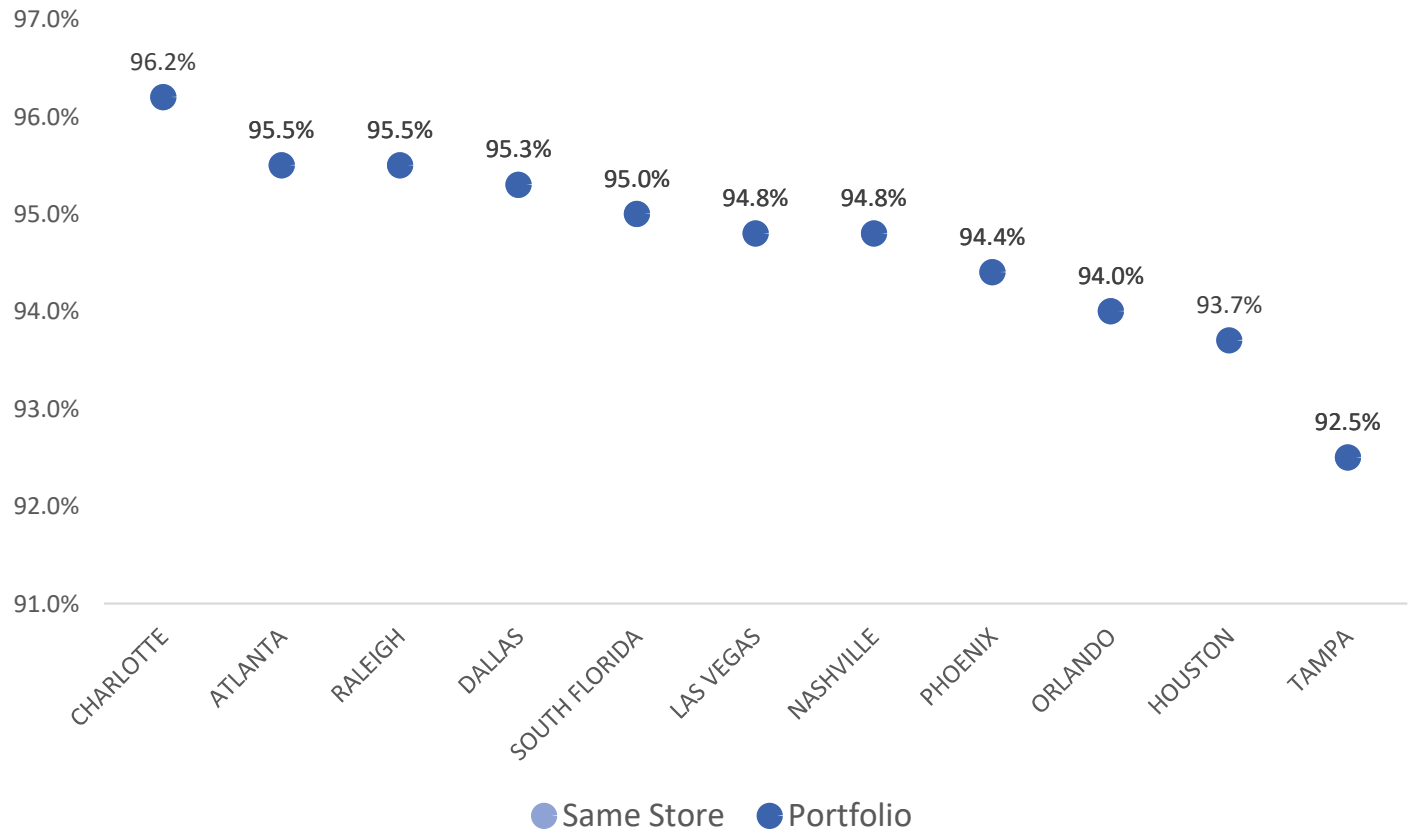


Average Occupancy by Market

CHARLOTTE		ATLANTA		RALEIGH		DALLAS/FORT WORTH		SOUTH FLORIDA	
2024 Q3 Same Store	96.2%	2024 Q3 Same Store	95.5%	2024 Q3 Same Store	95.5%	2024 Q3 Same Store	95.3%	2024 Q3 Same Store	95.0%
2024 Q3 Portfolio	96.2%	2024 Q3 Portfolio	95.5%	2024 Q3 Portfolio	95.5%	2024 Q3 Portfolio	95.3%	2024 Q3 Portfolio	95.0%

LAS VEGAS		NASHVILLE		PHOENIX		ORLANDO		HOUSTON	
2024 Q3 Same Store	94.8%	2024 Q3 Same Store	94.8%	2024 Q3 Same Store	94.4%	2024 Q3 Same Store	94.0%	2024 Q3 Same Store	N/A
2024 Q3 Portfolio	94.8%	2024 Q3 Portfolio	94.8%	2024 Q3 Portfolio	94.4%	2024 Q3 Portfolio	94.0%	2024 Q3 Portfolio	93.7%

TAMPA	
2024 Q3 Same Store	92.5%
2024 Q3 Portfolio	92.5%



AVERAGE OCCUPANCY⁽¹⁾

Average monthly occupancy across our markets for the third quarter 2024 ranged from 92.5% (Tampa) to 96.2% (Charlotte), with a portfolio average of 94.8%.

SAME STORE AVERAGE OCCUPANCY⁽¹⁾

Average monthly occupancy across our markets for the third quarter 2024 ranged from 92.5% (Tampa) to 96.2% (Charlotte), with a same store portfolio average of 94.9%.

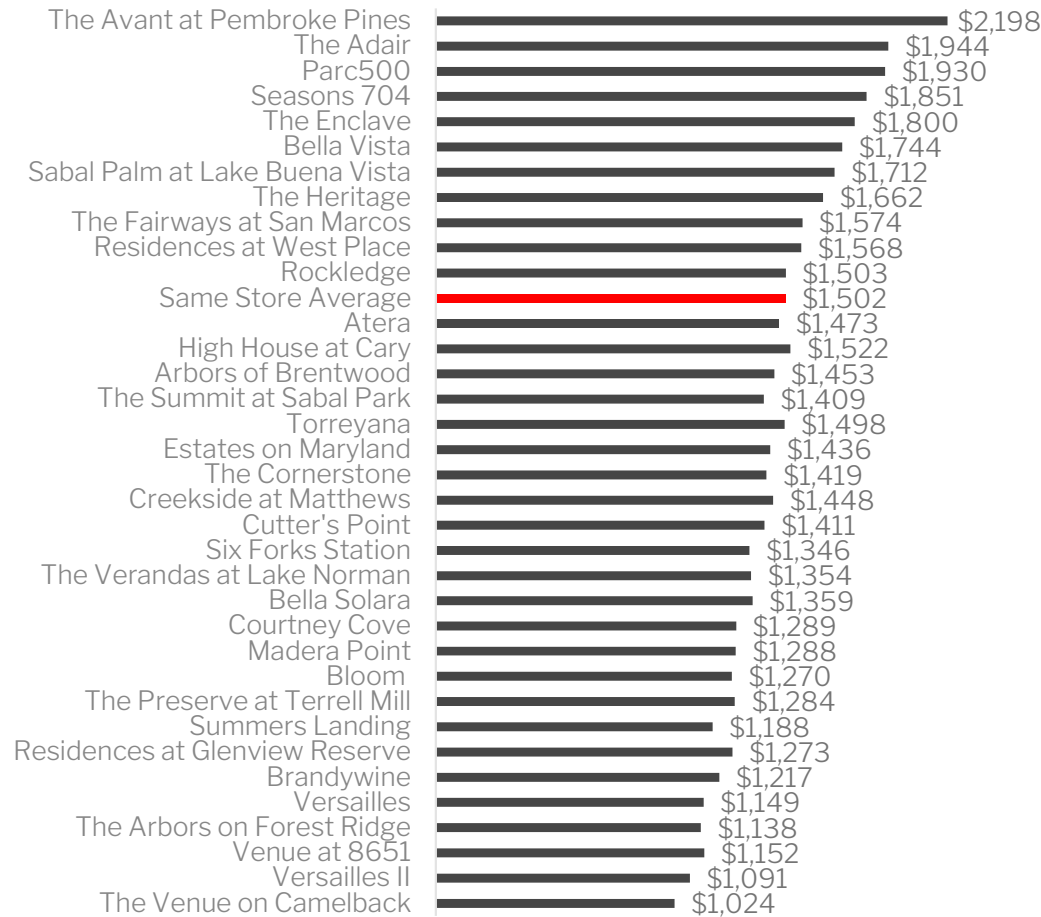
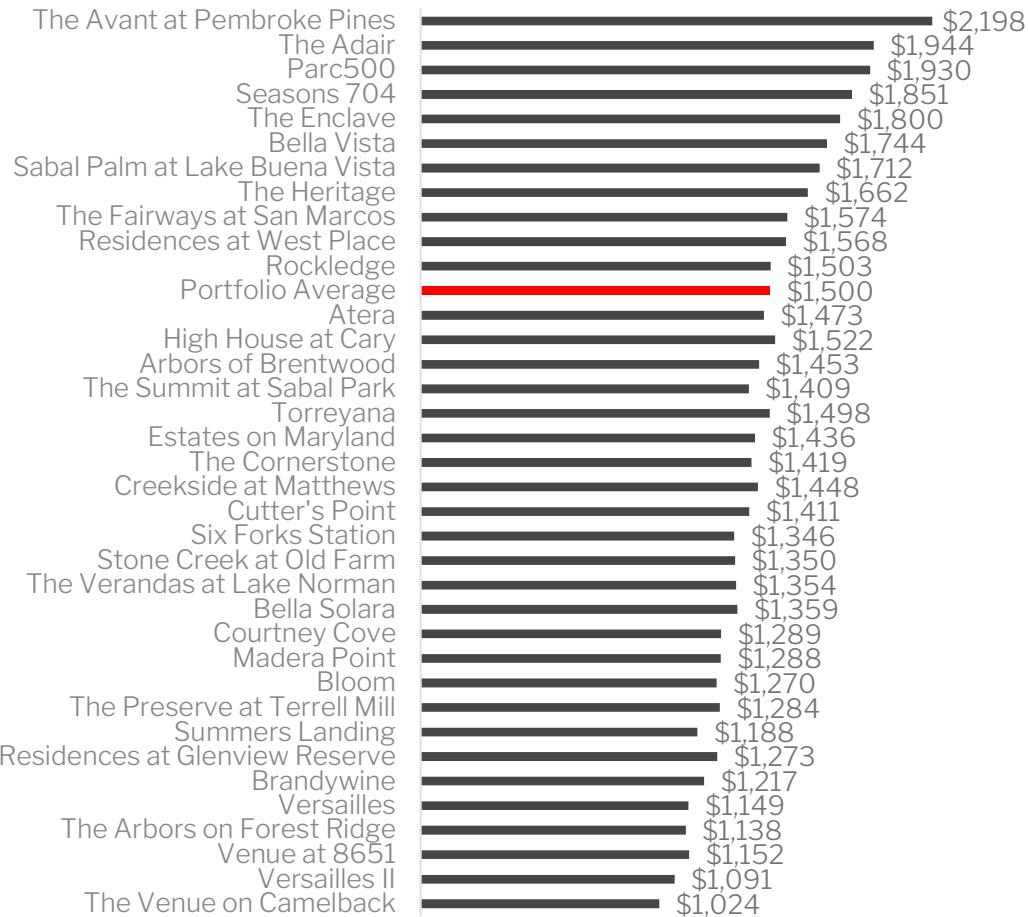
Average Rent Per Community

AVERAGE MONTHLY RENT⁽¹⁾

Average monthly rents across our portfolio ranged from \$1,024 (The Venue on Camelback) to \$2,198 (Avant at Pembroke Pines), with an average of \$1,500.

SAME STORE AVERAGE MONTHLY RENT⁽¹⁾

Average monthly rents across our same-store portfolio ranged from \$1,024 (The Venue on Camelback) to \$2,198 (Avant at Pembroke Pines), with an average of \$1,502.



3Q 2024 Financial Summary

(In thousands, except for per share and unit data)

Company Profile

	Q3 2024	Q3 2023	YTD 2024	YTD 2023
Market Capitalization	\$1,118,000	\$826,000		
Weighted average common shares outstanding - basic	25,404	25,674	25,554	25,647
Weighted average common shares outstanding - diluted	25,404	26,302	26,274	26,228
Share Price (as of the last day of the period)	\$44.01	\$32.18		

Earnings Profile

Total revenues	\$64,095	\$69,838	\$195,910	\$208,634
Net income (loss) attributable to common stockholders	(8,853)	33,749	28,041	25,913
NOI (1)	38,131	42,144	118,089	125,241
Same Store NOI (2)	37,509	38,445	115,167	113,669
Same Store NOI Growth (%) (2)	-2.4%		1.3%	

Earnings Metrics Per Common Share (diluted basis)

Earnings (loss)	\$(0.35)	\$1.28	\$1.07	\$0.99
FFO (1)	\$0.60	\$0.55	\$1.94	\$2.05
Core FFO (1)	\$0.69	\$0.69	\$2.11	\$2.17
AFFO (1)	\$0.79	\$0.78	\$2.41	\$2.44
Dividends declared per common share	\$0.46	\$0.42	\$1.39	\$1.26
Net Income (Loss) Coverage (3)	-0.76x	3.05x	0.77x	0.79x
FFO Coverage (3)	1.29x	1.32x	1.40x	1.63x
Core FFO Coverage (3)	1.48x	1.64x	1.52x	1.72x
AFFO Coverage (3)	1.70x	1.86x	1.74x	1.94x

Portfolio

Total Properties	36	39		
Total Units (4)	13,74	14,485		
Occupancy	94.8%	94.0%		
Average Effective Monthly Rent per Unit	\$1,500	\$1,507		

Same Store Portfolio Metrics (2)

Total Same Store Properties	35	35	35	35
Total Same Store Units	12,948	12,917	12,948	12,917
Occupancy	94.9%	93.9%	94.9%	93.9%
Average Effective Monthly Rent per Unit	\$1,502	1,529	\$1,502	1,529

Value-Add Program

Completed Rehab Units	90	518	330	1,875
Cumulative Completed Rehab Units (5)	8,316			
Average Increase to Effective Monthly Rent per Unit (Post-Rehab)	\$175			
ROI on Post-Rehab Units	20.8%			

Outstanding Debt Summary

Total Mortgage Debt	\$1,462,865	\$1,575,406		
Credit Facilities	-	41,000		
Total Debt Outstanding	<u>\$1,462,865</u>	<u>\$1,616,406</u>		
Leverage Ratio (Total Debt to Market Capitalization plus Total Debt)	<u>57%</u>	<u>66%</u>		
Leverage Ratio (Net Debt to Enterprise Value) (6)	<u>56%</u>	<u>66%</u>		

Consolidated Statements of Operations

(In thousands, except for per share data)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Revenues				
Rental income	\$62,311	\$67,870	\$190,292	\$203,217
Other income	1,784	1,968	5,618	5,417
Total revenues	<u>\$64,095</u>	<u>\$69,838</u>	<u>\$195,910</u>	<u>\$208,634</u>
Expenses				
Property operating expenses	15,705	15,322	43,249	44,080
Real estate taxes and insurance	8,117	8,832	25,617	28,186
Property management fees (1)	1,843	2,031	5,673	6,089
Advisory and administrative fees (2)	1,702	1,966	5,179	5,782
Corporate general and administrative expenses	4,835	4,906	14,524	12,897
Property general and administrative expenses	1,706	2,615	6,638	7,127
Depreciation and amortization	24,608	23,797	73,373	70,935
Total expenses	<u>58,516</u>	<u>59,469</u>	<u>174,253</u>	<u>175,096</u>
Operating income before gain of sales of real estate	5,579	10,369	21,657	33,538
Gain on sales of real estate	—	43,090	50,395	43,090
Operating income	5,579	53,459	72,052	76,628
Interest Expense	(14,594)	(17,587)	(42,956)	(48,850)
Gain (loss) on extinguishment of debt and modification costs	—	(2,215)	(801)	(2,093)
Casualty (loss)	—	(100)	(538)	(980)
Gain on forfeited deposits	—	—	—	250
Equity in earnings of affiliate	53	177	144	177
Miscellaneous income	74	144	251	880
Net income (loss)	<u>(8,888)</u>	<u>33,878</u>	<u>28,152</u>	<u>26,012</u>
Net income (loss) attributable to redeemable noncontrolling interests in the Operating Partnership	(35)	129	111	99
Net income (loss) attributable to common stockholders	<u>\$(8,853)</u>	<u>\$33,749</u>	<u>\$28,041</u>	<u>\$25,913</u>
Other comprehensive income (loss)				
Unrealized gains (losses) on interest rate derivatives	(25,304)	(744)	(30,109)	(4,820)
Total comprehensive income	<u>(34,192)</u>	<u>33,134</u>	<u>(1,957)</u>	<u>21,192</u>
Comprehensive income attributable to redeemable noncontrolling interests in the Operating Partnership	(135)	126	(8)	81
Comprehensive income attributable to common stockholders	<u>\$(34,057)</u>	<u>\$33,008</u>	<u>\$(1,949)</u>	<u>\$21,111</u>
Weighted average common shares outstanding - basic	25,404	25,674	25,554	25,647
Weighted average common shares outstanding - diluted	25,404	26,302	26,274	26,228
Earnings (loss) per share – basic	<u>\$(0.35)</u>	<u>\$1.31</u>	<u>\$1.10</u>	<u>\$1.01</u>
Earnings (loss) per share – diluted	<u>\$(0.35)</u>	<u>\$1.28</u>	<u>\$1.07</u>	<u>\$0.99</u>

Balance Sheet

(In thousands)

	September 30, 2024 (Unaudited)	December 31, 2023
ASSETS		
Operating Real Estate Investments		
Land	\$359,819	\$359,819
Buildings and improvements	1,734,428	1,719,864
Construction in progress	2,419	8,322
Furniture, fixtures, and equipment	196,707	180,435
Total Gross Operating Real Estate Investments	2,293,373	2,268,440
Accumulated depreciation and amortization	(484,181)	(411,087)
Total Net Operating Real Estate Investments	1,809,192	1,857,353
Real estate held for sale, net of accumulated depreciation of \$4,624 and \$31,871, respectively	20,232	110,747
Total Net Real Estate Investments	1,829,424	1,968,100
Cash and cash equivalents	17,412	12,367
Restricted cash	43,306	32,912
Accounts receivable, net	12,746	14,598
Prepaid and other assets	9,359	8,640
Fair market value of interest rate swaps	41,075	71,028
Total Assets	\$1,953,322	\$2,107,645
LIABILITIES AND EQUITY		
Liabilities:		
Mortgages payable, net	\$1,454,735	\$1,453,787
Mortgages payable held for sale, net	—	88,044
Credit facility, net	—	23,243
Accounts payable and other accrued liabilities	12,206	17,140
Accrued real estate taxes payable	20,153	11,230
Accrued interest payable	8,632	9,399
Security deposit liability	2,996	3,159
Prepaid rents	1,505	1,773
Total Liabilities	1,500,227	1,607,775
Redeemable noncontrolling interests in the Operating Partnership	5,947	5,246
Equity:		
Preferred stock, \$0.01 par value: 100,000,000 shares authorized; 0 shares issued	—	—
Common stock, \$0.01 par value: 500,000,000 shares authorized; 25,403,537 and 25,674,313 shares issued and outstanding, respectively	254	256
Additional paid-in capital	404,787	413,010
Accumulated earnings less dividends	2,232	11,493
Accumulated other comprehensive income	39,875	69,865
Total Stockholders' Equity	447,148	494,624
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$1,953,322	\$2,107,645

Non-GAAP Reconciliations: FFO, CORE FFO & AFFO

The following table reconciles our FFO, Core FFO and AFFO to our net income (loss) (the most directly comparable GAAP financial measure) for the periods shown below:

(\$ in thousands, except for per share data)	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Net Income (loss)	\$(8,888)	\$33,878	\$28,152	\$26,012
Depreciation and amortization	24,608	23,797	73,373	70,935
Gain on sales of real estate (1)	—	(43,090)	(50,395)	(43,090)
Adjustment for noncontrolling interests	(62)	(55)	(202)	(205)
FFO attributable to common stockholders	<u>15,658</u>	<u>14,530</u>	<u>50,928</u>	<u>53,652</u>
FFO per share – basic	\$0.62	\$0.57	\$1.99	\$2.09
FFO per share – diluted	\$0.60	\$0.55	\$1.94	\$2.05
Loss on extinguishment of debt and modification costs	—	2,215	801	2,093
Casualty-related expenses/(recoveries)	1,373	(24)	1,640	(1,332)
Casualty loss	—	100	538	980
Gain on forfeited deposits	—	—	—	(250)
Amortization of deferred financing costs - acquisition term notes	632	738	2,051	2,213
Mark-to-market adjustments of interest rate caps	273	554	(469)	(496)
Adjustment for noncontrolling interests	(8)	(14)	(17)	(14)
Core FFO attributable to common stockholders	<u>17,928</u>	<u>18,099</u>	<u>55,472</u>	<u>56,846</u>
Core FFO per share - basic	<u>\$0.71</u>	<u>\$0.71</u>	<u>\$2.17</u>	<u>\$2.22</u>
Core FFO per share - diluted	<u>\$0.69</u>	<u>\$0.69</u>	<u>\$2.11</u>	<u>\$2.17</u>
Equity-based compensation expense	2,670	2,494	7,901	6,955
Adjustment for noncontrolling interests	(11)	(10)	(31)	(27)
AFFO attributable to common stockholders	<u>20,587</u>	<u>20,583</u>	<u>63,342</u>	<u>63,774</u>
AFFO per share - basic	<u>\$0.81</u>	<u>\$0.80</u>	<u>\$2.48</u>	<u>\$2.49</u>
AFFO per share - diluted	<u>\$0.79</u>	<u>\$0.78</u>	<u>\$2.41</u>	<u>\$2.44</u>
Weighted average common shares outstanding – basic	<u>25,404</u>	<u>25,667</u>	<u>25,554</u>	<u>25,647</u>
Weighted average common shares outstanding – diluted (2)	<u>26,161</u>	<u>26,304</u>	<u>26,274</u>	<u>26,190</u>
Dividends declared per common share	\$0.46242	\$0.42	\$1.38726	\$1.26
Net Income (loss) Coverage – diluted (3)	-0.76x	3.05x	0.77x	0.79x
FFO Coverage – diluted (3)	1.29x	1.32x	1.40x	1.63x
Core FFO Coverage – diluted (3)	1.48x	1.64x	1.52x	1.72x
AFFO Coverage – diluted (3)	1.70x	1.86x	1.74x	1.94x

(1) \$31.5 MILLION WITH A RELATED PARTY FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024.

(2) THE COMPANY USES ACTUAL DILUTED WEIGHTED AVERAGE COMMON SHARES OUTSTANDING WHEN IN A DILUTIVE POSITION FOR FFO, CORE FFO AND AFFO.

(3) INDICATES COVERAGE RATIO OF NET INCOME (LOSS) FFO/CORE FFO/AFFO PER COMMON SHARE (DILUTED) OVER DIVIDENDS DECLARED PER COMMON SHARE DURING THE PERIOD.

Non-GAAP Reconciliations: NOI & Net Debt

The following table, which has not been adjusted for the effects of noncontrolling interests, reconciles net debt to total debt outstanding as of the end of each period shown below:

(\$ in thousands)	Q3 2024	Q3 2023
Total mortgage debt outstanding	\$1,462,865	\$1,575,406
Credit facilities	-	41,000
Total Debt	\$1,462,865	\$1,616,406
Adjustments to arrive at net debt:		
Cash and cash equivalents	(17,412)	(10,056)
Restricted cash held for value-add upgrades and green improvements	(3,518)	32,921
Net Debt	\$1,441,935	\$1,639,271
Enterprise Value (1)	\$2,559,935	\$2,465,271
Leverage Ratio (Total Debt to Market Capitalization plus Total Debt)	57%	66%
Leverage Ratio (Net Debt to Enterprise Value)	56%	66%

Non-GAAP Reconciliations: NOI

The following table, which has not been adjusted for the effects of noncontrolling interests, reconciles NOI to net income (the most directly comparable GAAP financial measure) for the periods shown below:

(\$ in thousands)

	FY 2024E (1)	Q4 2024E	YTD 2024	Q3 2024	Q2 2024	FY 2023	YTD 2023	Q3 2023	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
RECONCILIATION OF NET INCOME (LOSS) TO NOI	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
Net Income (loss)	\$700	\$(27,451)	\$28,152	\$(8,888)	10,638	\$44,433	\$26,012	\$33,878	(\$9,291)	\$23,106	\$44,150	\$99,438	(\$1,614)	\$56,359	\$25,888	(\$10,992)	(\$17,533)
Add:																	
Advisory and administrative fees	6,952	1,773	5,179	1,702	1,734	7,645	5,782	1,966	7,547	7,631	7,670	7,500	7,474	7,419	6,802	5,565	1,653
Corporate general and administrative expenses	19,576	5,052	14,524	4,835	4,779	16,663	12,897	4,752	14,670	11,966	10,035	9,613	7,808	6,275	4,014	2,455	—
Corporate Income	(1,626)	(371)	(1,256)	(444)	(516)	—	(154)	—	—	—	—	—	—	—	—	—	—
Casualty-related expenses/(recoveries) (2)	538	—	1,640	1,373	232	(2,214)	(1,332)	(24)	1,119	(200)	790	(34)	(663)	(287)	—	—	—
Casualty losses (gains)	—	—	538	—	737	856	(980)	100	(2,506)	(2,595)	(5,886)	3,488	—	—	—	—	—
Gain on forfeited deposits	—	—	—	—	—	(250)	(250)	—	—	—	—	—	—	—	—	—	—
Pandemic expense	—	—	—	—	—	—	—	1,139	—	50	510	—	—	—	—	—	—
Property general and administrative expenses (3)	5,586	1,228	2,721	404	1,334	3,701	2,695	23,797	3,600	2,232	1,890	1,939	1,294	1,130	879	1,109	415
Depreciation and amortization	98,009	24,636	73,373	24,608	24,442	95,186	70,935	17,587	97,648	86,878	82,411	69,086	47,470	48,752	35,643	40,801	21,645
Interest expense	56,893	13,938	42,956	14,594	13,971	67,106	48,850	2,215	50,587	44,623	44,753	37,385	28,572	29,576	21,889	18,469	7,274
Equity in earnings affiliate	(204)	(60)	(144)	(53)	(53)	(205)	(177)	—	—	—	—	—	—	—	—	—	—
Gain (loss) on extinguishment of debt and modification costs	23,531	22,730	801	—	255	2,409	2,093	(177)	8,734	912	1,470	2,869	3,576	5,719	—	—	—
Gain on sales of real estate	(54,229)	(3,835)	(50,395)	—	(18,686)	(67,926)	(43,090)	(43,090)	(14,684)	(46,214)	(69,151)	(127,684)	(13,742)	(78,365)	386	2,975	8,640
Acquisition costs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(25,932)	—	—
NOI	\$155,726	\$37,640	\$118,089	\$38,131	\$38,867	\$167,404	\$125,241	\$42,143	\$157,424	\$128,389	\$118,641	\$103,600	\$80,175	\$76,578	\$69,569	\$60,382	\$22,094

- (1) MID-POINT ESTIMATES SHOWN FOR FULL YEAR 2024 GUIDANCE. ASSUMPTIONS MADE FOR FULL YEAR 2024 NOI GUIDANCE INCLUDE THE SAME STORE OPERATING GROWTH PROJECTIONS INCLUDED IN THE "2024 FULL YEAR GUIDANCE SUMMARY" SECTION OF THE NXRT EARNINGS RELEASE, WHICH CAN BE FOUND ON THE COMPANY WEBSITE, AND THE EFFECT OF THE ACQUISITION AND DISPOSITIONS THROUGHOUT THE FISCAL YEAR.
- (2) ADJUSTMENT TO NET INCOME TO EXCLUDE CERTAIN PROPERTY OPERATING EXPENSES THAT ARE CASUALTY-RELATED/(RECOVERIES).
- (3) ADJUSTMENT TO NET INCOME (LOSS) TO EXCLUDE CERTAIN PROPERTY GENERAL AND ADMINISTRATIVE EXPENSES THAT ARE NOT REFLECTIVE OF THE CONTINUING OPERATIONS OF THE PROPERTIES OR ARE INCURRED ON OUR BEHALF AT THE PROPERTY FOR EXPENSES SUCH AS LEGAL, PROFESSIONAL AND FRANCHISE TAX FEES.

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