



November 2023

**REITworld**

**NYSE: NXRT**

📍 Hudson High House- Cary, NC

**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 and industry in general, the Company's target markets, the sale of Timber Creek, the expected IRR and equity multiple, the expected closing of the disposition, 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, NXRT's net asset value and the related components and assumptions, 2023 NOI and net income guidance and the related components and assumptions with the anticipated sales of Old Farm and Stone Creek at Old Farm, maturities through 2023 will be reduced to 0% of total debt, continued room for rent growth, the progression from apartment to entry-level homeowner is becoming increasingly difficult, relief from new supply headwinds in 2025, projected supply in submarkets, the affordable housing market, the Sun Belt rental market, the relocation trend, renewal and new lease trends, rent increases, the belief that the housing market is now permanently more expensive, that deliveries of multifamily residential housing will plummet in 2025-2026, the belief that "B" housing will outperform "A" and "C" housing in times of economic hardship. 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) the impact of depreciation and amortization expenses, (4) corporate general and administrative expenses, (5) other gains and losses that are specific to us including loss on extinguishment of debt and modification costs, (6) casualty-related expenses/(recoveries) and casualty gains (losses), (7) gain (loss) of extinguishment of debt and modification costs that are not reflective of continuing operations of the properties, (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 either not likely to occur on a regular basis or are otherwise 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 incurred in connection with obtaining short-term debt financing and the noncontrolling interests (as described above) related to these items. AFFO makes certain adjustments to Core FFO. 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 amortization of deferred financing costs incurred in connection with obtaining long-term debt financing and the noncontrolling interests related to these items. 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](http://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. ("NXRT" or the "Company") 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.

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 September 30, 2023, NXRT owned 14,485 units across the U.S. in Texas, Arizona, Georgia, Tennessee, Florida, Nevada, and North Carolina.

**\$30.07**

PRICE PER SHARE<sup>(1)</sup>

**13.69%**

INSIDER OWNERSHIP<sup>(1)</sup>

**\$0.46242**

Q4 2023 DIVIDEND PER SHARE

**6.15%**

YIELD<sup>(1)</sup>



# NexPoint Residential Trust, Inc. (NYSE:NXRT)

## NXRT Portfolio and Strategy

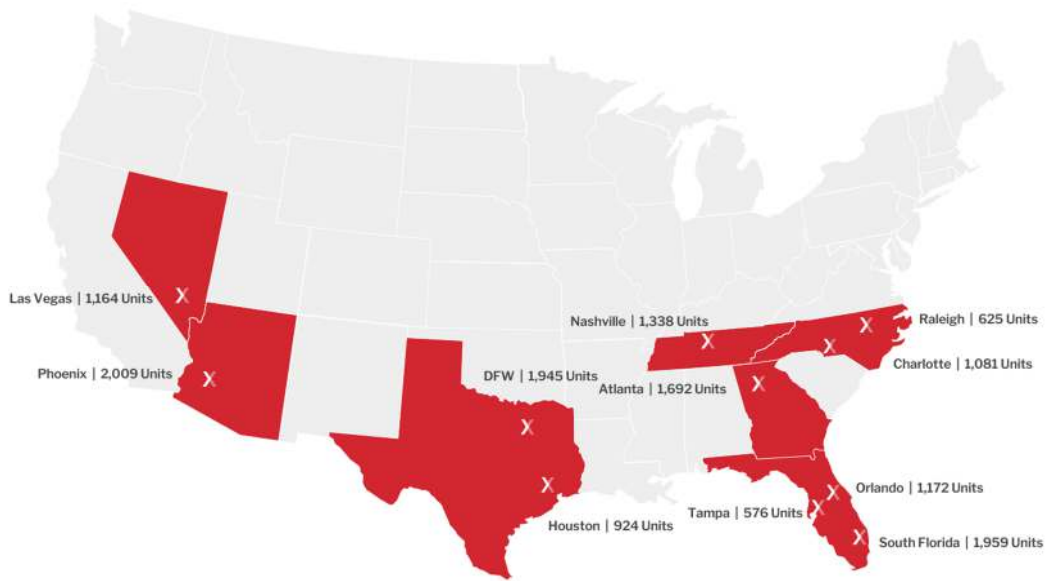
As of September 30, 2023, NXRT owned 39 multifamily properties, consisting of 14,485 units, across 11 markets in 7 Southeastern and Southwestern U.S. states.

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 2023 Same Store revenue and NOI increased 4.6% and 8.0%, respectively, over the prior year period.



**39**

PROPERTIES (1)

**14,485**

UNITS OWNED (1)

**\$1,507**

AVERAGE MONTHLY  
RENT PER UNIT (2)

**94.0%**

PORTFOLIO  
OCCUPANCY (2)

# Performance Highlights

## Q3 2023 Performance Highlights

### FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2023:

- NOI: **\$42.1M**
- Core FFO: **\$17.1M**, or **\$0.65/diluted share**

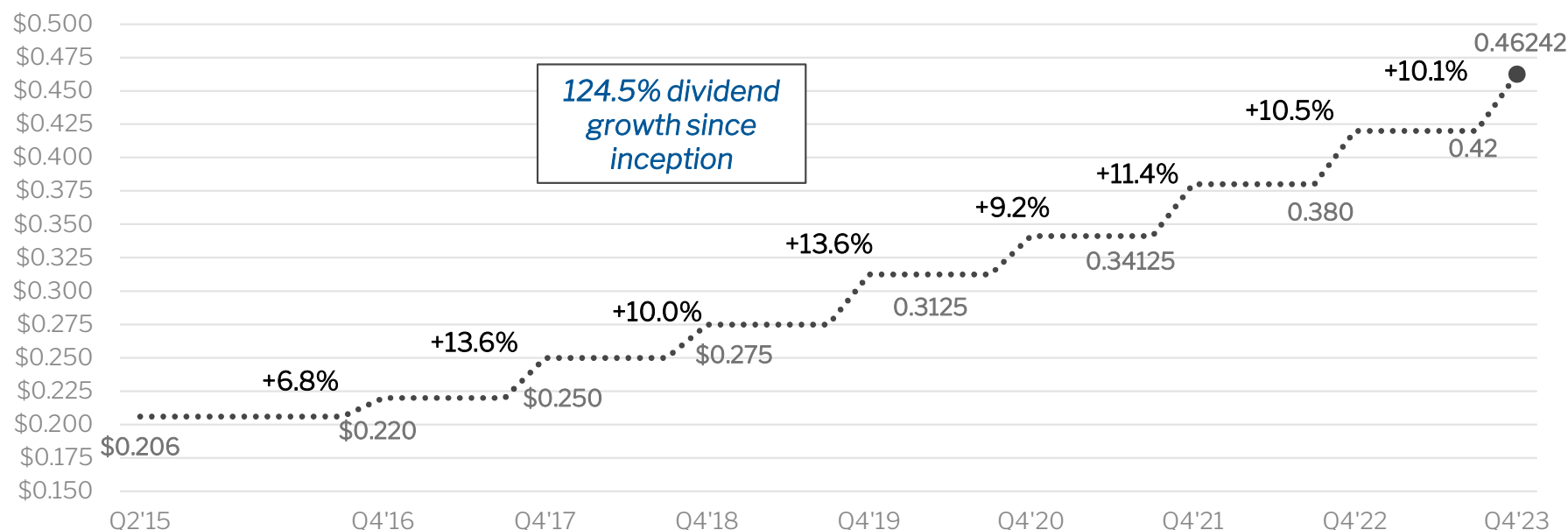
Same Store Results:		3Q 2023	vs. Q3 2022
% of Total Units	89.0%		-10 bps
Occupancy	93.9%		+3.1%
Effective Rents	\$1,529		+4.6%
Total revenues	\$61,764		8.0%
NOI	\$38,448		

### OCCUPANCY & TRENDS

	Q3 2023	vs. Q3 2022
Occupancy	93.9%	- 13 bps
Leased	96.2%	- 81 bps
60-Day Trend	91.4%	+ 25 bps

### KEY HIGHLIGHTS & TRANSACTION ACTIVITY:

- During the quarter, NXRT completed the sale of Silverbrook, located in Dallas, TX, for a sales price of **\$70.0 million**, which equates to a **total IRR of 34.0% or 6.14x MoC**.
- On September 29, 2023, NXRT paid a third quarter dividend of \$0.42 per share of common stock.
- During the quarter, NXRT paid down **\$16.0 million** on its Corporate Credit Facility
  - As of September 30, 2023, NXRT had \$41.0 million in principal outstanding
- NXRT has entered a binding sales contract to sell Timber Creek for **\$49 million** expected to generate an estimated IRR of 25.5% and an equity multiple of 4.36x.
  - NXRT anticipates closing the sale at the end of the year.
- We completed **420** full and partial upgrades and leased **330** upgraded units, achieving an average monthly rent premium of **\$215** and a **23.6%** ROI.
  - Since inception, for the properties currently in our Portfolio, we have completed **8,671** full & partial, **4,812** kitchen and laundry appliances, and **12,285** technology packages, resulting in a **\$168, \$49**, and **\$44** average monthly rental increase per unit and a **21.0%, 65.3%**, and **37.8%** ROI, respectively.



# 2023 NAV Build

## Components of Net Asset Value

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

Property	NOI	Cap Rate Range (1)		Value Range (2)	
Market	Contribution	Min	Max	Min	Max
Texas					
Dallas/Fort Worth	12.3%	5.5%	6.0%	\$ 341,367	\$ 378,068
Houston	4.5%	5.5%	6.0%	125,149	138,604
North Carolina					
Raleigh	3.7%	5.5%	6.0%	101,628	112,554
Charlotte	6.5%	5.5%	6.0%	180,503	199,909
Georgia					
Atlanta	8.1%	5.5%	6.0%	224,000	248,083
Tennessee					
Nashville	10.9%	5.5%	6.0%	304,466	337,200
Florida					
Orlando	7.7%	5.5%	6.0%	214,940	238,048
Tampa	4.2%	5.5%	6.0%	116,575	129,109
South Florida	17.6%	5.5%	6.0%	489,008	541,583
Nevada					
Las Vegas	8.6%	5.5%	6.0%	238,332	263,955
Arizona					
Phoenix	16.0%	5.5%	6.0%	444,939	492,776
Total/ Ave	100.0%	5.5%	6.0%	\$ 2,780,907	\$ 3,079,889

## NOI ESTIMATE

Q2 2023 NOI Actual (3)	41,969	
Q3 2023 NOI Actual (3)	42,143	
	<b>Low</b>	<b>High</b>
2023 NOI Guidance (3)	<b>166,854</b>	<b>169,394</b>

Component	Min	Max
<b>Tangible Assets</b>		
Real Estate (2)	\$ 2,780,907	\$ 3,079,889
Cash	7,531	
Restricted Cash - Renovation Reserves (4)	2,737	
Renovation Expenditures (4)	(2,737)	
Cash Adjustments (5)	(286)	
Fair Market Value of Interest Rate Swaps	98,621	
Other Assets	67,607	
<b>Value of Assets</b>	<b>\$ 2,954,380</b>	<b>\$ 3,253,362</b>
<b>Tangible Liabilities</b>		
Credit Facility (6)	\$41,000	
Mortgage Debt	1,575,406	
Total Outstanding Debt	1,616,406	
Forward 12-month Principal Payments (5)	(286)	
Total Outstanding Debt (FY 2023 Est.)	1,616,120	
Other Tangible Liabilities (at Book)	55,534	
<b>Value of Liabilities</b>	<b>\$1,671,654</b>	
Net Leverage (mid-point)	54%	
<b>Net Asset Value</b>	<b>\$ 1,282,726</b>	<b>\$ 1,581,708</b>
Shares outstanding - diluted (FY 2023 Est.)	26,302	
<b>Est. NAV / Share</b>	<b>\$ 48.77</b>	<b>\$ 60.14</b>
NAV / Share (mid-point)	\$54.45	

## IMPLIED VALUATION METRICS

	Min	Max
Implied Real Estate Value	\$2,780,907	\$3,079,889
No. of Units (September 30, 2023 E.) (2)	14,485	
Implied Value/Apartment Unit	\$192.0	\$212.6
Implied Value/Apartment Unit (mid-point)	\$202.3	

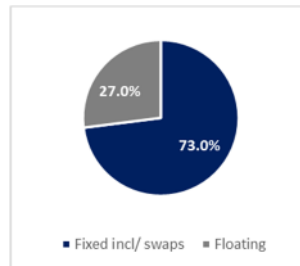
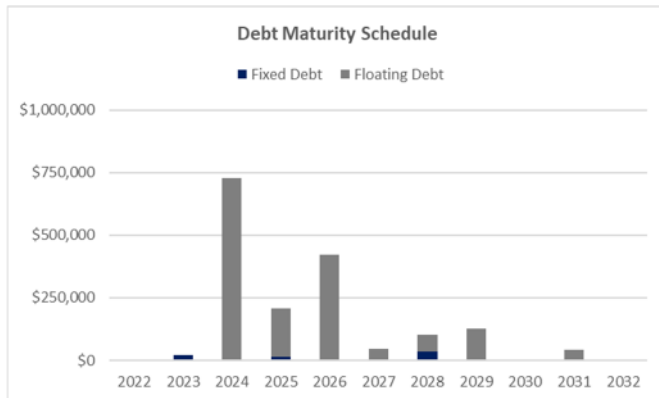
- (1) Management estimates based on independent third-party review of our properties.
- (2) Full Year 2023 NOI Guidance is presented for the existing portfolio (39 properties as of September 30, 2023).
- (3) The Company anticipates net income will be in the range between approximately \$97.1 million and \$100.7 million for the full year 2023. Net income (loss) for the first, second and third quarters of 2023 was approximately \$(3.9) million, \$(4.0) million and 33.7 million, respectively. FY 2023 NOI Guidance considers the forecast dispositions of Old Farm, Stone Creek at Old Farm, Timber Creek, and Radbourne Lake and considers a commensurate volume of capital recycling.
- (4) Includes approximately \$2.7 million that is held for value-add upgrades; reduced by \$2.7 million for estimated 2023 rehab expenditures.
- (5) Includes approximately \$0.3 million in forward 12-month principal payments.
- (6) Includes outstanding balance of September 30, 2023.

# Update to Capital Structure & Maturities

## BALANCE SHEET IMPROVEMENTS:

- NXRT has executed on **refinancing 21 property-level mortgages thru KeyBank and Freddie Mac**, in the aggregate, represent **~52.7% of the Company's total outstanding debt**.
- Notably, NXRT agreed to refinance **19 of the 21 property-level mortgages** at interest rate pricing improved from prior terms (**SOFR + 155 bps**) – a favorable outcome for the Company that would likely be more difficult to achieve in a negotiation started today.
- The Company used approximately \$278mm of cash from refinancing proceeds and the sale of Hollister Place to pay down the outstanding principal balance of the Company's most expensive debt capital, the corporate credit facility. Further, **NXRT has executed its 12-month extension option on the Revolving Credit Facility, pushing that maturity to June 30, 2025**.
- Further, this refinancing activity effectively **extends the Company's weighted average debt maturity schedule to ~6.4 years** (from ~3.3 years) – debt maturing through '24 now equates to ~4.1% of total debt (down from ~44% previously). With the anticipated sales of Old Farm and Stone Creek at Old Farm, maturities thru '24 will be reduced to 0.0% of total debt.
- With the completion of this refinancing, the Company has **no meaningful debt maturities until June 2025**.
- 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.

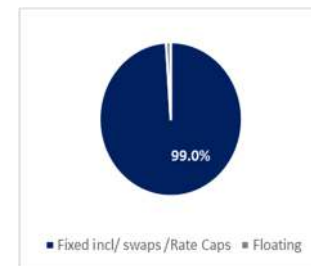
## DEBT MATURITY SCHEDULE AS OF 9/30/2022:



Total Debt	Amount (in 000s)	Wtd. Avg Int Rate	Fixed Debt	Amount (in 000s)	Wtd. Avg Int Rate
2022	\$0.0	N/A	2022	\$0.0	N/A
2023	20,417.0	4.24%	2023	20,417.0	4.24%
2024	729,157.0	5.01%	2024	0.0	N/A
2025	207,436.0	4.42%	2025	14,443.0	4.49%
2026	423,150.0	4.64%	2026	0.0	N/A
2027	46,464.0	4.60%	2027	0.0	N/A
2028	100,642.0	4.29%	2028	33,817.0	4.24%
2029	124,897.0	4.45%	2029	0.0	N/A
2030	0.0	N/A	2030	0.0	N/A
2031	41,180.0	4.18%	2031	0.0	N/A
2032	0.0	N/A	2032	0.0	N/A
Total / Wtd. Avg	\$1,693,343.0	4.72%	Total / Wtd. Avg	\$68,677.0 (4.1% of total)	4.29%

Floating Debt	Amount (in 000s)	Wtd. Avg Int Rate
2022	\$0.0	N/A
2023	0.0	N/A
2024	729,157.0	5.01%
2025	192,993.0	4.11%
2026	423,150.0	4.64%
2027	46,464.0	4.60%
2028	66,825.0	4.32%
2029	124,897.0	4.45%
2030	0.0	N/A
2031	41,180.0	4.18%
2032	0.0	N/A
Total / Wtd. Avg	\$1,624,666.0 (95.9% of total)	4.74%

## DEBT MATURITY SCHEDULE AS OF 9/30/2023:



Total Debt	Amount (in 000s)	Wtd. Avg Int Rate	Fixed Debt	Amount (in 000s)	Wtd. Avg Int Rate
2022	\$0.0	N/A	2022	\$0.0	N/A
2023	0.0	N/A	2023	0.0	N/A
2024	68,160.0	6.54%	2024	0.0	N/A
2025	218,850.0	6.27%	2025	0.0	N/A
2026	290,324.0	6.26%	2026	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%
2029	124,897.0	6.61%	2029	0.0	N/A
2030	0.0	N/A	2030	0.0	N/A
2031	41,180.0	6.35%	2031	0.0	N/A
2032	796,390.0	6.22%	2032	0.0	N/A
2033	42,788.0	6.81%	2033	0.0	N/A
Total / Wtd. Avg	\$1,616,406.0	6.26%	Total / Wtd. Avg	\$33,817.0 (2.0% of total)	4.24%

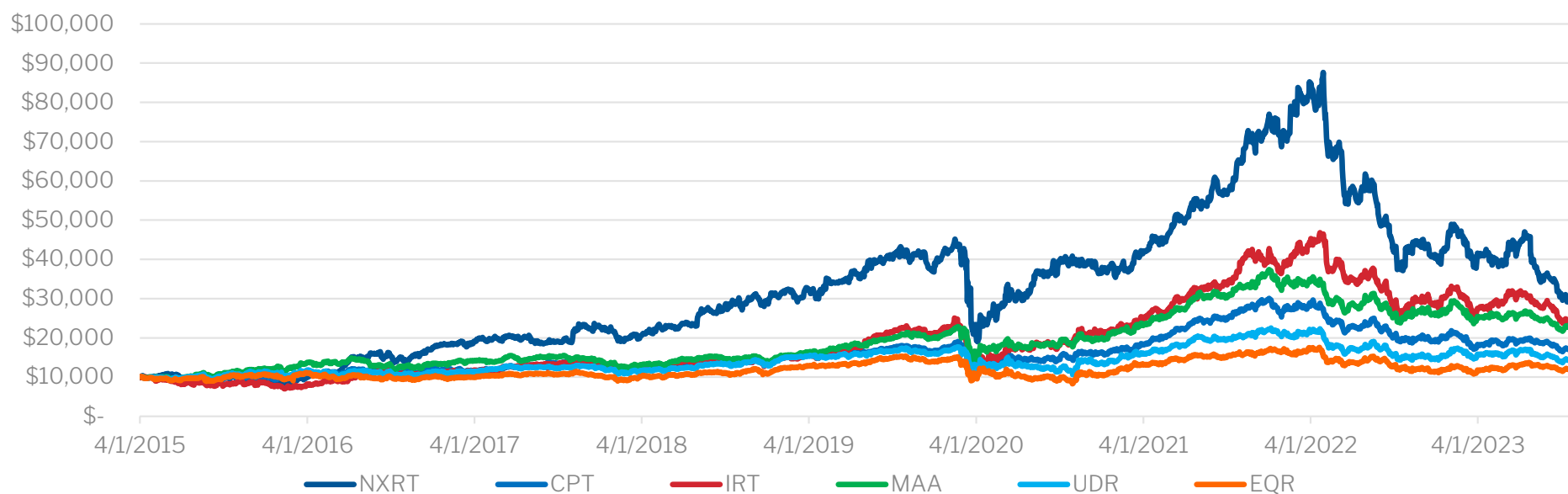
Floating Debt	Amount (in 000s)	Wtd. Avg Int Rate
2022	\$0.0	N/A
2023	0.0	N/A
2024	68,160.0	6.54%
2025	218,850.0	6.27%
2026	290,324.0	6.26%
2027	0.0	N/A
2028	0.0	N/A
2029	124,897.0	6.61%
2030	0.0	N/A
2031	41,180.0	6.35%
2032	796,390.0	6.22%
2033	42,788.0	6.81%
Total / Wtd. Avg	\$1,582,589 (98.0% of total)	6.30%

# Peer Comparison

## SAME STORE NOI

	2015	2016	2017	2018	2019	2020	2021	2022	FY'23 Guidance
AVB	5.0%	4.3%	2.5%	2.5%	2.2%	-3.7%	-4.6%	13.2%	6.3%
CPT	5.2%	3.9%	2.9%	3.2%	3.6%	1.1%	4.8%	14.6%	4.2%
EQR	5.1%	3.7%	2.2%	2.3%	3.2%	-4.0%	-8.1%	14.1%	6.2%
ESS	8.0%	6.7%	3.7%	3.3%	3.4%	-3.9%	-2.7%	13.2%	4.5%
MAA	5.7%	4.2%	2.9%	1.9%	3.4%	2.5%	6.2%	17.1%	6.0%
UDR	5.6%	5.7%	3.7%	3.4%	3.6%	-2.8%	-2.2%	14.2%	6.8%
IRT	7.5%	4.5%	4.8%	2.6%	7.7%	3.1%	4.4%	13.7%	5.5%
<b>NXRT</b>	<b>34.2%</b>	<b>12.1%</b>	<b>8.6%</b>	<b>7.4%</b>	<b>6.7%</b>	<b>3.2%</b>	<b>5.5%</b>	<b>16.2%</b>	<b>8.7%</b>

## TOTAL RETURN AS OF THE CLOSE OF TRADING NOVEMBER 10, 2023<sup>1</sup>



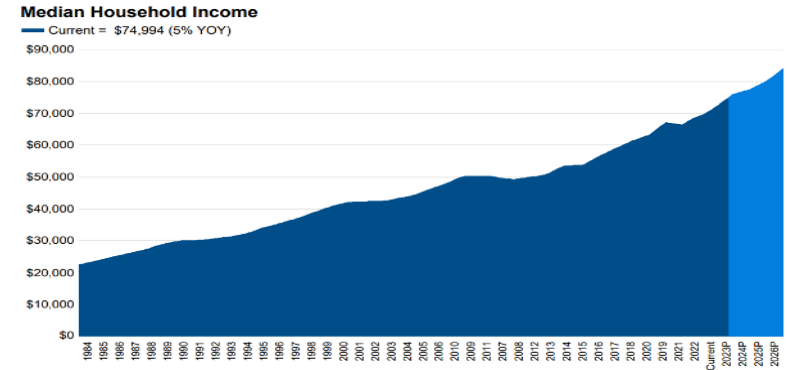


# Improved Tenant Quality

## NXRT HOUSEHOLD INCOME GROWTH CONTINUES TO SHOW RENTER DURABILITY

	May'23	Nov'23	Growth
Average Rent	\$1,501	\$1,511	0.7%
Average Household Income	\$83,175	\$87,948	5.7%
Rent to Household Income Ratio	21.7%	20.6%	

## NXRT TENANTS EARN ABOVE THE MEDIAN HOUSHOLD INCOME AND HAVE OUTPACED YOY GROWTH<sup>1</sup>



## NXRT RESIDENT DEMOGRAPHICS AS OF NOVEMBER 2, 2023

Markets	Avg. HH Income	Avg. Age	% Single	% Married
ATL	\$94,913	38	88.4%	11.6%
CHA	\$85,981	39	91.4%	8.6%
DFW	\$77,171	38	83.3%	16.7%
HOU	\$92,554	37	84.6%	15.4%
LSV	\$69,337	36	90.8%	9.2%
NASH	\$78,294	38	89.4%	10.6%
ORL	\$80,823	34	80.8%	19.2%
PHX	\$81,929	38	88.6%	11.4%
SFL	\$111,944	37	84.7%	15.3%
TPA	\$95,848	38	93.1%	6.9%
RDU	\$104,074	37	73.1%	26.9%
Average	\$87,948	37	86.5%	13.5%
Average Rent	\$1,511			
Rent-to-Income Ratio	20.6%			

# Homeownership Increasingly Out of Reach For Many

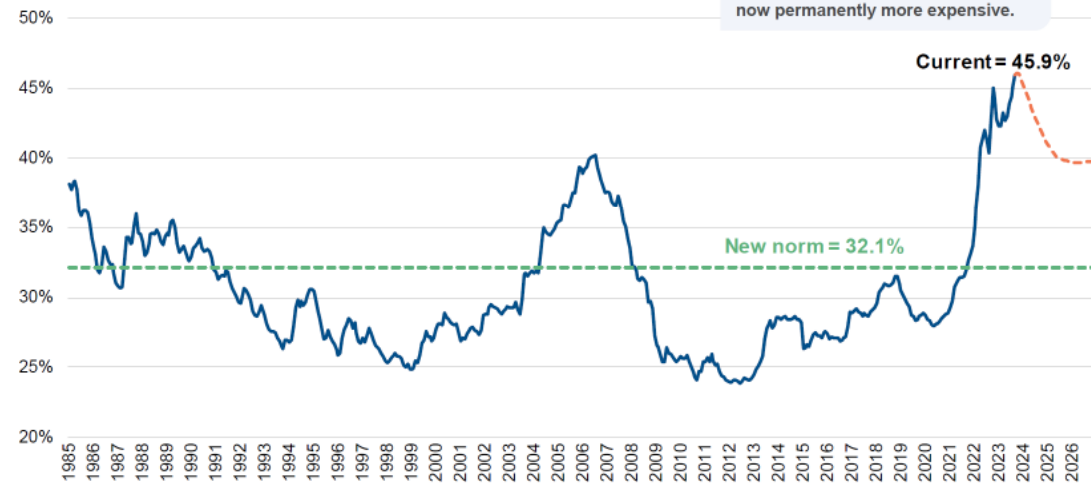
## LOW INVENTORY OF AFFORDABLE HOUSING

- The natural progression from apartment to entry-level homeowner is becoming increasingly difficult for many Americans
- As average mortgage rates have risen to 7.83%, more than 50% of the total household population of the US are currently priced out of a \$200K mortgage.<sup>1</sup>
- 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'23, only 3% of mortgages went to borrowers with a credit score less than 620.<sup>2</sup>
- Another key component to household formation, Consumer Sentiment registered 60.40 in November, 29% worse than the historical average, per University of Michigan Survey data from 1978 to present.
- Only 15% of Fannie Mae National Housing Survey respondents believe it is a good time to buy in November 2023.

## HOUSING UNAFFORDABILITY<sup>2</sup>

### Burns Affordability Index

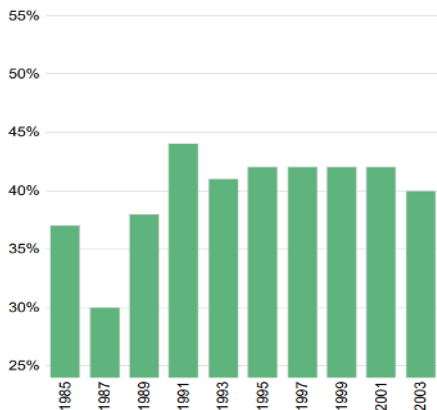
Housing-cost-to-income ratio



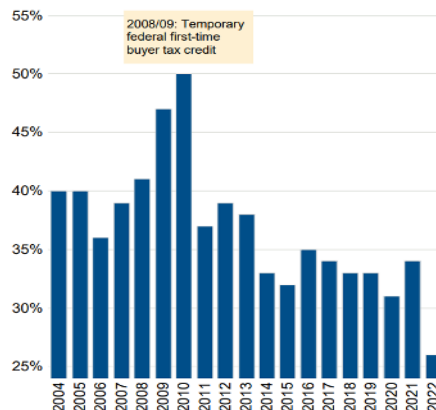
## DECLINING SHARE OF FIRST-TIME BUYERS<sup>3</sup>

### Share of Existing Homes Sold to First-Time Buyers

1985–2003

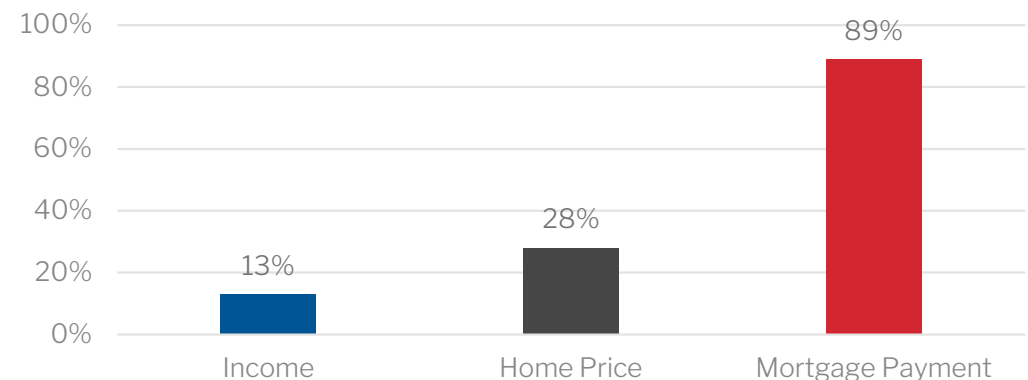


2004–2022



## INCOME, PRICE AND MORTGAGE GROWTH<sup>4</sup>

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



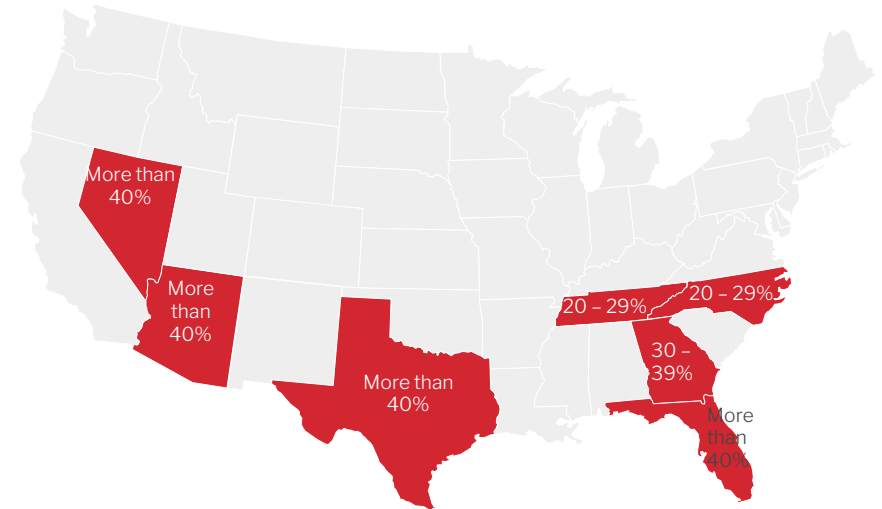
# Affordable Rental Options Continue to Decline

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

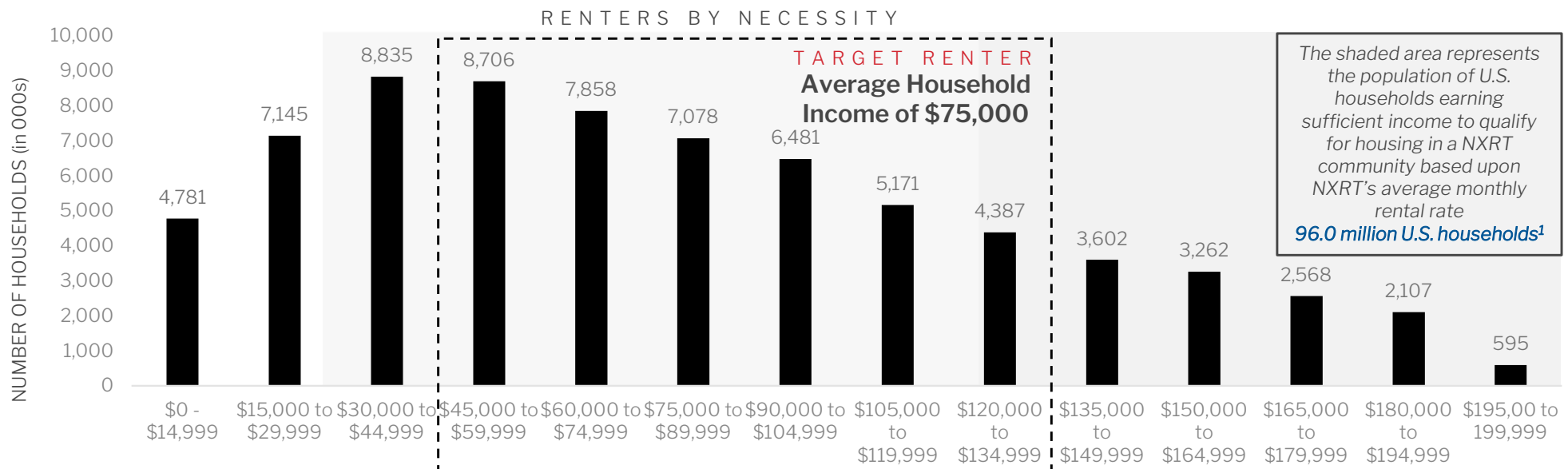
**67.5 %**

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

## Loss in Affordable Units, 2011-2021<sup>2</sup>

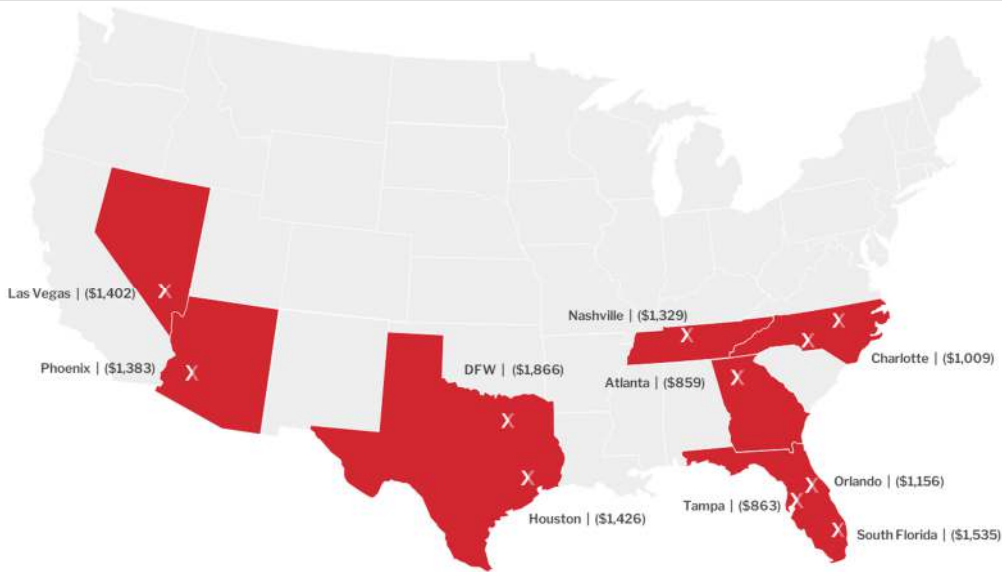


## Higher Barriers to Homeownership Led to Expanded Renters by Necessity Demographic



# Sunbelt Continues to Shine

## COST TO RENT VS. OWN IN ALL NXRT MARKETS<sup>1</sup>



An average of **\$1,277 cheaper to rent** (vs. buy) in NXRT markets

## DOMESTIC MIGRATION FAVORS NXRT MARKET'S<sup>2</sup>

### Top 10 Metros Homebuyers Are Moving Into, by Net Inflow

Net inflow = # of Redfin.com home searchers looking to move into a metro area, minus # of searchers looking to leave

Rank	Metro*	Net Inflow, Aug 2023	Net Inflow, Aug 2022	Top Origin	Top Out-of-State Origin
1	Sacramento, CA	5,100	8,900	San Francisco, CA	Chicago, IL
2	Las Vegas, NV	5,000	6,800	Los Angeles, CA	Los Angeles, CA
3	Orlando, FL	4,300	2,200	New York, NY	New York, NY
4 (tie)	North Port-Sarasota, FL	4,000	5,300	New York, NY	New York, NY
4 (tie)	Tampa, FL	4,000	7,100	New York, NY	New York, NY
6	Myrtle Beach, SC	3,700	3,100	Washington, D.C.	Washington, D.C.
7	Cape Coral, FL	3,600	5,400	Chicago, IL	Chicago, IL
8	Dallas, TX	3,400	4,700	Los Angeles, CA	Los Angeles, CA
9	Portland, ME	3,100	3,100	Boston, MA	Boston, MA
10	Houston, TX	3,100	3,300	New York, NY	New York, NY

\*Combined statistical areas with at least 500 users searching to and from the region in 1Q23

● DENOTES NXRT MARKETS

## SUNBELT JOB GROWTH TOPS THE COMPS<sup>3</sup>

### Market Weighted Office - Using Job Growth

Rank	Apartment REIT Ticker	Weighted Growth Rate
1	NXRT	+2.0%
2	MAA	+1.6%
3	CPT	+1.0%
4	IRT	+1.0%
5	UDR	+0.9%
6	AIRC	+0.2%
7	AVB	0.0%
8	EQR	-0.3%
9	ESS	-0.5%

## SUNBELT MIGRATION AND RELOCATIONS CONTINUE

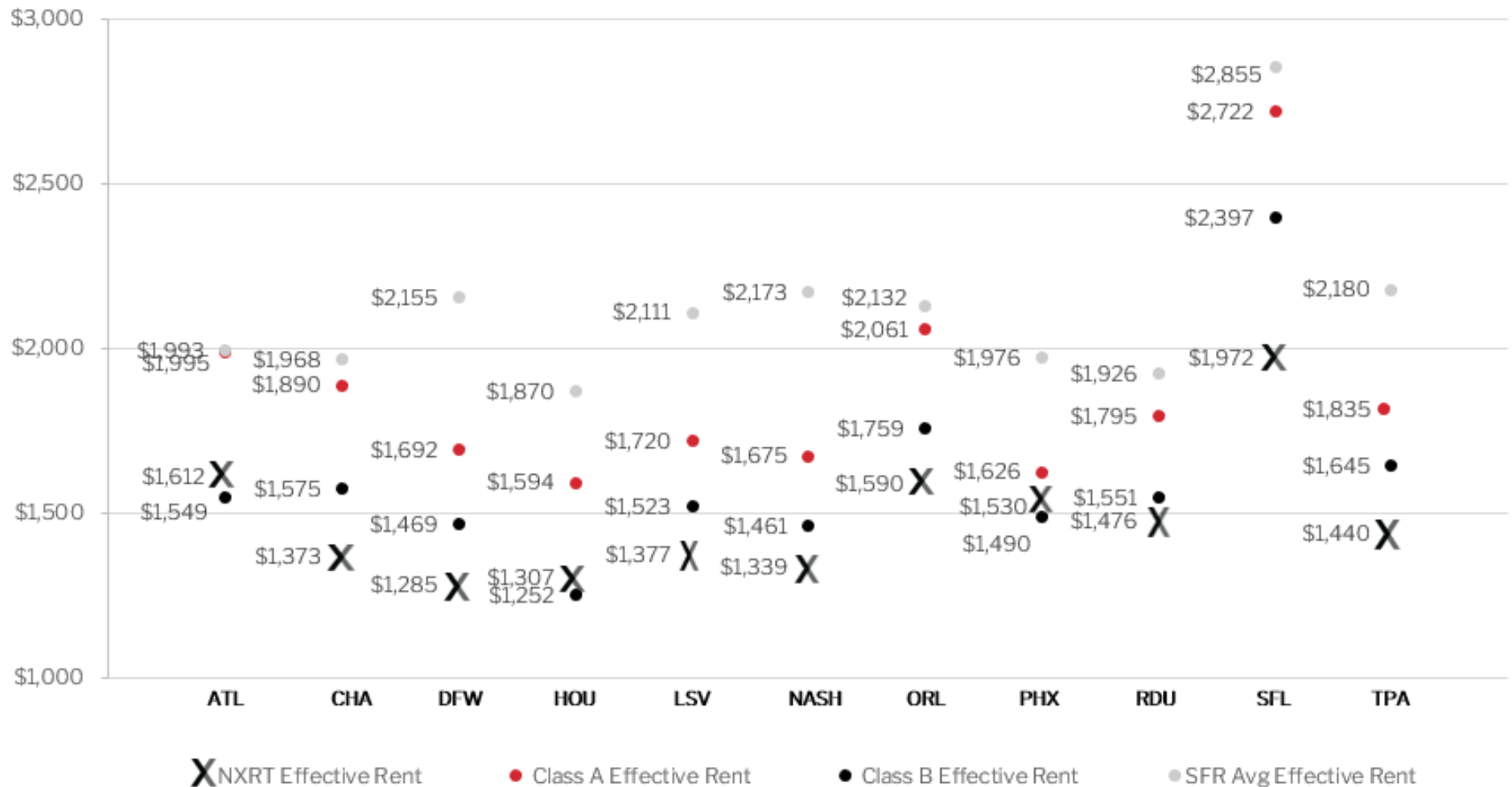
- Renters are fleeing higher rents and increasing housing prices in gateway and coastal markets and migrating to the Sunbelt in, what we believe, is a permanent move
- Additionally, many large corporations are relocating their headquarters to tax-friendly Sunbelt markets, bringing thousands of workers with them, and also creating new jobs. Apple, AllianceBernstein, Charles Schwab, Oracle, Tesla, McKesson and many other large corporations have announced relocation of their headquarters or opening of a new office in the Sunbelt



# NXRT Continued Room for Rent Growth

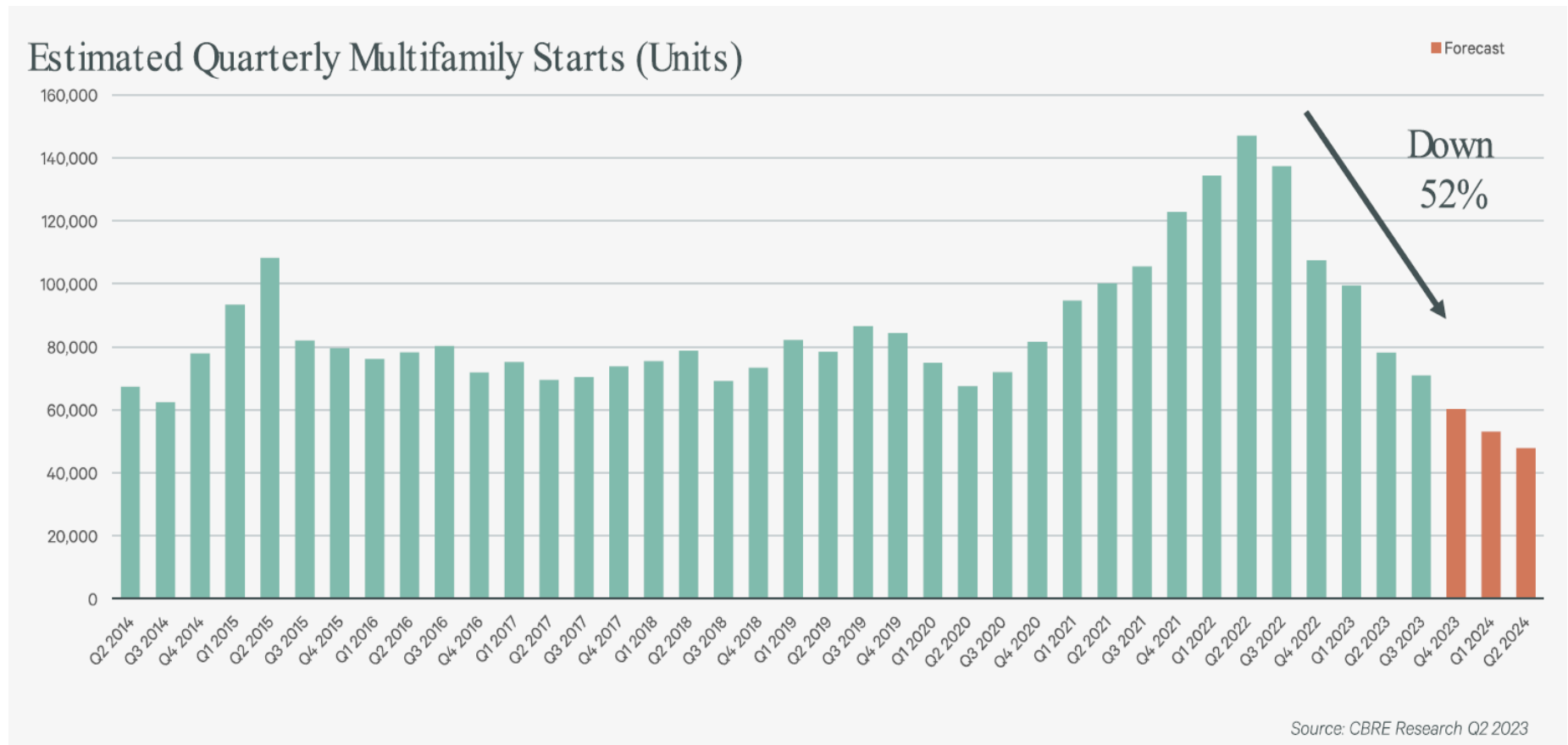
## NXRT Rent Compared to Other Rental Housing Options<sup>1,2</sup>

Compared to other multifamily options, there remains a significant variance between other multifamily Class B options<sup>1</sup> (\$120) and Class A options<sup>1</sup> (\$369), SFR options<sup>2</sup> (\$629) leaving plenty of room for continued NXRT rent growth.



# New Supply Peaking

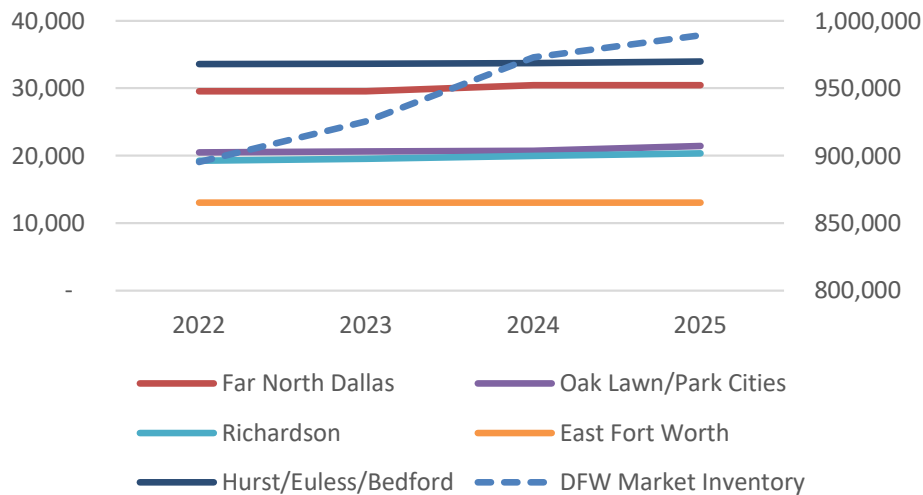
## Multifamily Residential Housing Starts Falling; Deliveries to Plummet in 2025-2026



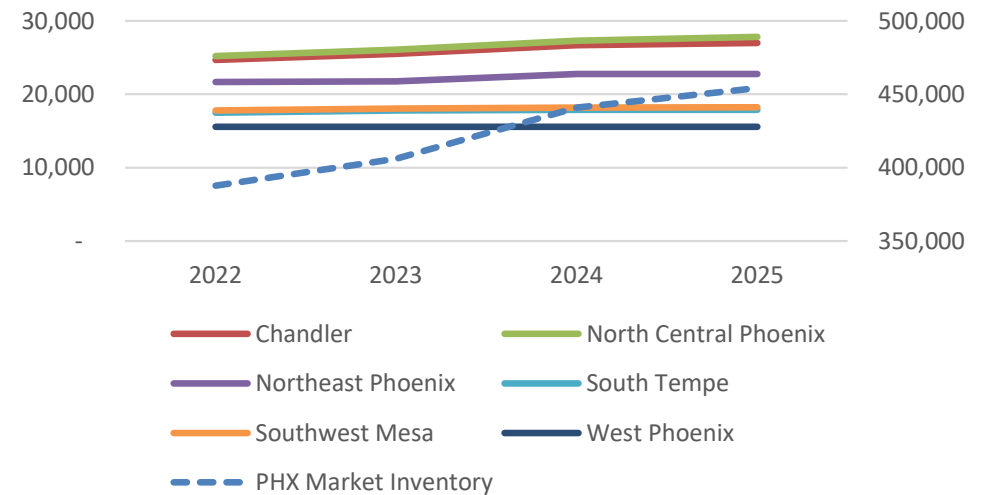
# Insulated Submarket Supply

As compared to their broader MSA's, NXRT submarkets are considerably better insulated from the direct effects of new supply and lease-up deals. Further, we are encouraged to see relief from new supply headwinds starting in 2025 and more notably in 2026.

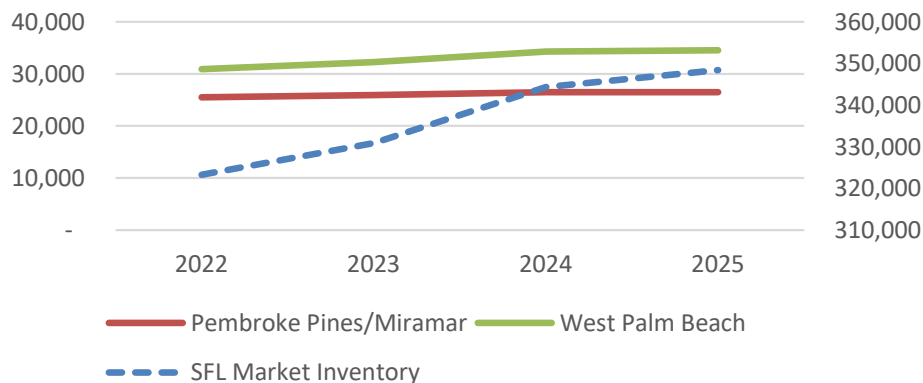
## Dallas/Fort Worth Projected Supply



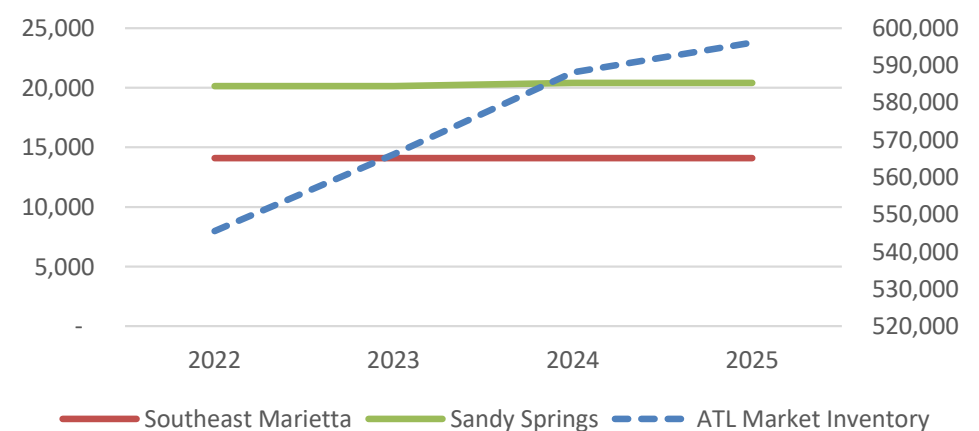
## Phoenix Projected Supply



## South Florida Projected Supply



## Atlanta Projected Supply



# Employment Trends Across NXRT Markets <sup>(1)</sup>

Job growth in ten of eleven NXRT markets outpaced the national average of **2.10%**, according to the Bureau of Labor Statistics September 2023 employment report.

Average job growth, on a unit weighted basis, in our markets was **+2.95%**. Dallas-Fort Worth showed the strongest job growth on a year over year basis, **+4.32%**, while Orlando had the lowest year over year job growth, **+2.07%**.

When comparing the year over year total number of jobs added by market, NXRT owns in 4 of the top 10 markets, 9 of the top 20 markets, and all 11 NXRT markets ranked within the top 27.

DALLAS-FORT WORTH		RALEIGH		LAS VEGAS		CHARLOTTE	
% Change	4.32%	% Change	3.69%	% Change	3.55%	% Change	3.41%
# of Jobs Added	178,300	# of Jobs Added	26,100	# of Jobs Added	39,100	# of Jobs Added	45,000
No. of NXRT units in market	1,945	No. of NXRT units in market	625	No. of NXRT units in market	1,164	No. of NXRT units in market	1,081
NASHVILLE		TAMPA		HOUSTON		SOUTH FLORIDA	
% Change	3.23%	% Change	3.02%	% Change	2.89%	% Change	2.47%
# of Jobs Added	36,800	# of Jobs Added	44,900	# of Jobs Added	94,700	# of Jobs Added	69,700
No. of NXRT units in market	1,338	No. of NXRT units in market	576	No. of NXRT units in market	924	No. of NXRT units in market	1,959

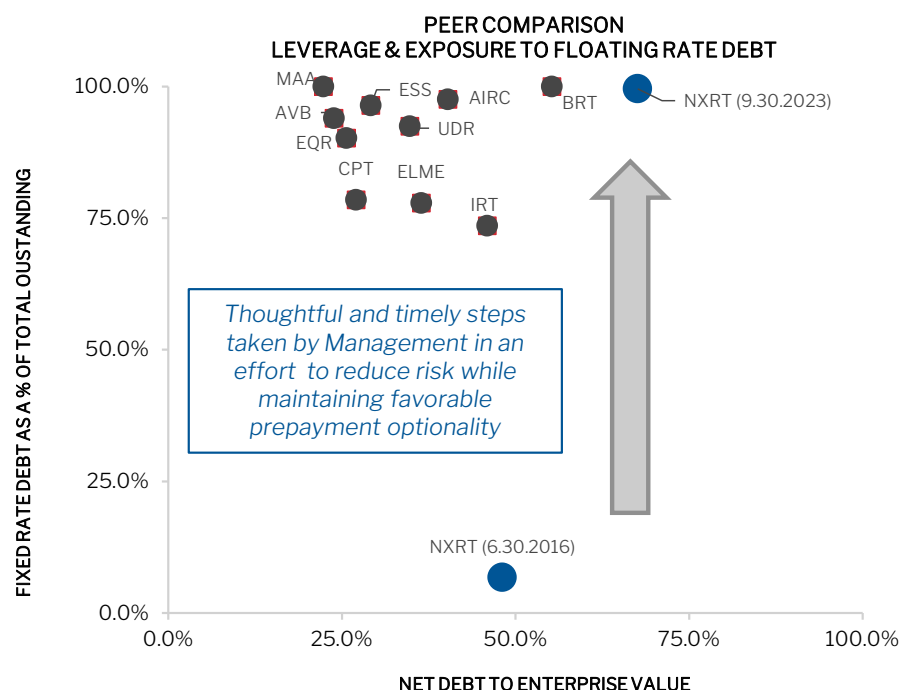


# Capital Structure

## SUMMARY OF NXRT'S CAPITAL STRUCTURE

- NXRT had approximately \$1.6B of total indebtedness (excluding deferred financing costs and mark-to-market adjustments) as of September 30, 2023.
- Of the total, \$33.8M (or 2.0%) was fixed rate agency financing, while the remaining \$1.58B was tied to floating rate indices.
- From June 1, 2019, through March 31, 2023, the Company entered into ten interest rate swap contracts with a combined total notional value of \$1.2 billion.
  - These agreements effectively replace the floating interest rate with respect to that amount with a weighted average fixed rate of 1.0682%.
- Including the effect of the Swaps, the Company had an adjusted weighted average interest rate of 3.74% on the total indebtedness as of September 30, 2023.

## PEER COMPARISON: LEVERAGE & FLOATING RATE DEBT EXPOSURE<sup>1</sup>



## SUMMARY OF NXRT'S CAPITAL STRUCTURE: INTEREST RATE SWAPS, KEYBANK REFINANCE & FACILITY EXTENSION

Interest Rate Swaps – From June 1, 2019, through March 31, 2023, NXRT, through its operating partnership, NexPoint Residential Trust Operating Partnership, L.P., entered into ten interest rate swap transactions (the “Swaps”); six with KeyBank National Association with a notional amount of \$767.5M and four with Truist Bank with a notional amount of \$400M. 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 date: June 2024 – September 2026
- Notional Amount: \$1,167,500,000
- NXRT Obligation: 1.0682% average fixed monthly rate (on total notional amount)
- Counterparty Obligation: floating rate payments based on LIBOR
- Swaps will potentially limit interest rate and duration risk above 1.0682% 1-Month LIBOR (5.15% as of May 26, 2023)
- Maintains prepayment flexibility

As of September 30, 2023, the Company has been able to reduce its Corporate Credit Facility (Facility), its highest cost debt, from \$335mm to \$41mm.

- On November 30, 2022, The Company closed the refinance of 19 first mortgages using \$235mm of cash-out proceeds to pay down the Facility from \$335mm to \$100mm
- On December 30, 2022, the Company completed the sale of Hollister Place in Houston, TX and used \$25.5mm of net proceeds to pay down the Facility to \$74.5mm
- The Company refinanced an additional property in January 2023 and used \$17.5 of cash-out proceeds to pay down the Facility to \$57mm
- On September 22, 2023, the Company completed the sale of Silverbrook Apartments in Grand Prairie, TX and used \$16mm net proceeds to further pay down the Facility to \$41mm

## APPENDIX

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**NEXPOINT**  
RESIDENTIAL TRUST

# Portfolio Performance Growth

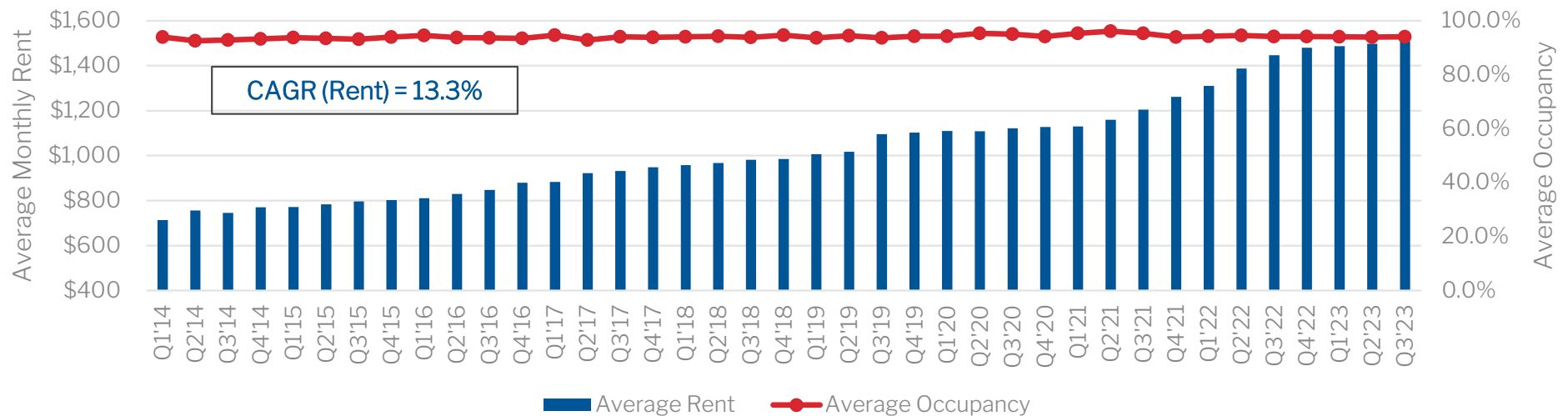
## AVERAGE MONTHLY RENT<sup>(1)</sup>

Average monthly rent across our markets for the third quarter 2023 ranged from \$1,291 (Dallas/Fort Worth) to \$2,095 (South Florida), with an average of \$1,507.

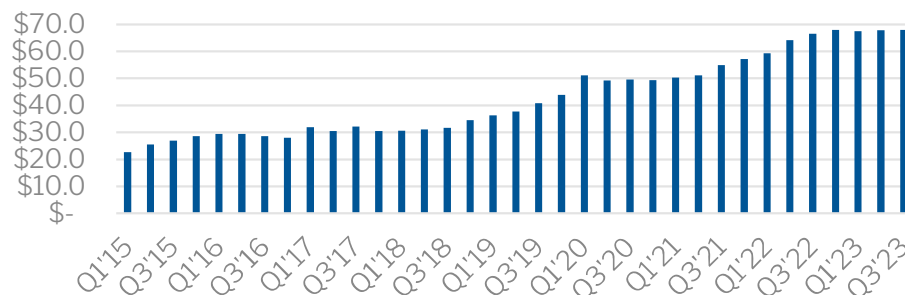
## AVERAGE OCCUPANCY<sup>(1)</sup>

Average monthly occupancy across our markets for the third quarter 2023 ranged from 92.0% (Atlanta) to 95.5% (South Florida), with a portfolio average of 94.0%.

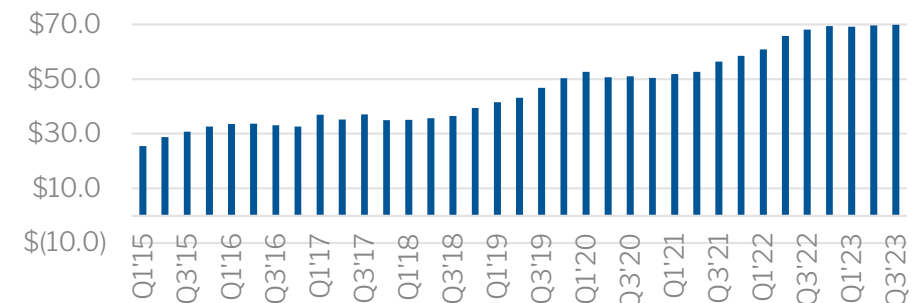
### Stable Occupancy and Increasing Rent Per Unit



### Rental Revenue (\$M)

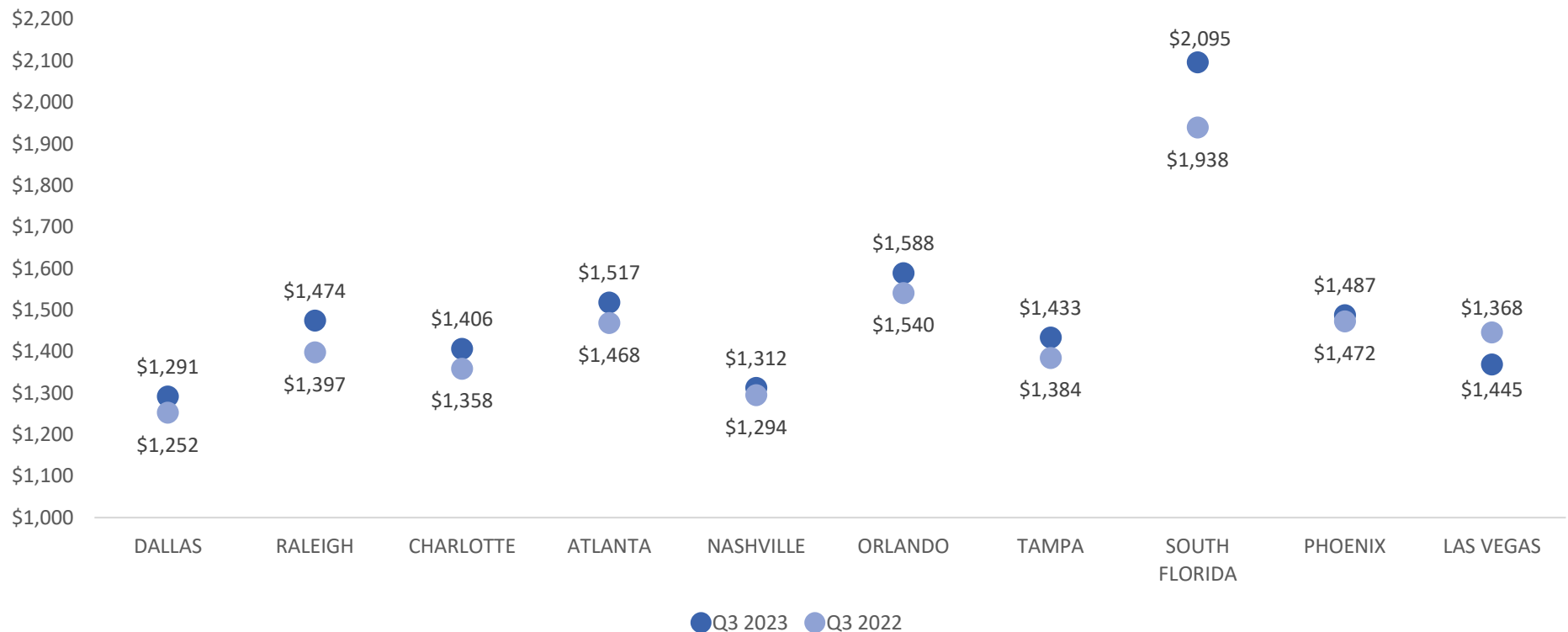


### Total Revenue (\$M)



# Same Store YOY Rent Per Unit<sup>(1)</sup>

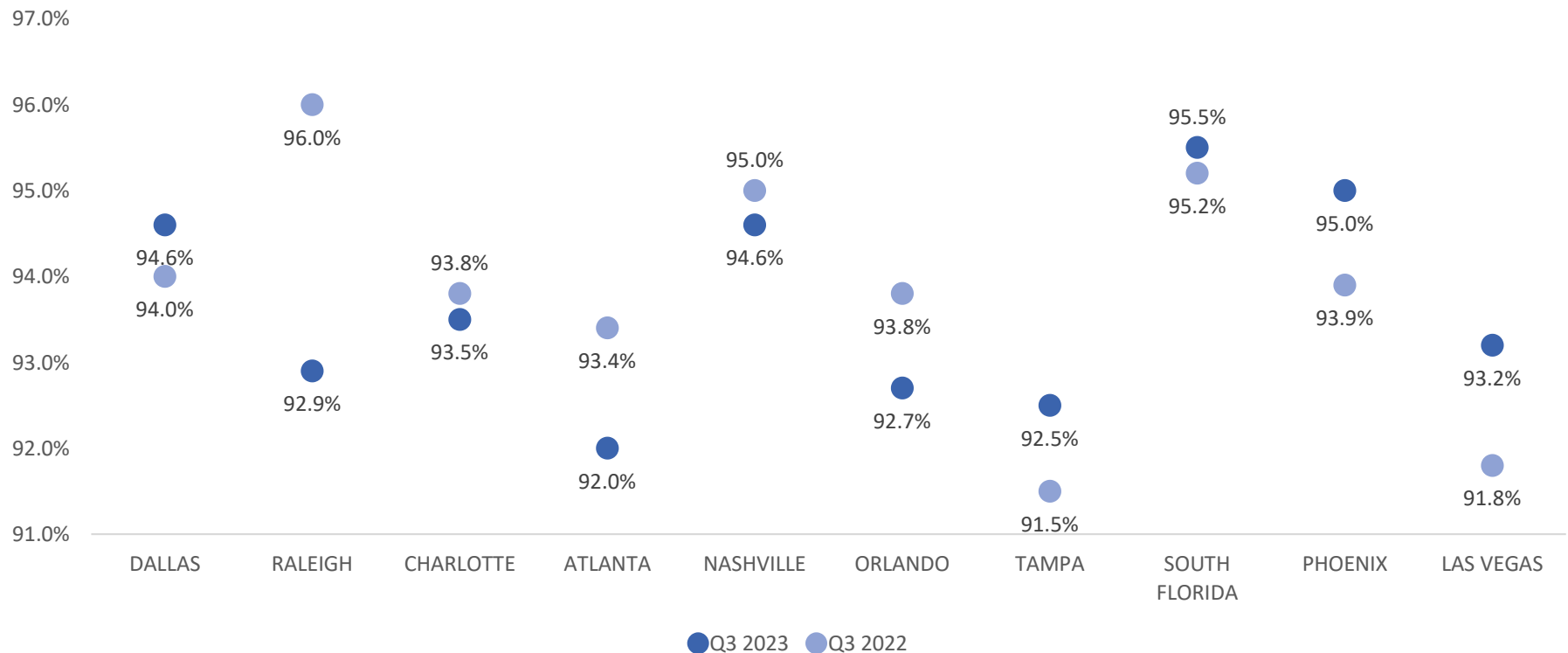
TAMPA		ORLANDO		SOUTH FLORIDA		NASHVILLE		PHOENIX	
2023 Q3 Avg. Rent	\$1,433	2023 Q3 Avg. Rent	\$1,588	2023 Q3 Avg. Rent	\$2,095	2023 Q3 Avg. Rent	\$1,312	2023 Q3 Avg. Rent	\$1,487
2022 Q3 Avg. Rent	\$1,384	2022 Q3 Avg. Rent	\$1,540	2022 Q3 Avg. Rent	\$1,938	2022 Q3 Avg. Rent	\$1,294	2022 Q3 Avg. Rent	\$1,472
% Change	3.5%	% Change	3.1%	% Change	8.1%	% Change	1.4%	% Change	1.1%
DALLAS/FORTWORTH		ATLANTA		CHARLOTTE		RALEIGH		LAS VEGAS	
2023 Q3 Avg. Rent	\$1,291	2023 Q3 Avg. Rent	\$1,517	2023 Q3 Avg. Rent	\$1,406	2023 Q3 Avg. Rent	\$1,474	2023 Q3 Avg. Rent	\$1,368
2022 Q3 Avg. Rent	\$1,252	2022 Q3 Avg. Rent	\$1,468	2022 Q3 Avg. Rent	\$1,358	2022 Q3 Avg. Rent	\$1,397	2022 Q3 Avg. Rent	\$1,445
% Change	3.1%	% Change	3.3%	% Change	3.5%	% Change	5.5%	% Change	-5.3%





# Same Store YOY Average Occupancy<sup>(1)</sup>

PHOENIX		CHARLOTTE		ATLANTA		TAMPA		DALLAS/FORT WORTH	
2023 Q3	95.0%	2023 Q3	93.5%	2023 Q3	92.0%	2023 Q3	92.5%	2023 Q3	94.6%
2022 Q3	93.9%	2022 Q3	93.8%	2022 Q3	93.4%	2022 Q3	91.5%	2022 Q3	94.0%
% Change	1.1%	% Change	-0.3%	% Change	-1.4%	% Change	1.0%	% Change	0.6%
SOUTH FLORIDA		ORLANDO		NASHVILLE		RALEIGH		LAS VEGAS	
2023 Q3	95.5%	2023 Q3	92.7%	2023 Q3	94.6%	2023 Q3	92.9%	2023 Q3	93.2%
2022 Q3	95.2%	2022 Q3	93.8%	2022 Q3	95.0%	2022 Q3	96.0%	2022 Q3	91.8%
% Change	0.3%	% Change	-1.1%	% Change	-0.4%	% Change	-3.1%	% Change	1.4%



# Average Rent per Unit by Market

SOUTH FLORIDA		ORLANDO		HOUSTON		ATLANTA		CHARLOTTE	
2023 Q3 Same Store	\$2,095	2023 Q3 Same Store	\$1,588	2023 Q3 Same Store	N/A	2023 Q3 Same Store	\$1,517	2023 Q3 Same Store	\$1,406
2023 Q3 Portfolio	\$2,095	2023 Q3 Portfolio	\$1,588	2023 Q3 Portfolio	\$1,306	2023 Q3 Portfolio	\$1,517	2023 Q3 Portfolio	\$1,360

NASHVILLE		DALLAS/FORT WORTH		TAMPA		PHOENIX		LAS VEGAS	
2023 Q3 Same Store	\$1,312	2023 Q3 Same Store	\$1,291	2023 Q3 Same Store	\$1,433	2023 Q3 Same Store	\$1,487	2023 Q3 Same Store	\$1,368
2023 Q3 Portfolio	\$1,312	2023 Q3 Portfolio	\$1,291	2023 Q3 Portfolio	\$1,433	2023 Q3 Portfolio	\$1,487	2023 Q3 Portfolio	\$1,368

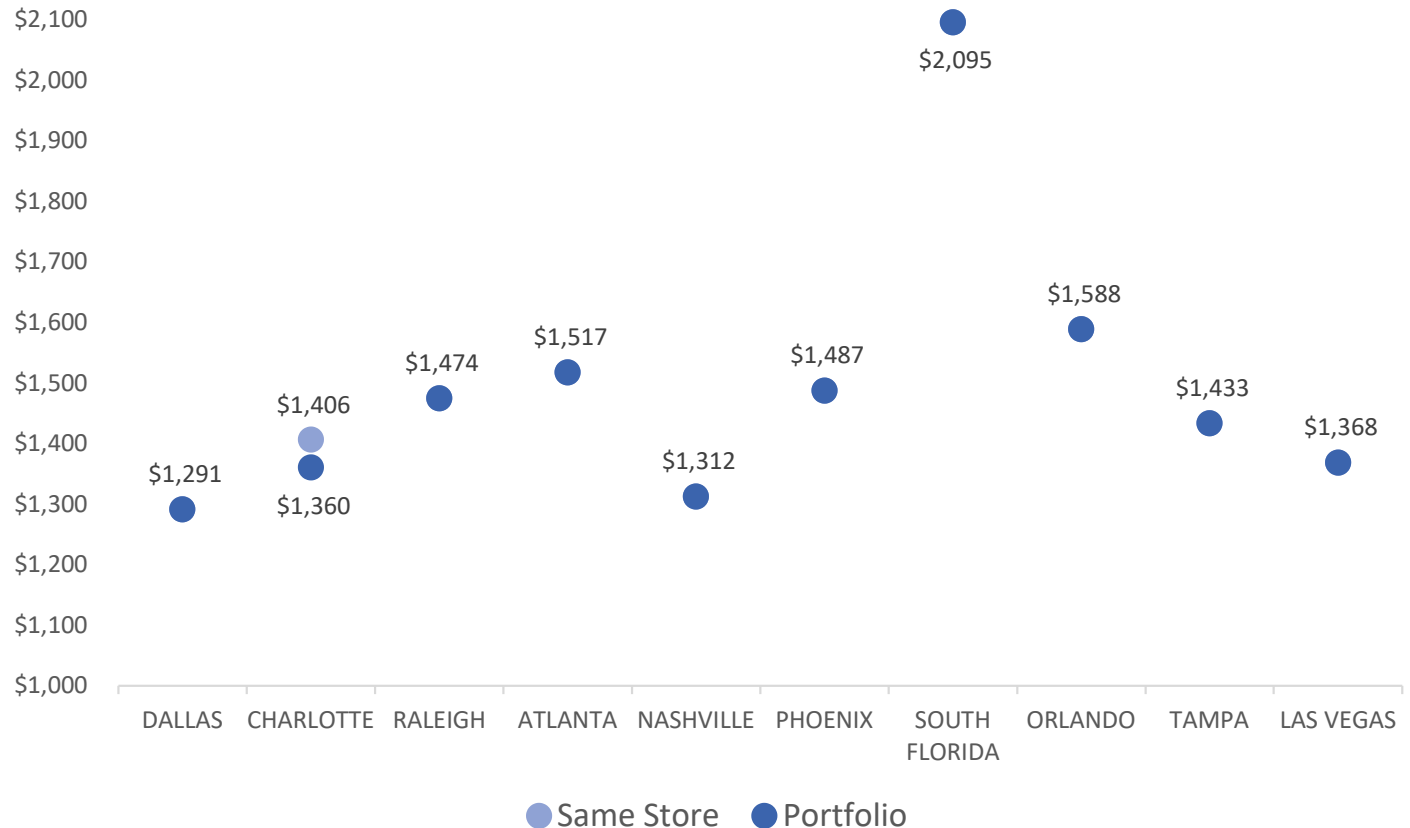
RALEIGH	
2023 Q3 Same Store	\$1,474
2023 Q3 Portfolio	\$1,474

## AVERAGE MONTHLY RENT<sup>(1)</sup>

Average monthly rent across our markets for the third quarter 2023 ranged from \$1,291 (Dallas/Fort Worth) to \$2,095 (South Florida), with a portfolio average of \$1,507.

## SAME STORE AVERAGE MONTHLY RENT<sup>(1)</sup>

Same store average rent across our markets for the third quarter 2023 ranged from \$1,291 (Dallas/ Fort Worth) to \$2,095 (South Florida), with a same store portfolio average of \$1,529.



# Average Occupancy by Market

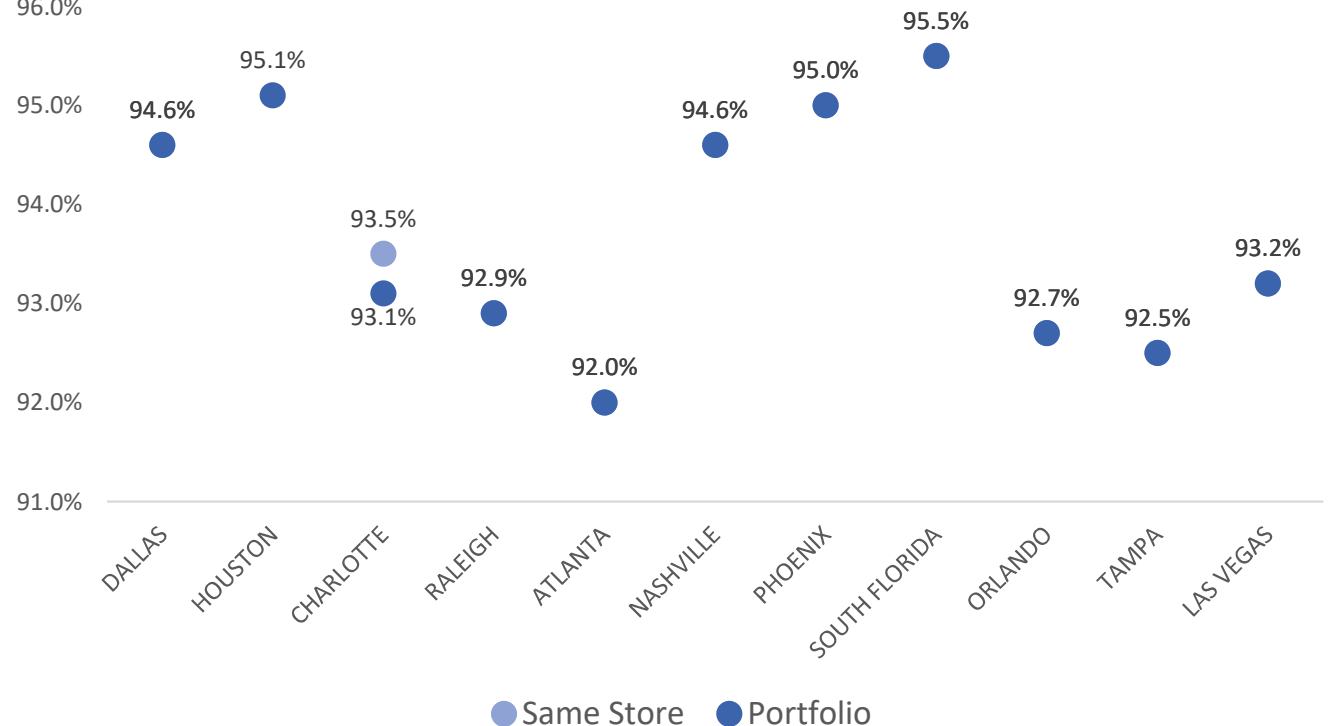
PHOENIX		HOUSTON		SOUTH FLORIDA		TAMPA		ORLANDO	
2023 Q3 Same Store	95.0%	2023 Q3 Same Store	N/A	2023 Q3 Same Store	95.5%	2023 Q3 Same Store	92.5%	2023 Q3 Same Store	92.7%
2023 Q3 Portfolio	95.0%	2023 Q3 Portfolio	95.1%	2023 Q3 Portfolio	95.5%	2023 Q3 Portfolio	92.5%	2023 Q3 Portfolio	92.7%
ATLANTA		DALLAS/FORT WORTH		CHARLOTTE		NASHVILLE		LAS VEGAS	
2023 Q3 Same Store	92.0%	2023 Q3 Same Store	94.6%	2023 Q3 Same Store	93.5%	2023 Q3 Same Store	94.6%	2023 Q3 Same Store	93.2%
2023 Q3 Portfolio	92.0%	2023 Q3 Portfolio	94.6%	2023 Q3 Portfolio	93.1%	2023 Q3 Portfolio	94.6%	2023 Q3 Portfolio	93.2%
RALEIGH									
2023 Q3 Same Store	92.9%								
2023 Q3 Portfolio	92.9%								

## AVERAGE OCCUPANCY<sup>(1)</sup>

Average monthly occupancy across our markets for the third quarter 2023 ranged from 92.0% (Atlanta) to 95.5% (Phoenix), with a portfolio average of 94.0%.

## SAME STORE AVERAGE OCCUPANCY<sup>(1)</sup>

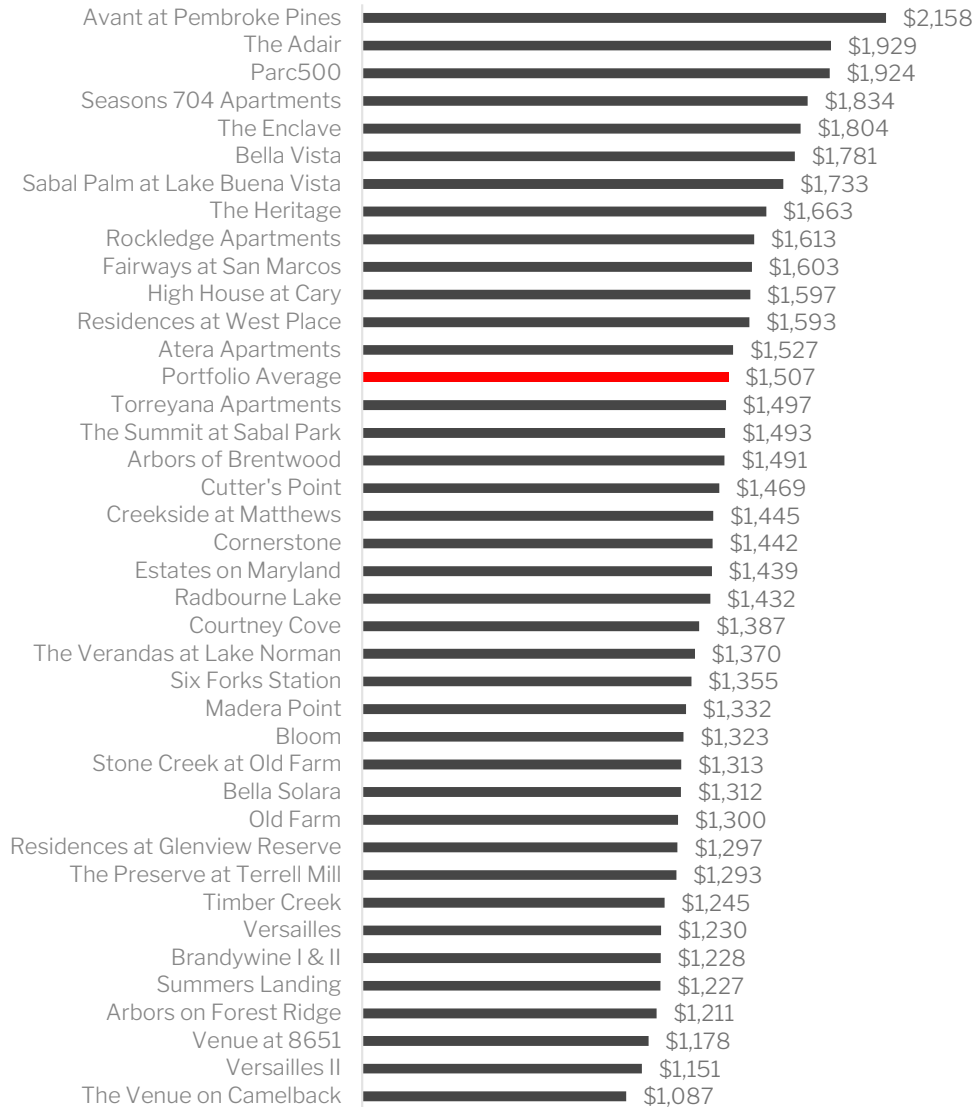
Average monthly occupancy across our markets for the third quarter 2023 ranged from 92.0% (Atlanta) to 95.5% (Phoenix), with a same store portfolio average of 93.9%.



# Average Rent Per Community

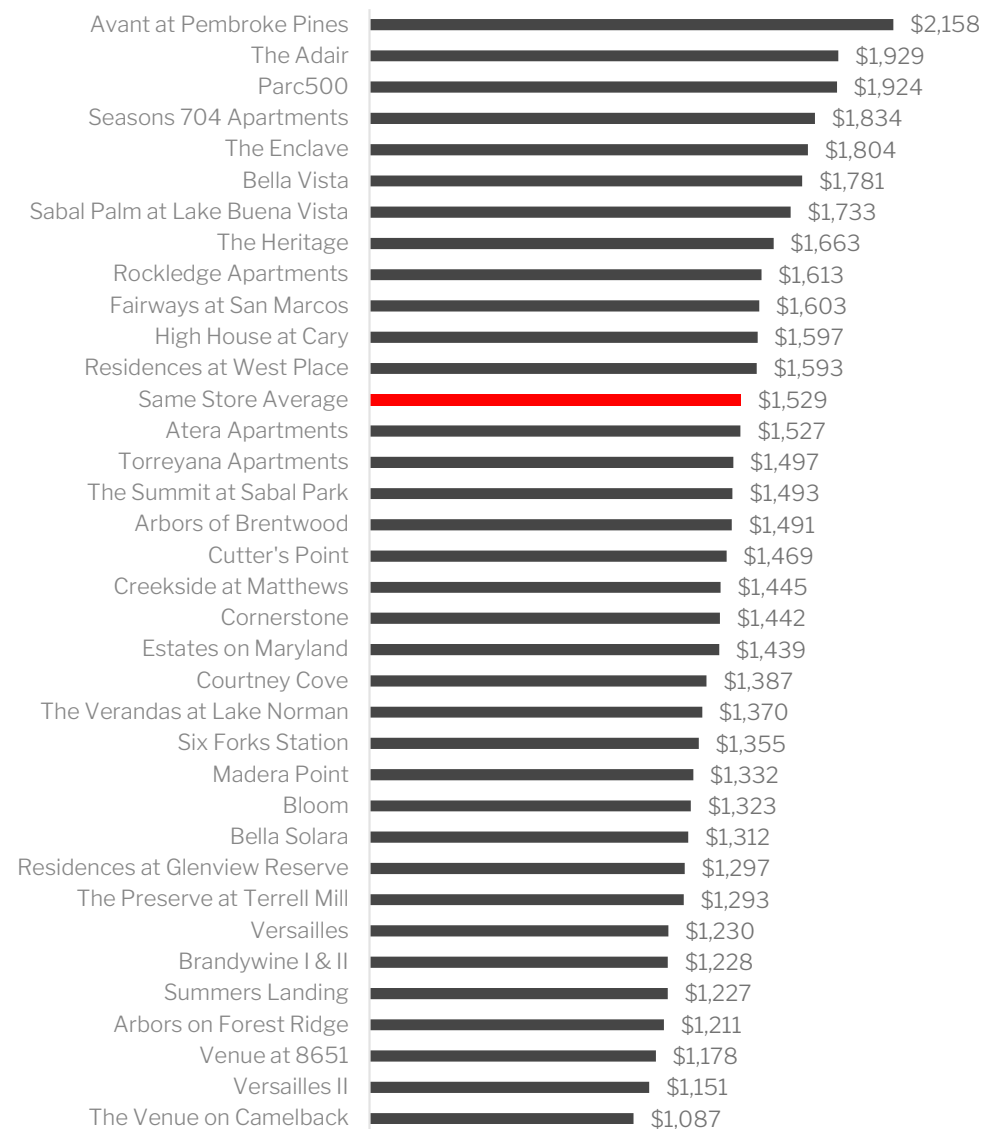
## AVERAGE MONTHLY RENT<sup>(1)</sup>

Average monthly rents across our portfolio ranged from \$1,087 (The Venue on Camelback) to \$2,158 (Avant at Pembroke Pines), with an average of \$1,507.



## SAME STORE AVERAGE MONTHLY RENT<sup>(1)</sup>

Average monthly rents across our same-store portfolio ranged from \$1,087 (The Venue on Camelback) to \$2,158 (Avant at Pembroke Pines), with an average of \$1,529.



# 3Q 2023 Financial Summary

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

## Company Profile

	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Market Capitalization	\$826,000	\$1,181,000		
Weighted average common shares outstanding - basic	25,674	25,598	25,647	25,630
Weighted average common shares outstanding - diluted	26,302	25,598	26,228	25,630
Share Price (as of the last day of the period)	\$32.18	\$46.21		

## Earnings Profile

Total revenues	\$69,838	\$68,051	\$208,634	\$194,603
Net income (loss) attributable to common stockholders	33,749	(597)	25,913	(13,047)
NOI (1)	42,143	40,014	125,242	115,657
Same Store NOI (2)	38,448	35,584	107,888	98,501
Same Store NOI Growth (%) (2)	8.0%		9.5%	

## Earnings Metrics Per Common Share (diluted basis)

Earnings (loss)	\$1.28	\$(0.02)	\$0.99	\$(0.51)
FFO (1)	\$0.55	\$0.94	\$2.05	\$2.34
Core FFO (1)	\$0.65	\$0.84	\$2.14	\$2.38
AFFO (1)	\$0.76	\$0.93	\$2.45	\$2.65
Dividends declared per common share	\$0.42	\$0.38	\$1.26	\$1.14
Net Income (Loss) Coverage (3)	3.05x	-0.05x	0.79x	-0.45x
FFO Coverage (3)	1.32x	2.47x	1.63x	2.05x
Core FFO Coverage (3)	1.55x	2.20x	1.70x	2.09x
AFFO Coverage (3)	1.81x	2.45x	1.94x	2.32x

## Portfolio

Total Properties	39	41		
Total Units (4)	14,485	15,387		
Occupancy	94.0%	94.1%		
Average Effective Monthly Rent per Unit	\$1,507	\$1,446		

## Same Store Portfolio Metrics (2)

Total Same Store Properties	35	35	33	33
Total Same Store Units	12,917	12,943	12,355	12,381
Occupancy	93.9%	94.0%	93.9%	94.0%
Average Effective Monthly Rent per Unit	\$1,529	1,483	\$1,524	1,479

## Value-Add Program

Completed Rehab Units	420	649	1,777	1,830
Cumulative Completed Rehab Units (5)	8,671			
Average Increase to Effective Monthly Rent per Unit (Post-Rehab)	\$168			
ROI on Post-Rehab Units	21.0%			

## Outstanding Debt Summary

Total Mortgage Debt	\$1,575,406	\$1,358,343		
Credit Facilities	41,000	335,000		
Total Debt Outstanding	<u>\$1,616,406</u>	<u>\$1,693,343</u>		
Leverage Ratio (Total Debt to Market Capitalization plus Total Debt)	<u>66%</u>	<u>59%</u>		
Leverage Ratio (Net Debt to Enterprise Value) (6)	<u>66%</u>	<u>58%</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,	
	2023	2022	2023	2022
<b>Revenues</b>				
Rental income	\$67,870	\$66,500	\$203,217	\$189,949
Other income	1,968	1,551	5,417	4,654
<b>Total revenues</b>	<u>\$69,838</u>	<u>\$68,051</u>	<u>\$208,634</u>	<u>\$194,603</u>
<b>Expenses</b>				
Property operating expenses	15,322	12,370	44,080	42,669
Real estate taxes and insurance	8,832	9,419	28,186	27,670
Property management fees (1)	2,031	1,960	6,089	5,629
Advisory and administrative fees (2)	1,966	1,904	5,782	5,615
Corporate general and administrative expenses	4,906	3,818	12,897	11,116
Property general and administrative expenses	2,615	2,387	7,127	6,586
Depreciation and amortization	23,797	25,224	70,935	74,490
<b>Total expenses</b>	<u>59,469</u>	<u>57,082</u>	<u>175,096</u>	<u>173,775</u>
<b>Operating income before gain of sales of real estate</b>	10,369	10,969	33,538	20,828
Gain on sales of real estate	43,090	—	43,090	—
<b>Operating income</b>	53,459	10,969	76,628	20,828
Interest Expense	(17,587)	(11,766)	(48,850)	(34,804)
Gain (loss) on extinguishment of debt and modification costs	(2,215)	—	(2,093)	—
Casualty gain (loss)	(100)	—	(980)	357
Gain on forfeited deposits	—	—	250	—
Equity in earnings of affiliate	177	—	177	—
Miscellaneous income	144	198	880	526
<b>Net income (loss)</b>	<u>33,878</u>	<u>(599)</u>	<u>26,012</u>	<u>(13,093)</u>
Net income (loss) attributable to redeemable noncontrolling interests in the Operating Partnership	129	(2)	99	(46)
<b>Net income (loss) attributable to common stockholders</b>	<u>\$33,749</u>	<u>(\$597)</u>	<u>\$25,913</u>	<u>(\$13,047)</u>
<b>Other comprehensive income (loss)</b>				
Unrealized gains (losses) on interest rate derivatives	(744)	34,938	(4,820)	106,874
<b>Total comprehensive income</b>	<u>33,134</u>	<u>34,339</u>	<u>21,192</u>	<u>93,781</u>
Comprehensive income attributable to redeemable noncontrolling interests in the Operating Partnership	126	132	81	319
<b>Comprehensive income attributable to common stockholders</b>	<u>\$33,008</u>	<u>\$34,207</u>	<u>\$21,111</u>	<u>\$93,462</u>
<b>Weighted average common shares outstanding - basic</b>	25,674	25,598	25,647	25,630
<b>Weighted average common shares outstanding - diluted</b>	26,302	25,598	25,228	25,630
<b>Earnings (loss) per share - basic</b>	<u>\$1.31</u>	<u>(\$0.02)</u>	<u>\$1.01</u>	<u>(\$0.51)</u>
<b>Earnings (loss) per share - diluted</b>	<u>\$1.28</u>	<u>(\$0.02)</u>	<u>\$0.99</u>	<u>(\$0.51)</u>

# Balance Sheet

(In thousands)

## ASSETS

### Operating Real Estate Investments

- Land
- Buildings and improvements
- Construction in progress
- Furniture, fixtures, and equipment

### Total Gross Operating Real Estate Investments

- Accumulated depreciation and amortization

### Total Net Operating Real Estate Investments

- Real estate held for sale, net of accumulated depreciation of \$40,750 and \$22,017, respectively

### Total Net Real Estate Investments

- Cash and cash equivalents
- Restricted cash
- Accounts receivable, net
- Prepaid and other assets
- Fair market value of interest rate swaps

### Total Assets

## LIABILITIES AND EQUITY

### Liabilities:

- Mortgages payable, net
- Mortgages payable held for sale, net
- Credit facility, net
- Accounts payable and other accrued liabilities
- Accrued real estate taxes payable
- Accrued interest payable
- Security deposit liability
- Prepaid rents

### Total Liabilities

### Redeemable noncontrolling interests in the Operating Partnership

### 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; 25,674,313 and 25,549,319 shares issued and outstanding, respectively
- Additional paid-in capital
- Accumulated earnings less dividends
- Accumulated other comprehensive income

### Total Stockholders' Equity

## TOTAL LIABILITIES AND EQUITY

	September 30, 2023 (Unaudited)	December 31, 2022
	\$359,839	\$378,438
	1,711,122	1,760,782
	11,899	10,622
	173,564	152,529
	2,256,424	2,302,371
	(386,869)	(349,276)
	1,869,555	1,953,095
	133,851	89,457
	2,003,406	2,042,552
	7,531	16,762
	42,302	35,037
	14,739	17,121
	13,303	10,425
	98,621	103,440
	\$2,179,902	\$2,225,337
	\$1,453,471	\$1,526,828
	112,026	68,016
	39,968	72,644
	18,842	12,325
	22,176	7,232
	9,465	7,946
	3,218	3,200
	1,833	1,849
	1,660,999	1,700,040
	5,081	5,631
	—	—
	256	255
	410,679	405,376
	5,534	11,880
	97,353	102,155
	513,822	519,666
	\$2,179,902	\$2,225,337



# 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,	
	2023	2022	2023	2022
<b>Net Income (loss)</b>	\$33,878	\$(599)	\$26,012	\$(13,093)
Depreciation and amortization	23,797	25,224	70,935	74,490
Gain on sales of real estate	(43,090)	—	(43,090)	—
Adjustment for noncontrolling interests	(55)	(99)	(205)	(228)
<b>FFO attributable to common stockholders</b>	<u>14,530</u>	<u>24,526</u>	<u>53,652</u>	<u>61,169</u>
<b>FFO per share – basic</b>	\$0.57	\$0.96	\$2.09	\$2.39
<b>FFO per share – diluted</b>	\$0.55	\$0.94	\$2.05	\$2.34
Loss on extinguishment of debt and modification costs	2,215	—	2,093	—
Casualty-related expenses/(recoveries)	(24)	(2,966)	(1,332)	672
Casualty losses (gains)	100	—	980	(357)
Gain on forfeited deposits	—	—	(250)	—
Amortization of deferred financing costs - acquisition term notes	330	281	991	786
Adjustment for noncontrolling interests	(9)	11	(11)	(3)
<b>Core FFO attributable to common stockholders</b>	<u>17,142</u>	<u>21,852</u>	<u>56,123</u>	<u>62,267</u>
<b>Core FFO per share - basic</b>	<u>\$0.67</u>	<u>\$0.85</u>	<u>\$2.19</u>	<u>\$2.43</u>
<b>Core FFO per share - diluted</b>	<u>\$0.65</u>	<u>\$0.84</u>	<u>\$2.14</u>	<u>\$2.38</u>
Amortization of deferred financing costs - long term debt	408	453	1,222	1,247
Equity-based compensation expense	2,494	2,025	6,955	5,906
Adjustment for noncontrolling interests	(11)	(10)	(31)	(27)
<b>AFFO attributable to common stockholders</b>	<u>20,033</u>	<u>24,320</u>	<u>64,269</u>	<u>69,393</u>
<b>AFFO per share - basic</b>	<u>\$0.78</u>	<u>\$0.95</u>	<u>\$2.51</u>	<u>\$2.71</u>
<b>AFFO per share - diluted</b>	<u>\$0.76</u>	<u>\$0.93</u>	<u>\$2.45</u>	<u>\$2.65</u>
<b>Weighted average common shares outstanding – basic</b>	<u>25,674</u>	<u>25,598</u>	<u>25,647</u>	<u>25,630</u>
<b>Weighted average common shares outstanding – diluted (1)</b>	<u>26,302</u>	<u>26,127</u>	<u>26,228</u>	<u>26,177</u>
<b>Dividends declared per common share</b>	\$0.42	\$0.38	\$1.26	\$1.14
<b>Net Income (loss) Coverage – diluted (2)</b>	3.05x	-0.05x	0.79x	-0.45x
<b>FFO Coverage – diluted (2)</b>	1.32x	2.47x	1.63x	2.05x
<b>Core FFO Coverage – diluted (2)</b>	1.55x	2.20x	1.70x	2.09x
<b>AFFO Coverage – diluted (2)</b>	1.81x	2.45x	1.94x	2.32x

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

(2) 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 2023	Q3 2022
<b>Total mortgage debt outstanding</b>	\$1,575,406	\$1,358,343
<b>Credit facilities</b>	41,000	335,000
<b>Total Debt</b>	<b>\$1,616,406</b>	<b>\$1,693,343</b>
Adjustments to arrive at net debt:		
Cash and cash equivalents	(7,531)	(15,771)
Restricted cash held for value-add upgrades and green improvements	(2,737)	(15,347)
<b>Net Debt</b>	<b>\$1,606,138</b>	<b>\$1,662,225</b>
<b>Enterprise Value (1)</b>	<b>\$2,432,138</b>	<b>\$2,843,225</b>
<b>Leverage Ratio</b>	<b>66%</b>	<b>58%</b>

# 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 2023E (1)	YTD 2023	Q3 2023	Q2 2023	FY 2022	YTD 2022	Q3 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
<b>RECONCILIATION OF NET INCOME (LOSS) TO NOI</b>															
<b>Net Income (loss)</b>	<b>\$98,872</b>	<b>\$26,012</b>	<b>\$33,878</b>	<b>\$(3,968)</b>	<b>\$(9,291)</b>	<b>\$(13,093)</b>	<b>\$(599)</b>	<b>\$23,106</b>	<b>\$44,150</b>	<b>\$99,438</b>	<b>\$(1,614)</b>	<b>\$56,359</b>	<b>\$25,888</b>	<b>\$(10,992)</b>	<b>\$(17,533)</b>
Add:															
Advisory and administrative fees	7,707	5,782	1,966	1,927	7,547	5,615	1,904	7,631	7,670	7,500	7,474	7,419	6,802	5,565	1,653
Corporate general and administrative expenses	17,123	12,743	4,752	4,624	14,670	11,116	3,818	11,966	10,035	9,613	7,808	6,275	4,014	2,455	—
Casualty-related expenses/(recoveries) (2)	980	(1,332)	(24)	398	1,119	672	(2,966)	(200)	790	(34)	(663)	(287)	—	—	—
Casualty losses (gains)	—	980	100	66	(2,506)	(357)	—	(2,595)	(5,886)	3,488	—	—	—	—	—
Pandemic expense	—	—	—	—	—	—	—	50	510	—	—	—	—	—	—
Property general and administrative expenses (3)	2,043	2,696	1,139	776	3,600	2,410	867	2,232	1,890	1,939	1,294	1,130	879	1,109	415
Depreciation and amortization	96,547	70,935	23,797	23,872	97,648	74,490	25,224	86,878	82,411	69,086	47,470	48,752	35,643	40,801	21,645
Interest expense	65,485	48,850	17,587	14,524	50,587	34,804	11,766	44,623	44,753	37,385	28,572	29,576	21,889	18,469	7,274
Loss on extinguishment of debt and modification costs	3,889	2,093	2,215	—	8,734	—	—	912	1,470	2,869	3,576	5,719	—	—	—
Gain on forfeited deposits	(250)	(250)	—	(250)	—	—	—	—	—	—	—	—	—	—	—
Equity in earnings of affiliate	(238)	(177)	(177)	—	—	—	—	—	—	—	—	—	—	—	—
Gain on sales of real estate	(124,034)	(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)	—	—
<b>NOI</b>	<b>\$168,124</b>	<b>\$125,242</b>	<b>\$42,143</b>	<b>\$41,969</b>	<b>\$157,424</b>	<b>\$115,657</b>	<b>\$40,014</b>	<b>\$128,389</b>	<b>\$118,641</b>	<b>\$103,600</b>	<b>\$80,175</b>	<b>\$76,578</b>	<b>\$69,569</b>	<b>\$60,382</b>	<b>\$22,094</b>

(1) MID-POINT ESTIMATES SHOWN FOR FULL YEAR 2023 GUIDANCE. ASSUMPTIONS MADE FOR FULL YEAR 2023 NOT GUIDANCE INCLUDE THE SAME STORE OPERATING GROWTH PROJECTIONS INCLUDED IN THE "2023 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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