

NEXPOINT REAL ESTATE STRATEGIES FUND

Fund Overview

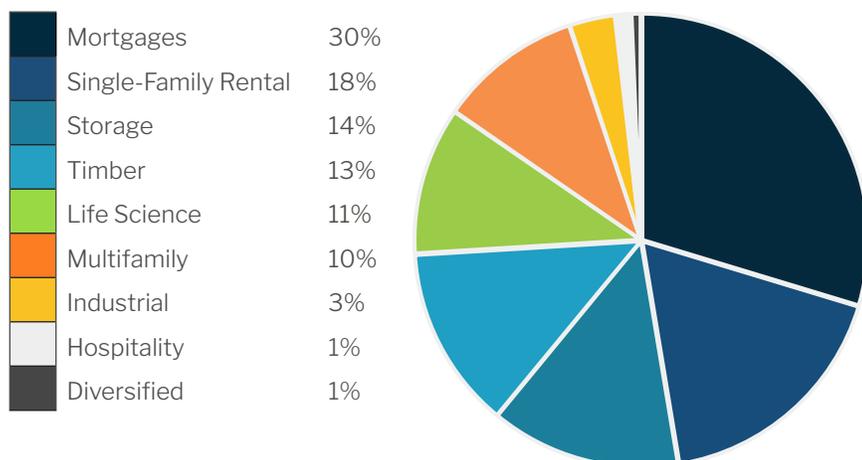
NexPoint Real Estate Strategies Fund (“NRES” or the “Fund”) is a closed-end interval fund designed to take a differentiated strategy, pursuing its investment objective by investing, under normal circumstances, at least 80% of its assets in real estate and real estate related securities.

The Fund seeks long-term total return, with an emphasis on current income, by primarily investing in a broad range of real estate-related debt, equity and preferred equity investments across multiple real estate sectors.¹

NexPoint’s Real Estate Experience

NRES is sponsored by NexPoint Advisors, L.P (“NexPoint” or “Advisor”). NexPoint, a leading alternative investment advisor, is part of a multibillion investment platform and manages a suite of products that provide access to differentiated investment opportunities. The Advisor’s management team has extensive real estate experience, having completed more than \$11.7 billion of real estate acquisitions since the beginning of 2012². In April 2015, an affiliate of the Advisor completed a public listing of its value-add multifamily portfolio under the ticker symbol “NXRT” on the New York Stock Exchange. As of December 31, 2020 NXRT has \$2.4 billion in gross assets.

Portfolio Allocation



*On February 11, 2020, as part of the formation transaction for NexPoint Real Estate Finance (NYSE: NREF), certain assets held in NRES were contributed in exchange for operating partnership units of NREF. The NREF Op Units are convertible one-to-one for NREF Common shares and therefore are priced daily in NRES using the NREF common share price.

Before investing in the Fund, you should carefully consider the Fund’s investment objectives, risks, charges and expenses. For a copy of a prospectus which contains this and other information, please visit our website at www.nexpointgroup.com or call 1-877-665-1287. Please read the fund prospectus carefully before investing.

Fund Highlights

Symbols:

Class A: NRSAX Class C: NRSCX
Class L: NRSLX Class Z: NRSZX

December 2020 Distributions:³

Class A: 8.91% Class C: 9.07%;
Class L: N/A⁴ Class Z: 8.10%

Inception Date:

July 1, 2016

Structure:

Continuously Offered Closed-End Interval Fund

Minimum Initial Investment:

Class A & C shares \$500; Retirement Accounts \$50
Class L shares \$2,500; Retirement Accounts \$1,000
Class Z shares \$100,000

Repurchase Offers:⁵

Quarterly repurchases of no less than 5% of shares outstanding

Top 5 Holdings

NexPoint Real Estate Finance*	29.2%
NRESF REIT Sub	17.4%
NexPoint Storage Partners	13.4%
Creek Pine Holdings, LLC	12.8%
IQHQ	10.4%

Sales Load:^{4,6}

Max Sales Charge: Class A Shares - 5.75%; Class L Shares - 4.25%; Contingent Deferred Sales Charge: Class A & C Shares - 1.00%. Expense ratios: Class A Shares 4.61 Gross, 2.59 Net; Class C Shares: 5.36 Gross, 3.34 Net; Class Z Shares: 4.36 Gross, 2.34 Net

¹ There can be no assurance that the Fund will achieve its investment objectives.

² As of December 31, 2020 inclusive of affiliates since 2012.

³ Distributions are not guaranteed and may be suspended, modified or terminated at the discretion of the board of directors. The distribution is calculated by taking the sum of a fund’s total trailing 12-month interest and monthly distributions divided by the last month’s ending share price (NAV) plus any capital gains distributed over the same period. The distribution may include a return of capital. Please refer to the “19A Source of Distribution” section of the NexPoint Group website for Section 19 notices that provide estimated amounts and sources of the fund’s distributions, which should not be relied upon for tax reporting purposes.

⁴ Information is not shown for Class L shares as the Fund had not, as of the date of this fact sheet, issued Class L Shares.

⁵ Please read the prospectus for complete information regarding repurchase offers.

⁶ Class A shares purchased without an initial sales charge in accounts aggregating \$500,000 or more may be subject to a 1.00% contingent deferred sales charge (“CDSC”) on shares redeemed during the first 18 months after their purchase. Class C shares are subject to a 1.00% CDSC for redemptions of shares within 18 months after their purchase.

Annualized Returns (%) as of 12/31/20

RETURNS				
Share Class	YTD	1-YR	3-YR	ITD
Class A	-14.60%	-14.60%	-1.52%	1.83%
Class A (w/load)	-19.50%	-19.50%	-3.45%	0.48%
Class C	-15.87%	-15.87%	-2.05%	1.35%
Class Z	-14.44%	-14.44%	-1.15%	2.26%
MARKET INDICES*				
MSCI U.S. REIT	-7.57%	-7.57%	3.54%	2.45%
Bloomberg Barclays Agg Bond Index	7.51%	7.51%	5.34%	3.74%

Performance results reflect the contractual waivers and/or reimbursements of fund expenses by the Advisor. Absent this limitation, performance results would have been lower. The Advisor has contractually agreed to waive its fees and to pay or absorb the ordinary annual operating expenses of the Fund (including organizational and offering expenses, but excluding distribution fees, interest, dividend expenses on short sales, brokerage commissions and other transaction costs, acquired fund fees and expenses, taxes, litigation expenses and extraordinary expenses), (the "Expense Limitation"). If the Fund incurs expenses excluded from the Expense Limitation Agreement, the Fund's expense ratio would be higher and could exceed the Expense Limitation.

***Definitions: The MSCI US REIT Index** is a free float-adjusted market capitalization index that is comprised of equity REITs. The index is based on MSCI USA Investable Market Index (IMI) its parent index, which captures large, mid and small caps securities. **Barclays Capital Aggregate Bond Index** is a broad based fixed income index, maintained by Barclays Capital, and is often used to represent investment grade bonds being traded in United States.

An interval fund is a type of investment company that is legally classified as a closed-end fund, but is different from traditional closed-end funds in that their shares typically do not trade on the secondary market and they are permitted to continuously offer their shares at a price based on the Fund's net asset value.

An interval fund periodically offers to buy back, or "repurchase," a stated portion of its shares from shareholders at a price based on net asset value, generally on a quarterly basis, as disclosed in the Fund's prospectus and annual report. The interval fund will periodically notify its shareholders of the upcoming repurchase dates, and specify a date by which shareholders must accept the repurchase offer. Shareholders are not required to accept these offers and sell their shares back to the Fund. The actual repurchase will occur at a later, specified date.

The performance data quoted here represents past performance and is no guarantee of future results. Investment returns and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. For performance data current to the most recent month-end, please call 877-665-1287.

RISK FACTORS

Investing in our shares may be considered speculative and involves a high degree of risk, including the risk of a substantial loss of investment. See the "Risk Factors" section of our prospectus to read about the risks you should consider before buying our shares including the risk of leverage. Some of the risks relating to your investment in our shares include the following:

Investors should understand that:

- the Fund does not currently intend to list its shares on any securities exchange;
- there is no secondary market for the Fund's shares, and the Fund does not expect that such a market will develop at this time; and
- your investment in the Fund will be illiquid.

Before investing, you should therefore consider the following factors:

- You may not have access to the money you invest for an extended period of time;
- You may not be able to sell your shares at the time of your choosing regardless of how the Fund performs.
- Because you may not be able to sell your shares at the time of your choosing, you may not be able to reduce your exposure in a market downturn.
- An investment in the Fund may not be suitable for investors who may need the money they invested in a specified timeframe.
- The amount of distributions that the Fund may pay, if any, is uncertain.
- The Fund may pay distributions in significant part from sources that may not be available in the future and that are unrelated to the Fund's performance, such as from offering proceeds, borrowings, and amounts from the Fund's affiliates that are subject to repayment by investors. All or a portion of a distribution may consist of a return of capital. Because a return of capital may reduce a shareholder's tax basis, it will increase the amount of gain or decrease the amount of loss on a subsequent disposition of the shareholder's shares.
- The Fund has implemented a share repurchase program, but it is only required to repurchase up to 5% of its outstanding shares per quarter. In the event a repurchase offer is oversubscribed, the Fund may not repurchase all of the shares tendered but will repurchase shares tendered on a pro rata basis, and no assurance can be given that the Fund will repurchase all of a shareholder's tendered shares over any period. In addition, the Fund may in the future determine to list its shares on a public securities exchange, but even if an active secondary market in the Fund's shares were to develop as a result, closed-end fund shares frequently trade at a discount from their NAV. Investing in the Fund involves a considerable degree of risk.
- The Fund is a closed-end investment company structured as an "interval fund" and designed for long-term investors. Unlike many closed-end investment companies, the Fund's shares are not listed on any securities exchange and are not publicly traded. There is currently no secondary market for the shares and the Fund expects that no secondary market will develop. Limited liquidity is provided to shareholders only through the Fund's quarterly repurchase offers for no less than 5% of the shares outstanding at NAV. There is no guarantee that shareholders will be able to sell all of the shares they desire in a quarterly repurchase offer. The Fund's investments are also subject to liquidity risk.