

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

| | | | |
|--|-----------------------------------|---|-----------------------------|
| 1 Issuer's name | | 2 Issuer's employer identification number (EIN) | |
| Nexpoint Real Estate Strategies Fund | | 81-1061590 | |
| 3 Name of contact for additional information | 4 Telephone No. of contact | 5 Email address of contact | |
| SHAREHOLDER SERVICES | 1-800-357-9167 | | |
| 6 Number and street (or P.O. box if mail is not delivered to street address) of contact | | 7 City, town, or post office, state, and ZIP code of contact | |
| 300 Crescent Court, Suite 700 | | Dallas, TX 75201 | |
| 8 Date of action | | 9 Classification and description | |
| SEE BELOW | | NON-TAXABLE RETURN OF CAPITAL DISTRIBUTION | |
| 10 CUSIP number | 11 Serial number(s) | 12 Ticker symbol | 13 Account number(s) |
| SEE ATTACHED | | NRSAX, NRSCX, NRSZX | |

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ THE NEXPOINT REAL ESTATE STRATEGIES FUND PAID A NON-TAXALBE RETURN OF CAPITAL DISTRIBUTION DURING THE YEAR. PLEASE SEE ATTACHED STATEMEND FOR DETAIL.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ SEE ATTACHED STATEMEND FOR DETAIL.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ SEE ATTACHED STATEMEND FOR DETAIL.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ IRC 301 & 316

18 Can any resulting loss be recognized? ▶ NOT APPLICABLE TO THIS TRANSACTION AS NO LOSS MAY BE RECOGNIZED ON A RETURN OF CAPITAL DISTRIBUTIONS. THE SHAREHOLDERS COST BASIS SHOULD BE ADJUSTED TO REFLECT THE RETURN OF CAPITAL DISTRIBUTION WHICH MAY AFFECT THE GAIN OR LOSS REALIZED BY THE SHAREHOLDER UPON DISPOSITION OF THEIR SHARES.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ THE INFORMATION PROVIDED HEREIN HAS BEEN PROVIDED TO EACH SHAREHOLDER ON THEIR 2021 FORM 1099-DIV STATEMENT, BOX 3 FROM THEIR RESPECTIVE BROKER/DEALER.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ A signed copy is maintained by issuer Date ▶ _____

Print your name ▶ FRANK WATERHOUSE Title ▶ PFO/CFO

Paid Preparer Use Only

| | | | | |
|----------------------------|----------------------|------|---|------|
| Print/Type preparer's name | Preparer's signature | Date | Check <input type="checkbox"/> if self-employed | PTIN |
| Firm's name ▶ | Firm's EIN ▶ | | Phone no. | |
| Firm's address ▶ | | | | |

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

Detail of the distributions paid during the fiscal year ending December 31, 2021 is described below:

| FUND NAME | CUSIP | TICKER SYMBOL | RECORD DATE | EX DIVIDEND DATE | PAYABLE DATE | INCOME DIVIDENDS | % OF TAXABLE DISTRIBUTION | TAXABLE DIVIDENDS AMOUNT | % RETURN OF CAPITAL DISTRIBUTION | RETURN OF CAPITAL AMOUNT |
|---------------------------------|-----------|---------------|-------------|------------------|--------------|-----------------------|---------------------------|--------------------------|----------------------------------|--------------------------|
| NexPoint Real Estate Strategies | 65342M101 | NRSAX | 01/27/2021 | 01/28/2021 | 01/29/2021 | \$ 0.118767000 | 24.74% | \$ 0.029383000 | 75.26% | \$ 0.089384000 |
| NexPoint Real Estate Strategies | 65342M101 | NRSAX | 02/24/2021 | 02/25/2021 | 02/26/2021 | \$ 0.118891000 | 24.74% | \$ 0.029416000 | 75.26% | \$ 0.089475000 |
| NexPoint Real Estate Strategies | 65342M101 | NRSAX | 03/29/2021 | 03/30/2021 | 03/31/2021 | \$ 0.118541000 | 24.74% | \$ 0.029327000 | 75.26% | \$ 0.089214000 |
| NexPoint Real Estate Strategies | 65342M101 | NRSAX | 04/28/2021 | 04/29/2021 | 04/30/2021 | \$ 0.118969000 | 24.74% | \$ 0.029431000 | 75.26% | \$ 0.089538000 |
| NexPoint Real Estate Strategies | 65342M101 | NRSAX | 05/26/2021 | 05/27/2021 | 05/28/2021 | \$ 0.118847000 | 24.74% | \$ 0.029402000 | 75.26% | \$ 0.089445000 |
| NexPoint Real Estate Strategies | 65342M101 | NRSAX | 06/28/2021 | 06/29/2021 | 06/30/2021 | \$ 0.118778000 | 24.74% | \$ 0.029386000 | 75.26% | \$ 0.089392000 |
| NexPoint Real Estate Strategies | 65342M101 | NRSAX | 07/28/2021 | 07/29/2021 | 07/30/2021 | \$ 0.118822000 | 24.74% | \$ 0.029397000 | 75.26% | \$ 0.089425000 |
| NexPoint Real Estate Strategies | 65342M101 | NRSAX | 08/27/2021 | 08/30/2021 | 08/31/2021 | \$ 0.118701000 | 24.74% | \$ 0.029366000 | 75.26% | \$ 0.089335000 |
| NexPoint Real Estate Strategies | 65342M101 | NRSAX | 09/28/2021 | 09/29/2021 | 09/30/2021 | \$ 0.118802000 | 24.74% | \$ 0.029391000 | 75.26% | \$ 0.089411000 |
| NexPoint Real Estate Strategies | 65342M101 | NRSAX | 10/27/2021 | 10/28/2021 | 10/29/2021 | \$ 0.118826000 | 24.74% | \$ 0.029396000 | 75.26% | \$ 0.089430000 |
| NexPoint Real Estate Strategies | 65342M101 | NRSAX | 11/26/2021 | 11/29/2021 | 11/30/2021 | \$ 0.118695000 | 24.74% | \$ 0.029364000 | 75.26% | \$ 0.089331000 |
| NexPoint Real Estate Strategies | 65342M101 | NRSAX | 12/29/2021 | 12/30/2021 | 12/31/2021 | \$ 0.118675000 | 24.74% | \$ 0.029361000 | 75.26% | \$ 0.089314000 |
| Totals | | | | | | \$ 1.425314000 | | \$ 0.352620000 | | \$ 1.072694000 |
| NexPoint Real Estate Strategies | 65342M200 | NRSCX | 01/27/2021 | 01/28/2021 | 01/29/2021 | \$ 0.109071000 | 24.74% | \$ 0.026984000 | 75.26% | \$ 0.082087000 |
| NexPoint Real Estate Strategies | 65342M200 | NRSCX | 02/24/2021 | 02/25/2021 | 02/26/2021 | \$ 0.109078000 | 24.74% | \$ 0.026984000 | 75.26% | \$ 0.082094000 |
| NexPoint Real Estate Strategies | 65342M200 | NRSCX | 03/29/2021 | 03/30/2021 | 03/31/2021 | \$ 0.107143000 | 24.74% | \$ 0.026508000 | 75.26% | \$ 0.080635000 |
| NexPoint Real Estate Strategies | 65342M200 | NRSCX | 04/28/2021 | 04/29/2021 | 04/30/2021 | \$ 0.107759000 | 24.74% | \$ 0.026659000 | 75.26% | \$ 0.081100000 |
| NexPoint Real Estate Strategies | 65342M200 | NRSCX | 05/26/2021 | 05/27/2021 | 05/28/2021 | \$ 0.109198000 | 24.74% | \$ 0.027013000 | 75.26% | \$ 0.082185000 |
| NexPoint Real Estate Strategies | 65342M200 | NRSCX | 06/28/2021 | 06/29/2021 | 06/30/2021 | \$ 0.105990000 | 24.74% | \$ 0.026222000 | 75.26% | \$ 0.079768000 |
| NexPoint Real Estate Strategies | 65342M200 | NRSCX | 07/28/2021 | 07/29/2021 | 07/30/2021 | \$ 0.107609000 | 24.74% | \$ 0.026622000 | 75.26% | \$ 0.080987000 |
| NexPoint Real Estate Strategies | 65342M200 | NRSCX | 08/27/2021 | 08/30/2021 | 08/31/2021 | \$ 0.106085000 | 24.74% | \$ 0.026247000 | 75.26% | \$ 0.079838000 |
| NexPoint Real Estate Strategies | 65342M200 | NRSCX | 09/28/2021 | 09/29/2021 | 09/30/2021 | \$ 0.106926000 | 24.74% | \$ 0.026456000 | 75.26% | \$ 0.080470000 |
| NexPoint Real Estate Strategies | 65342M200 | NRSCX | 10/27/2021 | 10/28/2021 | 10/29/2021 | \$ 0.107245000 | 24.74% | \$ 0.026530000 | 75.26% | \$ 0.080715000 |
| NexPoint Real Estate Strategies | 65342M200 | NRSCX | 11/26/2021 | 11/29/2021 | 11/30/2021 | \$ 0.105525000 | 24.74% | \$ 0.026104000 | 75.26% | \$ 0.079421000 |
| NexPoint Real Estate Strategies | 65342M200 | NRSCX | 12/29/2021 | 12/30/2021 | 12/31/2021 | \$ 0.105529000 | 24.74% | \$ 0.026110000 | 75.26% | \$ 0.079419000 |
| Totals | | | | | | \$ 1.287158000 | | \$ 0.318439000 | | \$ 0.968719000 |
| NexPoint Real Estate Strategies | 65342M309 | NRSZX | 01/27/2021 | 01/28/2021 | 01/29/2021 | \$ 0.121819000 | 24.74% | \$ 0.030138000 | 75.26% | \$ 0.091681000 |
| NexPoint Real Estate Strategies | 65342M309 | NRSZX | 02/24/2021 | 02/25/2021 | 02/26/2021 | \$ 0.121749000 | 24.74% | \$ 0.030121000 | 75.26% | \$ 0.091628000 |
| NexPoint Real Estate Strategies | 65342M309 | NRSZX | 03/29/2021 | 03/30/2021 | 03/31/2021 | \$ 0.122267000 | 24.74% | \$ 0.030248000 | 75.26% | \$ 0.092019000 |
| NexPoint Real Estate Strategies | 65342M309 | NRSZX | 04/28/2021 | 04/29/2021 | 04/30/2021 | \$ 0.122113000 | 24.74% | \$ 0.030210000 | 75.26% | \$ 0.091903000 |
| NexPoint Real Estate Strategies | 65342M309 | NRSZX | 05/26/2021 | 05/27/2021 | 05/28/2021 | \$ 0.122043000 | 24.74% | \$ 0.030194000 | 75.26% | \$ 0.091849000 |
| NexPoint Real Estate Strategies | 65342M309 | NRSZX | 06/28/2021 | 06/29/2021 | 06/30/2021 | \$ 0.122679000 | 24.74% | \$ 0.030350000 | 75.26% | \$ 0.092329000 |
| NexPoint Real Estate Strategies | 65342M309 | NRSZX | 07/28/2021 | 07/29/2021 | 07/30/2021 | \$ 0.122415000 | 24.74% | \$ 0.030285000 | 75.26% | \$ 0.092130000 |
| NexPoint Real Estate Strategies | 65342M309 | NRSZX | 08/27/2021 | 08/30/2021 | 08/31/2021 | \$ 0.122724000 | 24.74% | \$ 0.030362000 | 75.26% | \$ 0.092362000 |
| NexPoint Real Estate Strategies | 65342M309 | NRSZX | 09/28/2021 | 09/29/2021 | 09/30/2021 | \$ 0.122721000 | 24.74% | \$ 0.030362000 | 75.26% | \$ 0.092359000 |
| NexPoint Real Estate Strategies | 65342M309 | NRSZX | 10/27/2021 | 10/28/2021 | 10/29/2021 | \$ 0.122638000 | 24.74% | \$ 0.030340000 | 75.26% | \$ 0.092298000 |
| NexPoint Real Estate Strategies | 65342M309 | NRSZX | 11/26/2021 | 11/29/2021 | 11/30/2021 | \$ 0.123012000 | 24.74% | \$ 0.030433000 | 75.26% | \$ 0.092579000 |
| NexPoint Real Estate Strategies | 65342M309 | NRSZX | 12/29/2021 | 12/30/2021 | 12/31/2021 | \$ 0.123038000 | 24.74% | \$ 0.030439000 | 75.26% | \$ 0.092599000 |
| Totals | | | | | | \$ 1.469218000 | | \$ 0.363482000 | | \$ 1.105736000 |