

NEXPOINT HOSPITALITY TRUST – INVESTOR PRESENTATION



This presentation is dated November 15, 2019. A final base shelf prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces of Canada (other than Québec). A copy of the final base shelf prospectus, any amendment to the final base shelf prospectus and any applicable shelf prospectus supplement that has been filed, is required to be delivered with this document.

This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the final base shelf prospectus, any amendment and any applicable shelf prospectus supplement for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

LEGAL DISCLAIMER

General

Prospective investors should rely only on information contained in the final base shelf prospectus dated November ●, 2019, any amendment to the final base shelf prospectus and any applicable shelf prospectus supplement (collectively, the “prospectus”). This presentation is qualified in its entirety by reference to, and must be read in conjunction with, the information contained in the prospectus. A prospective investor is not entitled to rely on parts of the information contained in this presentation to the exclusion of others. None of NexPoint Hospitality Trust (the “REIT”, “NHT” “us”, “we” or “our”), NexPoint Real Estate Advisors VI, L.P. (“NREA”) or the Underwriters has authorized any other person to provide prospective investors with different information. Neither the REIT nor the Underwriters is making an offer to sell Securities in any jurisdiction where such an offer or sale is prohibited. The REIT’s business, financial condition, results of operations and prospects may have changed since the date of this presentation. No securities regulatory authority has expressed an opinion about the securities and it is an offence to claim otherwise. The securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities laws and, subject to certain exceptions, may not be offered or sold in the United States or to U.S. persons unless the securities are registered under the U.S. Securities Act or an exemption from such registration is available.

In connection with any offering of Securities, the underwriters, dealers or agents, as the case may be, may over allot or effect transactions which stabilize or maintain the market price of the Securities at a level above that which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See “Plan of Distribution” in the final base shelf prospectus.

Each series or issue of Debt Securities, Warrants or Subscription Receipts will be a new issue of securities with no established trading market. Unless specified in a Prospectus Supplement, the Debt Securities, Warrants and Subscription Receipts will not be listed on any securities or stock exchange. Accordingly, unless so specified, there may be no market through which the Debt Securities, Warrants and Subscription Receipts may be sold and purchasers may not be able to resell the Debt Securities, Warrants and Subscription Receipts purchased under this Prospectus. This may affect the pricing of such Debt Securities, Warrants and Subscription Receipts in the secondary market, the transparency and availability of trading prices, the liquidity of such Debt Securities, Warrants and Subscription Receipts and the extent of issuer regulation. See “Risk Factors” in the final base shelf prospectus.

All dollar amounts in this presentation are stated in U.S. dollars and references to dollars or “\$” are to U.S. currency.

Capitalized terms that are not defined in this presentation have the meanings ascribed to them in the prospectus.

Graphs and tables demonstrating the historical performance of the NHT properties and the Condor properties contained in this presentation are intended only to illustrate past performance and are not necessarily indicative of future performance.

Market and Industry Data

This presentation includes market and industry data and forecasts that were obtained from third-party sources, industry publications and publicly available information as well as industry data prepared by management on the basis of its knowledge of the U.S. lodging industry in which the REIT operates (including management’s estimates and assumptions relating to the industry based on that knowledge). Management’s knowledge of the U.S. real estate industry has been developed through its experience and participation in the industry. Management believes that its industry data is accurate and that its estimates and assumptions are reasonable, but there can be no assurance as to the accuracy or completeness of this data. Third-party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of included information. Although management believes it to be reliable, none of the REIT, NREA nor the Underwriters have independently verified any of the data from third-party sources referred to in this presentation, or analyzed or verified the underlying studies or surveys relied upon or referred to by such sources, or ascertained the underlying economic assumptions relied upon by such sources.

Forward-Looking Information

This presentation contains “forward-looking information” and “forward looking statements” within the meaning of applicable securities laws (collectively, “forward-looking statements”) which reflect management’s expectations regarding objectives, plans, goals, strategies, future growth, results of operations, performance and business prospects and opportunities of NHT. In some cases, forward-looking statements can be identified by the use of forward-looking terminology such as “plans”, “expects”, “does not expect”, “scheduled”, “goals”, “seek”, “strategy”, “future”, “estimates”, “intends”, “anticipates”, “does not anticipate”, “projects”, “believes” or variations of such words and phrases or statements to the effect that certain actions, events or results “may”, “will”, “could”, “would”, “should”, “might”, “likely”, “occur”, “be achieved” or “continue”. In particular, statements in this presentation as to the expected closing of the merger with Condor Hospitality Trust (“Condor”), the related public financing and the benefits we expect to realize therefrom (including an expanded geographic footprint, reductions in G&A costs and real estate tax costs, valuation and transaction metrics, added stability to the NHT portfolio and improved ability to absorb disruption to revenue and NOI due to renovation activity, increased liquidity and analyst coverage, expected benefits to NHT’s financial results and accretion to Core FFO (as defined herein) and ability to access superior financing options and recapitalize the portfolio on favourable terms) and the combined 2020 *pro forma* earnings profile (including expected 2020 revenues, NOI, FFO and AFFO) constitute forward-looking information.

LEGAL DISCLAIMER

NHT and Condor may not be able to complete the proposed transaction on the terms described herein or other acceptable terms or at all because of a number of factors, including without limitation, the following: (i) the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement; (ii) unknown, underestimated or undisclosed commitments or liabilities; (iii) the inability to complete the proposed transaction due to the failure to satisfy the closing conditions to the proposed transaction; (iv) risks related to disruption of management's attention from NHT's and Condor's ongoing business operations due to the proposed transaction; (v) the effect of the announcement of the proposed transaction on the ability of the parties to retain and hire key personnel, maintain relationships with their franchisors, management companies and suppliers, and maintain their operating results and business generally; (vi) the risk that certain approvals or consents will not be received in a timely manner or that the proposed transaction will not be consummated in a timely manner; (vii) the risk of exceeding the expected costs of the proposed transaction; (viii) adverse changes in U.S. and non-U.S. governmental laws and regulations; (ix) the risk of litigation, including shareholder litigation in connection with the proposed transaction, and the impact of any adverse legal judgments, fines, penalties, injunctions or settlements; (x) changes in U.S. lodging industry and related market trends that may adversely impact expected room revenues, food & beverage revenues and hotel operating costs; and (xi) any increase in anticipated expenses and/or business costs (including G&A expenses and interest costs).

These forward-looking statements and other forward-looking statements are based on our due diligence conducted on Condor and our opinions, estimates and assumptions in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we currently believe are appropriate and reasonable in the circumstances. In particular, the completion of the merger with Condor assumes that all closing conditions are satisfied and our equity and debt financing is available pursuant to commitment letters we have entered into. Forward-looking statements regarding the expected benefits of the merger as well as the 2020 pro forma targets included in this presentation assume that the operating performance of NHT, Condor and the U.S. lodging industry as a whole continue consistent with historical results. Such forward-looking statements are also subject to the risks generally associated with our business and the industry in which we operate which are outlined in our prospectus dated March 27, 2019 under the heading "Risk Factors".

There can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct. Such forward-looking statements are qualified in their entirety by the inherent risks, uncertainties and changes in circumstances surrounding future expectations which are difficult to predict and many of which are beyond the control of NHT. When relying on forward-looking statements to make decisions, NHT cautions readers not to place undue reliance on these statements, as forward-looking statements involve significant risks and uncertainties. Forward-looking statements should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not the times at or by which such performance or results will be achieved. A number of factors could cause actual results to differ, possibly materially, from the results discussed in the forward-looking statements.

All forward-looking statements are based only on information currently available to NHT and are made as of the date of this presentation or the date indicated. Except as expressly required by applicable Canadian securities laws, NHT assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

All forward-looking statements in this presentation are expressly qualified by the foregoing cautionary statements.

Certain statements included in this presentation may be considered a "financial outlook" for purposes of applicable Canadian securities laws, and as such, the financial outlook may not be appropriate for purposes other than this presentation. All forward-looking statements are based only on information currently available to the REIT and are made as of the date of this presentation. Except as expressly required by applicable Canadian securities law, the REIT assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. All forward-looking statements in this presentation are qualified by these cautionary statements.

Comparable Companies

Any comparables used in this presentation outline certain public company and real estate investment trusts (the "Comparables"). The Comparables are considered to be an appropriate basis for comparison with the REIT based on their similar size, industry, focus and additional criteria. The information relating to the Comparables has been obtained or derived from public sources. The REIT and the Underwriters have relied upon and have not attempted to independently verify the completeness, accuracy and fair presentation of such information. If the Comparables contain a misrepresentation, investors do not have a remedy under securities legislation in any province of Canada. Investors are cautioned that there are risks inherent in making an investment decision based on the Comparables, that past and estimated performance is not indicative of future performance, and that the performance of the REIT may materially differ from that of the Comparables. Accordingly, an investment decision should not be made in reliance on the Comparables.

Notice to Investors

NHT is not offering Subscription Receipts, Units or other securities in any jurisdiction or under any circumstances in which the offer is unlawful. This presentation is not an offer to sell or a solicitation of an offer to buy securities in any jurisdiction or under any circumstances in which the offer or solicitation is unlawful. No offer or sale of Subscription Receipts, Units or other securities has been registered under the U.S. Securities Act of 1933 or the securities laws of any state of the United States. Unless their offer and sale are registered, the Subscription Receipts, Units or other securities may be offered or sold only in transactions that are exempt from, or not subject to, registration under the U.S. Securities Act of 1933 or state securities laws.

TODAY'S PRESENTERS



Jesse Blair III, Executive Vice President - Head of Lodging

Mr. Blair serves as Executive Vice President, Head of Lodging for NexPoint Hospitality Trust. Mr. Blair has led, arranged, and been directly involved in over \$2.5 billion of capital markets and hospitality specific acquisitions and development. Mr. Blair led the strategic expansion and diversification of an operating platform acquired from Goldman Sachs, which oversaw more than 200 hospitality assets, and annually oversaw \$100 million of renovation capital. The platform was successfully merged to help to create what is today the largest independent operating platform in North America. Mr. Blair received a BBA and an MBA from University of Louisiana Monroe.



Matthew McGraner, Chief Investment Officer

Mr. McGraner serves as Chief Investment Officer and Executive Vice President of NexPoint Hospitality Trust and has led \$8.0 billion of real estate investments for NexPoint since 2013. With over twelve years of real estate, private equity and legal experience, his primary responsibilities are to lead the strategic direction and operations of the real estate platform NexPoint Real Estate Advisors, as well as source and execute investments, manage risk and develop potential business opportunities. Mr. McGraner received a BS from Vanderbilt University and a JD from Washington University School of Law.



Brian Mitts, Chief Financial Officer

Mr. Mitts serves as the Chief Financial Officer, Executive Vice President-Finance, Treasurer and Corporate Secretary of NexPoint Hospitality Trust. Mr. Mitts has over 25 years of accounting, finance and real estate experience and also currently serves as the CFO and member of the investment committee for NexPoint Residential Trust Inc. and other entities managed by affiliates of the NexPoint Real Estate Advisors. Mr. Mitts received an MPA and a BBA from the University of Texas at Austin. Mr. Mitts is a licensed Certified Public Accountant.



Paul Richards, Vice President, Asset Management

Mr. Richards serves as Vice President, Asset Management of NexPoint Hospitality Trust. His primary responsibilities are to research and conduct due diligence on new investment ideas, perform valuation and benchmark analysis, monitor and manage investments in the existing real estate portfolio, and provide industry support for NexPoint Real Estate Advisor's. Mr. Richards received an MS in Finance and a BS in Accounting, magna cum laude, from Texas A&M University. He is a licensed Certified Public Accountant in the state of Texas.

NEXPOINT REAL ESTATE ADVISORS

EXPERIENCED MANAGEMENT WITH STRONG ALIGNMENT THROUGH 90% EQUITY OWNERSHIP⁽¹⁾

- NexPoint Real Estate Advisors VI, L.P. (the “Advisor” or “NREA”) acts as adviser and asset manager for NexPoint Hospitality Trust
- NREA capabilities include real estate, public equities, private equity and special situations, structured credit, and sector and region-specific real estate verticals built around specialized teams
- Advisor and management team have experience managing a public company and a track record of creating substantial shareholder value

EXPERIENCED REAL ESTATE INVESTOR

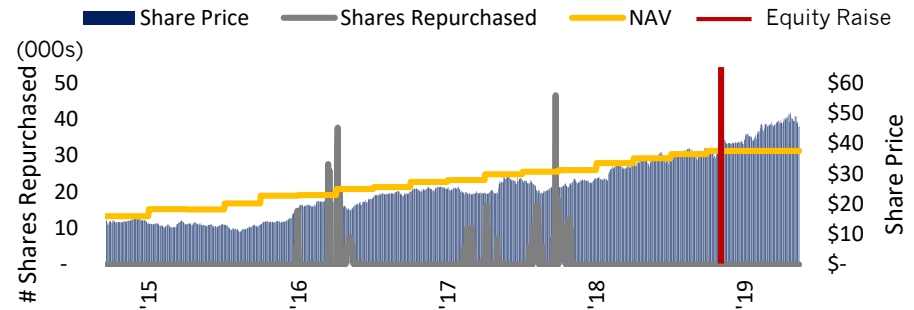
- NYSE listed NexPoint Residential Trust (NYSE:NXRT) – Multi family rental
- VineBrook Homes Trust – Single family rental
 - Raised over \$205 million
 - Deployed over \$198 million in additional capital and purchased over 2,400 additional homes
- NREF Mortgage REIT
 - Planned \$200MM IPO for late 2019
- SAFSTOR – Self Storage Development
 - \$70 million invested in Premium storage developments targeting ~20% IRRs over a 5-7 year period
- Additional Notable Initiatives
 - Cityplace Hotel (Dallas, TX) (\$203m)
 - Electronic Data Systems office complex (Dallas, TX) (\$135m)
 - 45 realized investments⁽²⁾ totaling \$590 million resulting in a combined 1.89x MOIC and 31.5% gross IRR

SUCCESS STORY: NEXPOINT RESIDENTIAL TRUST⁽¹⁾

- NexPoint Residential Trust owns all or a majority interest in a portfolio of multifamily properties focused on value add
- Comprised of 37 multifamily properties consisting of 13,757 units located in the Sunbelt of the United States
- Since inception, NXRT has completed interior renovations on approximately 8,800 units, achieving 10.5% average rent premiums over the prior lease rate, which equates to a **22.9%** return on investment. And on full cycle investments, NXRT has achieved a blended **33.9%** IRR and a **2.51x** multiple on invested capital

NXRT SHARE PRICE PERFORMANCE – SINCE IPO

Total Return: 307%



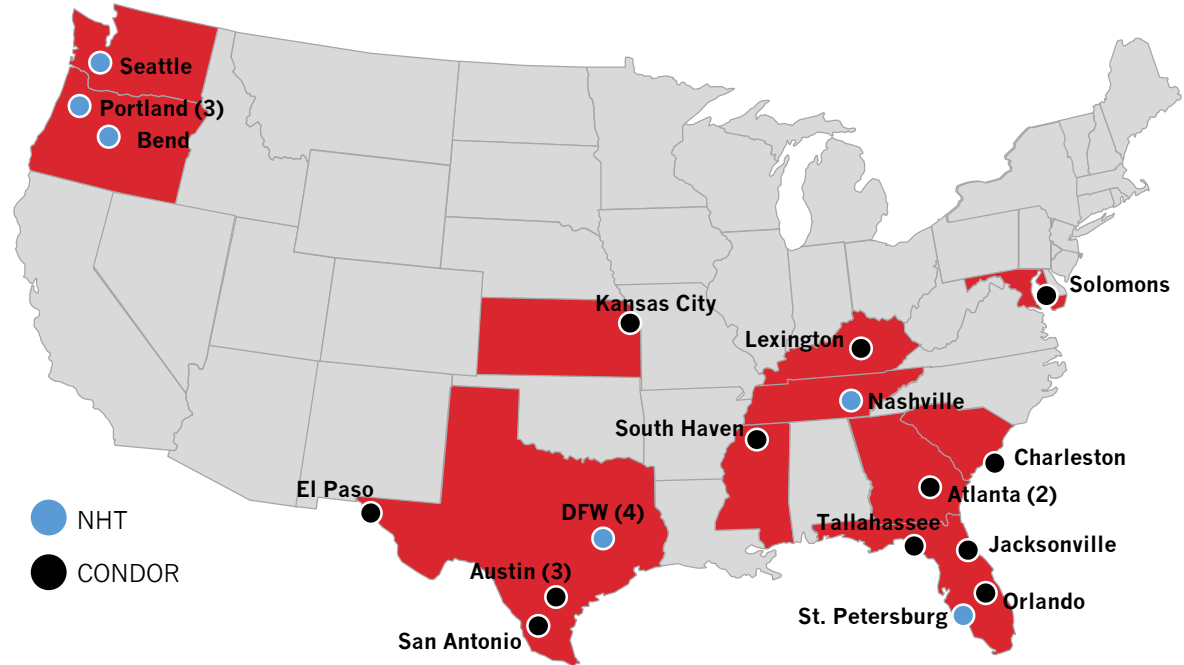
@ IPO		CURRENT	
Market Cap	Share Price	Market Cap	Share Price
~\$300MM	\$14.01	~\$1,182MM	\$47.21

NEXPOINT HOSPITALITY TRUST OVERVIEW

NEXPOINT HOSPITALITY TRUST

- Management believes that NexPoint Hospitality Trust (“NHT”) is the only publicly-traded North American Real Estate Investment Trust focused on extended-stay, select-service hospitality real property located in the U.S. with a value enhancement strategy
- The company is focused on acquiring, renovating, owning and operating well-located, income producing properties with a “value-enhancement” component in large cities across the United States
- In March of 2019, NHT completed its initial public offering on the TSX Venture Exchange
- In July of 2019, NHT announced the acquisition of Condor Hospitality Trust (“Condor”), effectively doubling the size of the initial NHT portfolio

NHT AND CONDOR COMBINED PORTFOLIO



26

PROPERTIES⁽²⁾

3,515

KEYS OWNED⁽²⁾

\$110.42

RevPAR⁽¹⁾

40.2%

NOI MARGIN⁽¹⁾

\$745M

APPRAISED VALUE⁽²⁾⁽³⁾

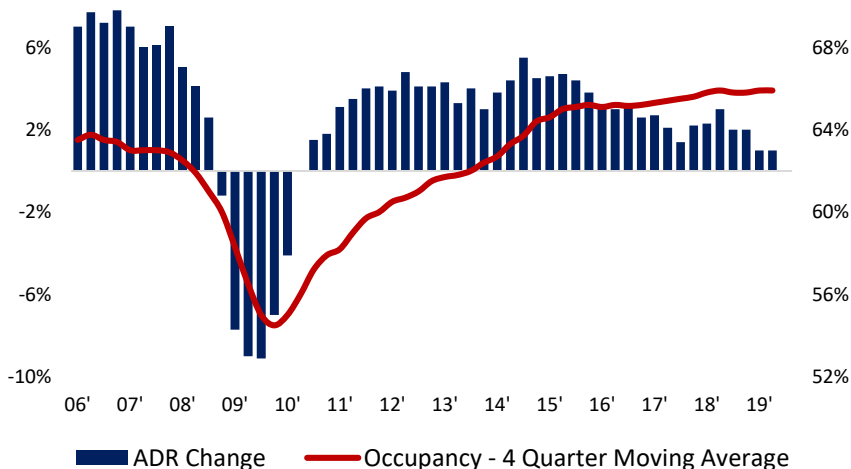
(1) RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2019
 (2) PRO FORMA CONDOR MERGER
 (3) DISCLOSED APPRAISED VALUE EXCLUDES PORTFOLIO PREMIUM

U.S. LODGING DYNAMICS

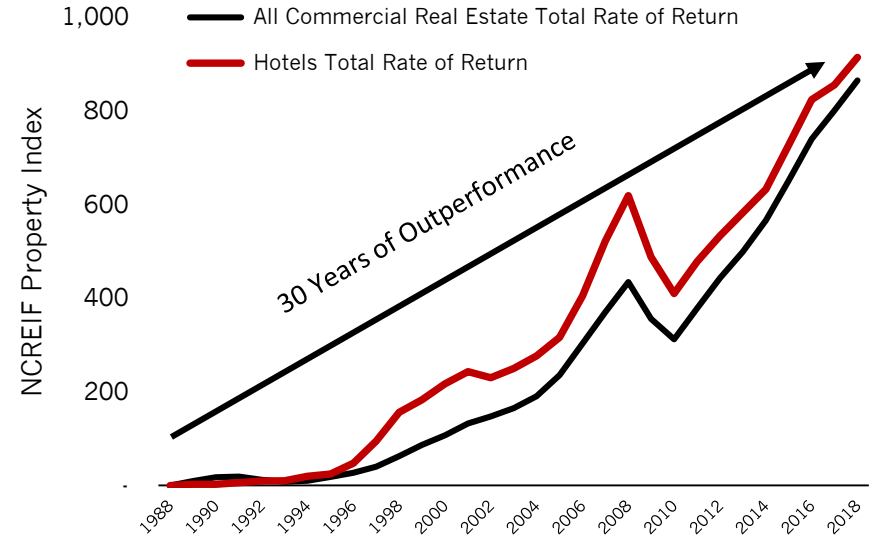
CHARACTERISTICS

- Hotel properties provide investors with an attractive blend of current cash flow and opportunity for capital appreciation, and can mitigate inflationary impacts through shorter duration leases
- Over the past 5 years, lodging sector revenue has grown at a CAGR of 4.0%⁽¹⁾
- Growth in the U.S. hotel RevPAR closely correlates with macroeconomic trends, including GDP growth, corporate profitability, capital investments, consumer confidence and employment
 - Individual hotel property fundamentals are highly dependent on sub-market conditions
- Select-service and extended stay hotels demonstrate higher EBITDA margins providing stable cash on cash yields and ability to pay higher distributions than other hotel segments
- Premium select-service and extended-stay hotels exhibit a durable business stream and are less affected by substitute lodging platforms such as Airbnb and VRBO

ADR GROWTH AND OCCUPANCY



HISTORICAL PERFORMANCE



RETURN PROFILE NON-CORRELATED TO HOTEL CYCLICALITY

- NHT's distinct investment strategy seeks relative outperformance and greater than market income growth which lessens the company's reliance on broad based macroeconomic cyclicality
- Idiosyncratic EBITDA growth delivered via value-add enhancements and increased operational efficiencies
- Lodging Real Estate Investment Trust peers bounded by sector and market growth resulting in less ability to drive alpha

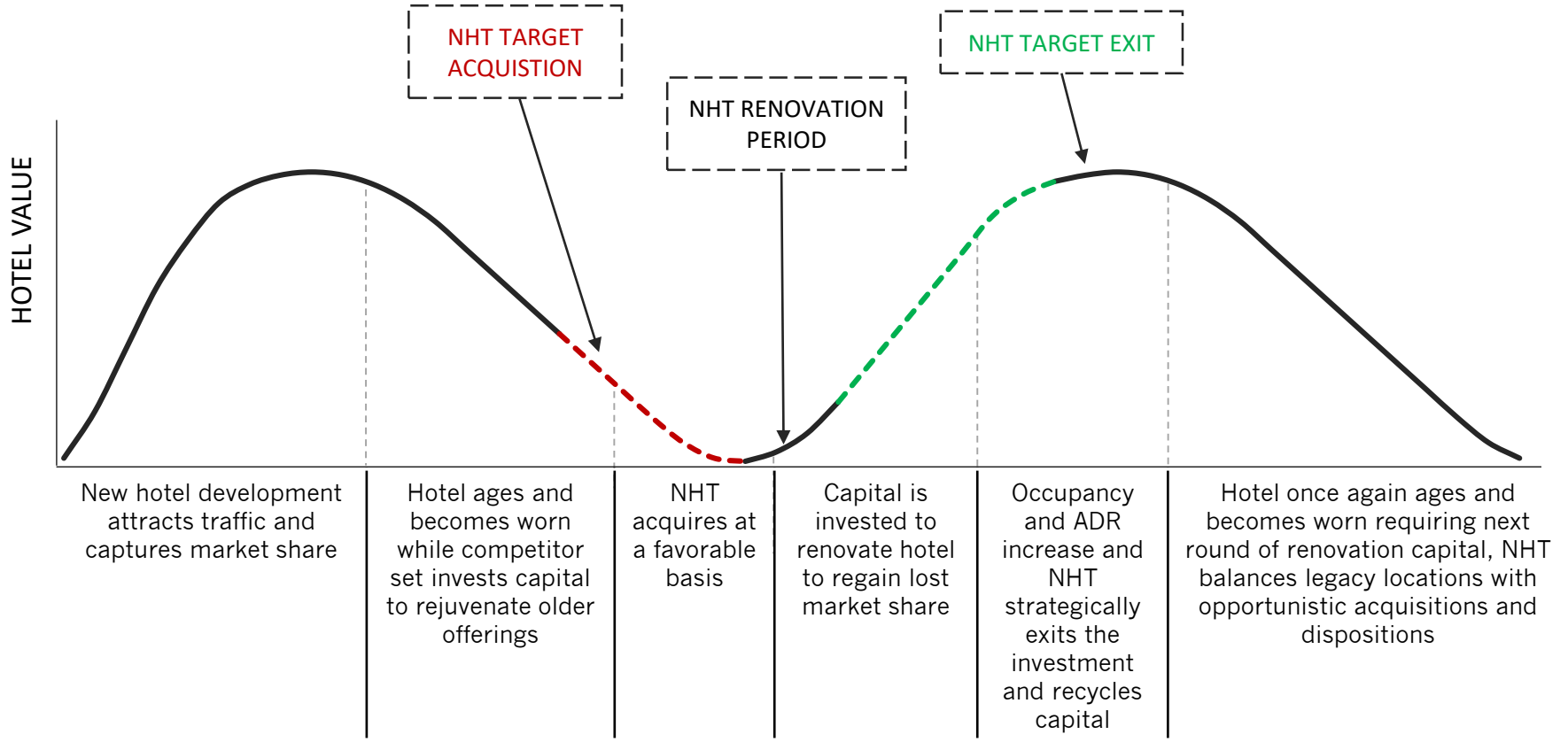


GROWTH STRATEGY



INDIVIDUAL PROPERTY INVESTMENT LIFECYCLE

ILLUSTRATIVE INVESTMENT HORIZON



NHT SEEKS TO MAXIMIZE RETURN ON INVESTMENT BY TARGETING HOTEL INVESTMENTS DURING THE APPROPRIATE STAGE OF THEIR EARNINGS LIFECYCLE

NHT'S INVESTMENT HORIZON BREAKS THE CYCLE OF RENOVATION CAPITAL INVESTMENT

UNIQUE INTERNAL VALUE-ADD GROWTH STRATEGY

STRATEGY IN DETAIL

- NHT continues to acquire and renovate hotel properties that primarily offer a high current yield, provide opportunities for greater than market income growth, and seeks capital appreciation
- Acquire properties at cap rates of 8% to 9% and grow earnings resulting in yield expansion of between 50 bps to 150 bps over 3 years
- Management will focus on enhancing value through:
 - Investments in revenue generating capital improvements
 - Sub-market-based recovery
 - Brand repositioning
 - Operational improvements
 - Correcting expense inefficiencies
 - Exploiting excess land or underutilized space
- Target renovations of \$10,000 to \$35,000 per room in the first 12 months of ownership
- All of the 11 existing properties in NHT have undergone, or are undergoing, a value enhancing initiative expected to increase revenue, NOI and value
- NHT may seek a sale or a refinancing in respect to each property after completion of renovations within three to five years after the original acquisition date
 - Proceeds from sale or refinancing are recycled to pursue new value enhancing acquisitions

Targeted Return of
15-20% on Value
Enhancing Capex

Financing In-
Place for All
Planned
Value
Enhancing
Capex

Target 3 to 5
Year Property
Investment
Horizon

Internally Generated
Unitholder Growth
Through Value Add
Program and Capital
Recycling

CASE STUDY | HOMEWOOD SUITES LAS COLINAS

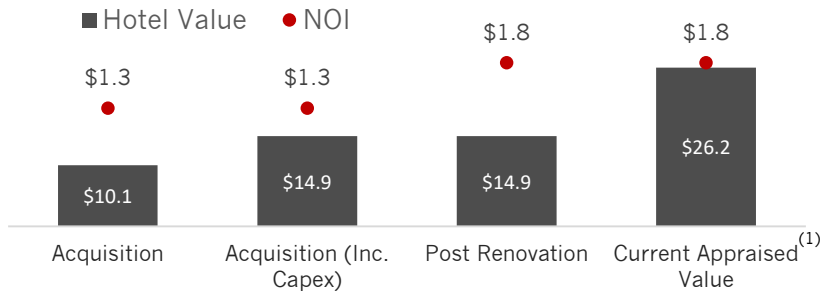
HOTEL METRICS

Name:	Homewood Suites Las Colinas
Location	Irving, TX
# of Keys	136
Year Built	1990
Acquisition Date	May - 2017
Acquisition Price	\$10,073,000
Year Renovated	2017 / 2018
Renovation Costs	\$4,791,000
Renovation Costs Per Key	\$35,228
YE 2017 NOI. vs 8/2019	\$1.3MM vs. \$1.8MM

PROPERTY HISTORY

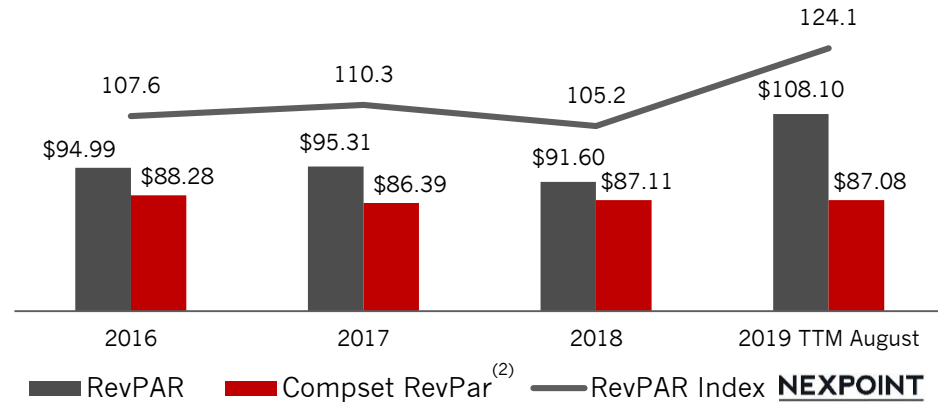
- In May of 2017 NREA acquired from an institutional investor an underinvested Homewood Suites by Hilton Las Colinas (“HWS Las Colinas”) for \$10 million and subsequently completed a \$4.8 million renovation
- In the 3-year period prior to acquisition the hotel had lost ~10% of relative competitiveness vs. its competitive set due to poor property conditions, lack of capital investments and low management effort
- NREA removed Hilton as the operator and instituted an aligned institutional 3rd party operator and executed a refined business plan
- NREA executed a complete renovation of the hotel, which included infrastructure upgrades, reimagined public spaces, upgraded and modern décor, new flooring, furniture, bathrooms, fixtures and functional common areas
- Within 14 months of completing the renovation:
 - Hotel now ranks #1 in its competitive set.
 - RevPar was 24% higher than comparable properties in the market
 - RevPar was up 19% for 8/2019 TTM period year over year
 - NOI margins increased over 5% from YE 2017 to 8/2019

VALUE & NOI APPRECIATION

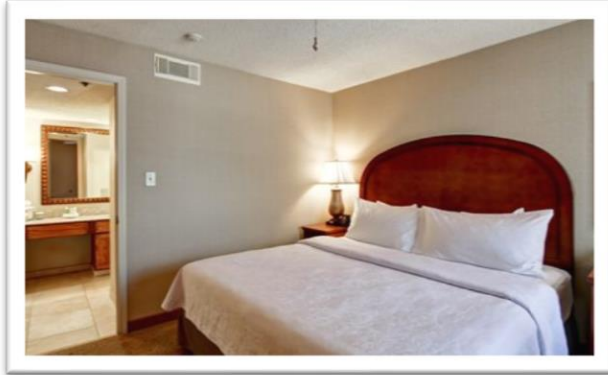


VALUE APPRECIATION OF 76%

REVPAR PERFORMANCE



HOMWOOD SUITES LAS COLINAS | BEFORE & AFTER



BEFORE RENOVATIONS

\$4.8M

RENOVATION
AMOUNT SPENT

\$35K

RENOVATION
COST PER KEY

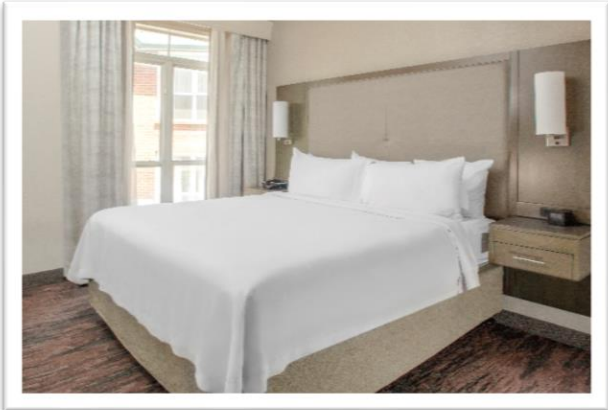
36%

NOI GROWTH
SINCE 2017

76%

VALUE APPRECIATION
SINCE ACQUISITION

POST-RENOVATIONS

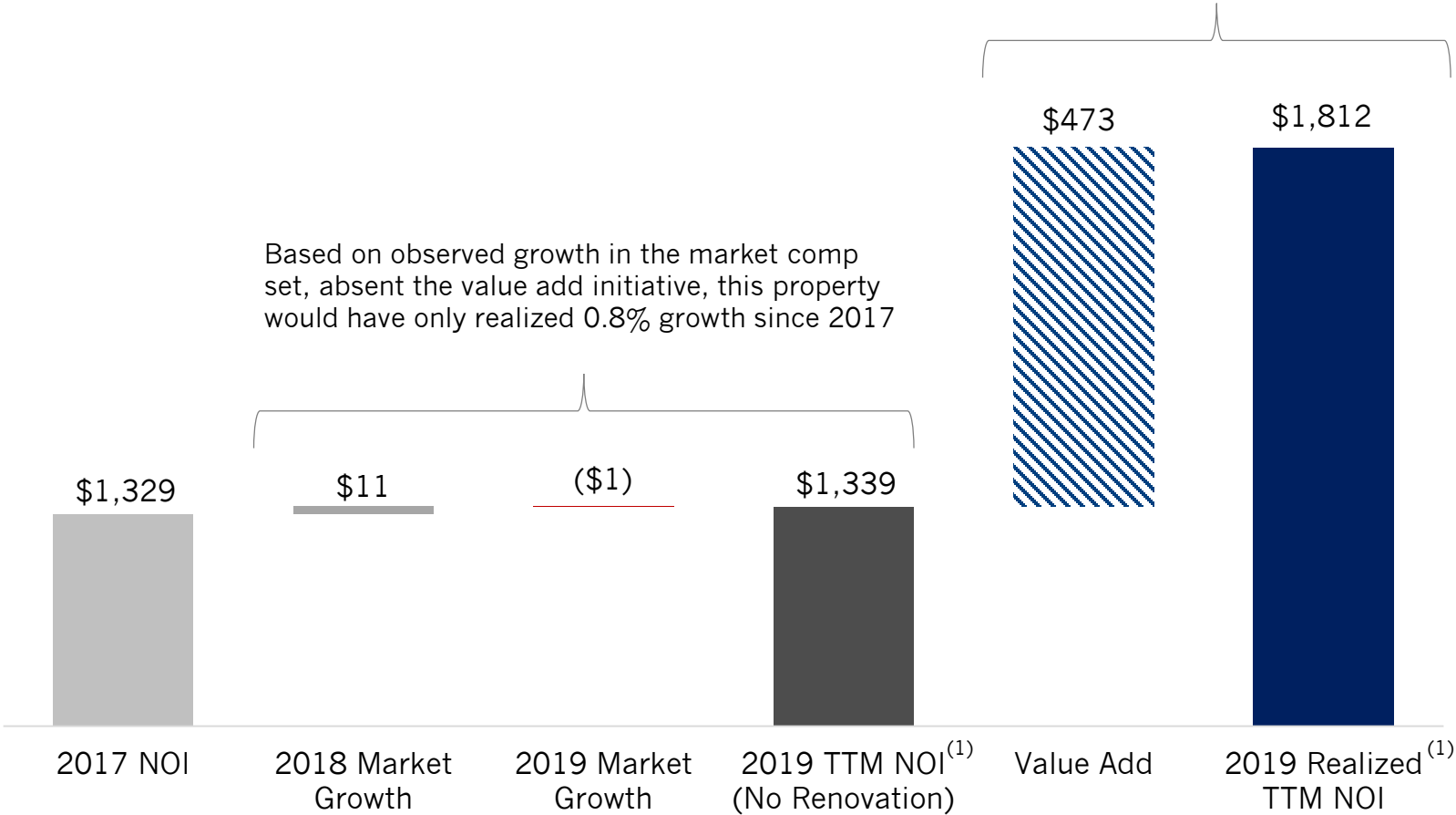


INTERNAL GROWTH | HOMEWOOD SUITES LAS COLINAS

CREATING ALPHA

NHT's value add strategy decouples hotel performance from general market conditions. As evidenced by the Homewood Suites Las Colinas example below, NHT is able to achieve growth that vastly outperforms market conditions, while achieving strong returns on invested capital.

NHT's value add strategy has grown NOI by 36% since 2017





CONDOR TRANSACTION



TRANSFORMATIONAL ACQUISITION

- On July 22nd, 2019 NHT announced the acquisition of all the equity interests of Condor Hospitality Trust and its operating partnership and subsidiaries for cash consideration of \$11.10 per share

TRANSACTION BENEFITS

ACCESS TO CAPITAL MARKETS

Increased platform size permits more debt and equity options thereby creating cost effective debt financing and equity raises for future acquisitions

ACCRETIVE TO FFO/UNIT

NHT expects to realize high single digit to low double digit FFO per unit accretion

VALUE CREATION THROUGH RECAP

Embedded value creation produced by recapitalization of both NHT and Condor capital structure resulting in combined interest savings of over \$3.5MM

EXPENSE EFFICIENCIES

General & administrative expense burden to be greatly reduced by approximately 10-15 bps on a combined G&A / EV basis

BALANCE WITH EMBEDDED GROWTH

Condor portfolio further along stabilization spectrum, should provide stability offsetting downtime from properties under renovation

OPERATIONAL IMPROVEMENTS

NHT has identified significant areas of improvement that are expected to enhance the revenue and earnings profile of the portfolio

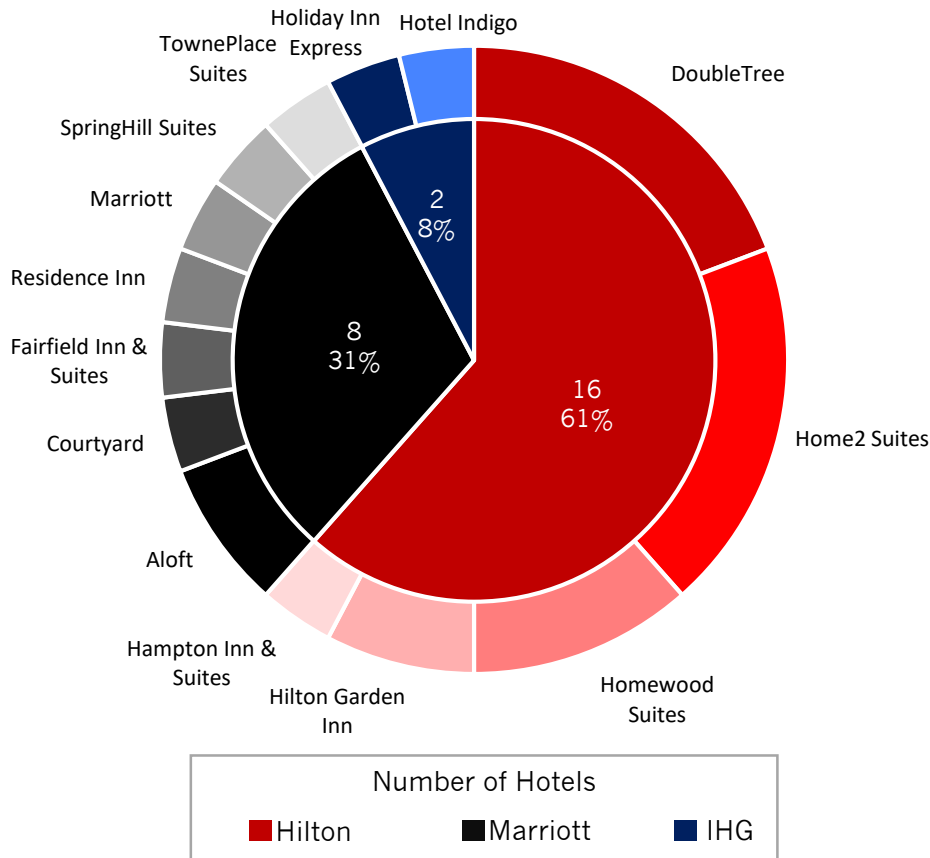
	NHT	CONDOR	NHT + CONDOR
Equity Value ⁽¹⁾ (\$MM)	~\$144	~\$134	~\$277
Enterprise Value ⁽¹⁾ (\$MM)	~\$390	~\$304	~\$727
Number of Hotels	11	15	26
Number of Keys	1,607	1,908	3,515
Weighted Avg. Interest Rate ⁽²⁾	5.8%	5.3%	4.4%
G&A as % of Enterprise Value ⁽³⁾	1.0%	2.1%	0.9%
Average Age/Renovation	26 Years / 2 Years	10 Years / 5 Years	16 Years / 3 Years

(1) REFLECTS PRO-FORMA FIGURES ASSUMING \$5.00 UNIT PRICE AND \$50 MILLION PUBLIC OFFERING. CONDOR EQUITY VALUE BASED ON ACQUISITION PRICE OF \$11.10/SHARE
 (2) AVERAGE INTEREST RATE BASED ON LIBOR OF 2.40% AND ESTIMATED COMBINED PORTFOLIO POST-CLOSING GIVEN CURRENT FINANCING COMMITMENTS
 (3) COMBINED PORTFOLIO IS ESTIMATED 2020 BUDGET

CREATION OF WELL DIVERSIFIED PORTFOLIO

COMBINED BRAND RELATIONSHIPS

- The transaction creates a well diversified portfolio with relationships with the largest hotel brands in the world
 - Brands provide customers with property consistency with respect to premium standard
 - Customer loyalty programs drive recurring customer visits
 - Global booking systems provide customers with easy access to reservations



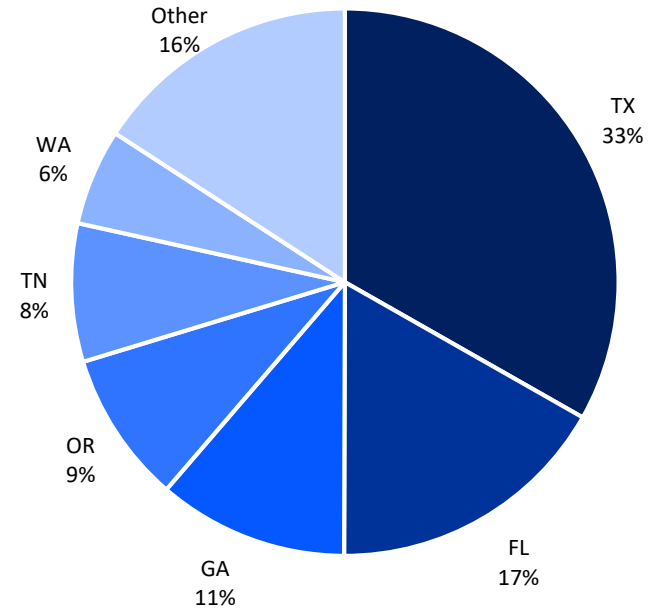
PROFESSIONAL HOTEL MANAGEMENT

- All hotels will be managed under AimBridge Hospitality's property management umbrella creating accretive operating efficiencies and annual savings

DIVERSE FOOTPRINT⁽¹⁾

NHT's footprint blends a rich consistency of the following attributes:

- Attractive employment growth and opportunities
- Favorable supply/demand dynamics and barriers to entry
- Potential for favorable tax and regulatory environment of the community in which properties are located





FINANCIAL PROFILE



FINANCIAL SNAPSHOT

6.0%
Distribution Yield⁽¹⁾

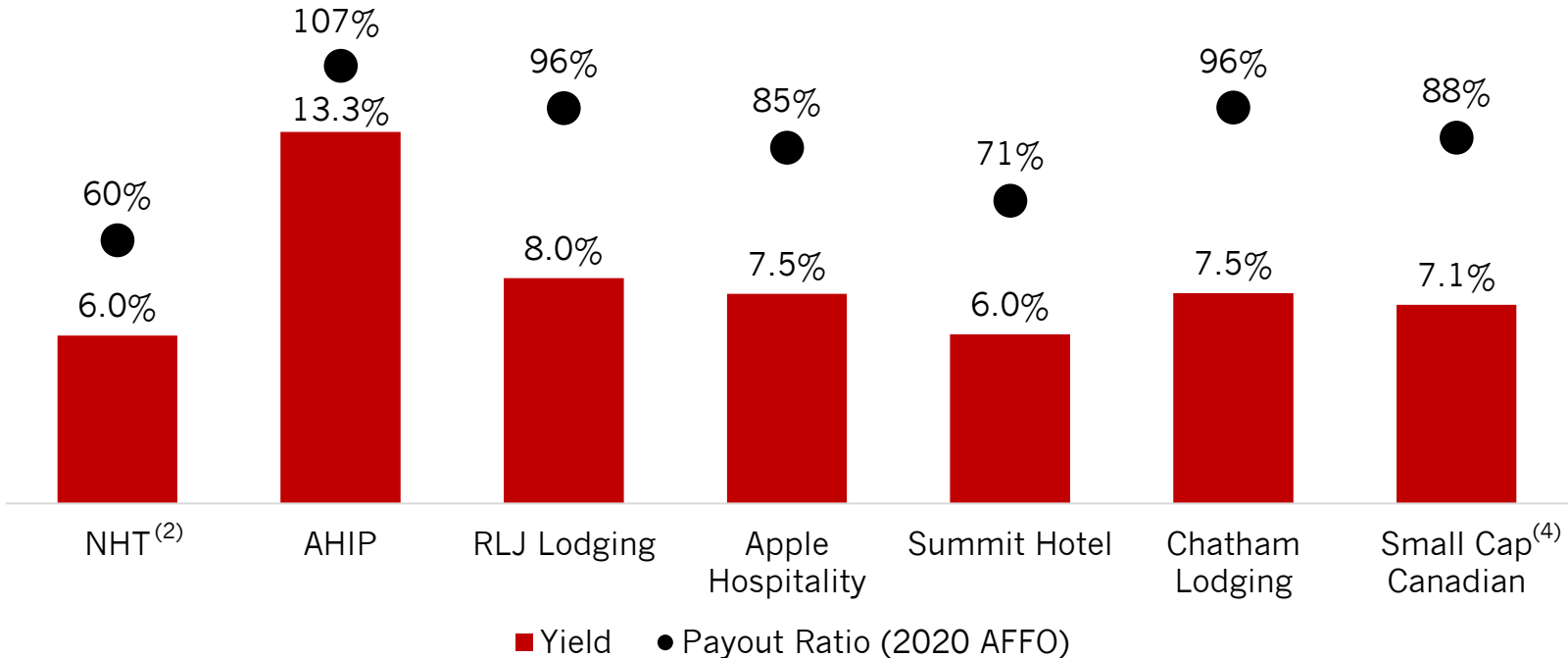
~60.5%
2020 AFFO Payout Ratio⁽¹⁾⁽²⁾

10.1x
2020 AFFO Multiple⁽¹⁾⁽²⁾

~14%
2020 AFFO/Unit Growth⁽²⁾⁽³⁾

ATTRACTIVE YIELD, BETTER COVERAGE

Real Estate Investment Trusts have traditionally been viewed as yield-based products. However, the focus of public Real Estate Investment Trusts on low-yield, high-quality, high-barrier markets have reduced their ability to pay meaningful dividends. We believe NHT's focus on value-add / opportunistic properties balances high dividend payments with conservative payout.



NOTE: AS OF NOVEMBER 13TH, 2019

SOURCE: CAPITAL IQ; ALL NHT FIGURES ARE BASED ON MARKET PRICE AND PROFORMA CONDOR

(1) PRO-FORMA CONDOR TRANSACTION; BASED ON \$5.00 UNIT PRICE AND ASSUMING A \$50 MILLION PUBLIC OFFERING

(2) BASED ON MIDPOINT OF 2020E PRO-FORMA AFFO PER MANAGEMENT GUIDANCE

(3) ASSUMES CONDOR OWNERSHIP FOR FULL 12 MONTH PERIOD IN 2019 – GROWTH DOES NOT INCLUDE INTEREST OR G&A SAVINGS

(4) INCLUDES: TRUENORTH, SLATE OFFICE, PLAZA RETAIL, BSR, PROREIT, BTB AND NEXUS

PORTFOLIO DEBT STRATEGY

REFINANCING HIGHLIGHTS

119 bps
Pro Forma Rate
Reduction

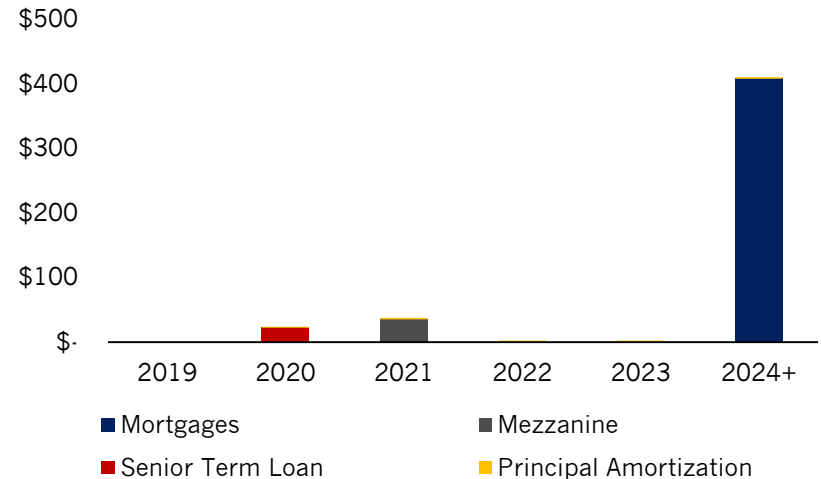
88.0%
Maturities in 2024
and Beyond

4.39%
Effective Interest Rate

\$165M
Notional Swaps

- The combination of NHT and Condor will provide economies of scale, further geographical diversification, and increased portfolio cash flow that has allowed NHT to secure highly attractive financing
- The new financing package offers attractive pricing at one month LIBOR + a weighted average spread of 2.4% (excluding the assumed debt)
- Swapped out \$165 million of the new floating rate debt with forward swap contracts reducing the new financing package's pricing by an additional **63 bps** for an all in rate of 3.84% for current annualized interest expense savings of \$1.0 million
- The combined portfolio boasts a 119 bps interest rate reduction on a pro forma basis vs the pre-merger debt structure of the two companies

DEBT MATURITY SCHEDULE⁽¹⁾



- 83% of total debt prepayable floating rate debt of which 63% is or is expected to be swapped upon the effectuation of the merger with the remainder being swapped out shortly thereafter
- Very low amortization with only \$9 million in principal repayments through 2023

2.5x

PRO FORMA 2020 DSCR

4.7 Years

WEIGHTED AVERAGE YEARS
TO MATURITY

+\$3.5MM

CURRENT ANNUALIZED
INTEREST EXPENSE SAVINGS⁽²⁾

50% - 55%

TARGETED DEBT TO EV (NATURALLY
DELEVERING STRATEGY)

CONDOR FINANCING PROFILE

NEXPOINT COMMITMENT

- The \$317 million acquisition of Condor will be financed via the assumption of \$9 million of existing debt and \$196 million of debt financing and refinancing
- NexPoint Advisors LP has committed to finance the equity portion of the acquisition financing
- NHT expects to supplement the backstop with NHT public offering

CONDOR ACQUISITION FINANCING

SOURCES (US\$MM)

Equity Financing ⁽¹⁾	\$134
New Debt	\$196
Assumed Debt	\$9
Target Cash	\$7
Total Sources	\$346

USES (US\$MM)

CDOR Equity	\$134
Repay Debt ⁽²⁾	\$161
Repay Preferred Equity	\$9
Assumed Debt	\$9
JV Buyout	\$4
PIP	\$10
Transaction Costs ⁽³⁾	\$19
Total Uses	\$346

NOTE: ALL NUMBERS IN US\$ MILLIONS, UNLESS OTHERWISE NOTED

(1) EQUITY FINANCING ASSUMES NEED TO FUND PUBLIC OFFERING COSTS

(2) INCLUDES JV DEBT OF \$34MM

(3) TRANSACTION COSTS INCLUDE CUSTOMARY FEES AND EXPENSES INCURRED WITH A REAL ESTATE M&A TRANSACTION SUCH AS LEGAL, ACCOUNTING, CHANGE OF CONTROL, DEBT FINANCING, UNDERWRITING FEE AND OTHER DEAL SPECIFIC EXPENSES

PRO-FORMA FINANCIAL PROFILE

PRO-FORMA EARNINGS PROFILE (UNAUDITED)

(In US\$MM, unless otherwise noted)

	FY 2018	6 Months Ended (June 30, 2019)	2020E Targets
Room Revenue	\$139	\$70	
Food & Beverage	\$6	\$4	
Other	\$6	\$2	
Total Revenue	\$151	\$76	\$150 - \$170
Hotel Operating Costs	(\$103)	(\$50)	
NOI⁽¹⁾	\$47	\$26	\$57 - \$64
G&A ⁽¹⁾	(\$6)	(\$4)	
Interest	(\$20)	(\$10)	
FFO	\$21	\$12	\$32 - \$36
FF&E Reserve	(\$6)	(\$3)	
AFFO	\$15	\$9	\$25 - \$30

PRO-FORMA CAPITALIZATION

Pro-Forma Debt
\$464MM

Current Market Cap
\$144MM⁽²⁾

Market Cap + Equity Backstop
\$277MM⁽³⁾

Combined Appraised Value – Excluding Portfolio Premium
\$745MM

2020E targets include approximately ~\$6 million of G&A savings not included in historical pro-forma financials

(1) PRO-FORMA FINANCIAL STATEMENTS CATEGORIZED CONDOR G&A AS PART OF HOTEL OPERATING EXPENSE
 (2) BASED ON ASSUMED TRADING PRICE OF \$5.00 PER UNIT AND 28.7 MILLION UNITS OUTSTANDING (INCLUDING 13.5 MILLION CLASS B UNITS)
 (3) BASED ON ASSUMED TRADING PRICE OF \$5.00 PER UNIT – ASSUMES ADDITIONAL EQUITY OF \$134 MILLION

SUMMARY OF THE OFFERING

The Issuer:	NexPoint Hospitality Trust. (“NexPoint”, “NHT” or the “REIT”).
Offering:	Marketed public offering of a minimum of US\$50 million subscription receipts of the (each, a “Subscription Receipt”) (+15% Over-Allotment Option) of the REIT.
Offering Price:	US\$4.50 to US\$5.00 per Subscription Receipt.
Use of Proceeds:	The REIT intends to use the net proceeds of the Offering to partially fund the previously announced acquisition of Condor Hospitality Trust, Inc. (the “Acquisition”). The REIT currently has a backstop in place provided by affiliates of Nexpoint Real Estate Advisors VI, L.P. for the full equity purchase price of the Acquisition if the Offering does not take place.
Subscription Receipts:	Each Subscription Receipt represents the right to receive, for no additional consideration and without further action, one trust unit of the REIT (each a “Unit”), together with the Subscription Receipt Adjustment Payment (as defined below), upon the satisfaction or waiver of all conditions precedent to the Acquisition in accordance with the terms of the agreement and plan of merger relating to the Acquisition.
Cash Distribution:	The REIT pays a quarterly distribution of \$0.075 per Unit. The first distribution which purchasers under this Offering will be eligible to receive pursuant to the Subscription Receipt Adjustment Payment is the distribution expected to be payable on or about January 15, 2020 to unitholders of record on or about December 31, 2019. Following closing of the Acquisition, holders of Subscription Receipts will be entitled to receive an amount per Subscription Receipt equal to the amount of any distributions declared by the REIT for which record dates have occurred during the period from closing of the Offering to the date immediately preceding the date Units are issued, or deemed issued, to holders of Subscription Receipts, less any applicable withholding tax (the “Subscription Receipt Adjustment Payment”).
Insider Ownership:	A US\$50 million offering at a Subscription Receipt price of between \$4.50 and \$5.00 would imply an insider ownership of 76.0% to 76.8% following closing of the Offering and receipt of Units underlying the Subscription Receipts.
Listing:	An application will be made to list the Subscription Receipts and the Units issuable on the TSX Venture Exchange (the “TSXV”). The existing units are listed on the TSXV under the symbol “NHT.U”.
Eligibility:	Eligible for RRSPs, RRIAs, RESPs, TFSAs, RDSPs and DPSPs.
Pricing Date:	Expected the week of November 25, 2019.
Closing Date:	Expected the week of December 2, 2019.

COMPARABLE ANALYSIS

[Redacted in accordance with subsection 9A.3(4) of National Instrument 44-102 –
Shelf Distributions.]

INVESTMENT HIGHLIGHTS



Embedded internal growth generated by unique value-add strategy



Strategy decouples property performance from general market and economic conditions



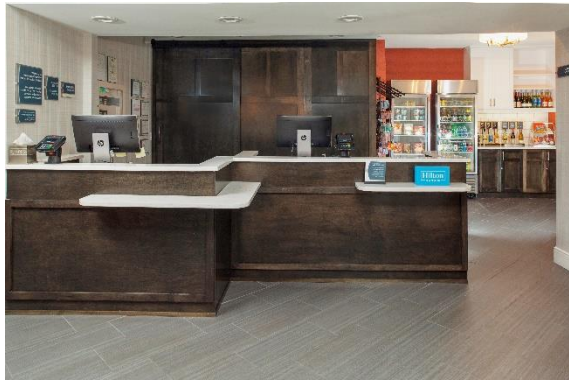
Attractive yield with conservative payout ratio



Condor acquisition expected to transform entity through increased scale while producing meaningful expense savings



Aligned management team with proven ability to generate unitholder returns via value-add real estate strategy



APPENDIX A: MANAGEMENT AND GOVERNANCE



ADVISORY AGREEMENT

UNITHOLDER FRIENDLY EXTERNAL ADVISORY AGREEMENT

Fee

- NHT will pay to the Advisor an advisory fee at an annualized rate of 1.00% of NHT's Asset Value, less certain fee waivers and adjustments
- The effective fee to be paid to NREA will be roughly equivalent to the percentage that trust units represent as a percent of total units outstanding on a fully diluted basis (assuming the conversion of Class B units)
- An omnibus equity incentive plan is in place, pursuant to which restricted equity units, performance-based awards, deferred trust units, units of NHT's operating partnership designated as "Profits LTIP Units" may be granted to trustees, officers of NHT and employees of the Advisor, further aligning management and unitholders.

Term

- An initial term of two years
- The Advisory Agreement will continue in full force and effect, subject to early termination, so long as such continuance is approved at least annually by (i) the board of managers of NHT's Holding, LLC, and (ii) either (a) the board of trustees of NHT (the "Board") or (b) a vote of NHT's unitholders

Termination Provision

- NHT may terminate the Advisory Agreement at any time with 180 days' written notice
- In the event of termination by the Board or unitholders (other than termination for cause) or non-renewal of the Advisory Agreement (including if the services provided pursuant to the Advisory Agreement are internalized), the Advisor will be entitled to compensation equal to three times the Advisory Fee paid to the Advisor over the last 12 months subject to a cap at 7.5% of the combined equity value of NHT

Responsibilities

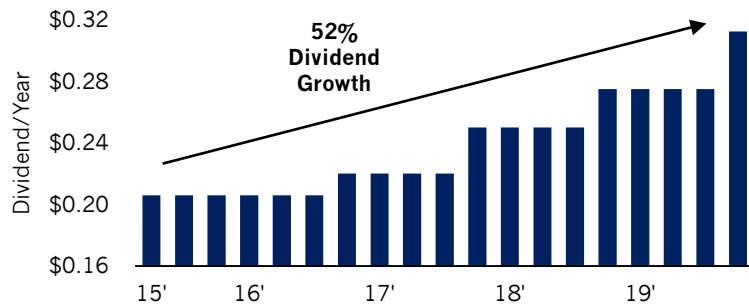
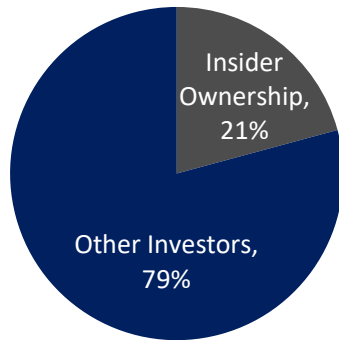
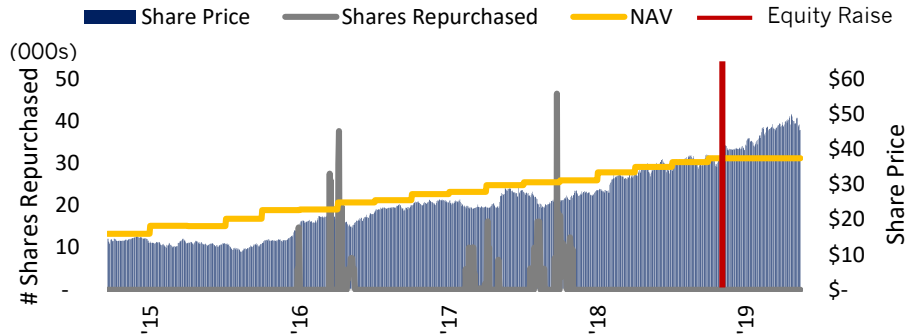
- Recommend investment opportunities consistent with NHT's investment policies and objectives
- Execute investments on behalf of NHT, when given board approval
- Recommend to the board the structure of NHT's investments
- Evaluate and negotiate dispositions within discretionary limits and authority granted by the Board
- Review and analyze financial information for each underlying property of NHT's portfolio
- Identify, evaluate, negotiate and recommend to the Board financing and funding opportunities with lenders
- Manage NHT's Value Enhancement program
- Close, monitor and administer the investments made by NHT
- Maintain the accounting and financial records of NHT and file required information with the OSC
- Perform investor related functions; and
- Manage Canadian and U.S. regulatory compliance

Management Alignment

- Post-merger closing, assuming a US\$50 million public offering, management, affiliates and insiders are expected to own approximately 76% to 77% of NHT
- Further alignment with unitholder base through ownership of a large proportion of the overall company

NEXPOINT ADVISORS TRACK RECORD | NXRT

SHAREHOLDER ALIGNED | RESPONSIBLE CAPITAL ALLOCATORS | FEE CONSCIOUS



- **SHARE BUYBACKS:** Tactically repurchased over **\$16 million** worth of NXRT stock during periods which management believed the share price was trading at a significant discount to Net Asset Value
- **ORGANIC GROWTH:** Management has organically grown NXRT's market cap 4-fold to over \$1.2 billion only issuing an aggregate ~\$135 million of equity
- **SHAREHOLDER ALIGNMENT:** Management and affiliates own approximately **21%** of the NXRT and continue to increase their position
- **DIVIDEND GROWTH:** Management has increased the Company's dividend every year since 2015 which is equivalent to a **52%** growth rate
- **TOTAL RETURN:** Since the Company's inception, NXRT has returned a total of **307%**⁽¹⁾ outperforming the RMZ Index by over 274% during the same time frame
- **FEE-LITE:** Management has waived over **26%** of its advisory fee since 2015 to maintain a lower G&A profile demonstrating further alignment and a fee friendly external management structure

BOARD OF DIRECTORS

EXPERIENCED BOARD WITH BROAD EXPERIENCE IN REAL ESTATE, HOSPITALITY AND CAPITAL MARKETS

James Dondero
Chairman & CEO

- Mr. Dondero has over 35 years of experience investing in credit and equity markets and has helped pioneer credit asset classes with portfolio management experience ranging in several asset classes, including real estate debt & equity.
- He serves as Chairman of the Board and Chief Executive Officer of NexPoint Residential Trust, Inc.
- Mr. Dondero received a BS in Commerce (Accounting and Finance) from the University of Virginia, and is a Certified Managerial Accountant and a Chartered Financial Analyst.

Neil Labatte
Trustee

- Lead independent trustee and Chair of the Compensation, Governance and Nominating Committee.
- He is currently the Chairman of BSR Real Estate Investment Trust (“BSR”) and has been a trustee of BSR since April 2018, the President and CEO of Global Dimension Capital, Inc., the President and CEO of Talon International Development Inc and a Director of Skyline Investments Inc.
- Mr. Labatte is also the former President and Chief Executive Officer of the Legacy Hotels REIT, positions he held since June 1999 and March 2003, respectively until January 2004. He also served as a trustee of Legacy Hotels REIT from April 2003 until September 2007.
- Mr. Labatte received his B.Sc. and M.Sc. in Finance from the University of Utah. Mr. Labatte played professional hockey from 1977-1982.

Graham D. Senst
Trustee

- Independent trustee and chair of the Audit Committee.
- He is currently on the board of trustees at BSR.
- Prior to this role, Mr. Senst served as Managing Director of KingSett Capital Real Estate Income Fund and as an Executive Vice President of Bentall Capital and Penreal Capital Management.
- Mr. Senst served as a trustee of Milestone Apartments Real Estate Investment Trust and was the chair of the investment committee.
- Mr. Senst holds an Honours of Business Administration and a Masters of Business Administration from the Ivey School of Business at the University of Western Ontario in London, Ontario and is a graduate of the Institute of Corporate Directors 2011.

MANAGEMENT TEAM

MANAGEMENT TEAM WITH DEEP EXPERIENCE IN PUBLIC MARKETS, REAL ESTATE AND HOSPITALITY

James Dondero
Chief Executive Officer

- Mr. Dondero has over 35 years of experience investing in credit and equity markets and has helped pioneer credit asset classes with portfolio management experience ranging in several asset classes, including real estate debt & equity.
- Mr. Dondero received a BS in Commerce (Accounting and Finance) from the University of Virginia, and is a Certified Managerial Accountant and a Chartered Financial Analyst.

Jesse Blair III
EVP, Head of Lodging

- Mr. Blair has led, arranged, and been directly involved in over \$2.5 billion of capital markets and hospitality specific acquisitions and development.
- Led the strategic expansion and diversification of an operating platform acquired from Goldman Sachs, which oversaw more than 200 hospitality assets, and annually oversaw \$100 million of renovation capital
- Merged to help to create what is today the largest independent operating platform in North America
- Mr. Blair received a BBA and an MBA from University of Louisiana Monroe.

Matthew McGraner
EVP, Chief Investment Officer

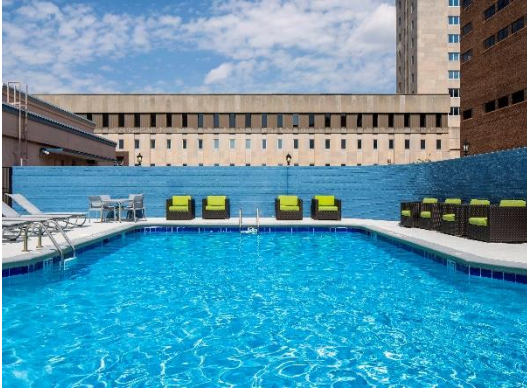
- With over twelve years of real estate, private equity and legal experience, his primary responsibilities are to lead the strategic direction and operations of the real estate platform at NexPoint, as well as source and execute investments, manage risk and develop potential business opportunities.
- Mr. McGraner received a BS from Vanderbilt University and a JD from Washington University School of Law.

Brian Mitts
Chief Financial Officer

- Mr. Mitts has over 25 years of accounting, finance and real estate experience and also currently serves as the CFO and member of the investment committee for NXRT.
- Mr. Mitts received an MPA and a BBA from the University of Texas at Austin. Mr. Mitts is a licensed Certified Public Accountant.

Paul Richards
VP, Asset Management

- Mr. Richards serves as Vice President, Asset Management for NexPoint Hospitality Trust.
- Mr. Richards received an MS in Finance and a BS in Accounting, magna cum laude, from Texas A&M University. He is a licensed Certified Public Accountant in the state of Texas.



APPENDIX B: ADDITIONAL INFORMATION



PORTFOLIO OVERVIEW

- NREA, through its affiliated investment subsidiaries, has been active in the lodging investment market since 2014
- All of the properties in the NHT portfolio have been owned by affiliates of NREA prior to the initial public offering of NHT in March of 2019

Hotel	Portfolio	Location	Keys	Occupancy	RevPAR
DoubleTree Tigard	NHT	Portland	101	71.6%	\$ 92.47
DoubleTree Beaverton	NHT	Portland	98	70.0%	\$ 94.87
DoubleTree Vancouver	NHT	Portland	98	61.5%	\$ 87.21
DoubleTree Olympia	NHT	Seattle	102	72.8%	\$ 98.64
DoubleTree Bend	NHT	Bend	117	74.5%	\$ 122.74
Homewood Suites Plano	NHT	DFW	99	76.0%	\$ 84.83
Homewood Suites Addison	NHT	DFW	120	74.7%	\$ 76.07
Homewood Suites Irving	NHT	DFW	136	85.7%	\$ 106.50
Hilton Garden Inn Dallas	NHT	DFW	240	75.1%	\$ 90.67
Holiday Inn Express Nashville	NHT	Nashville	287	82.8%	\$ 177.40
Marriott St. Petersburg	NHT	St. Petersburg	209	66.5%	\$ 103.62
Aloft Atlanta	Condor	Atlanta	254	75.6%	\$ 116.18
Aloft Leawood	Condor	Kansas City	156	73.6%	\$ 93.89
Hotel Indigo (Atlanta Airport)	Condor	Atlanta	142	74.7%	\$ 80.19
Home2 Suites Tallahassee	Condor	Tallahassee	132	92.3%	\$ 116.45
Hampton Inn & Suites Orlando	Condor	Orlando	130	82.0%	\$ 95.59
Fairfield Inn & Suites El Paso	Condor	El Paso	124	84.5%	\$ 88.05
TownePlace Suites Austin	Condor	Austin	122	70.5%	\$ 79.63
Courtyard Jacksonville	Condor	Jacksonville	120	76.3%	\$ 90.86
Residence Inn Austin	Condor	Austin	120	80.5%	\$ 109.17
SpringHill Suites San Antonio	Condor	San Antonio	116	81.8%	\$ 107.49
Home2 Suites Southaven	Condor	Southaven	105	90.1%	\$ 116.19
Home2 Suites Lexington	Condor	Lexington	103	78.3%	\$ 90.73
Hilton Garden Inn Solomons	Condor	Solomons	100	73.6%	\$ 91.06
Home2 Suites Summerville	Condor	Charleston	93	82.1%	\$ 105.78
Home2 Suites Round Rock	Condor	Austin	91	83.3%	\$ 97.09

NON-IFRS MEASURES AND INDUSTRY METRICS

This presentation is property of NexPoint Hospitality Trust (“NHT”, “us” or “we”). Any graphs, tables or other information demonstrating our historical performance or that of any other entity contained in this presentation are intended only to illustrate past performance and are not necessarily indicative of our or such entities’ future performance. The information contained in this presentation is accurate only as of the date of this presentation or the date indicated. All references in this presentation to dollars or “\$” are to United States dollars, unless otherwise indicated.

This presentation makes reference to non-IFRS measures, including “AFFO” “Core Funds from Operations” or “Core FFO”, “EBITDA” and “Hotel EBITDA Margin”. This presentation also makes reference to “NOI”, “NOI Margin”, “Average Daily Rate” or “ADR”, “Occupancy” and “Revenue per Available Room” or “RevPAR”, which are financial and operating metrics used in our industry. These non-IFRS measures and industry metrics do not have standardized meanings prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. They are used to provide investors with supplemental measures of our operating performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS measures. Management believes that these measures are helpful to investors because they are widely recognized measures of a real estate investment trust’s performance and provide a relevant basis for comparison among real estate entities. We also believe that securities analysts, investors and other interested parties frequently use non-IFRS measures and industry metrics in the evaluation of issuers. Our management also uses non-IFRS measures and industry metrics in order to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and forecasts and to determine components of management compensation.

“AFFO” means adjusted funds from operations, or Core FFO with certain adjustments in order to arrive at a more refined measure of the operating performance of the portfolio. 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 to account for the ongoing maintenance requirements of NHT’s properties by reducing Core FFO for a capital expenditure reserve.

“Core Funds from Operations” or “Core FFO” means FFO with certain adjustments which are either not likely to occur on a regular basis or are otherwise not representative of the ongoing operating performance of NHT’s portfolio. Core FFO adjusts FFO to remove items such as losses on extinguishment of debt and modification costs (includes prepayment penalties incurred and the write-off of unamortized deferred financing costs and fair market value adjustments of assumed debt related to the retirement of debt and costs incurred in connection with a debt modification that are expensed), casualty-related expenses and recoveries, the amortization of deferred financing costs incurred in the current period, and the non-controlling interests related to these items.

“EBITDA” means earnings before interest, taxes, depreciation and amortization.

“Hotel EBITDA Margin” means NOI divided by total hotel operating income.

“FFO” means net income (loss) and comprehensive income (loss) calculated in accordance with IFRS, excluding: (i) depreciation of depreciable real estate assets and amortization of customer relationships and intangible assets arising from a business combination; (ii) gains (or losses) from sales of hotel properties and equipment; (iii) deferred income tax expense (recovery); (iv) impairment losses or reversals recognized on land and depreciable real estate properties; (v) transaction costs expensed as a result of the purchase of a hotel property being accounted for as a business combination; (vi) fair value adjustments to certain financial instruments; and (vii) the non-controlling interests in respect of the above. FFO has been prepared consistently with the definition presented in the White Paper on funds from operations prepared by the Real Property Association of Canada for all periods presented.

“NOI” means total revenues from properties (being the sum of revenues from rooms, food and beverage and other revenue) less hotel operating expenses as presented in the combined statements of income prepared in accordance with IFRS.

“NOI Margin” means NOI divided by the total revenues from properties as presented in the combined statements of income prepared in accordance with IFRS.

“Average Daily Rate” or “ADR” represents hotel room revenues (excluding non-room revenues and taxes) divided by the total number of rooms sold in a given period, divided by the number of days in the period.

“Occupancy” means the total number of room nights sold divided by the total number of room nights available at a hotel or group of hotels.

“Revenue per Available Room” or “RevPAR” means hotel room revenue divided by total number of room nights available to guests for a given period. RevPAR does not include non-room revenues. Management uses RevPAR to identify trend information with respect to room revenues from comparable properties and to evaluate hotel performance. RevPAR is a commonly used performance measure in the hotel industry. RevPAR changes that are driven predominantly by changes in occupancy have different implications for overall revenue levels and incremental profitability than do changes that are driven predominantly by changes in average room rates.