

### 1. INSTRUCTIONS

NexPoint Diversified Real Estate Trust (the "Company") accepts conversion requests on a continual basis beginning on the first day following the third anniversary of the date of original issuance of the shares to be converted, subject to the limitations below and contained in the applicable prospectus. Please allow sufficient time for processing upon the submission of a conversion request that is in good order. The conversion date for shares to be converted will be a date selected by the Company in its discretion that is within 45 days of the date the Company receives this conversion request.

As described in the applicable prospectus, the Series B Cumulative Redeemable Preferred Shares are convertible into common shares of the Company beginning on the first day of the month following the third anniversary of the date of original issuance of the shares to be converted if the 5-day volume weighted average price ("VWAP") of the Company's common shares on the NYSE ending on the trading day immediately preceding the date the holder delivers a duly completed conversion right (such 5-day VWAP, the "Market Price") represents a 15.0% premium to the estimated fair market net asset value of the Company per common share as most recently published by the Company at the time of issuance of the applicable Series B Cumulative Redeemable Preferred Share.

The per share conversion rate will be as follows:

- Beginning on the first day of the month following the third anniversary of the date of original issuance of the shares to be converted: 94% of the Market Price;
- Beginning on the first day of the month following the fourth anniversary of the date of original issuance of the shares to be converted: 90% of the Market Price;
- Beginning on the first day of the month following the fifth anniversary of the date of original issuance of the shares to be converted: 88% of the Market Price.

The Company will not issue fractional common shares upon the conversion of Series B Cumulative Redeemable Preferred Shares. As to any fraction of a common share which a holder would otherwise be entitled to receive upon such conversion, the Company will pay a cash adjustment in respect of such final fraction in an amount equal to such fraction multiplied by the conversion price. Any cash adjustment will be remitted based upon instructions provided on this conversion form for delivery. For common shares issued upon conversion, a DWAC (Deposit / Withdrawal at Custodian) of shares will be remitted based upon instructions provided on this conversion form. Physical certificates are not issued by the Company.

The Company's transfer agent, Equiniti Trust Company, LLC ("Equiniti") may coordinate further with the investor, based upon the information provided, to properly deliver conversion shares. Individual conversion forms are specific to an account, so multiple forms would need to be submitted for multiple accounts.

**Trust Conversions:** Include a copy of the trust document with conversion submission.

**For all conversions, include a recent statement showing ownership of the NexPoint Diversified Real Estate Trust Series B Cumulative Redeemable Preferred Shares to be converted if held in a brokerage account. A medallion guarantee stamp may be required for all conversion forms.**

### 2. CONVERSION REQUEST

Full Conversion       Partial Conversion

Number of Series B Cumulative Preferred Shares held prior to conversion

Series B Cumulative Preferred Shares CUSIP  
*(If necessary, list multiple CUSIPs and number of shares relating to each CUSIP)*

Number of Series B Cumulative Preferred Shares held subsequent to conversion

### 3. INVESTOR INFORMATION

Individual Owner/Beneficial Owner/Trustee *(first, middle, last)*

Social Security or Tax ID

Social Security or Tax ID

Mailing Address

Joint Owner/Beneficial Owner/Trustee *(first, middle, last)*

City/State

Zip

Social Security or Tax ID

Daytime Phone Number

Trust/Corporation/Partnership/Other Name

Email address

#### 4. CUSTODIAN INFORMATION *(if applicable)*

Custodian Tax ID #

Name of Custodian

Custodian Account #

Custodian Phone #

Mailing Address

City/State

Zip

Custodian Medallion Stamp Signature Guarantee

#### 5. CONVERSION PROCEEDS INSTRUCTIONS *(IMPORTANT: select an option for cash delivery and an option for share delivery)*

Conversion of preferred shares will settle in common shares, subject to the terms and conditions described in the prospectus.

##### SHARES

Have shares remitted to my (NXDT preferred shares) Equiniti account Account #:

Have any shares or cash paid in lieu of fractional shares remitted to brokerage account

Institution Name & Address:

Account #:

Account Name:

Investor Name:

Brokerage Account Number:

Have cash paid in lieu of fractional shares remitted via check to the following address:

Name of Financial Institution & Address:

Account #:

FBO:

Have cash paid in lieu of fractional shares remitted to the following third-party bank account:

Bank Name:

Routing #:

Account #:

**6. INVESTOR ACKNOWLEDGMENTS & SIGNATURES**

The undersigned acknowledges and represents: they are the owner (or duly authorized agent of the owner) of the shares presented for conversion and is authorized to present the shares for conversion. The shares presented for conversion are eligible for conversion pursuant to the prospectus; the shares are fully transferable and have not been assigned, pledged, or otherwise encumbered in any way; eligibility for conversion is subject to the terms set forth in the prospectus; and the undersigned indemnifies and holds harmless the Company and its officers, trustees and agents from and against any liabilities, damages, and expenses, including reasonable legal fees, arising out of or in connection with any misrepresentation made herein.

\_\_\_\_\_  
Individual Owner/Beneficial Owner/Trustee Signature

\_\_\_\_\_  
Joint Owner/Beneficial Owner/Trustee Signature

\_\_\_\_\_  
Print Name and Title (for officers or entity representatives)

\_\_\_\_\_  
Print Name and Title (for officers or entity representatives)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

Owner Medallion Stamp Signature Guarantee

Owner Medallion Stamp Signature Guarantee

**7. ADVISOR INFORMATION (if applicable)**

\_\_\_\_\_  
Advisor Name

\_\_\_\_\_  
Daytime Phone Number

\_\_\_\_\_  
Address

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
City, State & Zip

**8. BROKER DEALER (if applicable)**

\_\_\_\_\_  
Operations Contact

\_\_\_\_\_  
Daytime Phone Number

\_\_\_\_\_  
Address

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
City, State & Zip

\_\_\_\_\_  
Clearing Firm

Notes:  
\_\_\_\_\_  
\_\_\_\_\_

**Please send all paperwork to the following address:  
NexPoint Diversified Real Estate Trust  
300 Crescent Court, Suite 700, Dallas, Texas 75201  
c/o Brian Fuentes**

