

THE SINGLE-FAMILY RENTAL OPPORTUNITY



NEXPOINT



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Americans Continue Shift Towards Renting

U.S. homeownership rates remain well below their peak levels, thanks to a shift to renting among all age groups, household types and income groups.¹



82% of renters view renting as more affordable than homeownership²



73% of new household formations have been renters³



TIGHTENED LENDING STANDARDS

The average renter would need to save for over 6.5 years to have a 20% down payment to buy a median value home⁴



MOBILITY NEEDS

Americans change jobs an average of 12 times during their lives⁵



STUDENT LOAN DEBT

20-34-yr-olds owe roughly \$19,000 per person, delaying life events like buying a home, and making them considerably more likely to rent⁶



MILLENNIAL HOUSEHOLD FORMATION

As millennials have families, they require space and 3+ bedroom apartment units are limited, making Single-family rentals (SFRs) an attractive option⁶

The Appeal of Renting

1. IREI, Rent or buy? Rental Demand Holding Strong as Homeownership Rises with a Whimper, February 1, 2019 | 2. Freddie Mac, Profile of Today's Renter and Homeowner, June 2019 | 3. 2008-2019 Federal Reserve Bank of St. Louis | 4. MarketWatch, Renters, this is how many years it takes to save up for a down payment on a home, July 15, 2018 | 5. Bureau of Labor Statistics, published August 22, 2019 | 6. Green Street Advisors, SFR Rental Primer, June 6, 2016

Single-Family Rentals (SFRs): Fastest Growing Segment of the U.S. Housing Market⁷

For some renters, apartments hold limited appeal as they seek amenities typically offered in single family homes like a yard, garage and more space.

A powerful alternative can be SFRs that can provide more space for a lower cost per square foot than apartments.



High Demand, Limited Affordable Supply¹⁰

The SFR market is the single largest segment of the rental market by valuation and households served.¹¹ While over 4 million SFRs have been added since the Great Recession, America is massively underbuilt in the workforce price point where there is a shortage of 7.4 million affordably priced homes.



40%

of America's renters live in SFRs

\$4 trillion
valuation



17 million
SFR households

VineBrook Homes is helping solve for this structural problem by providing well-maintained single-family rentals at an affordable price.

7. BuilderOnline.com, The Rise of the Single-Family Rental, January 4, 2018 | 8. As of June 30, 2020 | 9. Source: Raymond James Housing Monitor 2020 Outlook as of January 7, 2020 | 10. Freddie Mac, Spotlight on Underserved Markets, 2018 and National Low Income Housing Coalition. | 11. Green Street Advisors Advisory & Consulting Group. There is no guarantee that the objective will be achieved.

Highly Fragmented Market Provides Compelling Investment Opportunity

90%+

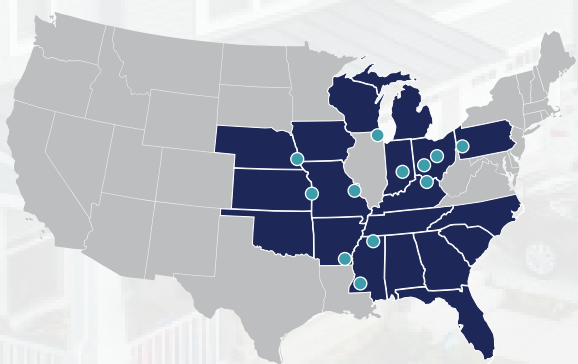
SFR investors own <25 units¹²

2%

of SFRs are institutionally owned with larger emphases on Class A¹²

Target Market Criteria

- Stable, diversified economies
- More affordable cost of living
- Landlord-friendly regulation
- Ample, affordably priced SFR inventory



■ Potential Future Expansion States* ● Existing Markets*

Assets fundamentally mispriced relative to cash flow yields

Largest asset class yet to consolidate presents potential opportunities

Limited sophisticated competition

Opportunity for wealth creation through cap rate compression¹³

Current Home Portfolio**

Average Total Cost
\$76,000
(Inclusive of Scoped Rehab)

Average Monthly Rent
\$1,000
or Less



Average Bedrooms
3
Average Bathrooms
1.5

Average Square Feet
1,250

12. Investability & Urban Institute: Urban Wire: Housing and Housing Finance, October 2017 | 13. Cap Rate compression can indicate that prices in a market are rising and that investors perceive investment real estate as a low-risk, high reward asset class relative to other options. | * As of 6/30/20 | ** Numbers are approximate as of 6/30/20. Metrics exclude assets held for sale. Various factors may cause future acquisitions to become more expensive and possibly less attractive than recent past and present opportunities.

VineBrook Homes provides investors the opportunity to invest with an institutional-caliber sponsor and manager in a durable, defensive asset class that has significant opportunity for growth.

- ✓ ESTABLISHED PORTFOLIO
- ✓ ATTRACTIVE ASSET CLASS
- ✓ GROWTH AND TOTAL RETURN
- ✓ PORTFOLIO EXPANSION

Buying Below Replacement Cost and Enhancing Value Wisely

VineBrook seeks to capitalize on a highly fragmented, inefficient market to acquire assets at 15-30% below replacement costs. We then turn our focus to delivering cost-effective improvements that can out-compete other owner/operators and embed significant value.

Average Home Cost **\$60,000** + Average Rehabilitation Cost **\$16,000** = Average All-in Cost **\$76,000**

Annual Rent **\$11,000** ÷ Total Cost **\$76,000** = Gross Yield **14%**

For illustrative purposes only



There is no guarantee that we will realize growth in the value of our value-add single-family rental properties. An investment in VineBrook Homes involves a high degree of risk and there is no assurance that the investment objectives of this program will be attained, that a loss of value will be avoided. The offering is illiquid, speculative in nature and may not be suitable for all investors.



Leading with Skill, Dependability & Integrity

Seeking to benefit from the economies of scale in the SFR market, the experience, dependability and integrity of both the sponsor and the manager can be critical considerations.

- Quantitative and qualitative repeatable processes for market and property selection
- Innovative property management and accounting infrastructure
- Ability to purchase property at attractive prices and terms
- Ability to renovate homes cost effectively

Two Best-In-Class Industry Leaders

NEXPOINT

Multibillion-dollar investment platform with extensive experience navigating capital markets and making capital allocation decisions

SKILLED LEADERSHIP

70+ years combined senior management experience

PROVEN THESIS

Successful value-add track record

FINANCING CAPABILITIES

Deep relationships, creative solutions

CAPITAL MARKETS SUCCESS

Strong public track record with 3 publicly traded REITs

VINEBROOK*

One of the largest institutional providers of affordably priced homes to America's working class

DYNAMIC TEAM

200+ employees across 10 states

EXPERT OPERATORS

10-year track record with demonstrated ability to drive higher margins

EFFICIENT, SCALABLE PLATFORM

Can manage and maintain assets across broad geographies

PROPRIETARY SYSTEMS

Vertically integrated – in-house acquisitions, rehab and property management







*Note: The Company is recently established and has limited operating history from which potential investors may evaluate likely performance. Neither the past performance of the Company or previous investments of the Adviser and its affiliates, nor the past financial performance of the VineBrook companies can be relied upon as an indicator of future performance or success. Since the Company's performance depends on future events, it is inherently uncertain. There is no guarantee that the investment approach will lead to a successful investment or that losses will be avoided.

Investment Objectives*

- 1 Generate Current Income
- 2 Increase Distributions
- 3 Preserve & Protect Capital
- 4 Create Long-term Capital Appreciation



Investment Highlights

-  Defensive Asset Class
-  Compelling Market Fundamentals
-  Established Portfolio with Potential Expansion Capabilities
-  Robust Operational Infrastructure & Platform
-  Strong Operating Metrics
-  Experienced Management

Offering Highlights

Structure ¹²	Non-traded Real Estate Investment Trust (REIT) Reg. D offering for accredited investors only UPREIT Structure
Offering Size	\$1 billion
Minimum Investment	\$50,000
Term	5 years with two one-year extension options (at discretion of board)
Distributions ¹³	Annualized distributions based on NAV; paid quarterly

*There can be no assurance that these objectives will be realized or that a loss of capital will be avoided. | 12. UPREIT structure is comprised of a REIT and an operating partnership, which through single purpose entities owns and operates the properties. | 13. Distributions are not guaranteed and may be suspended, modified or terminated at the discretion of the Board of Directors.



Disclosures and Risk Factors

This document does not constitute an offer to sell or a solicitation of an offer to buy any securities. Any securities will be offered only by means of a Confidential Private Placement Memorandum (“Memorandum”) provided to a limited number of sophisticated investors.

This document has been prepared by VineBrook Homes Trust, Inc. (“VineBrook”, the “Company”, or “We”), doing business as VineBrook, to provide preliminary information about the offering (“the Offering”) of shares of the Company’s Class A common stock (the “shares”). Some of the information contained in this document is non-public, confidential and proprietary in nature and may constitute trade secrets under applicable law with respect to the Offering, VineBrook and the investments made by VineBrook and its affiliates, the disclosure of which could have material adverse effects on the Offering, the Company or the Company’s respective investments and affiliates.

Investing in the Company involves a number of significant risks and other important factors relating to investments in real estate generally, and relating to the strategy and investment objectives of the Company in particular.

Prospective investors should carefully consider the following risk factors, together with all of the other information included in the Memorandum before deciding to purchase Shares. As a result of these factors, as well as other risks inherent in any investment, there can be no assurance that the Company will be able to meet its investment objectives or otherwise be able to successfully to carry out its investment program.

An investment in the Company is not a direct investment in real estate, but rather an investment in a REIT that owns single family rental assets.

GENERAL REAL ESTATE RISKS. The Company will be subject to the risks incident to the ownership and operation of real estate, including risks associated with the general economic climate, local real estate conditions, changes in the availability of debt financing, credit risk arising from the financial condition of tenants, buyers, and sellers of properties, geographic or market concentration, competition from other space, and various other risks. The Company or its subsidiary entities will incur the burdens of ownership of real property, which include paying expenses and taxes, maintaining the investments, and ultimately disposing of the Portfolio.

LIMITED LIQUIDITY AND TRANSFERABILITY OF SHARES. There is no public market for the shares and one is not guaranteed to develop. As a result, investors in the Company may be required to hold their shares for the entire term of the Company. Consequently, the purchase of shares should be considered only as a long term and illiquid investment and Shares should only be acquired by investors who are able to commit their funds for an indefinite period of time.

FACTORS IMPACTING THE SINGLE FAMILY RENTAL (“SFR”) MARKET. Our investment strategy is premised on assumptions about occupancy levels, rental rates, interest rates, supply and demand, acquisition and operating costs and other factors in the SFR market. If those assumptions prove to be inaccurate, our cash flows and profitability will be reduced. A softening of the rental market in our core areas would reduce our rental revenue and profitability.

LEVERAGE. The Company may continue to utilize leverage or enter into hedging agreements related to its debt in connection with its respective investments. Significant borrowings increase the risks of an investment in the Company. If there is a shortfall between the cash flow from investments and the cash flow needed to service the Company’s indebtedness, then the amount available for distributions to investors may be reduced. In addition, incurring mortgage debt increases the risk of loss because defaults on indebtedness secured by a property may result in lenders initiating foreclosure actions.

POTENTIAL CONFLICTS OF INTEREST. Certain employees of the Adviser will have conflicts of interest in allocating their time between the Company and their other business activities. Additionally, affiliates of the Adviser own and may continue to own, in the future, other properties outside the Portfolio, which may result in a conflict of allocation of services and costs.

We may pay distributions from sources other than our cash flow from operations, including, without limitation, the sale of assets, borrowings or offering proceeds (including from sales from our common stock or OP Units to affiliates of NexPoint), and we have no limits on the amounts we may pay from such sources. Funding distributions from the such sources will result in us having less funds available to acquire SFR properties or other real estate related investments. As a result, the return you realize on your investment may be reduced. Likewise, funding distributions from the sale of additional securities will dilute your interest in us on a percentage basis and may impact the value of your investment, especially if we sell these securities at prices less than the price you paid for your shares. To the extent we borrow funds to pay distributions, we would incur borrowing costs and these borrowings would require a future repayment. The use of these sources for distributions and the ultimate repayment of any liabilities incurred could adversely impact our ability to pay distributions in future periods, decrease our Net Asset Value (“NAV”), decrease the amount of cash we have available for operations and new investments and adversely impact the value of your investment.

NexPoint Real Estate Advisors V, L.P. (the “Adviser”) acts as the adviser to the Company and is the sole sponsor of the Offering. The Adviser is a wholly owned subsidiary of NexPoint Real Estate Advisors, L.P. (“NREA”). NREA is wholly owned by NexPoint Advisors, L.P. (“NexPoint”). 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. Investing in the Company involves a number of significant risks and other important factors relating to investments in companies generally, and relating to the strategy and investment objectives of the Company in particular. Prospective investors should carefully consider the following risk factors, together with all of the other risk factors and information included in the Memorandum, before deciding to purchase shares. As a result of these factors, as well as other risks inherent in any investment, there can be no assurance that the Company will be able to meet its investment objectives or otherwise be able to successfully to carry out its investment program.

NexPoint Securities, Inc., member FINRA/SIPC, is the dealer manager for the VineBrook Homes Trust, Inc. offering.

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