

Actions Speak Louder Than Words

UDF IV Board Actions Speak for Themselves

UDF IV continues to send shareholders extensive information about the Board of Trustees election, promoting the reelection of its current Trustees who have stood by criminal activity and mismanagement. Meanwhile, the Company is attempting to deter you from voting for NexPoint's nominees. However, these communications attack NexPoint and its founder, while ignoring NexPoint's nominees and their qualifications. The Company's communications also provide a skewed account of the current Trustees that ignores their role in UDF IV's extensive misdeeds.

Keep in mind: actions speak louder than words. Review the table included herein to see a list of the current Trustees' actions to date and the impact to shareholders.

Through these actions, the Board has consistently refused to hold the advisor accountable. So long as management-friendly Trustees remain, the advisor will evade accountability, and no one will take action on behalf of shareholders to investigate misdeeds of the advisor, management team, or members of the Board.

BOARD ACTION

✓ BENEFITS

⊗ HARMS

Allowed UDF IV to go eight years without an annual meeting

- The current Trustees made no attempt for years to enforce the Company bylaws and regulatory requirements that called for annual meetings, denying shareholders the right to vote.
- As a result, three current Trustees haven't stood for reelection since 2015, and one has never been elected by shareholders.

✓ BOARD
✓ ADVISOR
✓ CURRENT MANAGEMENT
✓ FORMER (CONVICTED)
EXECUTIVES

x SHAREHOLDERS

Changed the company bylaws to avoid standing for reelection

- In response to NexPoint's requests for accountability and engagement, the current Trustees changed UDF IV's bylaws to create a staggered board, thereby preventing shareholders from replacing all Trustees annually.

✓ BOARD
✓ ADVISOR
✓ CURRENT MANAGEMENT
✓ FORMER (CONVICTED)
EXECUTIVES

x SHAREHOLDERS

Allowed UDF IV to go eight years without filing routine financials

- Disclosure violations led to Nasdaq delisting UDF IV shares, the SEC revoking the Company's registration, and major loss of liquidity.
- The Board (and specifically the Audit Committee) is directly responsible for ensuring proper financial disclosures.

✓ BOARD
✓ ADVISOR
✓ CURRENT MANAGEMENT
✓ FORMER (CONVICTED)
EXECUTIVES

x SHAREHOLDERS

Actively fought efforts by NexPoint to enforce basic shareholder rights

- When UDF IV failed to issue financials, the current Trustees repeatedly challenged NexPoint's books and records requests, which sought routine information about the Company to which shareholders are entitled.
- The current Trustees tried to avoid having this election in the first place, fighting NexPoint's efforts to force the Company to hold an annual meeting and fair election of all independent Trustees.

✓ BOARD
✓ ADVISOR
✓ CURRENT MANAGEMENT
✓ FORMER (CONVICTED)
EXECUTIVES

x SHAREHOLDERS

Approved use of shareholder funds to pay former executives' SEC-ordered disgorgement

- The Board authorized UDF IV to make SEC disgorgements (totaling \$7.2 million with prejudgment interest) that were the obligations of individuals executives—NOT the Company.
- They have since made no attempt to recoup funds on behalf of shareholders.

✓ FORMER (CONVICTED) EXECUTIVES

x SHAREHOLDERS

Approved use of shareholder funds to pay for former executives' criminal defense

- The Board authorized the use of millions in shareholder funds to pay legal fees for the criminal defense of former UDF executives who were convicted of fraud.
- They have made no attempt to recoup funds on behalf of shareholders.

✓ FORMER (CONVICTED) EXECUTIVES

x SHAREHOLDERS

Approved advisory agreement that continues to enrich former executives while they serve prison sentences for defrauding UDF IV shareholders

- The current Trustees made no changes to UDF IV's advisor following convictions of members of UDF IV's management team (who also served as employees of—and owned approximately 50% of—UDF IV's advisor).
- The Board authorized UDF IV to pay over \$10 million in advisory fees in the last two years, thereby enriching the convicted and imprisoned executives.

✓ ADVISOR
✓ CURRENT MANAGEMENT
✓ FORMER (CONVICTED) EXECUTIVES

x SHAREHOLDERS

Permitted UDF IV's loan portfolio to become dangerously concentrated around a single borrower, representing 98% of the Company's unaffiliated debt

- The current Trustees have failed to address the unhealthy loan concentration around a single borrower group: Centurion American/Mehrdad Moayed.

✓ LARGEST BORROWER
✓ ADVISOR
✓ CURRENT MANAGEMENT

x SHAREHOLDERS

How have the current Trustees' actions impacted you?

Vote FOR NexPoint's nominees using the GREEN proxy card to elect Trustees who will represent YOUR interests.



John A. Good



Edward N. Constantino



Paul S. Broaddus



Julie E. Silcock

Voting Assistance

✉ info@okapipartners.com

☎ [\(877\) 869-0171](tel:(877)869-0171)

Visit www.udfaccountability.com for more information.

Voting Instructions

Complete the instructions in your proxy materials to vote FOR NexPoint's nominees using your GREEN proxy card.



- *You can ignore UDF IV's white proxy card.*
- *If you have already submitted a white proxy card, it's not too late to change your vote by completing your GREEN proxy card. Only the last dated proxy card counts.*

IMPORTANT INFORMATION

NexPoint Real Estate Opportunities, LLC ("NexPoint") has delivered a proxy statement with respect to its solicitation of proxies for nominees to be elected to the United Development Funding IV ("UDF IV") Board of Trustees at the Annual Meeting of Shareholders of UDF IV (the "Annual Meeting"). On November 13, 2024, UDF IV's Board of Trustees announced that the Annual Meeting is scheduled for December 10, 2024 (the "Meeting Date"), and that only holders of record of UDF IV's common shares of beneficial interest at the close of business on November 12, 2024 are entitled to vote at the Annual Meeting.

INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE NEXPOINT PROXY STATEMENT (INCLUDING ANY AMENDMENTS OR SUPPLEMENTS THERETO) IN ITS ENTIRETY AS IT CONTAINS IMPORTANT INFORMATION ABOUT THE PROXY SOLICITATION.

Copies of the documents are available free of charge from NexPoint by accessing the website www.udfaccountability.com.

NexPoint, its affiliates, their directors and executive officers and other members of management and employees may be participants (collectively "Participants") in the solicitation of proxies by NexPoint. Information about NexPoint's nominees to the UDF IV Board of Trustees and information regarding the direct or indirect interests in UDF IV, by security holdings or otherwise, of NexPoint, the other Participants and NexPoint's nominees are available in the NexPoint proxy statement. NexPoint's disclosure of security holdings are based on information made available to NexPoint by such Participants and nominees. UDF IV is no longer subject to the reporting requirements of the Securities Exchange Act of 1934, as amended. Consequently, NexPoint's knowledge of significant security holders of UDF IV and as to UDF IV itself is limited.

NEXPOINT