

FELLOW UNITED DEVELOPMENT FUNDING IV (UDF IV) SHAREHOLDERS:

It's Time to Stop the UDF Shell Game

Vote to Replace the Current UDF IV Trustees Who Continue to Mislead Shareholders to Benefit Themselves and UDF Management

- UDF IV has a history of deception and evasion. Recent attempts to distract shareholders echo past behavior, leaving serious questions unanswered about the Company's troubling financial situation and chronic underperformance and the Board's failure to take action to protect shareholders.
- We've seen UDF's deflection tactics before and know how this shell game ends. Don't be misled as UDF attempts to divert your attention to inflammatory claims about NexPoint while refusing to address these critical issues.
- The current UDF IV Board is perpetuating this deception at shareholders' expense. Vote for NexPoint's nominees to replace the current Trustees and enact necessary change.



Hollis Greenlaw (L), former CEO, who is currently in prison for defrauding shareholders. The criminal activity and convictions took place under the current Trustees. Instead of answering to shareholders about those governance failures, UDF IV attacks NexPoint continuing its history of deception and evasion.

Dear Fellow UDF IV Shareholders,

We recognize that there has been a lot of conflicting information published about the UDF IV election, and as a result, shareholders may not know what to believe or whom to trust.

UDF IV's communications focus on criticizing NexPoint. This is intended to distract shareholders from serious issues at the Company—a longstanding tactic used by UDF.

Previous Uses of Deflection to Distract from UDF's Failures

Four former members of the UDF management team were convicted of defrauding UDF IV shareholders. Three of them remain in prison. The Company failed to issue financial statements and file quarterly and annual reports, causing UDF IV to be delisted by Nasdaq and deregistered by the SEC.

What did UDF have to say about all this?

The Company laid the blame on Kyle Bass, two FBI agents, and an Assistant U.S. Attorney.

How do those arguments stand up today?

The criminal convictions have been challenged and affirmed all the way up to the U.S. Supreme Court. UDF IV withdrew all claims against Bass, who later received a whistleblower award from the SEC, which reversed its original denial, noting it was in the “public interest and consistent with the protection of investors” to do so.

Similar UDF Deflection Tactics Used Today

Now, in the face of a proxy fight, UDF IV casts stones at NexPoint to divert your attention from the questions NexPoint has raised. As the saying goes, “fool me once...”

We have seen these deflection tactics before.

Don't let inflammatory claims about NexPoint distract you from serious issues that UDF IV refuses to address.

Questions You Should Be Asking

- **Why hasn't the Board addressed the management team's criminal convictions and incarcerations?** Since the criminal convictions in January 2022, UDF has issued 27 press releases. Only one mentions the convictions, and only to announce management changes "pending the appeal of the recent convictions of two executives associated" with UDF IV.
- **Why hasn't the Board identified any remedial measures it implemented following the convictions to protect shareholders and prevent future misconduct?** Why has the Board expressed no remorse for allowing criminal misconduct—along with other events like the delisting and deregistration that destroyed value and liquidity—to occur under its watch?
- **Why won't the Board answer questions about the Company's opaque financial disclosures, questionable related-party transactions, troubling loan concentration, and puzzling loan extensions?**
- **Why hasn't the Board presented any plan to recover value for shareholders or create a path to liquidity?** The Trustees have not only failed to offer a plan as part of their bid for reelection, but also provided no such information in their many years on the Board.
- **Why does the Board continue to retain UDF's advisor and thereby further enrich the imprisoned executives?**
- **Why hasn't the Board taken any action on behalf of shareholders to recover the millions of dollars it advanced to the management team in their criminal trial?**
- **Why did UDF fight NexPoint's efforts to force an election of independent trustees who have not stood for election in nine years?** Why does the Company label those efforts to enforce shareholder rights as frivolous?
- **Why should I think UDF will do anything differently than it has for the last eight years?** Is there any reason to believe that the current Trustees will suddenly take action to benefit shareholders in any significant way?

- If the incumbent trustees remain in power through this election, they will not stand for election again for years to come.
- **This election is your only opportunity to effectuate meaningful change by voting for NexPoint's nominees.**

NexPoint's Nominees

As one of the largest shareholders, NexPoint has nonmined four highly qualified candidates to the UDF IV Board.



Paul S. Broaddus



Julie E. Silcock



John A. Good



Edward N. Constantino

How to Vote

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.



For detailed voting instructions:
udfaccountability.com/voting-information

For voting assistance:

- Email: info@okapipartners.com
- Phone: (877) 869-0171

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 date for the Annual Meeting has not yet been set at this time.

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 will be available in the proxy statement. NexPoint’s disclosure of any security holdings will be 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.