

## **EXHIBIT C**

### **FINANCIAL FORECAST**

The following Financial Forecast is intended to supplement the disclosures contained in this Memorandum. The Financial Forecast begins October 2023, which coincides with the first Base Rent payment under the Master Lease. The Financial Forecast was prepared based upon the Sponsor's assumptions, including current estimates of income and expenses relating to the operation of the Property. We believe these assumptions are reasonable and we are not aware of any material factors other than as set forth in the Memorandum of which this Exhibit C forms a part that would necessarily cause the financial information contained in the Financial Forecast to fail to be indicative of future operating results. However, if the assumptions with respect to the Property do not prove correct, the Property will have difficulty in achieving its anticipated results. Some of the other underlying assumptions may not materialize, and unanticipated events and circumstances may occur. Therefore, the actual results achieved during the period covered are likely to vary from the Financial Forecast, and the variation may be material. As a result, a Beneficial Owner's rate of return may be higher or lower than that set forth herein. A Beneficial Owner's return on its investment in the Interests will depend upon economic factors and conditions beyond the Sponsor's control.

Investment Summary  
 NexPoint Semiconductor Manufacturing DST

**OFFERING SUMMARY**

Offering Price		Financing Terms		Forecasted Year 1 Return	
Net Operating Income Year One <sup>2</sup>	\$ 12,168,957	Mortgage Principal	\$ 75,000,000	Base Rent (Less Prop Mgmt Fees)	\$ 12,358,957
Capitalization Rate <sup>1</sup>	5.83%	Interest Rate	6.64%	Asset Management Fee	(190,000)
<b>Offering Price Less Reserves</b>	<b>\$ 208,694,633</b>	Amortization	Interest Only	<b>Cash Flow Before Debt Service</b>	<b>\$ 12,168,957</b>
		Annual Interest Only Payment	\$ 5,059,188	<b>Debt Service</b>	<b>(5,059,188)</b>
		Maturity Date	May 1, 2023	<b>Net Cash Flow</b>	<b>\$ 7,109,770</b>
		Interest Only Term	120 months	<b>Annualized Cash on Cash Return</b>	<b>5.19%</b>

**ESTIMATED USES OF PROCEEDS****Sources**

Offering Proceeds	\$ 136,944,633
Loan Proceeds	75,000,000
<b>Total Sources</b>	<b>\$ 211,944,633</b>

Application		% of Offering Proceeds	% of Total Proceeds
<b>Selling Commissions and Fees</b>			
Selling Commission	\$ 8,216,678	6.00%	3.88%
Managing Broker-Dealer Fee	2,054,169	1.50%	0.97%
Marketing / DD Expense Allowances	1,711,808	1.25%	0.81%
Organization and Offering Expenses	821,668	0.60%	0.39%
Total	\$ 12,804,323	9.35%	6.04%
<b>Costs of Acquisition</b>			
Total Acquisition Costs	\$ 195,890,310		92.43%
Plus Lender Reserves	3,250,000		1.53%
Total	\$ 199,140,310		93.96%

**Total Application** **\$ 211,944,633**

**Total Acquisition Costs**

Real Estate Acquisition Price	\$ 190,000,000
Facilitation Fee	2,850,000
	<b>\$ 192,850,000</b>
<b>Acquisition Closing Costs</b>	
Title & Recording Costs	\$ 124,075
Acquisition & Due Diligence Costs	366,419
Legal Costs	841,000
	<b>\$ 1,331,494</b>
<b>Financing Closings Costs</b>	
Loan-Related Costs	\$ 1,675,000
Lender & Acquisition Finance Expenses	33,816
	<b>\$ 1,708,816</b>
<b>Total Acquisition Costs</b>	<b>\$ 195,890,310</b>

<sup>1</sup> The Capitalization Rate equals the quotient of (a) the Year 1 Net Operating Income divided by (b) the Offering Price less any amounts initially allocated to the Reserve accounts.

<sup>2</sup> The model/projection is effective October 2023 to coincide with first Master Lease payment.

Net Operating Income Summary  
NexPoint Semiconductor Manufacturing DST



	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Rental Income</b>	\$ 12,421,063	\$ 12,793,694	\$ 13,177,505	\$ 13,572,830	\$ 13,980,015	\$ 14,399,416	\$ 14,831,398	\$ 15,276,340	\$ 15,734,630	\$ 16,206,669
Rent Abatement	-	-	-	-	-	-	-	-	-	-
<b>Potential Gross Revenue</b>	\$ 12,421,063	\$ 12,793,694	\$ 13,177,505	\$ 13,572,830	\$ 13,980,015	\$ 14,399,416	\$ 14,831,398	\$ 15,276,340	\$ 15,734,630	\$ 16,206,669
Write-Offs	-	-	-	-	-	-	-	-	-	-
<b>Net Rental Income</b>	\$ 12,421,063	\$ 12,793,694	\$ 13,177,505	\$ 13,572,830	\$ 13,980,015	\$ 14,399,416	\$ 14,831,398	\$ 15,276,340	\$ 15,734,630	\$ 16,206,669
Other Income	310,527	319,842	329,438	339,321	349,500	359,985	370,785	381,909	393,366	405,167
<b>Total Revenue</b>	\$ 12,731,589	\$ 13,113,537	\$ 13,506,943	\$ 13,912,151	\$ 14,329,516	\$ 14,759,401	\$ 15,202,183	\$ 15,658,249	\$ 16,127,996	\$ 16,611,836
<b>Property Management Fees &amp; Expenses</b>	\$ (310,527)	\$ (319,842)	\$ (329,438)	\$ (339,321)	\$ (349,500)	\$ (359,985)	\$ (370,785)	\$ (381,909)	\$ (393,366)	\$ (405,167)
Less: Capex, Reserves, & TI/LC	-	-	-	-	-	-	-	-	-	-
<b>NOI</b>	\$ 12,421,063	\$ 12,793,694	\$ 13,177,505	\$ 13,572,830	\$ 13,980,015	\$ 14,399,416	\$ 14,831,398	\$ 15,276,340	\$ 15,734,630	\$ 16,206,669

Exit & Return Scenarios for DST Investors

<b>Cumulative Cash Returned to DST Investors Pre-Sale</b>	38,245,529	46,931,592	56,040,998	65,586,447	75,567,197	85,834,368
Investors Breakeven Cap Rate (Excluding Distributions)	6.23%	6.42%	6.61%	6.81%	7.02%	7.23%

Sponsor's Sale Upside Forecast (Assumes a favorable tax ruling on syndication tax escrow)

	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Sale Price	310,667,007	319,987,017	329,586,628	339,474,227	349,658,453	360,148,207
Cap Rate	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
Sale Price PSF	690	710	731	753	776	799
Annual Property Value Appreciation/Depreciation	9.3%	8.5%	7.9%	7.5%	7.2%	7.0%
Projected Cost of Sale (lender/broker/disposition fees)	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
Loan Repayment	(75,000,000)	(75,000,000)	(75,000,000)	(75,000,000)	(75,000,000)	(75,000,000)
<b>Return on Sale to DST Investors</b>	218,580,322	227,387,731	236,459,363	245,803,144	255,427,239	265,340,056
<b>Total Return to DST Investors</b>	256,825,851	274,319,323	292,500,361	311,389,591	330,994,435	351,174,424
Annual Capital Appreciation	17.5%	16.7%	16.2%	15.9%	15.7%	15.6%
Equity Multiple	1.88x	2.x	2.136x	2.27x	2.42x	2.56x
Annual Levered Yield	6.08%	6.34%	6.65%	6.97%	7.29%	7.50%

Exit & Return Scenarios for DST Investors

<b>Cumulative Cash Returned to DST Investors Pre-Sale</b>	38,245,529	46,931,592	56,040,998	65,586,447	75,567,197	85,834,368
Investors Breakeven Cap Rate (Excluding Distributions)	6.23%	6.42%	6.61%	6.81%	7.02%	7.23%

Base Case Forecast

Sale Price	279,600,306	287,988,316	296,627,965	305,526,804	314,692,608	324,133,386
Cap Rate	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Sale Price PSF	621	639	658	678	698	719
Annual Property Value Appreciation/Depreciation	6.4%	6.0%	5.7%	5.5%	5.4%	5.3%
Projected Cost of Sale (lender/broker/disposition fees)	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
Loan Repayment	(75,000,000)	(75,000,000)	(75,000,000)	(75,000,000)	(75,000,000)	(75,000,000)
<b>Return on Sale to DST Investors</b>	189,222,290	197,148,958	205,313,427	213,722,830	222,384,515	231,306,050
<b>Total Return to DST Investors</b>	227,467,819	244,080,550	261,354,425	279,309,276	297,951,712	317,140,418
Annual Capital Appreciation	13.2%	13.0%	13.0%	13.0%	13.1%	13.2%
Equity Multiple	1.66x	1.78x	1.91x	2.04x	2.18x	2.32x
Annual Levered Yield	6.08%	6.34%	6.65%	6.97%	7.29%	7.50%



DST UNDERWRITING MODEL

Forecasted Cash Flows  
NexPoint Semiconductor Manufacturing DST



	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Base Rent	\$ 12,358,957	\$ 12,665,757	\$ 13,045,730	\$ 13,369,238	\$ 13,770,315	\$ 14,111,427	\$ 14,534,770	\$ 14,970,813	\$ 15,419,938	\$ 15,882,536
Less: Asset Management Fee	(190,000)	(380,000)	(380,000)	(380,000)	(380,000)	(380,000)	(380,000)	(380,000)	(380,000)	(570,000)
<b>Residual Cash Flows</b>	<b>\$ 12,168,957</b>	<b>\$ 12,285,757</b>	<b>\$ 12,665,730</b>	<b>\$ 12,989,238</b>	<b>\$ 13,390,315</b>	<b>\$ 13,731,427</b>	<b>\$ 14,154,770</b>	<b>\$ 14,590,813</b>	<b>\$ 15,039,938</b>	<b>\$ 15,312,536</b>
Debt Service	\$ (5,059,188)	\$ (5,045,365)	\$ (5,045,365)	\$ (5,045,365)	\$ (5,059,188)	\$ (5,045,365)	\$ (5,045,365)	\$ (5,045,365)	\$ (5,059,188)	\$ (5,045,365)
Total Cash Flow	\$ 7,109,770	\$ 7,240,393	\$ 7,620,366	\$ 7,943,873	\$ 8,331,128	\$ 8,686,063	\$ 9,109,406	\$ 9,545,449	\$ 9,980,750	\$ 10,267,171
<b>Total Cash on Cash Return</b>	<b>5.19%</b>	<b>5.29%</b>	<b>5.56%</b>	<b>5.80%</b>	<b>6.08%</b>	<b>6.34%</b>	<b>6.65%</b>	<b>6.97%</b>	<b>7.29%</b>	<b>7.50%</b>



## ASSUMPTIONS AND NOTES FOR THE FORECAST

### 1 Acquisition

Trust	Purchase Price	Acquisition Date	Appraised As-Is Value	Date of Value
NexPoint Semiconductor Manufacturing DST	\$190,000,000	August 1, 2023	\$195,000,000	August 29, 2023

### 2 Financing

Borrower	Lender	Loan Amount	Interest Rate	Term	Amortization
NexPoint Semiconductor Manufacturing DST	KeyBank National Association & Argentic Real Estate Finance 2 LLC	\$75,000,000	6.635%	10 Years	Interest Only

### 3 Maximum Offering Amount

Total Acquisition Costs <sup>1</sup>	Total Offering Proceeds	Total Capitalization <sup>2</sup>	Total Class 1 & Class 2 Interests <sup>3</sup>
\$195,890,310	\$136,944,633	\$211,944,633	\$136,944,633

1. Includes the purchase price under the MIPA, transactional closing costs, fees and financing closing costs.
2. Includes the Contributor's share of the Interests, all estimated costs and expenses related to the Offering, marketing, and transferring of the Interests, and the payment of the Facilitation Fee in the amount of \$2,850,000.
3. The annualized cash-on-cash return is calculated based on sum of Class 1 Beneficial Interests being sold to Investors (up to 100% ownership of the Trust).

### 4 Management Fees

Fee	Rate	Annual Estimate	Recipient
Asset Management	0.20%	\$380,000	Asset Manager
Property Management	2.50% of gross rental receipts	\$355,000	Property Manager

1. The Asset Manager may, at its sole discretion, defer a portion or all of the Asset Management Fee. The Asset Manager intends to defer 50% of the Asset Management Fee in the first year, and to recoup such deferred fee in the tenth year following the Acquisition Closing.
2. The Property Management Fee is not paid directly out of cash flow of the Trust but rather paid by the Tenant to the Property Manager.

## 5 Master Lease Rent Schedule

Under the Master Lease, the Master Tenant shall pay the annual amount of Base Rent as specified in Exhibit A to the Master Lease, replicated below. The Base Rent is payable monthly, in arrears, on the last day of each calendar month. The Master Lease provides that the Master Tenant's first monthly Base Rent Payment is due October 2023, concurrent with the ending of rent holidays granted under the Tenant Lease, thus the references to "Year 1" in the table below refers to a lease period from October 1, 2023 to September 30, 2024.

<u>Lease Period</u>	<u>Base Rent</u>
Year 1	\$12,358,957
Year 2	\$12,665,757
Year 3	\$13,045,730
Year 4	\$13,369,238
Year 5	\$13,770,315
Year 6	\$14,111,427
Year 7	\$14,534,770
Year 8	\$14,970,813
Year 9	\$15,419,938
Year 10	\$15,882,536
Year 11	\$16,359,012
Year 12	\$16,849,782
Year 13	\$17,355,276
Year 14	\$17,875,934
Year 15	\$12,313,860

## 6 Reserve Accounts

Some of the Loan proceeds were used to fund the Lender Reserves into a Lender-controlled reserve account required under the Loan Documents. Upon the Tenant's first rent payment under the Tenant Lease, the Rent Concession Reserve was disbursed, on September 5, 2023, back to the Trust via an account controlled by the Lenders.

<b>Account</b>	<b>Initial Deposit</b>	<b>Future Funding</b>
Rollover Reserve	\$3,000,000	\$0
Replacement Reserve	\$250,000	\$0
Rent Concession Reserve	\$1,019,792	\$0
<b>Total</b>	<b>\$4,269,792</b>	<b>\$0</b>

**7 Capital Expenditures and Improvements**

<b>Category</b>	<b>\$ Needed</b>	<b>Notes</b>
Immediate Needs	\$18,000	
Priority Needs	\$0	
Estimated Long-Term Needs	\$1,182,000	Roof and Heating and Cooling System
<b>Total Anticipated Needs</b>	<b>\$1,200,000</b>	

1. The PCA identified certain immediate repairs required relating to compliance with the local fire codes and the ADA, among others, totaling \$18,000. The PCA recommended recurring capital reserves for likely repairs and replacements necessary during the next 12 years in the amount of \$1,182,000 (with 2.5% inflation, \$1,395,953). Following completion of the sale of the Maximum Offering Amount, the Trust would have approximately \$3,250,000 in reserves: \$3,000,000 for the Rollover Reserve and \$250,000 for the Replacement Reserve. This total is higher than the approximately \$1,395,953 in inflated estimated capital repair items estimated by the PCA.

**8 Depreciable Basis for Non-1031 Investors**

The forecasted statement of cash flows depicts the effective tax equivalent yield for Purchasers who are not engaged in a Section 1031 Exchange, based on the following depreciation assumptions. Allocations to buildings and land are derived from the "Land Valuation" section of the Appraisal. The building allocation amount is depreciated over 27.5 years and the land is depreciated annually according to the Modified Accelerated Cost Recovery System (MACRS) method of accelerated asset depreciation required by the Code. The calculations are also based on an assumed effective tax rate of 37% of taxable income.

	<b>Buildings</b>	<b>Land</b>
Allocation (\$)	\$179,000,000	\$16,000,000

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