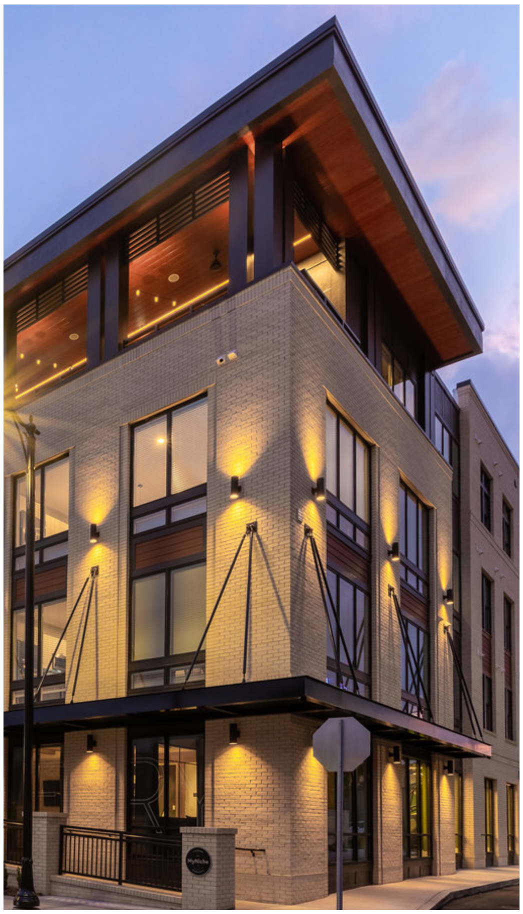
HUMPHREYS
REAL ESTATE INCOME FUND

Q2 2024 Valuation Report



From top left: Bowery, QuikTrip, The Ellison. From bottom left: Corsicana Renaissance, 44 Washington.

HREIF Highlights

$120.70	8.6%[1]	95%[2]	2.4%[3]
Q3 unit price	Q3 cash distribution	occupancy	same property NOI growth

Fund Update

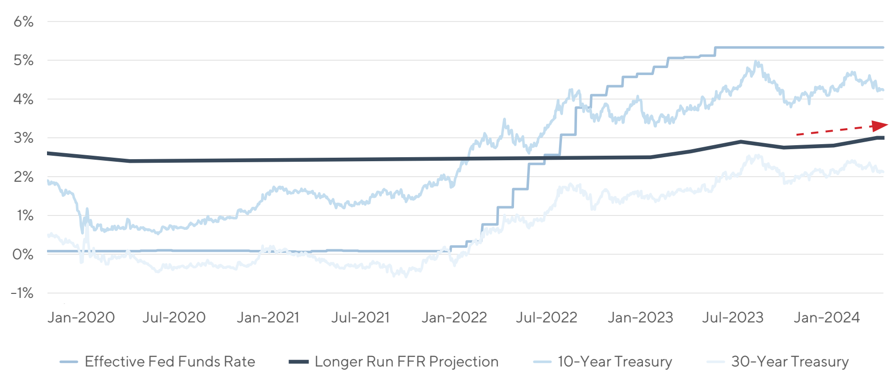
Distributions continue with reduced valuation

During the second quarter, HREIF investors received distributions totaling $2.60 per unit, an annualized yield of 8.0%. The valuation process determined the unit price declined from $129.31 in the prior quarter to $120.70. In accordance with the valuation policy, the price is supported by independent third-party appraisers and represents our assessment of each asset's position in the current market. The change in unit price is the result of a reduction in asset valuations along with distributions. For the upcoming quarter, the Board of Directors will maintain a distribution of $2.60 per unit, reflecting an annualized 8.6% distribution on the new price.

Rate expectations continue to rise

While the Fed Funds Rate has been effectively fixed at 5.3% since August 2023, the market sentiment has continued to put upward pressure on rates. In March, the Fed was predicting three rate cuts by the end of the year, but by their June meeting, expectations were reduced to a single cut. More importantly, the Fed's expectation for the long-run neutral rate, or natural rate of interest, continues to rise. This sentiment has driven corresponding increases in the yield of long-term treasuries, and it informs the rates used to value real estate. Most of the decline in share price can be attributed to a reduction in the assessed value of our portfolio in response to this environment.

Quarter-over-Quarter Change*			
Effective Fed Funds Rate	Longer Run FFR Projection	10-Year Treasury	30-Year Treasury
00 bps	30 bps ▲	30 bps ▲	26 bps ▲



Commitment to distribution

As an income-focused fund, HREIF prioritizes stable distributions. This is an indispensable element of short-term performance, as many investors plan on the fund's distribution to meet regular cash flow requirements. A corollary is this: the distribution is independent of share price movement to the degree that a change in valuation is driven by a shift in market sentiment rather than the outlook for underlying fundamentals. Asset pricing is a relative function of a broad economy, where the relationship between today's price and expected future cash flow is continually reset. Higher yields are a natural result of a rising rate environment that represents changing costs of capital. Under that principle, we plan to manage the fund's resources and adjust the portfolio as necessary to reliably return money to investors.

Active management of leases

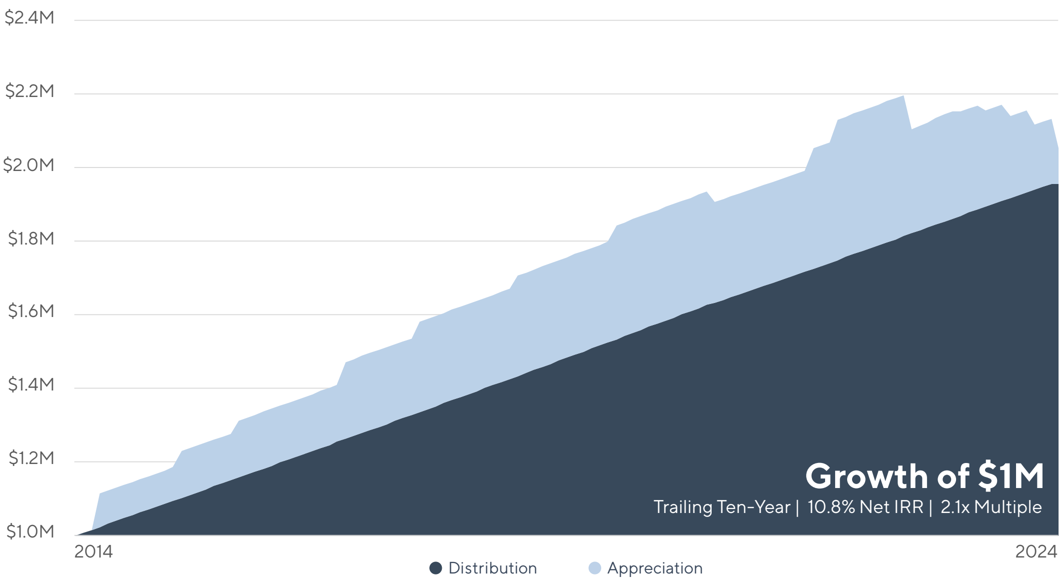
The fund was launched with a portfolio of convenience stores and still owns 23, including 14 third-generation QuikTrips (QT)—the chain's most modern design. With each passing year, these leases advance toward the end of their primary term, which has a corresponding effect on their marketability and assessed value. We have a long history as landlord to QT, and they have reliably chosen to exercise optional extensions whenever their leases come to term. All the same, we initiated an agreement to lock in the extensions of these third-generation leases through 2034. We also added or initiated options to extend leases on six of the second-generation stores. These negotiations improved the weighted average lease term (WALT) of the portfolio, attractively positioning the assets for a potential transaction and redeployment.

Subscriptions and Redemptions

Through the second quarter offering, the fund raised $2.5M of new equity and met 100% of its $6.0M redemption requests[4]. We are grateful for HREIF's ability to attract and retain investors who share our long-term focus on stable income during all seasons. We firmly believe that real estate remains a time-tested, tax-efficient, and inflation-hedged strategy for stewarding and generating wealth for generations.

NOTE: FRED, Federal Reserve Bank of St. Louis. The QoQ change represents the average yield of treasuries in Q1 2024 compared to Q2 2024. The Long Run Fed Funds Rate Projection is the midpoint of the central tendency forecast's high and low values established by the Federal Open Market Committee based on each participant's assessment of appropriate monetary policy.

HREIF by the Numbers[5]



Beginning Value	+	Appreciation	+	Distributions	=	Ending Value
$1,000,000		$97,273		$956,364		$2,053,636

8.6%
Current Annual Cash Distribution[6]

Portfolio

64
Properties

$1.2B
TAV

17
Project Sponsors

Past Returns[7]

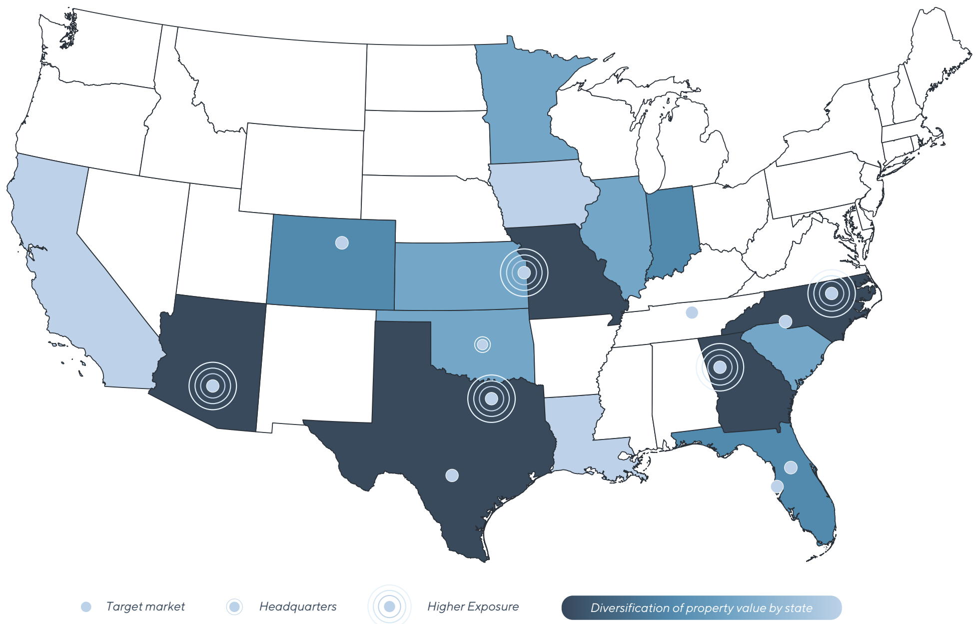
-7.4%
1-Year Net IRR

5.3%
5-Year Net IRR

10.8%
10-Year Net IRR

Market

HREIF targets high-growth metropolitan areas and select submarkets with multifaceted growth dynamics.



Raleigh-Durham 19%

Kansas City 13%

Dallas-Fort Worth 9%

Phoenix 7%

Atlanta 6%

Sector

The firm has expertise and deep-rooted relationships across its target sectors. As macro cycles and submarket dynamics fluctuate, the team adapts by analyzing a diverse opportunity set to select investments with strong potential in the current environment.

6,501
Multifamily Units

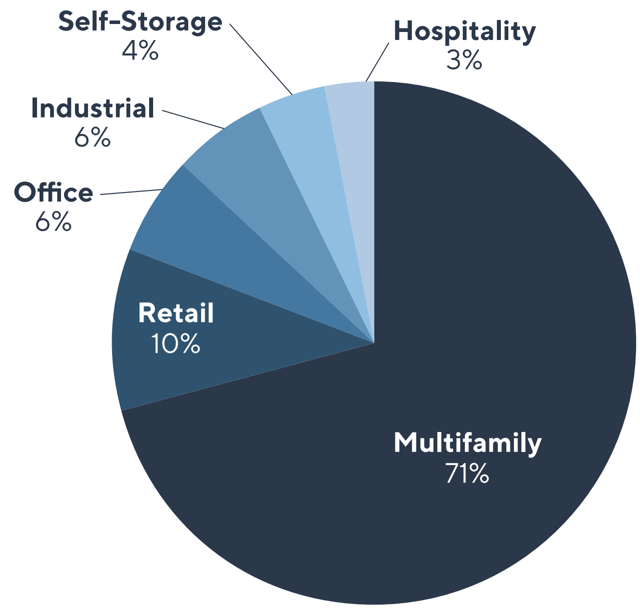
3,733
Self-Storage Units

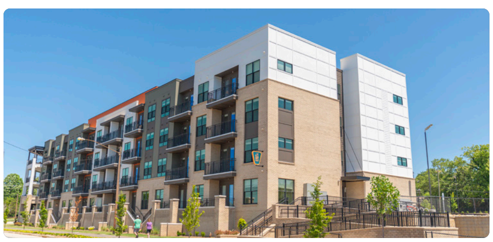
28
Retail Properties

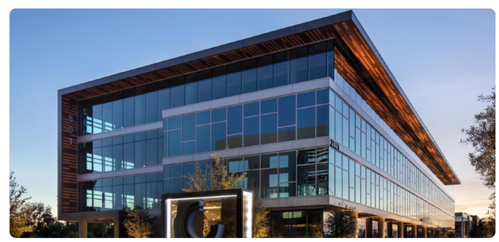
1,069,239
Industrial Sq. Ft

160,657
Office Sq. Ft

537
Hotel Keys







Strategy

HREIF identifies complimentary core, value-add, and opportunistic development strategies that keep the team ready and relevant in the marketplace. The firm finds and creates value through stabilized net lease and multi-tenant properties as well as development projects that generate cash flow and capital appreciation.

Core **37%**

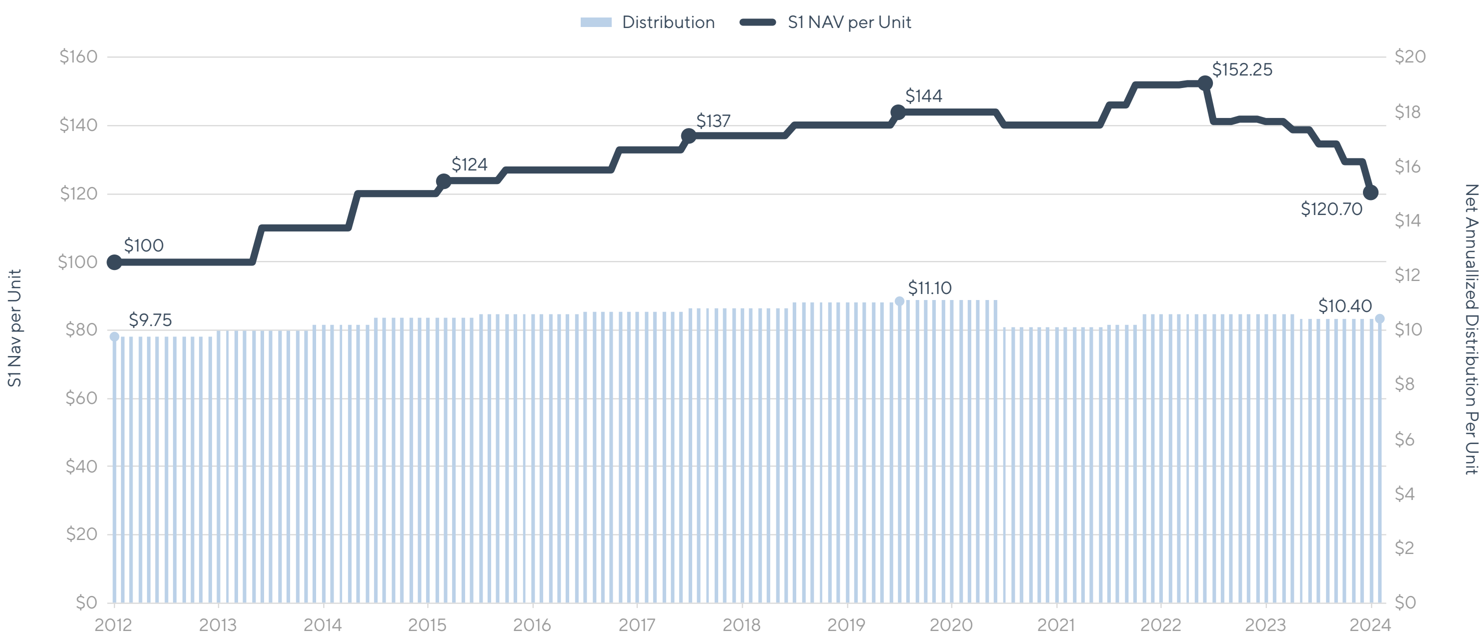
Value-Add **33%**

Opportunistic **30%**

Investor Overview[8]

762 Current Investors	**$700K** Average Investment	**$533M** Paid-in Equity	**$230M** Total Distributions

Distributions[6]



Fund Terms

Structure	Perpetual life private fund with subsidiary REIT
NAV Per Unit	$120.70
Cash Distribution	8.6% annualized
Returns (Net IRR)	1-Year: -7.4% | 5-Year: 5.3% | 10-Year: 10.8%
Investor Suitability	Accredited Investors
Minimum Initial Investment	- $500,000 - $100,000 for clients of approved financial advisor platforms
Rolling Private Offering	- Series One NAV per Unit updated on the first business day of each quarter - Subscriptions must be received at least 15 days prior to the end of the quarter
Advisory Fee	0.65%
Hurdle Rate	6% annualized over trailing 36 months
Shared Distribution	Manager's catch up (inclusive of the Advisory Fee) is capped at 25% of total distributions
Redemptions[4]	- Quarterly after one-year lockup; 60 days written notice required - Fund can repurchase up to 2.5% of existing fund equity each quarter
Distributions[6]	- Monthly ($10.40 annualized) - Record date for monthly distributions is set by the Board as the 15th of each month
Tax Reporting	Form K-1; anticipated delivery in the summer of each year

Notes

This report is being furnished by Humphreys Capital, LLC and does not constitute an offer, solicitation, or recommendation to sell or an offer to buy securities, investment products, or investment advisory services. This report is being provided for general information purposes and is not intended to provide and should not be relied upon for accounting, legal, or tax advice or investment recommendations.

Past performance does not predict future returns. Performance information and certain projected or forecasted amounts contained in this report include assumptions that the Manager believes are reasonable under the circumstances. There is no guarantee that the conditions on which such assumptions are based will materialize as anticipated and will be applicable to these investments. Actual transaction conditions may differ from the assumptions, and such differences could be material. Among other assumptions, calculating projected or forecasted returns involves applying current market conditions and investment strategy with comparable historical results. Historic results are not reliable indicators of actual future performance of any particular investment or the Fund. Investors should be aware that projected or forecasted returns are hypothetical and do not reflect the impact that future material economic and market factors might have on the decision-making process, and there is no guarantee that the projected or forecasted returns will be achieved.

The selected images of certain properties in this presentation are provided for illustrative purposes only, are not representative of all HREIF investments of a given property type, and are not representative of HREIF's entire portfolio. It should not be assumed that HREIF's investment in the properties identified and discussed herein were or will be profitable. Please refer to HREIF's Property Book for a complete list of HREIF's real estate investments, including HREIF's ownership interest in such investments.

1. Cash distribution is calculated as the annualized distribution approved by the Board of Directors for the forward quarter divided by the current offering price.

2. Occupancy is an important real estate metric because it measures the utilization of properties in the portfolio. Occupancy is weighted by the total value of all real estate properties, excluding our hospitality investments and any third-party interests in such properties. For our industrial, storage, retail, office, and convenience investments, occupancy includes all leased square footage as of the date indicated. For our multifamily investments, occupancy is defined as the share of occupied units as a percentage of total unit count. Assets within an initial lease-up period following construction are excluded from the calculation. The lease-up period concludes upon stabilization, defined as 90% or greater physical occupancy, and no later than 12 months after completion.

3. Same-property NOI growth is calculated based on trailing NOI at 6/30/2024 and 6/30/2023 based on the most current reports of underlying investments. All properties are measured with the exception of properties that did not have at least 6 months of historical NOI data as of 6/30/2023. Joint venture NOI is allocated pro rata based on HREIF's equity in the property.

4. Redemptions are not guaranteed and are subject to a Redemption Policy as stated in the current Operating Agreement, which was amended and restated effective 12/31/2022. Prospective investors should read the policy in its entirety before making an investment decision.

5. Portfolio data, including market, sector, and strategy allocation is as of 6/30/2024 and includes all properties in Humphreys Real Estate Income Fund. Total Asset Value is measured as the balance sheet assets of each fund (based on fair value) in addition to the pro rata share of debt based on the fund's contractual interest in joint ventures in accordance with the NCREIF PREA Reporting Standards (4/2023) calculation of Gross Asset Value.

6. Monthly distributions are not guaranteed and may be funded from sources other than net operating income.

7. Past returns are as of 6/30/2024. Internal Rates of Return ("IRR") are calculated based on a stream of cash flows, the date of each cash flow and the NAV per Series One Unit as of the calculation date. IRRs represent an annualized return but assume reinvestment of interim cash flows in projects with equal rates of return.

8. Investor overview data is as of 6/30/2024 and includes all investor data since inception, 5/31/2012.