ORDER UNDER SECTION 17(b) OF THE INVESTMENT COMPANY ACT OF 1940 ("ACT") GRANTING AN EXEMPTION FROM SECTION 17(a) OF THE ACT, AND UNDER SECTION 17(d) OF THE ACT AND RULE 17d-1 THEREUNDER PERMITTING CERTAIN JOINT TRANSACTIONS

NexPoint Credit Strategies Fund ("NHF"), NexPoint Residential Trust, Inc. ("NXRT REIT"), Freedom REIT, LLC ("Freedom REIT"), NexPoint Advisors, L.P., NexPoint Real Estate Advisors, L.P. ("NXRT Adviser"), NexPoint Residential Trust Operating Partnership, L.P. ("NXRT OP"), and NexPoint Residential Merger Company LLC ("NXRT LLC") filed an application on December 22, 2014 and an amendment to the application on February 4, 2015, requesting an order under section 17(b) of the Act granting an exemption from section 17(a) of the Act, and under 17(d) of the Act and rule 17d-1 thereunder to permit certain joint transactions.

The order would permit NHF, a registered closed-end investment company, to transfer certain real estate assets held by Freedom REIT, a wholly-owned subsidiary of NHF, to NXRT LLC, a wholly-owned subsidiary of Freedom REIT; would permit Freedom REIT to distribute its membership interests in NXRT LLC to NHF; would permit NXRT LLC to merge with NXRT OP, a wholly-owned subsidiary of NXRT REIT, a wholly-owned subsidiary of NHF; would permit NHF to distribute NXRT REIT common stock to NHF’s shareholders; and would permit NXRT Adviser to enter into an investment advisory agreement with NXRT REIT.
On February 5, 2015, a notice of the filing of the application was issued (Investment Company Act Release No. 31448). The notice gave interested persons an opportunity to request a hearing and stated that an order disposing of the application would be issued unless a hearing was ordered. No request for a hearing has been filed, and the Commission has not ordered a hearing.

The matter has been considered and it is found, on the basis of the information set forth in the application, as amended, that granting the requested exemption is appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

It is also found that the terms of the proposed transactions, including the consideration to be paid or received, are reasonable and fair and do not involve overreaching on the part of any person concerned, and the proposed transactions are consistent with the policy of NHF and with the general purposes of the Act.

It is further found that the participation by each of NHF, Freedom REIT, NXRT LLC, NXRT OP and NXRT REIT in the proposed transactions is consistent with the provisions, policies and purposes of the Act and is on a basis no less advantageous than that of other participants.

Accordingly, in the matter of NexPoint Credit Strategies Fund, et al. (File No. 812-14407),

IT IS ORDERED, under section 17(b) of the Act, that the requested exemption from section 17(a) of the Act is granted, effective immediately.

IT IS FURTHER ORDERED, under section 17(d) of the Act and rule 17d-1 thereunder that the application to permit certain joint transactions in accordance with section 17(d) and rule 17d-1 is granted, effective immediately.

For the Commission, by the Division of Investment Management, under delegated authority.

Jill M. Peterson
Assistant Secretary