

FORUM MULTIFAMILY REAL ESTATE INVESTMENT TRUST, INC. (FMREIT)

This supplement is part of and should be read in conjunction with FMREIT’s Confidential Private Placement Memorandum dated September 18, 2023 (the “Memorandum”). Unless otherwise defined herein, capitalized terms used in this supplement shall have the same meaning as in the Memorandum.

December 1, 2024 Transaction Price

The following table sets forth the transaction price per share for each share class of our common stock for subscriptions to be accepted (and DRP issuances) as of December 1, 2024 as well as for share redemptions as of November 30, 2024. The table also sets forth the maximum offering price per share for each share class:

Class	Transaction Price Per Share ⁽¹⁾	Maximum Offering Price Per Share ⁽²⁾
Class F Shares	\$19.2727	\$20.5254
Class C Shares (DRP Only)	\$19.2867	N/A

- (1) The transaction price will generally be equal to the NAV per share as of the last calendar day of the prior month for the applicable class of shares being purchased. The share redemption price per share for each share class equals the transaction price per share of such class less any early redemption deduction (if applicable).
- (2) Maximum offering price is the then-current transaction price, plus, if applicable, the maximum upfront commissions or other fees payable to broker dealers who have arrangements with their clients to be paid such compensation in connection with the purchase of shares. The amount of such compensation will vary by broker dealer, but will not exceed 6.5% of the transaction price. Any such commissions and fees will be paid by the investor as part of its offering price and will not be paid by us. The offering price for clients of broker dealers may vary depending on the upfront commissions and other fees charged by their broker dealers. The offering price for clients of RIAs is the transaction price per share and will not include any upfront commissions or other fees. Class C shares are only being offered pursuant to our distribution reinvestment plan and are offered at the transaction price per share. No commissions are paid with respect to the issuance of shares pursuant to our distribution reinvestment plan.

The December 1, 2024 transaction price for each of our share classes is equal to such class’s NAV per share as of October 31, 2024. A detailed presentation of the NAV per share is set forth below.

October 31, 2024 NAV Per Share

NAV per share is calculated in accordance with the valuation guidelines that have been approved by our board of directors. Our NAV per share, which is updated as of the last calendar day of each month, will be reported through a monthly supplement to the Memorandum and through our investor portal, which is accessible to investors after completing their initial investment. Please refer to the section of the Memorandum titled “Net Asset Value Calculation and Valuation Procedures” for information on how our NAV is determined. While the Advisor is responsible for determining NAV, it has engaged, with the approval of our board of directors, including a majority of our independent directors, Altus Group U.S. Inc., a third-party valuation firm, to serve as our independent valuation advisor (“Altus Group” or the “Independent Valuation Advisor”) with respect to helping us administer the valuation and review process for the real properties in our portfolio, providing monthly real property appraisals, reviewing annual third-party real property appraisals, providing monthly valuations of our debt-related assets and liabilities and assisting in the development and review of our valuation procedures. We have included a breakdown of the components of total NAV and NAV per share as of October 31, 2024.

Our total NAV presented in the following tables includes the NAV of our Class C shares and Class F shares, as well as OP Units held by parties other than FMREIT. The following table provides a breakdown of the major components of our NAV as of October 31 2024 and September 30, 2024 (in thousands):

<u>Components of NAV</u>	<u>October 31, 2024</u>	<u>September 30, 2024</u>
Investment in real estate	752,410	752,110
Cash and cash equivalents	9,851	14,670
Other assets	11,705	13,730
Mortgage notes	(340,095)	(350,281)
Line of Credit	(56,286)	(60,287)
Other liabilities	(12,236)	(13,323)
Non-controlling interest	(2,203)	(2,275)
Aggregate Fund NAV	363,146	\$354,344
Total Fund Interests outstanding	18,839	18,888

Real estate values increased by \$0.3 million from September 30, 2024 to October 31, 2024. The aggregate valuation of FMREIT's mortgage notes decreased by \$10.2 million due to the increase in treasury indexes from September 30, 2024 to October 31, 2024.

As communicated previously, Class F and C shareholders and unitholders of record on October 30, 2024 were paid a monthly distribution of \$0.08333333 per share or OP Unit.

	<u>September 30, 2024 NAV</u>	<u>Annualized Distribution</u>	<u>Annualized Distribution Rate</u>
Class F Shares	\$18.7573	\$1.00000000	5.33%

The following table provides a breakdown of our total NAV and NAV per share/unit, by class, as of October 31, 2024 and September 30, 2024.

	<u>Class C Shares</u>	<u>Class F Shares</u>	<u>Class C OP Units</u>	<u>Class F OP Units</u>	<u>Total</u>
As of October 31, 2024					
Net asset value	\$4,334,032	\$7,814,189	\$77,103,356	\$273,894,015	\$363,145,592
Number of outstanding shares/units	224,716	405,453	3,997,750	14,211,477	18,839,396
NAV per share/unit as of 10/31/2024	\$19.2867	\$19.2727	\$19.2867	\$19.2727	N/A
As of September 30, 2024					
Net asset value	\$3,969,029	\$7,456,207	\$75,036,981	\$267,881,357	\$354,343,574
Number of outstanding shares/units	211,458	397,510	3,997,750	14,281,477	18,888,195
NAV per share/unit as of 9/30/2024	\$18.7698	\$18.7573	\$18.7698	\$18.7573	N/A

The valuations of our real properties as of October 31, 2024 were provided by the Independent Valuation Advisor in accordance with our valuation procedures. Certain key assumptions that were used by the Independent Valuation Advisor in the discounted cash flow analysis are set forth (on a weighted average basis) in the following table:

Property Type	Discount Rate	Exit Capitalization Rate
Multifamily ⁽¹⁾	7.30%	5.98%

⁽¹⁾ Includes one mixed-use property with space that is leased to a Whole Foods Market.

These assumptions are determined by the Advisor (except for investments valued by a third-party appraisal firm) and reviewed by the Independent Valuation Advisor. A change in these assumptions would impact the calculation of the value of our property investments. For example, assuming all other factors remain unchanged, the changes (on a weighted average basis) listed below would result in the following effects on our investment values:

Input	Hypothetical Change	Multifamily Investment Values⁽¹⁾
Discount Rate	0.25% Decrease	1.87%
	0.25% Increase	-1.87%
Exit Capitalization Rate	0.25% Decrease	2.02%
	0.25% Increase	-1.90%

⁽¹⁾ Excludes the impact on the valuation of the Government Property Lease Excise Tax (GPLET) benefit at one of our properties.