

## FORWARD LOOKING STATEMENTS

This sales material includes forward-looking statements that can be identified by the use of words such as “will,” “may,” “should,” “intend,” “believe,” “expect,” “could,” “target,” or other comparable terminology. Statements concerning projections, future performance, cash flows and any other guidance on present or future periods constitute forward-looking statements. Forward-looking statements involve significant risks and uncertainties and you should not unduly rely on these statements. You should be aware that a number of important factors, including, but not limited to, the factors described in the Investment Risks below and in our filings with the Securities and Exchange Commission, could cause our actual results to differ materially from those in these forward-looking statements. The statements made herein are as of the date hereof and we undertake no obligation to update these statements except as may be required by applicable securities laws.

## MASTER-FEEDER STRUCTURE

NorthStar Real Estate Capital Income Master Fund (NorthStar Capital) is a master fund in a master/feeder structure, which pools investor capital raised through its feeder funds, NorthStar Real Estate Capital Income Fund and NorthStar Real Estate Capital Income Fund-T (each a Fund and together the Funds). Each Fund invests substantially all of its assets in NorthStar Capital. **Investors in a Fund are purchasing shares of a feeder fund, not NorthStar Capital.** The investment results of each of the Funds are directly dependent on the investment results of NorthStar Capital, which seeks to execute the investment strategies described in each Fund’s prospectus.

## INVESTMENT RISKS

An investment in either Fund involves a high degree of risk and may be considered speculative as well as illiquid and a prospective investor should invest only if they can sustain a complete loss of their investment. The following are some of the risks involved in an investment in a Fund; however, investors should carefully consider all of the risks discussed in each Fund’s prospectus before deciding to invest in a Fund.

- The Funds intend to implement a share repurchase program, but only a limited number of each Fund’s shares may be eligible for repurchase. The repurchase program may be terminated at any time. Accordingly, you should consider that you may not have access to the money you invest for an indefinite period of time until the Funds complete a liquidity event. There can be no assurance that there will be a liquidity event at all.
- Because you may be unable to sell your shares, you may be unable to reduce your exposure to a Fund in any market downturn.
- As closed-end funds, the Funds redeem their shares on a daily basis. Unlike most closed-end funds, the Funds’ shares are listed on a securities exchange and it is not anticipated that a secondary market will develop. As a result, shareholders should not expect to be able to sell their shares regardless of how the Funds perform.
- The shares of the Funds sold in this offering will not be listed on an exchange and the Funds are not expected to consider alternatives for providing liquidity to the shareholders for at least five years from the completion of the offering stage, and there can be no assurance that there will be a liquidity event at all. Therefore, if shareholders purchase shares of a Fund in this offering, they will have limited liquidity and may not receive a full return of their invested capital if they sell their shares.
- Each Fund expects that some of its distributions may be paid from sources other than cash flow from operations, such as offering proceeds, borrowings or sales of assets, which may reduce an investor’s overall return and may constitute a return of capital. You should understand that any such distributions would not be based on the investment performance of the Fund and would be sustained only if NorthStar Capital achieves positive investment performance in future periods. For NorthStar Real Estate Capital Income Fund-T (Fund-T) a distribution and servicing fee will be paid out of Fund-T assets at an annualized rate of 1.0% of the net asset value (NAV) per share in order to compensate the distributor and participating broker-dealers and investment representatives for services and expenses related to the marketing, sale and distribution of Fund-T’s shares, the payment of which will begin the first month after the completion of the Fund-T offering. Because the distribution and servicing fee is paid out of Fund-T assets on a monthly basis, over time these fees will increase the cost of an investment in Fund-T.
- This is a “best efforts” offering, and if the Funds are unable to raise substantial funds, NorthStar Capital will be limited in the number and type of investments it may make, and the value of a shareholder’s investment may be reduced in the event NorthStar Capital’s assets under-perform. NorthStar Securities, LLC has only limited experience selling common shares on behalf of a registered closed-end management investment company and may be unable to sell a sufficient number of shares in the Funds for the Funds and NorthStar Capital to achieve their investment objectives.
- Investors will incur immediate dilution as a result of any selling commissions and dealer manager fees paid by an investor and offering expenses the Funds will incur.
- NorthStar Capital and the Funds are recently organized companies and have limited operating history.
- NorthStar Capital may make investments that may be rated below investment grade by rating agencies or that would be rated below investment grade if they were rated. Below investment grade securities, which are often referred to as “high yield” securities or “junk bonds,” may have speculative characteristics with respect to the issuer’s capacity to pay interest and repay principal. They may also be illiquid and difficult to value.
- NorthStar Capital intends to invest a substantial portion of the proceeds from this offering in a portfolio of commercial real estate (CRE) debt, equity and securities investments. The collateral securing NorthStar Capital’s CRE debt securities, as well as the equity investments, may decrease in value or lose all value over time, which may lead to a loss of some or all of the principal in the debt and securities investments NorthStar Capital makes.
- Because real estate investments are relatively illiquid, NorthStar Capital may not be able to vary its portfolio in response to changes in economic and other conditions and may be unable to dispose of certain assets at a fair price, resulting in losses to NorthStar Capital.
- NorthStar Capital may use leverage in connection with its investments, which may increase the risk of loss associated with its investments. In addition, if a wholly owned special purpose vehicle of NorthStar Capital’s REIT subsidiary (the REIT Subsidiary) is unable to pay principal and interest on borrowings it has incurred, a default could result in foreclosure of any security instrument securing the debt and a complete loss of the investment, which could result in losses to the REIT Subsidiary and, therefore, to NorthStar Capital and the Funds.
- NorthStar Capital is exposed to the risks associated with the REIT Subsidiary and the REIT Subsidiary’s investments, including the risk that the failure of the REIT Subsidiary to qualify as a REIT could have adverse tax consequences on the REIT Subsidiary and may adversely affect the performance of NorthStar Capital and, consequently, the Funds.
- The payment of fees and expenses will reduce the cash available for investment, the net income generated, the cash available for distribution and the book value of the shares. Please see applicable Fund prospectus for details on fees and expenses.