

Corporate Governance Guidelines

of

NorthStar Real Estate Capital Income Master Fund

NorthStar Real Estate Capital Income Fund

and

NorthStar Real Estate Capital Income Fund-T

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The following Corporate Governance Guidelines (the “Guidelines”) have been adopted by the Boards of Trustees (herein, collectively, the “Board”) of NorthStar Real Estate Capital Income Master Fund, NorthStar Real Estate Capital Income Fund and NorthStar Real Estate Capital Income Fund-T (the “Funds” and each, a “Fund”) to assist the Board in the exercise of its responsibilities. The Guidelines are not intended to change or interpret any Federal or state law or regulation, including the Delaware Statutory Trust Act, the Amended and Restated Declaration of Trust or Bylaws of the Funds. These Guidelines are subject to modification from time to time by the Board.

THE BOARD

Role of Trustees

The business and affairs of each Fund shall be under the direction of the Board. A trustee is expected to spend the time and effort necessary to properly discharge such trustee’s responsibilities. Accordingly, a trustee is expected to regularly attend meetings of the Board and committees on which such trustee sits, and to review, prior to the meetings, those materials distributed in advance for such meetings. A trustee who is unable to attend a meeting (which it is understood will occur on occasion) is expected to notify the Chairman of the Board or the Chairman of the appropriate committee in advance of such meeting.

The Board’s Goal

The Board’s goal is to build long-term value for Fund shareholders. To achieve this goal, the Board will monitor the performance of each Fund (in relation to its goals, strategies and competitors) and the performance of the Chief Executive Officer, and offer him or her constructive advice and feedback. When it is appropriate or necessary, it is the Board’s responsibility to remove the Chief Executive Officer and to select his or her successor.

Selection of the Chairman of the Board

The Board does not require the separation of the offices of the Chairman of the Board and the Chief Executive Officer. The Board shall be free to choose its Chairman in any way that it deems best for the Funds at any given point in time.

Size of the Board

The Board believes that it should generally have no fewer than three and no more than 12 trustees. This range permits diversity of experience without hindering effective discussion or diminishing individual accountability. The size of the Board could, however, be increased or decreased if determined to be appropriate by the Board. For example, it may be desirable to increase the size of the Board in order to accommodate the availability of an outstanding candidate for trustee.

Independence of the Board

The Board shall be comprised of a majority of trustees who the Board has determined are not “interested persons” of the Funds (“Independent Trustees”) as such term is defined in Section 2(a)(19) of the Investment Company Act of 1940 (the “1940 Act”)

The Board shall review annually the relationships that each trustee has with the Funds and with the Funds’ investment adviser, co-adviser, and dealer manager. Following such annual review, only those trustees who the Board affirmatively determines have no material business or professional relationship with the Funds’ investment adviser, co-adviser, and dealer manager will be considered Independent Trustees, subject to additional qualifications prescribed under applicable law. The Board may adopt and disclose categorical standards to assist in determining trustee independence. In the event that a trustee becomes aware of any change in circumstances that may result in such trustee no longer being considered independent under the 1940 Act, the trustees shall promptly inform the Chairman of the Board.

Selection of New Trustees

The Board shall be responsible for nominating members for election to the Board and for filling vacancies on the Board that may occur. The Independent Trustees shall be responsible for identifying, screening and recommending candidates to serve as non-interested Board members. When formulating its Board membership recommendations, the Independent Trustees may also consider advice and recommendations from others as they deem appropriate.

The Board will consider candidates recommended by shareholders. In considering candidates submitted by shareholders, the Board will take into consideration the needs of the Board and the qualifications of the candidate. The Board may establish procedures, from time to time, regarding shareholder submission of candidates.

Board Membership Criteria

The Independent Trustees shall be responsible for assessing the appropriate balance of criteria required of trustees.

The Independent Trustees may apply several criteria in selecting nominees. At a minimum, the Independent Trustees shall consider (a) whether each such nominee has demonstrated, by significant accomplishment in his or her field, an ability to make a meaningful contribution to the Board’s oversight of the business and affairs of the Funds and (b) the nominee’s reputation for honesty and ethical conduct in his or her personal and professional activities. Additional factors which the Independent Trustees may consider include a candidate’s specific experiences and skills, relevant industry background and knowledge, time availability in light of other commitments, age, potential conflicts of interest, material relationships with the Funds and independence from management and the Funds. The Independent Trustees also may seek to have the Board represent a diversity of backgrounds, experience, gender and race.

Other Public Company Trusteeships/Directorships

The Funds do not have a policy limiting the number of other public company boards of trustees/directors upon which a trustee may sit, in general. However, the Independent Trustees shall consider the number of other public company boards and other boards (or comparable governing bodies) on which a prospective nominee is a member.

Although the Funds do not impose a limit on outside trusteeships/directorships, they do recognize the substantial time commitments attendant to Board membership and expect that the members of their Board be fully committed to devoting all such time as is necessary to fulfill their Board responsibilities, both in terms of preparation for, and attendance and participation at meetings.

In addition, in recognition of the enhanced time commitments associated with membership on a public company's audit committee, the Board has adopted a policy that each member of the Funds' Audit Committee must serve simultaneously on no more than two (2) other audit committees of public companies. For this purpose, the Funds' Audit Committees will be treated as one joint committee.

Trustees Who Change Their Present Job Responsibility

Whenever a member of the Board of Trustees (i) accepts a position with a company that is competitive to the business(es) then engaged in by the Funds or (ii) violates the Funds' code of ethics, these Guidelines or any other policy of the Funds applicable to members of the Board from time to time, he or she shall offer his or her resignation to the Board for its consideration. The Board shall consider the resignation offer, giving due consideration to all relevant factors that the Board deems appropriate under the circumstances, including, without limitation, any rule or regulation promulgated under the 1940 Act or the Securities Exchange Act of 1934, and shall determine the action to be taken with respect to such resignation offer.

The Board shall have sole and absolute authority to determine whether a violation has occurred with respect to clause (ii) above. Any member of the Board who offers his or her resignation pursuant to this policy shall not participate in the Board's review process or the deliberation regarding whether to accept the resignation offer.

Retirement Age

It is the general policy of the Funds that no trustee older than 80 years of age shall be nominated for re-election or re-appointment to the Board, unless otherwise determined by a majority of the trustees then in office (excluding the trustee at issue).

Trustee Tenure

In connection with each trustee nomination recommendation, the Board shall consider the issue of continuing trustee tenure and take steps as may be appropriate to ensure that the Board maintains an openness to new ideas and a willingness to critically re-examine the status quo. An individual trustee's renomination is dependent upon such trustee's performance evaluation, as well as a suitability review, each to be conducted by the Board in connection with each trustee nomination recommendation.

Compensation of Trustees

A trustee who is also an officer of the Funds shall not receive additional compensation for such service as a trustee.

The Funds believe that compensation for Independent Trustees should be competitive and should encourage ownership of the Funds' stock. The Independent Trustees are responsible for setting their own compensation and will periodically review the level and form of the Independent Trustees' compensation, including how such compensation relates to trustee compensation of funds of comparable size and complexity.

Independent Trustees' fees (including any additional amounts paid to chairs of committees and to members of committees of the Board) are the only compensation a member of the Audit Committee may receive from each Fund; provided, however, that a member of the Audit Committee may also receive fixed amounts of compensation under a retirement plan (including deferred compensation) from each Fund for prior service with the applicable Fund so long as such compensation is not contingent in any way on continued service.

Separate Sessions of Independent Trustees

The Independent Trustees of the Funds shall meet in executive session without management on a regularly scheduled basis, but not less frequently than quarterly. An Independent Trustee designated by the Independent Trustees to serve as the lead independent trustee (the "Lead Independent Trustee") shall preside at such executive sessions, or in such trustee's absence, another Independent Trustee designated by the Lead Independent Trustee shall preside at such executive sessions.

Any interested parties desiring to communicate with the Lead Independent Trustee and the other Independent Trustees regarding the Funds may directly contact such trustees by delivering such correspondence in care of the Funds' Secretary at NorthStar Real Estate Capital Income Master Fund, 399 Park Avenue, New York, New York 10022.

Self-Evaluation by the Board

The Board will conduct an annual self-assessment of the Board's performance as well as the performance of each committee of the Board, which shall take such form as the Board deems appropriate. The results of such self-assessment will be discussed with the Board and each committee, which self-assessment may be in the form of oral report to the Board and each committee thereof. The assessment should include a review of any areas in which the Board or management believes the Board can make a better contribution to the Funds. The Independent Trustees will utilize the results of this self-evaluation process in assessing and determining the characteristics and critical skills required of prospective candidates for nomination/election to the Board and making recommendations to the Board with respect to assignments of trustees to various committees.

Strategic Direction of the Funds

Normally it is management's job to formalize, propose and implement strategic choices and the Board's role to approve strategic direction and evaluate strategic results. However, as a practical matter, the Board and management will be better able to carry out their respective strategic responsibilities if there is an ongoing dialogue among the Chief Executive Officer, other members of top management and other Board members. To facilitate such discussions, members of senior management who are not trustees may be invited to participate in Board meetings when appropriate.

Board Access to Management

Trustees shall have access to the Funds' management and, as appropriate, to the Funds' outside advisors and third-party service providers. Trustees shall coordinate such access through the Funds' investment adviser and trustees will use judgment to assure that this access is not distracting to the business operation of the Funds.

Attendance of Management Personnel at Board Meetings

The Board encourages the Chief Executive Officer to bring personnel of the Funds' investment adviser from time to time into Board meetings to (i) provide insight into items being discussed by the Board which involve the applicable personnel and (ii) make presentations to the Board on matters which involve the applicable personnel; and (iii) bring personnel with significant potential into contact with the Board. Attendance of such personnel of the Funds' investment adviser at Board meetings is at the discretion of the Board. Should the Chief Executive Officer desire to add additional members of management or personnel of the adviser as attendees on a regular basis, this should be suggested to the Board for its concurrence.

Board Materials Distributed in Advance

Information and materials that are important to the Board's understanding of the agenda items and other topics to be considered at a Board meeting should, to the extent practicable, be distributed sufficiently in advance of the meeting to permit prior review by the trustees. In the event of a pressing need for the Board to meet on short notice or if such materials would otherwise contain highly confidential or sensitive information, it is recognized that written materials may not be available in advance of the meeting.

Board Interaction with Institutional Investors, Analysts, Press and Customers

The Board believes that management generally should speak for the Funds. It is suggested that each trustee shall refer all inquiries from institutional investors, analysts, the press or customers to the Chief Executive Officer or his or her designee.

Board Orientation and Continuing Education

Each Fund shall provide new trustees with a trustee orientation program to familiarize such trustees with, among other things, the Fund's business, strategic plans, significant financial, accounting and risk management issues, compliance programs, conflicts policies, code of ethics,

corporate governance guidelines, principal officers, internal auditors and independent auditors. Each trustee is expected to participate in continuing educational programs in order to maintain the necessary level of expertise to perform his or her responsibilities as a trustee.

Reliance on Management and Outside Advice

In performing its functions, the Board is entitled to rely on the advice, reports and opinions of management, counsel, accountants, auditors and other expert advisors. The Independent Trustees shall have the right to retain independent counsel and other independent advisers if deemed necessary by the Independent Trustees.

BOARD MEETINGS

Frequency of Meetings

There shall be not less than four regularly scheduled meetings of the Board each year.

Selection of Agenda Items for Board Meetings

The Chairman of the Board and the Secretary, in consultation with the Lead Independent Trustee and Fund counsel, shall annually prepare a “Board of Trustees Master Agenda.” This Master Agenda shall set forth a general agenda of items to be considered by the Board at each specified meeting during the year. Thereafter, the Chairman of the Board, in consultation with the Lead Independent Trustee and Fund counsel and the Secretary, may adjust the agenda to include special items not contemplated during the initial preparation of the annual Master Agenda.

Upon completion, a copy of the Master Agenda shall be provided to the trustees. Each trustee shall be free to suggest inclusion of items on the agenda as well as free to raise at any Board meeting subjects that are not specifically on the agenda for that meeting.

Commitment and Attendance

All trustees should make every effort to attend meetings of the Board and meetings of committees of which they are members. Members may attend by telephone to mitigate conflicts.

Participation in Meetings

Each trustee should be sufficiently familiar with the business of each Fund, including its investment objective, strategies, financial statements, capital structure, and the risks and competition it faces, in order to facilitate active and effective participation in the deliberations of the Board and of each committee on which he or she serves. Upon request, Fund management will make appropriate personnel available to answer any questions a trustee may have about any aspect of the operations of the Funds. Trustees should also review the materials provided by management and advisors in advance of the meetings of the Board and its committees and should arrive prepared to discuss the issues presented.

COMMITTEE MATTERS

Number and Names of Board Committees

Each of the Funds shall have one standing Board committee: the Audit Committee. The purpose and responsibilities for this committee shall be outlined in committee charter adopted by the Board. The Board may want, from time to time, to form a new committee or disband a current committee depending on circumstances. In addition, the Board may determine to form ad hoc committees from time to time, and determine the composition and areas of competence of such committees.

Independence of Board Committees

The Audit Committee shall be composed entirely of Independent Trustees satisfying applicable legal and regulatory requirements necessary for an assignment to such committee.