

Nontraded REIT Industry Review: Second Quarter 2015

NorthStar Real Estate Income Trust, Inc.

Total Assets.....	\$2,054.1 Million
RE Debt Investments.....	\$1,799.9 Million
Cash	\$40.3 Million
Securities	\$79.7 Million
Other	\$134.2 Million



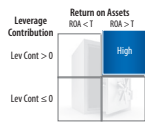
Initial Offering Date:	July 19, 2010
Offering Close Date:	July 1, 2013
Current Price per Share:	\$10.02
Reinvestment Price per Share:	\$9.50
Cumulative Capital Raised during Offering (including DRP).....	\$1,097.2 Million

Cash to Total Assets Ratio: 2.0%
 Asset Type: Operating RE; Debt & Securities
 Number of Properties: ... 28 RE Debt; 7 CMBS; 17 Properties; 4 Other*
 Square Feet / Units / Rooms / Acres: See Notes*
 Percent Leased: 94%
 Weighted Average Lease Term Remaining:..... Not Available
 LifeStage:..... Maturing
 Investment Style: Debt
 Weighted Average Shares Outstanding: 119,264,371



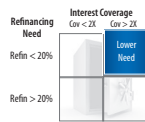
Performance Profiles

Operating Performance



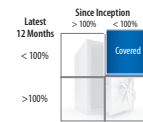
The REIT's recent 12-month average return on assets exceeds yields on 10-year Treasuries, indicating potential for positive risk-adjusted returns. At its current cost of debt and level of borrowing, its use of debt is contributing to increased returns for shareholders.

Financing Outlook



As a debt REIT that matches the maturities and variable rates of its borrowings with the maturities and variable rates of its debt assets, the REIT is protected from interest rate risk and refinancing risk. The YTD interest coverage ratio of 3.5X is safe.

Cumulative MFFO Payout



Cumulative MFFO since inception exceeds the cumulative cash distributions to common shareholders, indicating the REIT has fully funded cash distributions from its real estate operations. At the current distribution rate and level of modified funds from operations, trends suggest the distributions can be maintained.

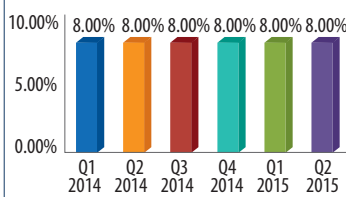
Summary

The REIT's return on assets for the last four quarters was 6.30%, significantly above the yield on 10-Year Treasuries, and therefore providing an additional return to shareholders. The REIT also had a positive leverage contribution with an average cost of debt of 3.56% and a debt ratio of 42.4%. Just 3.1% of the REIT's debt is due within 2 years. The 62% of the REIT's debt which is at variable rates is matched with floating rate assets (loans) thereby effectively hedging interest rate risk. With the YTD interest coverage ratio at 3.5X, well above the 2.0X benchmark, the REIT has shown the ability to cover its debt obligations. Over the trailing 12-month period, the REIT paid out just 52% of its MFFO in cash distributions excluding DRP, and since inception in 2010 it has paid out only 59% of MFFO, a sustainable ratio.

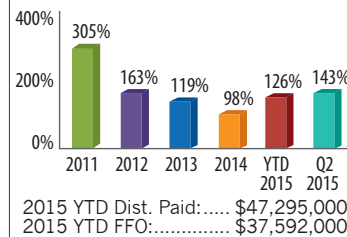
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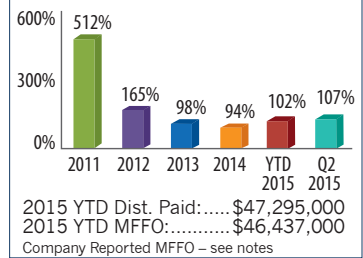
Historical Distribution



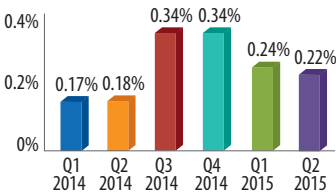
Historical FFO Payout Ratio



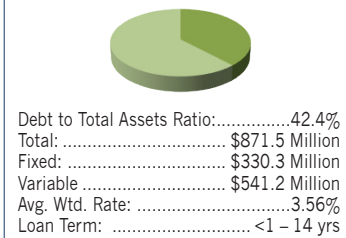
Historical MFFO Payout Ratio



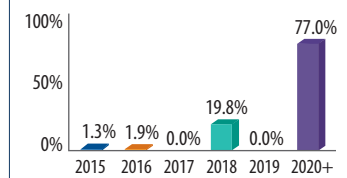
Redemptions



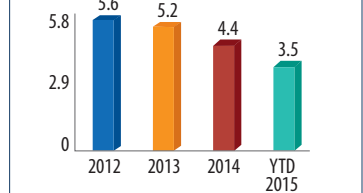
Debt Breakdown



Debt Repayment Schedule



Interest Coverage Ratio



Source of Distributions, Trends and Items of Note

- From inception through March 26, 2015, the Company raised total gross proceeds of \$1.2 billion. Upon completion of the Total Primary Offering, it has only been raising new equity through the DRP.
- For the six months ended June 30, 2015, the Company did not acquire any new properties or originate any debt investments.
- The Company has two private equity investments with a total of 73 funds, acquired for a total of \$193.7 million. Summarized financial data for such unconsolidated joint ventures for the three months ended March 31, 2015, which is the most recent financial information available from the underlying funds, included net investment income of \$2.9 million, realized gains of \$5.5 million and unrealized gains of \$5.1 million.
- The REIT has an interest in a mezzanine loan via a joint venture. As of June 30, 2015, the carrying value of the investment is \$57.7 million. The Company also has a minority interest in the Row NYC hotel and retail component with no carrying value as of June 30, 2015.
- From the commencement of its operations on October 18, 2010 through June 30, 2015, the REIT paid distributions at an annualized distribution rate of \$0.80 per share of its common stock.
- The REIT's Cash to Total Assets ratio decreased to 2.0% as of 2Q 2015 compared to 5.0% as of 2Q 2014.
- The REIT's Debt to Total Assets ratio increased to 42.4% as of 2Q 2015 compared to 40.4% as of 2Q 2014.
- The Company used Modified Funds from Operations ("MFFO") as defined by the Investment Program Association ("IPA").
- The Company paid total distributions in the six months ended June 30, 2015, of \$47.152 million, inclusive of the DRP proceeds. Funds from operations for the period were \$37.592. The distributions were funded 80% by funds from operations and 20% by offering proceeds.