



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.

Risk Factors

Consider the following risks before making an investment in NorthStar/RXR:

- We have no operating history and there is no assurance that we will achieve our investment objectives; the prior performance of our sponsors and their affiliated entities may not predict our future results.
- No public market currently exists for our shares; therefore, it will be difficult to sell your shares. If you are able to sell your shares, you would likely have to sell them at a substantial loss.
- This is a “blind pool” offering and you will not have an opportunity to evaluate the investments we make subsequent to the date you subscribe for shares.
- We depend on our advisor and its affiliates, as well as our sub-advisor and its affiliates, to select our investments and conduct our operations. We will pay substantial fees and expenses to our advisor, sub-advisor and their affiliates which will reduce cash available for investment and distribution. These fees were not determined on an arm’s length basis. These fees increase your risk of loss.
- Our investments may be adversely affected by economic cycles and risks inherent to the New York metropolitan area, especially New York City, and to risks inherent in geographic concentration.
- We expect to acquire more than a majority of our investments through joint venture arrangements with RXR Value Added Fund III, an affiliate of RXR Realty. We may also enter into joint ventures or other co-ownership arrangements with other third parties. Such investments may involve risks not otherwise present with other investments.
- We expect to use leverage in connection with our investments, which increases the risk of loss associated with our investments.
- Our tenants may not be able to make lease payments and our borrowers may not be able to make debt service payments to us due to changes in economic conditions, regulatory requirements and other factors.
- Our executive officers and other key investment professionals of our sponsors and their affiliates who perform services for us on behalf of our advisor and sub-advisor face conflicts of interest, including time constraints, allocation of investment opportunities and significant conflicts created by compensation arrangements with us and other affiliates of our sponsors.
- There is no guarantee of distributions. Distributions have been paid and may continue to be paid from sources other than cash flow from operations, including offering proceeds, borrowings or sales of assets and distributions may exceed earnings which may reduce an investor’s overall return. We have not established a limit on the amount of proceeds we may use to fund distributions. If we pay distributions from sources other than our cash flow from operations, we will have less cash available for investments and your overall return may be reduced. There is no guarantee of any return and you may lose a part or all of your investment. Distributions to the Class T Shares will be reduced by the payment of the distribution fee.
- If we only raise the minimum offering amount, or are unable to raise substantial funds, we will be limited in the number and type of investments we can make and the value of your investment in the offering will fluctuate with the performance of the specific assets we acquire.
- Diversification does not eliminate risk and does not assure better performance.
- We may change our targeted investments or investment policies without stockholder consent.
- The offering prices of our Class A Shares, Class T Shares and Class I Shares were not established on an independent basis, therefore, the offering prices will not accurately represent the value of our assets, as they were arbitrarily determined, and the actual value of your investment may be substantially less.
- Our charter does not require our board of directors to seek stockholder approval to liquidate our assets by a specified date, nor does our charter require our board of directors to list our shares for trading by a specified date.
- We have not yet qualified to be taxed as a REIT. If we fail to qualify as a REIT for federal income tax purposes, our cash available for distribution and the value of our shares could materially decrease.
- If we terminate our agreement with our advisor, we may be required to pay significant fees to an affiliate of our sponsors, which will reduce the cash available for distribution to you.
- The other risks set forth in our prospectus and our filings with the Securities and Exchange Commission.