

SUPPLEMENTAL REPORT

COVID-19 PANDEMIC UPDATE - MAY 27, 2020



NorthStar
HEALTHCARE INCOME

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS



This presentation may contain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as “may,” “will,” “should,” “expects,” “intends,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” or “potential” or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and contingencies, many of which are beyond our control, and may cause actual results to differ significantly from those expressed in any forward-looking statement. Among others, the following uncertainties and other factors could cause actual results to differ from those set forth in the forward-looking statements: operating costs and business disruption may be greater than expected; the Company's operating results may differ materially from the information presented in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019 and the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020; the fair value of the Company's investments may be subject to uncertainties; the Company's use of leverage could hinder its ability to make distributions and may significantly impact its liquidity position; given the Company's dependence on its external manager, an affiliate of Colony Capital, Inc., any adverse changes in the financial health or otherwise of its manager or Colony Capital, Inc. could hinder the Company's operating performance and return on stockholders' investment; the ability to realize substantial efficiencies as well as anticipated strategic and financial benefits, including, but not limited to expected returns on equity and/or yields on investments; the impact on the Company's liquidity position of any further impairments or defaults under its mezzanine loan; the Company's liquidity, including its ability to fund capital contributions in its unconsolidated joint ventures and to continue to generate liquidity by more accelerated sales of certain lower yielding and non-core assets; the timing of and ability to deploy available capital; the Company's ability to resume the payment of dividends at all in the future; the timing of and ability to resume repurchases of the Company's common stock pursuant to the share repurchase program; the ability of the Company to refinance certain mortgage debt on similar terms to those currently existing or at all; and the impact of actual or threatened public health epidemics or outbreaks, such as the COVID-19 pandemic, or of legislative, regulatory and competitive changes. The foregoing list of factors is not exhaustive. Additional information about these and other factors can be found in in Part I, Item 1A of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019, the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, as well as in the Company's other filings with the Securities and Exchange Commission (the “SEC”).

The Company cautions investors not to unduly rely on any forward-looking statements. The forward-looking statements speak only as of the date of this presentation. The Company is under no duty to update any of these forward-looking statements after the date of this presentation, nor to conform prior statements to actual results or revised expectations, and the Company does not intend to do so.

References to “we”, “us”, “our” the “Company” or “NorthStar Healthcare” refer to NorthStar Healthcare Income, Inc. and its subsidiaries unless the context specifically requires otherwise.

COVID-19 PANDEMIC UPDATE



Our first priority during this time has been, and continues to be, the health and safety of the residents and staff at our communities. We are focused on supporting our operating partners during this unprecedented time.

Confirmed Cases

- As of May 22, 2020, as reported by our operators and managers, approximately 26% of the communities in our direct investments have confirmed cases of COVID-19 while approximately 37% of the communities in our unconsolidated investments have confirmed cases.

Occupancy

- Occupancy across our direct investments was 77.6% as of May 22, 2020, a 3.6% decline since March 31, 2020. We anticipate that our occupancy will continue to decline as shelter-in-place restrictions and reduced admissions have dramatically limited inquiries and tours and caused a significant reduction in move-ins.

Liquidity

- As of May 22, 2020, we had approximately \$80.8 million of unrestricted cash.

Direct Investments - Operating

- Operating costs continue to rise as operators take action to protect residents and staff. Operators are paying a premium for labor and personal protective equipment continues to be difficult and costly to source.
 - Through April 30, 2020, additional operating expenses incurred as a result of the pandemic totaled approximately \$1.6 million for the communities in our direct operating investments. We expect these expenses to continue and may increase in the future.
 - Our direct operating investments have not experienced any significant issues collecting rents or other fees from residents as a result of COVID-19.

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Direct Investments – Net Lease

- The tenants of net lease investments have been impacted by the same COVID-19 factors faced by our operating properties, which have and will continue to affect our tenants' ability and willingness to pay rent. As of May 22, 2020:
 - The tenant of the remaining properties in the Peregrine portfolio has failed to remit rental payments in 2020;
 - The tenant of the Arbors portfolio has paid contractual rent through March 2020 and has made partial payments towards April 2020 rent, but is currently in lease default as a result of failing to remit rent timely; and
 - The tenant of the Fountains portfolio has paid contractual rent through May 2020.
- Our tenants in the Arbors and Fountains portfolios have been significantly and adversely affected by COVID-19 thus far, which has resulted in delays and shortfalls in payment of rent. The impact of COVID-19 on their ability to pay rent in the future is currently unknown, and we may enter into limited forbearance agreements with these tenants in the future.

Borrowings

- We have entered into forbearance agreements to defer up to 90 days of contractual debt service for borrowings on properties within the Winterfell, Arbors, Aqua and Fountains portfolios. The deferred debt service must be repaid over the 12 months following the forbearance period with no additional interest or penalties incurred.
 - The aggregate outstanding principal amount of these borrowings totaled approximately \$1.2 billion as of March 31, 2020, or approximately 83% of our total outstanding borrowings as of March 31, 2020.
- We are in discussions with other lenders regarding deferral of payment obligations and forbearance/waiver of non-payment defaults for failure to satisfy certain financial or other covenants.
- As of May 22, 2020, we have not yet made May debt service payments for borrowings on properties within the Rochester portfolio, as discussions with lenders of this portfolio regarding forbearance are currently ongoing. If we are not granted forbearance, or otherwise elect not to enter into forbearance agreements, we currently expect to make May debt service payments at that time.

COMPANY INFORMATION



NorthStar Healthcare Income, Inc., together with its consolidated subsidiaries, was formed to acquire, originate and asset manage a diversified portfolio of equity, debt and securities investments in healthcare real estate, directly or through joint ventures, with a focus on the mid-acuity senior housing sector, which the Company defines as assisted living, memory care, skilled nursing, independent living facilities and continuing care retirement communities, which may have independent living, assisted living, skilled nursing and memory care available on one campus. The Company also invests in other healthcare property types, including medical office buildings, hospitals, rehabilitation facilities and ancillary healthcare services businesses. The Company's investments are predominantly in the United States, but it also selectively makes international investments. The Company was formed in October 2010 as a Maryland corporation and commenced operations in February 2013. The Company elected to be taxed as a REIT under the Internal Revenue Code of 1986, as amended, commencing with the taxable year ended December 31, 2013. The Company conducts its operations so as to continue to qualify as a REIT for U.S. federal income tax purposes.

Shareholder Information

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