

NORTHSTAR HEALTHCARE INCOME, INC.

COMPENSATION COMMITTEE CHARTER

PURPOSE

The Compensation Committee of the Board of Directors (the “**Committee**”) of NorthStar Healthcare Income, Inc. (the “**Company**”) is appointed by the Board of Directors (the “**Board**”) to assist the Board in its oversight of (1) the Company’s compensation philosophy, policies and programs, (2) the approval of compensation to be paid by the Company for the Company’s executive officers and directors and (3) the preparation of the compensation committee report on executive compensation required to be included in the Company’s annual report or proxy statement.

COMMITTEE MEMBERSHIP

The Committee shall consist of at least two directors. The members of the Committee shall be independent in accordance with rules promulgated under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), as well as meet the independence requirements set forth in the Company’s Articles of Incorporation, as amended from time to time. In addition, all members of the Committee shall qualify as “non-employee” directors within the meaning of Rule 16b-3 of the Exchange Act.

The members of the Committee shall be appointed by the Board on the recommendation of the directors, or if the Board has established a Nominating and Corporate Governance Committee, then such committee, with one of the members appointed by the Board as Committee Chair. Any vacancy on the Committee shall be filled by majority vote of the Board. No member of the Committee shall be removed except by majority vote of the Board.

MEETINGS

The Committee shall meet as often as it determines, but not less than twice annually. Minutes of each meeting shall be taken and recorded. Actions may be taken by unanimous written consent when deemed necessary or desirable by the Committee. Members of the Committee may participate in a meeting by conference call or similar means.

A majority of the members of the Committee shall constitute a quorum. Each Committee member shall have one vote and the Committee may act by a majority of the members present at a meeting of the Committee. In the event of a tie vote on an issue, the Committee Chair’s vote shall decide the issue.

COMMITTEE AUTHORITY AND RESPONSIBILITIES

The Committee shall perform the duties assigned to it by this Charter and the Company’s Bylaws and by the Board.

The Committee shall:

1. Establish the Company's general compensation philosophy and oversee the development, implementation and administration of incentive compensation plans and equity-based plans, policies and programs, as applicable.
2. Review and approve annually the corporate goals and objectives relevant to any compensation to be paid by the Company to the Chief Executive Officer ("CEO"), evaluate at least annually the performance of the CEO in light of those goals and objectives, and determine the CEO's compensation level based on this evaluation. In determining the long-term incentive component of the CEO's compensation, the Committee shall consider, among other factors, the Company's performance and relative shareholder return, the value of similar incentive awards to chief executive officers at comparable companies, and the awards given to the CEO in past years, as applicable.
3. Review and approve annually the corporate goals and objectives relevant to any compensation to be paid by the Company to the executive officers other than the CEO (the "**Executive Officers**"), evaluate at least annually the performance of the Executive Officers in light of those goals and objectives, and determine each Executive Officer's compensation level based on this evaluation, including reviewing the recommendations of the CEO with regard to the compensation and performance of the Executive Officers.
4. Review and approve any employment, severance, and termination agreements or arrangements to be made between the Company and the CEO or any Executive Officer.
5. Review and approve all Company incentive compensation plans and equity-based plans, which includes the ability to adopt, amend and terminate such plans, and where appropriate or required, recommend for approval by the Company's stockholders.
6. Review and approve all equity-based awards, including pursuant to the Company's equity-based plans. The Committee shall exercise all rights, authority and functions of the Board under all of the Company's equity-based plans, including, without limitation, designation of the grantees to whom the awards are to be granted, the amount of the award or equity to be granted and the terms and conditions applicable to each award or grant, subject to the provisions of each plan, and the authority to interpret the terms thereof. Notwithstanding the foregoing, the day-to-day administration of all equity-based plans and awards that is routine or customarily administered by human resources or similar departments of public companies is delegated to the Executive Officers and/or appropriate employees and departments of the Company to the extent permitted by applicable law and the provisions of such plans, with oversight as appropriate by the Committee.
7. Consider periodically whether the incentives and risks arising from the Company's compensation policies and practices for its employees are reasonably likely to have a material adverse effect on the Company.
8. Periodically assess and evaluate the Company's executive compensation-related policies as may be applicable.

9. Review and recommend to the Board compensation for independent members of the Board, including but not limited to the following elements: retainer, meeting fees, committee fees, committee chair fees, equity or stock compensation, benefits, and perquisites.
10. In accordance with the rules and regulations of the Securities and Exchange Commission:
 - a. Review and discuss with management the Compensation Discussion and Analysis (“CD&A”) and the related tabular and other disclosures about executive compensation that are required to be included in the Company’s annual proxy statement (the “Proxy Statement”) and Annual Report on Form 10-K (the “Form 10-K”), and recommend to the Board whether the CD&A should be included in the Proxy Statement and Form 10-K; and
 - b. Produce a report of the Committee on executive compensation for inclusion in the Proxy Statement and Form 10-K.
11. Review and recommend to the Board for approval the frequency with which the Company will conduct Say on Pay Votes, taking into account the results of the most recent stockholder advisory vote on frequency of Say on Pay Votes required by Section 14A of the Exchange Act, review and approve the proposals regarding the Say on Pay Vote and the frequency of the Say on Pay Vote to be included in the Proxy Statement, and discuss the results of the most recent stockholder advisory vote on Say on Pay and general market reactions to executive compensation, if any, with regard to the named executive officers.
12. Report, through the Committee Chair, to the Board following meetings of the Committee.

OUTSIDE COUNSEL OR OTHER CONSULTANTS

In connection with its duties and responsibilities, the Committee shall have the authority to retain a compensation consultant as it deems necessary in its sole discretion, as well as outside legal or other advisors, after taking into consideration independence requirements and potential conflicts of interest in accordance with SEC rules and regulations. The Committee shall be directly responsible for the appointment, compensation and oversight of the compensation consultant, outside legal or other advisors retained by the Committee. The Committee shall have the authority to approve the fees payable by the Company to such advisors and other retention terms. The Committee will evaluate, on at least an annual basis, whether any work provided by the Committee’s compensation consultant raised any conflict of interest.

ANNUAL REVIEW OF THE CHARTER AND PERFORMANCE

The Committee shall annually review its performance. The evaluation shall address all matters that the Committee considers relevant to its performance, including a review and assessment of the adequacy of this Charter, and shall be conducted in such manner as the Committee deems appropriate. The Committee shall request that the Company maintain a copy of this Charter on the Company’s website.

The Committee shall deliver to the Board a report, which may be oral, setting forth the results of its evaluation, including any recommended amendments to this Charter.