SUPPLEMENTAL REPORT UPDATE

JANUARY 27, 2021

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 September 30, 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 re-commence the payment of dividends at all in the future; the timing of and ability to complete repurchases of the Company’s stock; 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 September 30, 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

NorthStar HEALTHCARE INCOME

Confirmed Cases

- As of January 21, 2021, approximately 68% of the communities in our direct investments have experienced at least one confirmed case of COVID-19 amongst its staff or residents.
- Approximately 80% of the communities in our unconsolidated investments have reported confirmed cases amongst its staff or residents.

Vaccine

- Independent living, assisted living, skilled nursing and memory care facilities have been classified as prioritized long-term care eligible for the COVID-19 vaccine.
- Our operators and tenants have and continue to coordinate with their respective states and administering agents to set up on-site clinics at our communities to provide the vaccine to both residents and staff on an elective basis.

Occupancy

- Occupancy across our direct investments averaged 74.4% in Q4 2020, a 1.5% decline from Q3 2020.
- As reported by the National Investment Center for Seniors Housing and Care, from Q1 to Q4 2020, senior housing occupancy declined a total of 6.8%. By comparison, NorthStar Healthcare's direct investments average occupancy declined by 7.0% over the same time period.
- We anticipate that occupancy will continue to decline as restrictions and resident concerns cause a significant reduction in move-ins and we experience increased resident illnesses and move-outs due to the pandemic.
- The occupancy of our direct investments and unconsolidated investments has continued to be negatively impacted in 2021. We anticipate the financial results of Q4 2020 and Q1 2021 will continue to reflect the adverse effects of COVID-19.

Liquidity

- As of January 21, 2021, we had approximately $72.6 million of unrestricted cash. We believe that our capital resources are sufficient to meet our capital needs for the next twelve months.

COVID-19 PANDEMIC UPDATE (CONT.)

NorthStar HEALTHCARE INCOME

Direct Investments – Net Lease

- The tenants of our net lease investments have been impacted by the same COVID-19 factors faced by our operating properties, which has and will continue to affect their ability and willingness to pay rent. As of January 21, 2021:
  - 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 December 2020, 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 January 2021. Effective June 1, 2020, we granted a lease concession to the tenant to defer a portion of contractual rent payments for a 90-day period, with full contractual rent to be repaid over the 12 months following the concession period. The lease concession period ended on August 31, 2020 and the tenant has resumed remitting contractual rent payments, including amounts related to deferred rent granted under the lease concession.

Borrowings

- We entered into forbearance agreements to defer 90 days of contractual debt service for borrowings on properties within the Winterfell, Arbors, Aqua, Rochester and Fountains portfolios. The deferred debt service must be repaid over the 12 months following the forbearance period, which expired on August 1, 2020.
  - The aggregate outstanding principal amount of these borrowings totaled approximately $1.3 billion as of January 21, 2021 and deferred debt service totaled $7.3 million.
- In addition, on July 1, 2020, we entered into a forbearance agreement to defer 90 days of contractual interest payments, 120 days of contractual principal payments and temporarily waive financial covenants for a mortgage note payable on a property within the Rochester portfolio.
  - The mortgage note payable has an outstanding principal balance of $19.9 million as of January 21, 2021 with deferred debt service totaling $0.5 million.

BUSINESS UPDATE

NorthStar HEALTHCARE INCOME

Espresso Mezzanine Loan

- We have successfully executed an amended loan agreement with the Borrower under our $74 million mezzanine loan investment, which extended the initial maturity of the loan by one year to January 2022.
- The loan amendment included a $5 million paydown of the loan at execution and increases the overall interest rate.

Estimated Net Asset Value

- On December 21, 2020, upon the recommendation of the audit committee of our board, the board, including all of its independent directors, approved and established an estimated value per share of $3.89 for our common stock as of June 30, 2020. This represents a 38% reduction from our previous estimated value per share of $6.25 as of June 30, 2019.
- Our senior housing communities have experienced significant declines in occupancy as a result of the COVID-19 pandemic, due to limited move-ins and increased move-outs. The time required to improve our communities' occupancy has reduced our expectations for near-term future revenues.
- Lower forecasted revenues, along with projected higher operating expenses and capital investment requirements, have decreased cash flow projections for our investments, which in turn has significantly lowered estimated property values as of June 30, 2020.
- We anticipate the capital needs of our investments to be increased in the post-COVID-19 landscape and, as a result, we expect that our Board will keep distributions and the share repurchase program suspended throughout 2021.

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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