

Due to demographic and economic factors forecasted to impact the senior housing sector over the next few decades, we believe now is an ideal time to invest in healthcare real estate.



By the year 2020, 12 million older Americans will require long-term care services.



Approximately 70% of Americans over 65 will need some form of help with activities of daily living for months or years as they age.



In 2010, the direct healthcare expenses for dementia was \$109 billion, surpassing the costs for heart disease and cancer at \$102 billion and \$77 billion, respectively.



Beginning January 1, 2011, approximately 10,000 Baby Boomers reach the age of 65 every day – a continuing trend for the next 19 years.



Over 4,000 Americans turn 85 every day.



Elders represent the fastest-growing age group in the United States. It is projected that the 75+ population will increase 70% by 2025.



By 2030, 1 of every 5 Americans—some 70 million people—will be 65 years or older.



Alzheimer's disease is the 5th leading cause of death for those 65+ in the United States. It is the only cause among the top ten causes of death that cannot be prevented, cured or slowed.



Every 67 seconds, someone in the United States develops Alzheimer's disease.



About one-third of seniors 85 and older currently have Alzheimer's disease.



The average occupancy rate for senior housing properties was 90.5% during the fourth quarter of 2014 and has risen for the past 19 consecutive quarters.

SOURCES: www.seniorcaremarketer.com/seniorcare_statistics.htm • www.longtermcare.gov/the-basics/who-needs-care/ • Dementia Care Cost is Projected to Double by 2040, NY Times, April 2013 • www.pewresearch.org/daily-number/baby-boomers-retire/ • <http://homecareassistance.com/our-services> • www.alz.org/facts/downloads/facts_figures_2015.pdf (Sec1:16, Sec1:20 Sec1:25) • NIC MAP® Data & Analysis Service, 2014. • As of March 31, 2015 the weighted average occupancy rate for NorthStar Healthcare's owned senior housing properties was 84% and the weighted average occupancy rate for the senior housing properties underlying NorthStar Healthcare's senior loans was 85%.

This sales and advertising literature is neither an offer to sell nor a solicitation of an offer to buy securities. An offering is made only by the prospectus. **This literature must be read in conjunction with the prospectus in order to fully understand all of the implications and risks of the offering of securities to which the prospectus relates. A copy of the prospectus must be made available to you in connection with any offering.** No offering is made except by a prospectus filed with the Department of Law of the State of New York. Neither the Securities and Exchange Commission, the Attorney General of the State of New York nor any other state securities regulator has approved or disapproved of our common stock, determined if the prospectus is truthful or complete or passed on or endorsed the merits of this offering. Any representation to the contrary is a criminal offense. NorthStar Securities, LLC is doing business as NorthStar BD Securities, LLC (DE) in the following states: FL, GA, TX and WA.

A Diversified Investment in Senior Housing

NorthStar Healthcare Income, Inc. (NorthStar Healthcare) is a public, non-traded real estate investment trust (REIT) formed to originate, acquire and asset manage a diversified portfolio of equity and debt investments in healthcare real estate, with a focus on the needs-driven senior housing sector, which we define as independent living, assisted living, memory care and skilled nursing facilities.

The portfolio will be diversified across a variety of senior housing property types and geographic locations throughout the United States.



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, population growth 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 Risk Factors 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 Healthcare, a public, non-traded REIT:

- We may not achieve our investment objectives; the prior performance of our sponsor may not predict our future results.
- No public market currently exists for our shares. If you are able to sell your shares, you would likely have to sell them at a substantial loss.
- You do not have the opportunity to evaluate the investments we will make with the proceeds of this offering before we make them, which makes your investment more speculative.
- We depend on our advisor and its affiliates to select our investments and conduct our operations. The fees we pay to our advisor and its affiliates were not determined on an arm’s length basis. These fees increase your risk of loss.
- Our equity investments will also be subject to the risks typically associated with real estate, including limited supply of targeted investments increasing our purchase price, reduced occupancy rates and decreases in some or all of the value over time.
- The collateral securing our debt investments may decrease in value or lose all value over time, which may lead to a loss of some or all of principal. Any unsecured debt may involve a heightened level of risk.
- We have board authority to use leverage in connection with our investments, which increases the risk of loss associated with our investments.
- Our borrowers and operators may not be able to make debt service or lease payments to us due to changes in economic conditions, regulatory requirements and other factors.
- There is no guarantee of distributions. Distributions have been paid from sources other than cash flow from operations, which may reduce an investor’s overall return. There is no guarantee of any return and you may lose a part or all of your investment.
- Our executive officers and our advisor’s other key professionals are also officers, directors, managers and key professionals of our sponsor and its affiliates. As a result, they will face significant conflicts of interest.
- If we raise substantially less than the maximum offering, we may not be able to acquire a diverse portfolio of investments and the value of your shares may vary more widely with the performance of specific assets.
- Diversification does not eliminate risk and does not assure better performance.
- We may change our targeted investments or investment policies without stockholder consent.
- Our organizational documents permit us to pay distributions from any source, including offering proceeds, borrowings or sales of assets. We have not established a limit on the amount of proceeds we may use to fund distributions. We have paid and may continue to pay distributions from sources other than our cash flow from operations, and consequently, we will have less cash available for investments and your overall return may be reduced.
- The offering price was determined by our board of directors based on a valuation of our assets and liabilities and may not be indicative of the price at which the shares would trade on a securities exchange or be sold. The actual value of our shares may be substantially less than our offering price.
- We are not required to liquidate our assets or list our shares for trading by a specified date or at all.
- 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.
- An investment in NorthStar Healthcare is not a direct investment in commercial real estate. An investment in NorthStar Healthcare is subject to fees and expenses that do not apply to such direct investments.
- If we terminate our agreement with our advisor, we may be required to pay significant fees to an affiliate of our sponsor, 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.

For more information, call our sales desk at 877.940.8777 or visit www.NorthStarSecurities.com/Healthcare

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