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NorthStar Healthcare Announces Initial Investment

New York, NY (April 9, 2013) – NorthStar Healthcare Income, Inc. (NorthStar Healthcare) announced today that it made its initial investment by purchasing a \$2.0 million pari passu participation interest in an \$11.25 million senior loan from an affiliate of the sponsor, NorthStar Realty Finance Corp. (NYSE: NRF). The loan and participation both bear interest at 7.00% over the one-month LIBOR index with a minimum interest rate of 8.0% per annum.

The sponsor recently originated the loan and sold the participation to NorthStar Healthcare at its cost basis. NorthStar Healthcare will purchase additional amounts of the loan, from time to time, as additional capital is raised, increasing the size of the participation until NorthStar Healthcare owns the entire loan.

The loan is secured by a 112-unit mixed independent living, assisted living and memory care facility located in Madera, California. The property is situated in the middle of a 40-acre upscale single family home and multi-use area and is also located three-miles from the Madera Community Hospital. The property is managed by an experienced operator who manages 47 properties, 33 of which are in California.

Daniel R. Gilbert, chief executive officer of NorthStar Healthcare remarked, “We are very pleased to announce our initial investment in an asset that is consistent with our targeted investment portfolio and our sponsor continues to generate an attractive pipeline of additional investments that will allow us to quickly invest the Company’s capital as it is raised.”

About NorthStar Healthcare Income, Inc. (NorthStar Healthcare)

NorthStar Healthcare is a public, non-traded real estate investment trust (REIT) sponsored by NorthStar Realty Finance Corp. (NYSE: NRF). The REIT was formed to originate, acquire and asset manage a diversified portfolio of debt and equity investments in the healthcare real estate sector with a focus on the mid-acuity senior housing sector, which we define as assisted living, memory care, skilled nursing and independent living facilities that have an emphasis on private pay patients . For more information, visit www.northstarreit.com/healthcare.

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Certain items in this press release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which can be identified by words like “anticipate,” “believe,” “plan,” “hope,” “goal,” “expect,” “future,” “intend,” “will,” “may,” “could” and “should” and similar expressions. These statements are based on the Company’s current expectations and beliefs and are subject to a number of trends and uncertainties that could cause actual results to differ materially from those described in the forward looking statements; the Company can give no assurance that its expectations will be attained. Forward-looking statements are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying any forward-looking statements may not materialize or may vary significantly from actual results. Variations of assumptions and results may be material. Factors that could cause actual results to differ materially from the Company’s expectations include, but are not limited to, whether the Company’s Sponsor will be able to continue to generate an attractive pipeline of investments that will allow the Company to quickly invest capital it raises, the ability of the operator of the Property to effectively manage the Property, the ability of the borrower to comply with the terms of the Senior Loan, whether the borrower determines to extend the Senior Loan, the change in market rents for mid-acuity senior housing facilities in Madera, California, changes in economic conditions generally and the real estate and debt markets specifically, availability of capital, ability to achieve targeted returns, generally accepted accounting principles and policies and rules applicable to REITs. Additional factors that could cause actual results to differ materially from those in the forward-looking statements are specified in the Company’s Annual Report on Form 10-K for the year ended December 31, 2012 and its other filings with the Securities and Exchange Commission. Such forward-looking statements speak only as of the date of this press release. The Company expressly disclaims any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in its expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

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