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NorthStar Healthcare Closes \$75.0 Million Mezzanine Loan

New York, NY (July 2, 2014) – NorthStar Healthcare Income, Inc. (NorthStar Healthcare) announced today that it closed an investment in a \$75.0 million mezzanine loan made in connection with the \$940.0 million financing of a national portfolio of 167 skilled nursing facilities. The portfolio consists of more than 20,000 licensed beds in 19 states, concentrated in Texas, North Carolina, Colorado and Maryland. Affiliates of Sava Senior Care, the nation's sixth largest operator of skilled nursing facilities, manage the portfolio.

The loan bears interest at a floating rate of 10.27% over the one-month London Interbank Offered Rate and has an initial term of 24 months, with three one-year extension options available to the borrower.

NorthStar Healthcare's portfolio consists of 14 investments with an aggregate total cost of \$318.2 million, including 11 equity investments with an aggregate total cost of \$217.6 million, two senior loans with an aggregate principal amount of \$25.9 million and one mezzanine loan with a principal amount of \$75.0 million, as of July 2, 2014.

About NorthStar Healthcare Income, Inc.

NorthStar Healthcare is a public, non-traded real estate investment trust (REIT) sponsored by NorthStar Asset Management Group Inc. (NYSE: NSAM), the successor to NorthStar Realty Finance Corp.'s (NYSE: NRF) asset management business. NorthStar Healthcare was formed to originate, acquire and asset manage a diversified portfolio of equity and debt 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.

This press release contains certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are generally identifiable by use of forward-looking terminology such as "will", "plans", "intends" or other similar words or expressions. These statements are based on NorthStar Healthcare'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; NorthStar Healthcare 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 will not materialize or will vary significantly from actual results. Variations of assumptions and results may be material. Factors that could cause actual results to differ materially from NorthStar Healthcare's expectations include, but are not limited to, the ability of the borrower to comply with the terms, including financial and other covenants, of the loan, whether the borrower determines to extend the loan, the ability of the affiliates of Sava Senior Care to successfully manage the portfolio, the

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ability to achieve the expected portfolio composition of debt and equity investments or the desired diversification of investments, the ability of NorthStar Healthcare's property operators to successfully manage NorthStar Healthcare's properties, the impact of any losses from NorthStar Healthcare's properties on cash flows and returns, market rental rates and property level cash flows, changes in economic conditions generally and the real estate and debt markets specifically, the impact of local economics, the ability to successfully implement an exit strategy, the availability of investment opportunities, the availability of capital, the ability to achieve targeted returns, generally accepted accounting principles, policies and rules applicable to REITs and the factors described in Part I, Item 1A of NorthStar Healthcare's Annual Report on Form 10-K for the fiscal year ended December 31, 2013, as well as in NorthStar Healthcare's other filings with the Securities and Exchange Commission. The foregoing list of factors is not exhaustive. All forward-looking statements included in this press release are based upon information available to NorthStar Healthcare on the date of this press release and NorthStar Healthcare is under no duty to update any of the forward-looking statements after the date of this press release to conform these statements to actual results.

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