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NorthStar Healthcare Joint Venture Completes Acquisition of Trilogy Health Services in $1.125 Billion Transaction

New York, NY (December 2, 2015) – NorthStar Healthcare Income, Inc. (NorthStar Healthcare) today announced that, pursuant to a joint venture with Griffin-American Healthcare REIT III, Inc. (Griffin-American), it has completed the acquisition of approximately 96% of Trilogy Investors, LLC (Trilogy), the parent company of Trilogy Health Services, LLC, for a purchase price that is based on a total company valuation of approximately $1.125 billion. NorthStar Healthcare owns 30% of the joint venture, while Griffin-American owns 70% of the joint venture and acts as its manager. In addition, as part of the transaction, Randy Bufford, Trilogy's founder and chief executive officer, and other members of Trilogy's management have retained an approximately 4% equity interest in Trilogy. Bufford and his executive team will continue to manage the Trilogy assets on behalf of the joint venture.

Founded in 1997, Trilogy is a leading owner-operator of purpose-built integrated senior healthcare campuses throughout the states of Indiana, Ohio, Michigan and Kentucky. During the course of its 18 year history, Trilogy has experienced consistent growth primarily through the development of new campuses and consumer needs-driven upgrades of existing ones. Trilogy now operates a total of 97 properties comprised of more than 10,000 beds, most of which were either built or substantially renovated in the past 10 years. Trilogy's integrated senior health campuses offer a range of care and accommodations, including assisted living, memory care, independent living and skilled nursing services.

"The completion of the Trilogy acquisition is indicative of our sponsor's ability to identify and source significant institutional opportunities and the value of its strategic partnership with American Healthcare Investors, the sponsor to Griffin-American. The strength and cooperation of our two healthcare platforms was instrumental in sourcing, diligencing and executing on this opportunity for both companies' shareholders," said Ron J. Jeanneault, chief executive officer and president of NorthStar Healthcare. "Trilogy is a successful and respected long-term senior care provider and this investment further grows and diversifies NorthStar Healthcare's senior housing portfolio."

NorthStar Healthcare's portfolio consists of 39 investments with an aggregate total cost of $2.8 billion, including 35 equity investments with an aggregate total cost of $2.6 billion and four debt investments with an aggregate principal amount of $193 million as of December 1, 2015.

About NorthStar Healthcare Income, Inc.

NorthStar Healthcare is a public, non-traded real estate investment trust (REIT) sponsored by NorthStar Asset Management Group Inc. NorthStar Healthcare was formed to acquire, originate and asset manage a diversified portfolio of equity, debt and securities investments in healthcare real estate, with a focus on the mid-acuity senior housing sector, which we define as independent living, assisted living, memory care and skilled nursing facilities and continuing care retirement communities. NorthStar Healthcare also

invests in other healthcare property types, including medical office buildings, hospitals and rehabilitation facilities.

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," "expects," "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, NorthStar Healthcare's ability to realize the anticipated benefits of its joint venture with GAHR; the ability of NorthStar Healthcare to achieve its targeted returns through the joint venture; the ability of the eligible independent contractor to successfully operate the portfolio; the ability to comply with the terms of the financing secured by the portfolio; the impact to NorthStar Healthcare of any actions taken by GAHR regarding the joint venture; the impact of any losses from properties in the portfolio on cash flow and returns; Trilogy's ability to grow its portfolio; market rental rates and property level cash flow; changes in economic conditions generally and the real estate and debt markets specifically; the impact of local economies; the availability of investment opportunities; the availability of capital; the ability to achieve targeted returns; changes to generally accepted accounting principles; policies and rules applicable to real estate investment trusts; 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, 2014 and in its other filings with the SEC. The foregoing list of factors is not exhaustive. All forward-looking statements included in this release are based upon information available to NorthStar Healthcare on the date of this release and NorthStar Healthcare is under no duty to update any of the forward-looking statements after the date of this release to conform these statements to actual results.

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