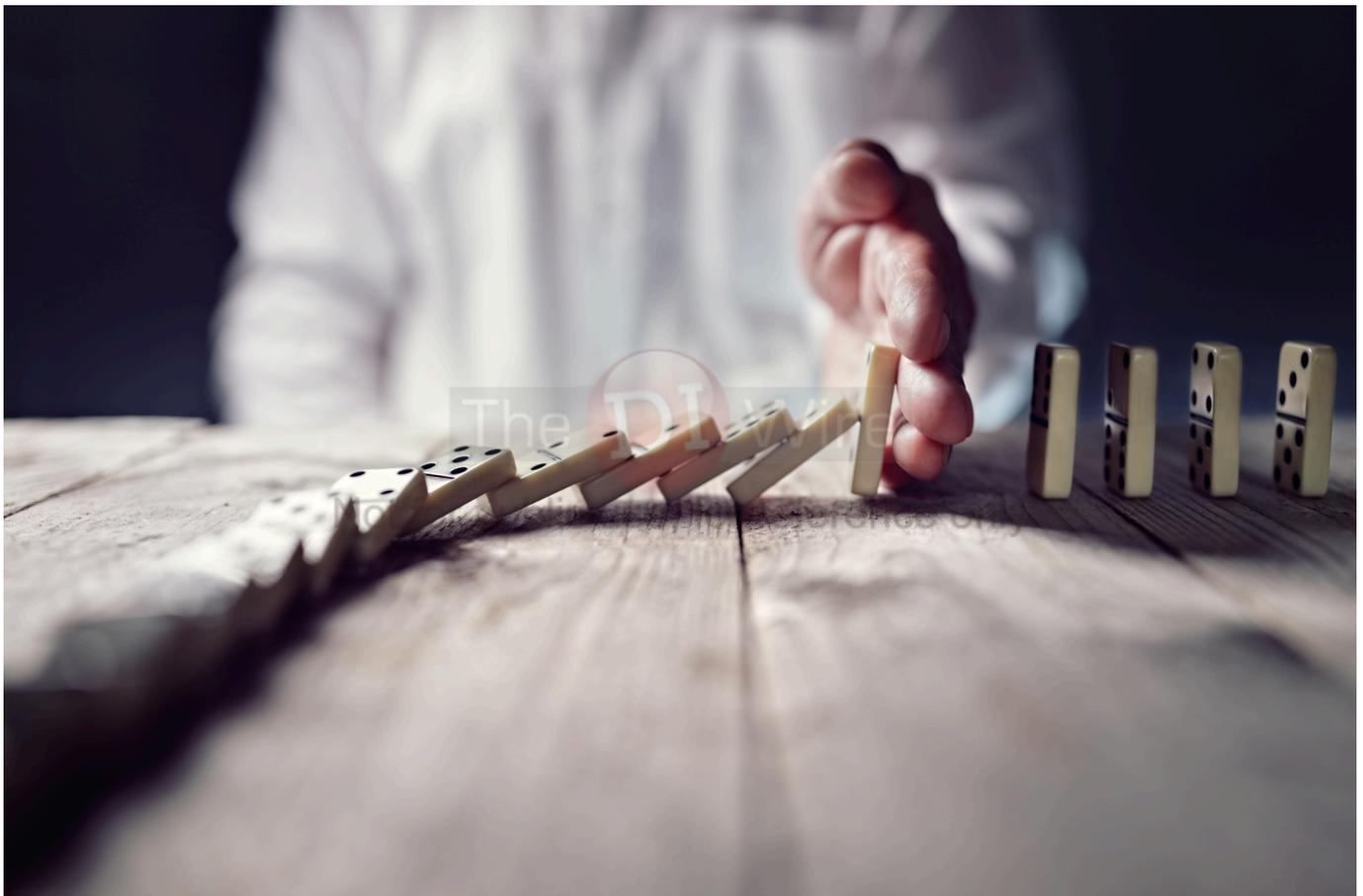


NorthStar Healthcare Income Suspends Distributions

<https://thediwire.com/northstar-healthcare-income-suspends-distributions/>

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NorthStar Healthcare Income Inc., a publicly registered non-traded real estate trust, has suspended the monthly distribution payments to stockholders, effective immediately.

In determining to suspend monthly distribution payments, the board said that it performed a thorough analysis of the REIT's business, financial condition, liquidity sources and capital needs, and believes it is prudent to preserve capital and protect the company's financial position.

In December 2017, the company reduced its distribution rate from 6.67 percent to 3.31 percent on its \$10.20 final offering price. Shares originally sold for \$10.00.

NorthStar Healthcare expects that cash retained by the distribution suspension will allow it to reinvest in its assets



through maintenance and strategic capital expenditures and reduce leverage in order to drive long-term value for stockholders.

The board said that it plans to continually assess NorthStar Healthcare's distribution policy in light of its operating performance and capital needs, while noting that there can be no assurance that distributions will be declared again in any future periods or at any particular rate.

In December 2018, the REIT [lowered the net asset value](#) of its common stock from \$8.50 per share to \$7.10 per share. At the time, the company cited numerous factors which contributed to the decline in net asset value, including occupancy challenges in select markets, increased labor costs, restructuring leases, replacing tenants, and capital expenditures while continuing to make consistent distributions to its shareholders.

In October 2018, the company informed shareholders that it will only repurchase shares in connection with the death or qualifying disability of a stockholder.

NorthStar Healthcare Income was formed to acquire, originate and asset manage a diversified portfolio of equity, debt and securities investments in healthcare real estate. The company launched in February 2013, and through November 8, 2018, raised total gross proceeds of \$2 billion, including \$225.3 million through its distribution reinvestment plan. The company oversees a \$2.4 billion portfolio of 652 properties as of the third quarter of 2018, according to Summit Investment Research.

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