



**NorthStar**  
REALTY FINANCE

# Supplemental Information Third Quarter 2015

November 13, 2015





# Safe Harbor



This presentation 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, including statements about future results, projected yields, rates of return and performance, projected cash available for distribution, projected cash from any single source of investment or fee stream, projected expenses, expected and weighted average return on equity, market and industry trends, investment opportunities, business conditions and other matters, including, among other things: our ability to realize the benefits of the European spin-off; the long-term growth prospects of our business in the United States and in Europe; the resulting effects of becoming an externally managed company, including the payment of substantial fees to our manager, an affiliate of NorthStar Asset Management Group Inc. (NSAM), the allocation of investments by our manager among us and NSAM’s other managed companies, and various conflicts of interest in our relationship with NSAM; the performance of our real estate portfolio generally; our ability to maintain dividend payments, at current levels, or at all; the diversification of our portfolio; our ability to close on our recent commitments to acquire real estate investments; our liquidity and financial flexibility, as well as our ability to take advantage of dislocations in the market, including through repurchases of our stock; the timing and amount of borrowings under our revolving credit facility and facility agreement; our ability to comply with the required affirmative and negative covenants, including the financial covenants; whether we will continue to diligently execute our business strategies in a disciplined manner; our ability to build a portfolio of diversified commercial real estate assets that can generate long-term durable cash flows; the impact of changes to our cost of capital, including on our ability to make accretive investments; NSAM’s ability to source and consummate attractive investment opportunities on our behalf, both domestically and internationally; whether we will realize any potential upside in our limited partnership interests in real estate private equity funds or any appreciation above our original cost basis of our real estate portfolio; the equity and debt mix of our real estate portfolio, including any concentration of European investments; the performance of our investments relative to our expectations and the impact on our actual return on invested equity, as well as the cash generated from these investments and available for distribution; our ability to generate attractive risk-adjusted total returns; whether we will produce higher cash available for distribution (CAD) per share or net operating income (NOI) in the coming quarters, or ever; our ability to maintain or grow our net asset value (NAV); whether NAV reflects actual value we would receive in an arm’s length transaction; the impact of economic conditions on the borrowers of the commercial real estate debt we originate and acquire the commercial mortgage loans underlying the commercial mortgage backed securities in which we invest, as well as on the tenants/operators of our real property that we own; our ability to realize the value of the bonds we have purchased and retained in our CDO financing transactions and other securitized financing transactions and our ability to complete securitized financing transactions on terms that are acceptable to us, or at all; our ability to meet various coverage tests with respect to our CDOs; our dividend yield; the size and timing of offerings or capital raises; the ability to opportunistically participate in commercial real estate refinancing’s; the ability to capitalize on attractive investment opportunities and enhance shareholder value; any failure in our due diligence to identify all relevant facts in our underwriting process or otherwise; credit rating downgrades; tenant/operator or borrower defaults or bankruptcy; adverse economic conditions and the impact on the commercial real estate industry; our use of leverage, including recourse financing; our ability to obtain mortgage financing on our real estate portfolio; the effect of economic conditions on the valuations of our investments; illiquidity of properties in our portfolio; our ability to manage our costs in line with our expectations and the impact on our CAD; environmental compliance costs and liabilities; effect of regulatory actions, litigation and contractual claims against us and our affiliates, including the potential settlement and litigation of such claims; competition for investment opportunities; failure to maintain effective internal controls; compliance with the rules governing real estate investment trusts; and our ability to comply with domestic and international laws or regulations governing various aspects of our business. Forward-looking statements are generally identifiable by use of forward-looking terminology such as “may,” “will,” “should,” “potential,” “intend,” “expect,” “seek,” “anticipate,” “estimate,” “believe,” “could,” “project,” “predict,” “hypothetical,” “continue,” “future” or other similar words or expressions. All forward-looking statements included in this presentation are based upon information available to the NorthStar Realty Finance Corp. (the “Company”) on the date hereof and the Company is under no duty to update any of the forward-looking statements after the date of this presentation to conform these statements to actual results. The forward-looking statements involve a number of significant risks and uncertainties. Factors that could have a material adverse effect on the Company’s operations and future prospects are set forth in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2014 and Quarterly Report on Form 10-Q for the quarter ended September 30, 2015, including the sections entitled “Risk Factors”. The factors set forth in the Risk Factors section and otherwise described in the Company’s filings with SEC could cause the Company’s actual results to differ significantly from those contained in any forward-looking statement contained in this presentation. The Company does not guarantee that the assumptions underlying such forward-looking statements are free from errors. Unless otherwise stated, historical financial information and per share and other data is as of September 30, 2015.

**This presentation is for informational purposes only and does not constitute an offer to sell or a solicitation of an offer to buy any securities of the Company.**

**The endnotes herein contain important information that is material to an understanding of this presentation and you should read this presentation only with and in context of the endnotes.**



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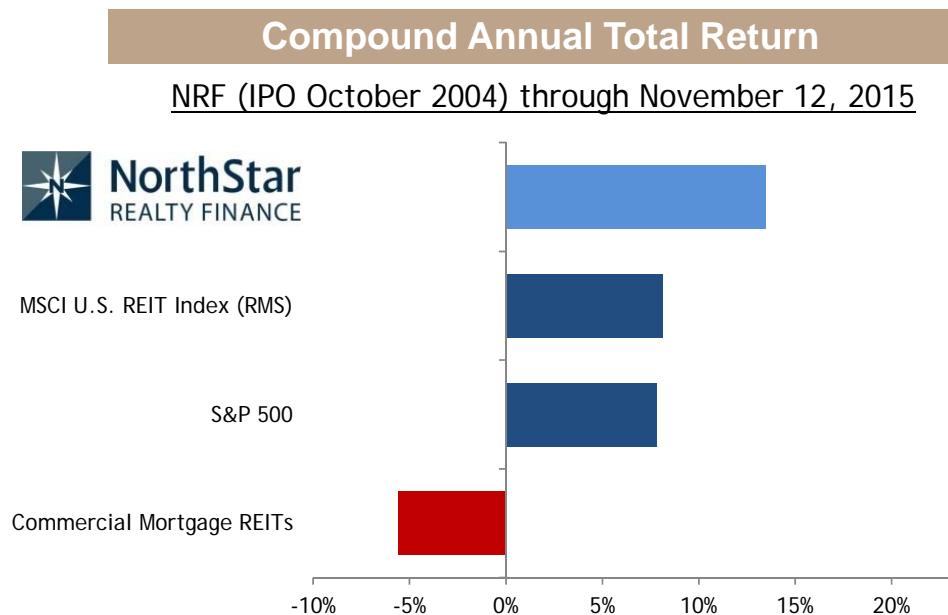
Presentation Endnotes



# Company Overview<sup>(1)</sup>



- ❑ NorthStar Realty Finance (NYSE: NRF) is a diversified commercial real estate company that is organized as a REIT and is managed by NorthStar Asset Management Group Inc. (NYSE: NSAM), a global asset management firm
- ❑ Proven track record of investing through commercial real estate cycles and across a variety of real estate sectors and capital structures, utilizing a diligent investment strategy driving attractive risk-adjusted returns to shareholders
- ❑ \$17.5 billion of diversified commercial real estate assets
  - On October 31, 2015, NorthStar Realty spun-off its \$2.6 billion, at cost, European real estate business into a separate publicly-traded REIT, NorthStar Realty Europe Corp. (NYSE: NRE)
- ❑ Significant insider ownership





# Leadership<sup>(2)</sup>



Name Management Position	Years of Experience	Relevant Background
<b>David T. Hamamoto</b> NorthStar Realty Chairman and Executive Chairman of NorthStar Asset Management Group, Inc.	32	<ul style="list-style-type: none"> <li>NorthStar Capital - Co-Founder</li> <li>Goldman, Sachs &amp; Co. - Co-Founder and Partner of Real Estate Principal Investments (Whitehall Funds)</li> </ul>
<b>Albert Tylis</b> Chief Executive Officer of NorthStar Asset Management Group, Inc.	17	<ul style="list-style-type: none"> <li>Bryan Cave / Robinson Silverman - Senior Attorney</li> <li>ASA Institute - Director of Corporate Finance and General Counsel</li> </ul>
<b>Daniel R. Gilbert</b> Chief Investment and Operating Officer of NorthStar Realty Finance Corp. and NorthStar Asset Management Group, Ltd.	21	<ul style="list-style-type: none"> <li>NorthStar Capital - Head of Mezzanine Lending Business</li> <li>Merrill Lynch &amp; Co. - Group Head in Global Principal Investment and Commercial Real Estate</li> </ul>
<b>Jonathan Langer</b> Chief Executive Officer and President	23	<ul style="list-style-type: none"> <li>Fireside Investments - Co-Founder</li> <li>Goldman, Sachs &amp; Co. - Partner of Real Estate Principal Investments (Whitehall Funds)</li> </ul>
<b>Debra A. Hess</b> Chief Financial Officer of NorthStar Realty Finance Corp. and NorthStar Asset Management Group, Inc.	29	<ul style="list-style-type: none"> <li>Newcastle Investment Corp. - Chief Financial Officer</li> <li>Fortress Investment Group - Managing Director</li> <li>Goldman, Sachs &amp; Co. - Vice President, Manager of Financial Reporting</li> </ul>
<b>Ronald J. Lieberman</b> Executive Vice President and General Counsel of NorthStar Realty Finance Corp. and NorthStar Asset Management Group, Inc.	20	<ul style="list-style-type: none"> <li>Hunton &amp; Williams - Partner, Real Estate Capital Markets</li> <li>Skadden, Arps, Slate, Meagher and Flom - Associate, Corporate and Securities</li> </ul>
<b>James F. Flaherty III *</b> Vice Chairman of the Board of NorthStar Healthcare Income, Inc.	30	<ul style="list-style-type: none"> <li>HCP, Inc. - Chairman and CEO</li> <li>Merrill Lynch &amp; Co. - Head of Global Healthcare Group</li> </ul>
<b>Mahbod Nia</b> Chief Executive Officer of NorthStar Realty Europe	16	<ul style="list-style-type: none"> <li>PanCap Investment Partners</li> <li>Goldman, Sachs &amp; Co. - Senior Executive Director, Real Estate Group</li> <li>Citigroup, Inc. - Vice President, Real Estate Finance</li> </ul>
<b>Keith A. Feldman, CFA</b> Managing Director - Finance and Capital Markets	17	<ul style="list-style-type: none"> <li>Goldman, Sachs &amp; Co. - Financial Reporting</li> <li>JPMorgan Chase &amp; Co. - Finance</li> </ul>
<b>Daniel D. Raffo</b> Executive Vice President and Head of Portfolio Management	26	<ul style="list-style-type: none"> <li>GE Business Property - Head of East and Midwest Real Estate Acquisitions</li> <li>Cushman &amp; Wakefield - Managing Director, Real Estate Capital Markets</li> </ul>
<b>Steven B. Kauff</b> Executive Vice President and Global Head of Tax Transactions	28	<ul style="list-style-type: none"> <li>NorthStar Capital - Structuring and Tax</li> <li>Arthur Anderson - Real Estate &amp; Hospitality, Tax Consulting</li> <li>PricewaterhouseCoopers - Real Estate Industry, Tax Consulting</li> </ul>
<b>Sujan S. Patel</b> Managing Director - Co-Head of Investments	15	<ul style="list-style-type: none"> <li>Thayer Lodging - Acquisitions</li> <li>Morgan Stanley - Investment Banking Division</li> </ul>
<b>Robert C. Gatenio</b> Managing Director - Co-Head of Investments	16	<ul style="list-style-type: none"> <li>Goldman, Sachs &amp; Co. - Commercial Real Estate Lending</li> <li>Goldman Sachs Asset Management - Fixed Income Portfolio Management</li> </ul>
<b>Brett Klein</b> Managing Director - Head of Structured and Alternative Products	15	<ul style="list-style-type: none"> <li>NorthStar Capital - Mezzanine Lending Business</li> <li>Fitch Ratings - CMBS</li> </ul>
<b>Robert S. Riggs</b> Managing Director - NorthStar Realty Finance Corp. Asset Management	27	<ul style="list-style-type: none"> <li>Olympus Real Estate Partners - Partner</li> <li>GE Capital Realty Group - COO and EVP of Equity Investing</li> </ul>
<b>David S. Fallick</b> Managing Director and Global Head of Real Estate Finance	21	<ul style="list-style-type: none"> <li>Bank of America/Merrill Lynch - Managing Director, CMBS</li> <li>Standard &amp; Poor's - Managing Director and Co-Head, CMBS</li> </ul>

\* James F. Flaherty III provides additional services through a joint venture with NorthStar Asset Management Group Inc. where he is responsible for the directional strategy and implementation of the healthcare real estate business including the oversight of all healthcare investments.



# Research Coverage<sup>(3)</sup>



Research Company	Analyst	Rating
Deutsche Bank	Stephen Laws	Buy
FBR Capital Markets & Co.	Daniel Altscher	Outperform
JMP Securities	Mitch Germain	Outperform
KBW	Jade Rahmani	Outperform
MLV	Richard Eckert	Buy
Sterne Agee	Jason Weaver	Buy
UBS	Matthew Howlett	Buy



## Third Quarter Highlights



- ❑ Cash available for distribution (“CAD”) of \$0.85 per share.
  
- ❑ Third quarter 2015 cash dividend of \$0.75 per share.
  
- ❑ In October 2015, completed spin-off of European REIT into a separate publicly-traded company, NorthStar Realty Europe Corp. (“NRE”).
  
- ❑ Acquired \$870 million of CRE investments in the third quarter 2015, representing \$340 million of invested equity.



# Financial Statements

## Balance Sheet



<i>(\$ in millions)</i>	<i>As of</i>
<i>Unaudited</i>	<b>September 30, 2015</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 386
Restricted cash	348
Operating real estate, net	13,078
Real estate debt investments, net	966
Investments in private equity funds, at fair value	1,195
Investments in unconsolidated ventures	155
Real estate securities, available for sale	755
Receivables, net	81
Receivables, related parties	2
Unbilled rent receivable, net	43
Derivative assets, at fair value	24
Deferred costs and intangible assets, net	1,043
Assets of properties held for sale	373
Other assets	174
<b>Total Assets</b>	<b>\$ 18,623</b>
<b>LIABILITIES AND EQUITY</b>	
<b>Liabilities</b>	
Mortgage and other notes payable	\$ 10,596
Credit facilities	786
Senior notes	340
CDO bonds payable, at fair value	344
Exchangeable senior notes	29
Junior subordinated notes, at fair value	185
Accounts payable and accrued expenses	227
Due to related party	52
Escrow deposits payable	17
Derivative liabilities, at fair value	133
Liabilities of properties held for sale	273
Other liabilities	420
<b>Total Liabilities</b>	<b>13,402</b>
<b>Equity</b>	
Preferred stock, \$986,640 aggregate liquidation preference as of September 30, 2015	939
Common stock, \$0.01 par value, 500,000,000 shares authorized, 181,838,809 shares issued and outstanding as of September 30, 2015	2
Additional paid-in capital	5,879
Retained earnings (accumulated deficit)	(2,095)
Accumulated other comprehensive income (loss)	55
<b>Total NorthStar Realty Finance Corp. Stockholders' Equity</b>	<b>4,780</b>
Non-controlling interests	441
<b>Total Equity</b>	<b>5,221</b>
<b>Total Liabilities and Equity</b>	<b>\$ 18,623</b>





# Financial Statements

## Income Statement



	<b>Three Months Ended</b>	
	<b>September 30, 2015</b>	
<i>(\$ in millions, except per share and dividends data)</i>		
<i>Unaudited</i>		
Property and other revenues		
Rental and escalation income	\$	236
Hotel related income		219
Resident fee income		70
Other revenue		3
Total property and other revenues		<u>528</u>
Net interest income		
Interest income		61
Interest expense on debt and securities		2
Net interest income on debt and securities		<u>59</u>
Expenses		
Management fee, related party		51
Other interest expense		141
Real estate properties – operating expenses		263
Other expenses		7
Transaction costs		6
Provision for (reversal of) loan losses, net		0
<u>General and administrative expenses</u>		
Salaries and related expense		2
Equity-based compensation expense		6
Other general and administrative expenses		5
Subtotal general and administrative expenses		<u>13</u>
Depreciation and amortization		138
Total expenses		<u>619</u>
Other income (loss)		
Unrealized gain (loss) on investments and other		(141)
Realized gain (loss) on investments and other		1
Income (loss) before equity in earnings (losses) of unconsolidated ventures and income tax benefit (expense)		<u>(172)</u>
Equity in earnings (losses) of unconsolidated ventures		60
Income tax benefit (expense)		3
Income (loss) from continuing operations		<u>(109)</u>
Income (loss) from discontinued operations		-
Net income (loss)		<u>(109)</u>
Net (income) loss attributable to non-controlling interests		4
Preferred stock dividends		(21)
Net income (loss) attributable to NorthStar Realty Finance Corp. common stockholders	\$	<u>(126)</u>
Earnings (loss) per share:		
Income (loss) per share from continuing operations	\$	(0.69)
Basic	\$	(0.69)
Diluted	\$	(0.69)
Weighted average number of shares (in millions):		
Basic		182
Diluted		184
Dividends per share of common stock	\$	0.75



# Financial Statements

## CAD Reconciliation<sup>(4)</sup>



	<b>Three Months Ended September 30, 2015</b>	
<i>(\$ in millions, except per share data)</i>		
Net income (loss) attributable to common stockholders	\$	(126)
Non-controlling interests		(4)
Adjustments:		
Depreciation and amortization items		158
N-Star CDO bond discounts		3
Non-cash net interest income in consolidated N-Star CDOs		(11)
Unrealized (gain) loss from fair value adjustments /		
Provision for loan losses, net		138
Realized (gain) loss on investments		8
Distributions / adjustments to joint venture partners		(12)
Transaction costs and other		3
<b>CAD</b>	<b>\$</b>	<b>157</b>
<b>CAD per share</b>	<b>\$</b>	<b>0.85</b>



# Asset Overview<sup>(5)</sup>



(\$ in millions)

<b>Public Company Separation</b>			
<b>Type</b>	<b>Number of Investments</b>	<b>Amount</b>	<b>% of Grand Total</b>
NorthStar Realty Finance	1,121	17,499	88%
NorthStar Realty Europe	52	2,497	12%
<b>Total</b>	<b>1,173</b>	<b>\$ 19,996</b>	<b>100%</b>

<b>Real Estate</b>			
<b>Sector</b>	<b>Number of Properties / Investments</b>	<b>Amount</b>	<b>% of Grand Total</b>
Healthcare	495	\$ 6,753	34%
Hotel	167	3,412	17%
Europe	52	2,497	12%
Manufactured housing communities	136	1,747	9%
Net lease	64	782	4%
Multifamily	12	382	2%
Multi-tenant office	13	172	< 1%
<i>Subtotal</i>	<b>939</b>	<b>15,745</b>	<b>79%</b>
Private equity fund investments	14	1,438	7%
Corporate Investments	3	111	< 1%
<b>Real Estate Total</b>	<b>956</b>	<b>\$ 17,294</b>	<b>86%</b>



# Asset Overview<sup>(5)</sup> (continued)



(\$ in millions)

<b>CRE Debt Investments</b>			
<b>Type</b>	<b>Number of Loans</b>	<b>Principal Amount</b>	<b>% of Grand Total</b>
First mortgage loans	15	\$ 392	2%
Mezzanine loans	9	102	< 1%
Subordinate interests	5	170	< 1%
Corporate loans	8	302	2%
<i>Subtotal</i>	<i>37</i>	<i>966</i>	<i>5%</i>
CRE Debt of N-Star CDOs	9	40	< 1%
Other	4	27	< 1%
<b>CRE Debt Investments Total</b>	<b>50</b>	<b>\$ 1,033</b>	<b>5%</b>
<b>CRE Securities</b>			
<b>Type</b>	<b>Number of Investments</b>	<b>Amount</b>	<b>% of Grand Total</b>
N-Star CDO bonds	32	513	3%
N-Star CDO equity	4	77	< 1%
Other securities	15	119	< 1%
<b>CRE Securities Total</b>	<b>51</b>	<b>709</b>	<b>4%</b>
Assets Underlying CRE Debt CDOs	116	960	5%
<b>Grand Total</b>	<b>1,173</b>	<b>\$ 19,996</b>	<b>100%</b>



# Net Asset Value<sup>\*(6)</sup>



(\$ in millions)

Net Asset Value	Current	Potential Value		
		2% NOI Growth	4% NOI Growth	6% NOI Growth
Healthcare	\$ 6,698	\$ 6,832	\$ 6,966	\$ 7,100
Hotels	3,986	4,066	4,146	4,225
Manufactured Housing	1,944	1,983	2,022	2,061
Net Lease	912	930	948	966
Multi-Family	531	542	553	563
Multi-Tenant Office	253	259	264	269
Operating Real Estate	14,325	14,612	14,898	15,185
Private Equity Funds	1,111	1,111	1,111	1,111
Real Estate Debt Investments	590	590	590	590
Real Estate Securities	457	457	457	457
Unconsolidated Joint Ventures	146	146	146	146
Unrestricted Cash	314	314	314	314
Restricted Cash	315	315	315	315
<i>Total Assets Value</i>	<i>17,259</i>	<i>17,546</i>	<i>17,832</i>	<i>18,119</i>
Mortgage & Other Notes Payables	9,485	9,485	9,485	9,485
Corporate Debt	806	806	806	806
Unconsolidated Joint Venture Debt	49	49	49	49
<i>Total Liabilities</i>	<i>10,340</i>	<i>10,340</i>	<i>10,340</i>	<i>10,340</i>
<i>Preferred Stock</i>	<i>894</i>	<i>894</i>	<i>894</i>	<i>894</i>
<b>Net Asset Value</b>	<b>6,025</b>	<b>6,312</b>	<b>6,598</b>	<b>6,885</b>
Joint Venture Minority Interests	470	500	530	560
<b>Net Asset Value (NRF Share)</b>	<b>\$ 5,555</b>	<b>\$ 5,812</b>	<b>\$ 6,068</b>	<b>\$ 6,324</b>
Shares Outstanding (mm)	191	191	191	191
<b>Net Asset Value Per Share</b>	<b>\$ 29.07</b>	<b>\$ 30.41</b>	<b>\$ 31.75</b>	<b>\$ 33.09</b>

\* Metrics exclude NorthStar Realty Europe



# Market Capitalization & Liquidity<sup>\*(7)</sup>



As of November 12, 2015

(\$ in millions, except per share data)

<b>Debt</b>	<b>Amount</b>
Mortgage Notes	\$ 9,485
Unconsolidated Real Estate JV Mortgage Notes	49
Loan Facility 1 (non-recourse amount)	49
<i>Non-Recourse Debt Subtotal</i>	<u>9,583</u>
Exchangeable Senior Notes	31
Corporate Revolving Credit Facility	165
Corporate Term Facility	425
Loan Facility 1 (recourse amount)	16
Trust Preferred Securities	185
<i>Recourse Debt Subtotal</i>	<u>823</u>
<b>Total Debt</b>	<u>10,406</u>

<b>Equity</b>	<b>NAV Value</b>
Common Equity (Net Asset Value)	5,555
Class A Preferred Stock	57
Class B Preferred Stock	313
Class C Preferred Stock	117
Class D Preferred Stock	178
Class E Preferred Stock	230
<i>Preferred Stock</i>	<u>894</u>
Joint Venture Minority Interests (Net Asset Value)	470
<b>Total Equity</b>	<u>6,919</u>
<b>Total Capitalization</b>	<u><u>\$ 17,325</u></u>

<b>Potential Liquidity</b>	
Unrestricted Cash	\$ 340
Undrawn Corporate Revolving Credit Facility	335
	<u>\$ 675</u>

**Only 5% of Capitalization represents Recourse Debt**

\* Metrics exclude NorthStar Realty Europe



# Market Capitalization & Liquidity<sup>\*(7)</sup>



As of November 12, 2015

(\$ in millions, except per share data)

<b>Debt</b>	<b>Amount</b>
Mortgage Notes	\$ 9,485
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<i>Non-Recourse Debt Subtotal</i>	<u>9,583</u>
Exchangeable Senior Notes	31
Corporate Revolving Credit Facility	165
Corporate Term Facility	425
Loan Facility 1 (recourse amount)	16
Trust Preferred Securities	185
<i>Recourse Debt Subtotal</i>	<u>823</u>
<b>Total Debt</b>	<b>10,406</b>

<b>Equity</b>	<b>Market Value</b>
Common Equity (NYSE: NRF) including LTIP units and RSUs not subject to performance hurdles	3,277
Class A Preferred Stock	57
Class B Preferred Stock	313
Class C Preferred Stock	117
Class D Preferred Stock	178
Class E Preferred Stock	230
<i>Preferred Stock</i>	<u>894</u>
Joint Venture Minority Interests	441
<b>Total Equity</b>	<b>4,612</b>
<b>Total Capitalization</b>	<b><u>\$ 15,018</u></b>

<b>Potential Liquidity</b>	
Unrestricted Cash	\$ 340
Undrawn Corporate Revolving Credit Facility	335
	<u>\$ 675</u>

\* Metrics exclude NorthStar Realty Europe

**Only 5% of Capitalization represents Recourse Debt**



## Select Operating Data





# Real Estate Projected 2015 NOI / EBITDA Summary<sup>(8)</sup>



(\$ in millions)

	Healthcare						Hotel		
	Senior Housing - Triple Net Lease	Senior Housing - RIDEA	Senior Housing - ILF's	Skilled Nursing Facilities	MOB's	Hospitals	Select Service	Extended Stay	Full Service
# of Properties / Hotels / Communities	83	109	32	108	149	14	97	66	4
WA Occupancy (%)	100%	88%	93%	100%	91%	100%	71%	80%	77%
<b>Projected 2015 NOI / HOTEL EBITDA (\$)</b>	<b>60</b>	<b>74</b>	<b>54</b>	<b>111</b>	<b>103</b>	<b>20</b>	<b>158</b>	<b>119</b>	<b>14</b>

	Europe	Manufactured Housing	Net Lease			Multifamily	Multi-Tenant Office	Total
			Industrial	Office	Retail			
# of Properties / Hotels / Communities	52	136	35	19	10	12	13	939
WA Occupancy (%)	87%	86%	100%	86%	100%	94%	89%	
<b>Projected 2015 NOI (\$)</b>	<b>134</b>	<b>122</b>	<b>31</b>	<b>26</b>	<b>5</b>	<b>26</b>	<b>12</b>	<b>1,069</b>



# Real Estate Healthcare<sup>(9)</sup>



(\$ in millions)

Healthcare Real Estate by Type							
Type	# of Properties	# of Beds / Units	WA Occupancy Leased (%)	WA Occupancy Property (%)	Lease (EBITDAR) Coverage	Avg. Remaining Lease Term (Years)	NOI (\$)
Senior Housing - Triple Net Lease	83	4,330	100%	86%	1.5x	11.4	60
Senior Housing - RIDEA	109	6,300	88%	88%	n/a	n/a	74
Senior Housing - Independent Living Facilities	32	3,983	93%	93%	n/a	n/a	54
Skilled Nursing Facilities	108	12,674	100%	85%	1.4x	9.0	111
MOB's	149	n/a	91%	91%	n/a	6.7	103
Hospitals	14	817	100%	69%	2.6x	10.8	20
<b>Total</b>	<b>495</b>	<b>28,104</b>	<b>94%</b>	<b>88%</b>	<b>1.6x</b>	<b>8.7</b>	<b>422</b>

Healthcare Real Estate by Geographic Location			
Location	# of Properties	# of Beds	Square Feet (MOB only, in thousands)
Illinois	42	3,309	365
Florida	29	3,089	201
United Kingdom	44	2,152	0
Indiana	61	2,070	1,214
California	27	2,044	228
Oregon	31	1,875	0
Texas	45	1,667	1,011
Washington	15	1,198	96
Ohio	35	1,108	272
Georgia	23	923	373
North Carolina	12	808	122
Colorado	12	641	321
Minnesota	13	292	35
Remainder	106	6,928	1,795
<b>Total</b>	<b>495</b>	<b>28,104</b>	<b>6,033</b>

Top 10 Operators / Tenants by NOI							
Operator / Tenant	# of Properties	# of Beds / Units	WA Occupancy Leased (%)	WA Occupancy Property (%)	Lease (EBITDAR) Coverage	Avg. Remaining Lease Term (Years)	NOI (\$)
Senior Lifestyle (RIDEA)	82	4,920	87%	87%	n/a	n/a	60
Holiday	32	3,983	93%	93%	n/a	n/a	54
Caring Homes (UK)	44	2,103	100%	87%	1.8x	13.1	35
Mid-Atlantic Healthcare	11	1,911	100%	94%	1.5x	13.5	18
Wellington Healthcare	11	1,364	100%	91%	1.2x	11.3	17
Miller	28	2,070	100%	73%	1.3x	1.8	15
Frontier	20	1,347	87%	87%	n/a	n/a	14
Symphony / NuCare	9	1,540	100%	77%	1.2x	6.3	13
Consulate	10	2,779	100%	94%	1.7x	12.3	11
Opis	11	1,515	100%	92%	1.3x	8.3	10
<b>Total</b>	<b>258</b>	<b>23,532</b>	<b>94%</b>	<b>87%</b>	<b>1.5x</b>	<b>9.4</b>	<b>247</b>



# Real Estate Hotel<sup>(10)</sup>



(\$ in millions)

Hotels by Type							
Type	# of Hotels	# of Rooms	WA Occupancy (%)	Avg. Daily Rate (ADR) (in dollars)	Avg. RevPAR (in dollars)	EBITDA (\$)	EBITDA Margin (%)
Select Service	97	13,193	71%	122	87	158	34%
Extended Stay	66	7,935	80%	129	103	119	39%
Full Service	4	960	77%	153	118	14	25%
<b>Total</b>	<b>167</b>	<b>22,088</b>	<b>75%</b>	<b>126</b>	<b>94</b>	<b>291</b>	<b>35%</b>

Hotels by Geographic Location					
Location	# of Hotels	# of Rooms	# of Rooms by Type:		
			Select Service	Extended Stay	Full Service
Texas	28	3,229	1,952	1,277	0
California	18	2,254	1,243	1,011	0
New Jersey	12	1,884	718	942	224
Virginia	11	1,473	1,210	263	0
Florida	12	2,060	1,186	291	583
New York	8	1,010	710	300	0
Georgia	7	974	694	280	0
Maryland	7	951	666	132	153
North Carolina	7	981	831	150	0
Michigan	6	809	601	208	0
New Hampshire	6	663	339	324	0
Connecticut	5	604	412	192	0
Pennsylvania	5	610	394	216	0
Washington	5	664	160	504	0
Other	30	3,922	2,077	1,845	0
<b>Total</b>	<b>167</b>	<b>22,088</b>	<b>13,193</b>	<b>7,935</b>	<b>960</b>

Top Brands by EBITDA							
Brand	# of Hotels	# of Rooms	WA Occupancy (%)	Avg. Daily Rate (ADR) (in dollars)	Avg. RevPAR (in dollars)	EBITDA (\$)	EBITDA Margin (%)
Courtyard - Marriott	64	9,455	70%	122	86	112	34%
Residence Inn - Marriott	47	5,732	81%	131	106	90	40%
Hampton Inn - Hilton	11	1,268	76%	120	91	15	35%
Hilton Garden Inn - Hilton	8	1,095	76%	133	101	16	36%
Homewood Suites - Hilton	9	1,110	78%	118	92	14	36%
Fairfield Inn - Marriott	6	509	68%	100	68	4	28%
Hyatt House - Hyatt	5	649	79%	144	114	11	40%
Other	17	2,270	75%	133	100	29	29%
<b>Total</b>	<b>167</b>	<b>22,088</b>	<b>75%</b>	<b>126</b>	<b>94</b>	<b>291</b>	<b>35%</b>

Same Property Results			
	3Q 15	3Q 14	% Change
WA Occupancy (%)	78.6%	78.1%	0.5%
Avg. RevPAR (in dollars)	102	97	5.3%
EBITDA Margin (%)	38.1%	36.4%	4.8%
EBITDA (\$)	53.5	48.4	10.7%



# Real Estate Hotel



	Brand	Type	Hotels	Rooms	% of Total Rooms
		Select Service	64	9,455	
		Extended Stay	47	5,732	
		Select Service	6	509	
		Select Service	4	389	
		Extended Stay	2	171	
		Full Service	1	367	
		Select Service	11	1,268	
		Extended Stay	9	1,110	
		Select Service	8	1,095	
<b>Marriott and Hilton Total</b>			<b>152</b>	<b>20,096</b>	<b>91%</b>



# Real Estate European Real Estate<sup>(11)</sup>



(\$ in millions)

European Real Estate by Geographic Location						
Location	# of Properties	Square Meters (in thousands)	WA Occupancy (%)	Avg. Remaining Lease Term (in years)	NOI *	(\$)
Germany	23	210	91%	6.6	48	
United Kingdom	9	58	98%	5.6	31	
Netherlands	4	73	98%	3.8	20	
France	6	95	60%	5.1	16	
Italy	2	31	95%	1.9	11	
Other	8	53	90%	4.9	8	
<b>Total</b>	<b>52</b>	<b>520</b>	<b>87%</b>	<b>5.4</b>	<b>134</b>	

European Real Estate by Type						
Type	# of Properties	Square Meters (in thousands)	WA Occupancy (%)	Avg. Remaining Lease Term (in years)	NOI *	(\$)
Office	43	424	93%	4.9	126	
Other	9	96	61%	6.5	8	
<b>Total</b>	<b>52</b>	<b>520</b>	<b>87%</b>	<b>5.4</b>	<b>134</b>	

Top 10 Tenants by NRI				
Tenant	Square Meters (in thousands)	Avg. Remaining Lease Term (in years)	NRI *	(\$)
DekaBank Deutsche Girozentrale	35	8.9	17	
BNP Paribas Real Estate	15	4.3	9	
Ernst & Young	16	3.3	7	
KPN BV	23	9.3	7	
Deloitte Holding B.V.	24	4.3	7	
BNP Paribas Information	11	5.3	5	
Cushman & Wakefield	5	9.3	5	
Deutsche Bundesbank	10	0.9	4	
Linklaters LLP	12	9.8	4	
Morgan Lewis & Bockius LLP	3	6.3	3	
<b>Top 10 Tenants by NRI Total</b>	<b>154</b>	<b>6.5</b>	<b>68</b>	

\* Reflects weighted average EUR/USD and GBP/USD exchange rates of approximately 1.09x and 1.49x at closing, respectively.



# Real Estate Manufactured Housing<sup>(12)</sup>



(\$ in millions)

Manufactured Housing Real Estate by Geographic Location							
Location	# of Communities	# of Pad Rental Sites	WA Economic Occupancy (%)	Avg. Monthly Rent (per unit, in dollars)	NOI (\$)	% of NOI	
Colorado	22	6,064	94%	585	30	24%	
Florida	20	6,386	87%	496	21	17%	
Utah	20	4,045	97%	536	19	16%	
Texas	9	3,345	98%	459	10	8%	
Kansas	21	4,873	68%	357	7	5%	
Wyoming	13	1,585	95%	417	6	5%	
New York	12	2,245	80%	584	6	5%	
Other	19	4,518	74%	421	10	8%	
<i>Pad Rental Sites Subtotal</i>	<i>136</i>	<i>33,061</i>	<i>86%</i>	<i>485</i>	<i>109</i>	<i>89%</i>	
Non Pad Related Income					13	11%	
<b>Total</b>	<b>136</b>	<b>33,061</b>	<b>86%</b>	<b>485</b>	<b>122</b>	<b>100%</b>	

Same Property Results			
	3Q 15	3Q 14	% Change
WA Economic Occupancy (%)	85.4%	84.6%	1.0%
Avg. Monthly Rate (per unit, in dollars)	488	470	3.9%
NOI (\$)	24.3	23.5	3.3%
NOI (\$) Including Non-Pad Related Income	26.4	25.5	3.7%



# Real Estate Net Lease<sup>(13)</sup>



(\$ in millions)

Net Lease Real Estate by Type					
Type	# of Properties	Square Feet (in thousands)	WA Occupancy (%)	Avg. Remaining Lease Term (in years)	NOI (\$)
Industrial	35	6,080	100%	11.1	31
Office	19	2,281	86%	3.9	26
Retail	10	468	100%	6.3	5
<b>Total</b>	<b>64</b>	<b>8,829</b>	<b>96%</b>	<b>9.0</b>	<b>62</b>

Top 10 Net Lease Real Estate by Geographic Location		
Location	# of Properties	Square Feet (in thousands)
Illinois	7	1,472
California	6	1,106
Ohio	4	664
Colorado	5	648
Georgia	4	629
Michigan	6	589
South Carolina	3	530
Indiana	3	501
North Carolina	1	438
Arizona	1	322
<b>Total</b>	<b>40</b>	<b>6,899</b>

Top 10 Tenants by NOI				
Tenant	# of Properties	Square Feet (in thousands)	Avg. Remaining Lease Term	NOI (\$)
Dick's Sporting Goods, Inc. / PetSmart, Inc.	10	468	6.0	5
Hannibal Industries	1	429	12.5	4
Northrop Grumman Space & Mission Systems C	1	184	6.8	4
TestAmerica	6	232	11.8	3
Credence Systems Corp.	2	178	1.4	3
Kraco Enterprises	1	364	12.9	3
New WinCup Holdings	2	542	11.3	3
Covance, Inc.	1	334	10.3	3
Alliance Data Systems Corp.	1	199	2.2	3
CitiFinancial	1	165	5.1	2
<b>Top 10 Tenants by NOI Total</b>	<b>26</b>	<b>3,095</b>	<b>9.0</b>	<b>33</b>

Same Property Results			
	3Q 15	3Q 14	% Change
WA Occupancy (%)	95.6%	99.1%	-3.5%
Avg. Remaining Lease Term (in years)	9.0	10.0	-10.2%
NOI (\$)	15.0	15.1	-0.4%



# Real Estate Multifamily<sup>(14)</sup>



(\$ in millions)

Multifamily Real Estate by Geographic Location					
Location	# of Properties	# of Units	WA Occupancy (%)	Avg. Monthly Rent (per unit, in dollars)	NOI (\$)
Tennessee	2	1,250	95%	707	6
Georgia	3	956	93%	853	6
Florida	3	928	94%	878	6
Arizona	2	626	96%	790	4
Pennsylvania	1	498	94%	840	3
Texas	1	256	95%	878	1
Total	12	4,514	94%	809	26

Same Property Results			
	3Q 15	3Q 14	% Change
WA Occupancy (%)	92.8%	94.4%	-1.6%
Avg. Monthly Rate (per unit, in dollars)	801	761	5.2%
NOI (\$)	6.3	5.6	11.9%





# Real Estate Financing Overview<sup>(15)</sup>



(\$ in millions)

## Real Estate Financing by Type

Type	Principal Amount	% of Total	WA Current Interest Rate	WA Maturity (in years)
Healthcare	\$ 4,783	43.3%	4.4%	5.2
Hotel	2,628	23.8%	3.6%	4.0
Manufactured Housing	1,276	11.5%	4.3%	7.5
Europe	1,518	13.7%	2.1%	4.3
Net Lease	451	4.1%	5.0%	1.5
Multifamily	283	2.6%	4.0%	7.6
Multi-Tenant Office	113	1.0%	2.4%	4.3
Non-Recourse Real Estate Financing Total	\$ 11,052	100.0%	3.9%	5.0

## Real Estate Financing Maturity

Year of Maturity	Principal Amount	% of Total	WA Current Interest Rate
2015	\$ 46	0.4%	5.4%
2016	106	1.0%	5.8%
2017	333	3.0%	4.6%
2018	30	0.3%	4.6%
2019 and thereafter	10,535	95.3%	3.8%
Non-Recourse Real Estate Financing Total	\$ 11,052	100.0%	3.9%



# Real Estate PE Investments<sup>(16)</sup>

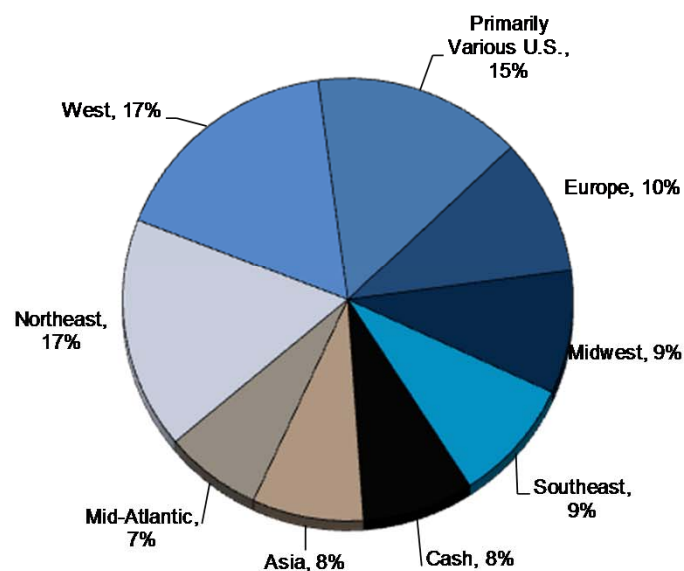
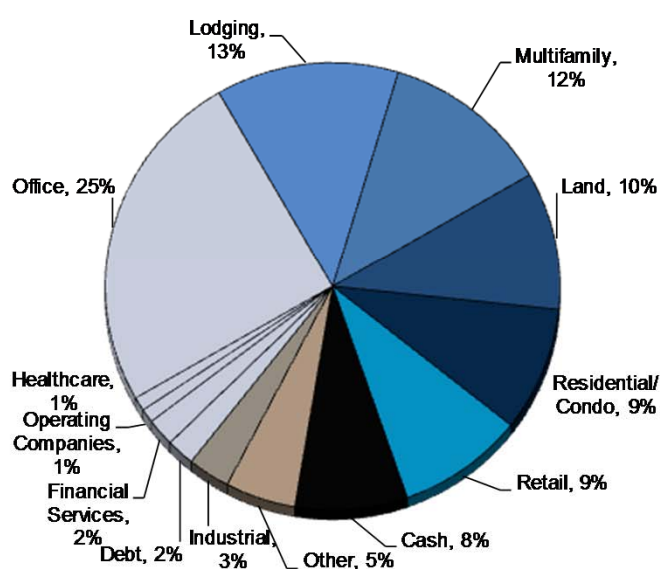


(\$ in millions)

	Aggregate / Wtd. Avg.
Number of funds	172
Number of general partners	97
Initial NAV	\$ 2,951
Initial NAV as a percentage of cost	82%
Reported annual NAV growth	18%
Underlying assets, at cost	\$ 93,500
Implied leverage	44%
Expected remaining future capital contributions	\$ 21

	Aggregate
<i>Three Months Ended September 30, 2015</i>	
Income	\$ 55
Return of capital	127
<i>Total distributions</i>	182
Contributions	2
Net	\$ 180
<i>Initial Closing Date through September 30, 2015</i>	
Income	\$ 372
Return of capital	708
<i>Total distributions</i>	1,080
Contributions	96
Net	\$ 984

## Private Equity Investments by Underlying Investment Type & Geography





# Real Estate Debt Investments<sup>(17)</sup>



(\$ in millions)

Loans by Underlying Collateral Type		
Underlying Collateral Type	Net Carrying Value	WA Yield on Equity
Corporate	\$ 305	13%
Hotel	180	12%
Office	61	8%
Development	94	14%
Healthcare	17	6%
Multifamily	74	4%
Land	39	0%
Industrial	27	12%
Other	10	4%
<b>Total</b>	<b>\$ 806</b>	<b>11%</b>

Top 10 Loans by Geographic Location	
Location	Net Carrying Value
New York	\$ 441
Texas	86
California	52
UK	17
Pennsylvania	31
Florida	42
Nevada	17
North Carolina	17
Maryland	12
Georgia	12
<b>Total</b>	<b>\$ 728</b>



# Repurchased NorthStar Realty CDO Bond and Other Securities<sup>(18)</sup>



(\$ in millions)

## Balance Sheet Holdings of NorthStar Realty CDO Bonds and Other Securities

### Owned CDO Bonds and Other Securities:

(excluding CDO bonds eliminated in consolidation)

Principal amount	497
Amortized cost basis	238
Weighted average yield	19%

### Owned CDO Bonds Eliminated in Consolidation

Principal amount	135
------------------	-----

### Owned CDO Bonds:

Based on original credit rating:	Principal
AAA	\$ 102
AA through BBB	251
Below investment grade	160
Total owned NorthStar Realty CDO bonds	<u>\$ 513</u>
Total repurchased NorthStar Realty CDO bonds	<u>\$ 379</u>
Weighted average original credit rating of repurchased CDO bonds	A / A2
Weighted average purchase price of repurchased CDO bonds	37%



# CDO Real Estate Investments<sup>(19)</sup>



(\$ in millions)

CDOs Primarily Backed by CRE Debt					
Issue/Acquisition Date	N-Star VI Mar-06	N-Star VIII Dec-06	CapLease Aug-11	CSE Jul-10	Total
<u>Balance sheet as of September 30, 2015</u>					
Assets, principal amount	\$ 259	\$ 745	\$ 123	\$ 485	\$ 1,611
CDO bonds, principal amount	210	590	109	411	1,319
Net Assets	<u>\$ 49</u>	<u>\$ 155</u>	<u>\$ 14</u>	<u>\$ 74</u>	<u>\$ 292</u>
<u>CDO quarterly cash distributions and coverage tests</u>					
Equity notes and subordinate bonds	\$ 3.1	\$ 2.4	\$ 0.6	\$ 1.6	\$ 7.7
Collateral management and other fees	0.3	0.7	0.1	0.5	1.6
Interest coverage cushion	2.7	3.4	0.4	1.6	
Overcollateralization cushion	53	118	10	89	
At offering	17	42	6	(152)	



# Presentation Endnotes



## 1. Company Overview:

- a) Compounded Annual Total Return: Based on price performance including reinvestment of dividends. Commercial Mortgage REITs include the average of companies that had their IPO prior to the recent financial crisis including ABR, NCT, RAS and STAR.
- b) NorthStar Realty Europe excludes European healthcare real estate retained by NorthStar Realty Finance after the spin-off.

## 2. Includes employees of NorthStar Asset Management Group Inc. and its affiliates.

## 3. Includes research analysts that currently cover NorthStar Realty Finance Corp. listed alphabetically by research company. Please note that any opinions, estimates or forecasts regarding NorthStar Realty's performance made by these analysts are theirs alone and do not represent opinions, forecasts or predictions of NorthStar Realty or its management. NorthStar Realty does not by reference or distribution of this information imply its endorsement of or concurrence with such information, conclusions or recommendations.

## 4. CAD Reconciliation:

- a) The three months ended September 30, 2015 includes depreciation and amortization of \$138.4 million (including \$0.7 million related to unconsolidated ventures), straight-line rental income of \$(7.4) million, amortization of above/below market leases of \$4.6 million, amortization of deferred financing costs of \$15.5 million, amortization of discount on financings and other of \$0.8 million and amortization of equity based compensation of \$6.2 million. The nine months ended September 30, 2015 includes depreciation and amortization of \$377.3 million (including \$2.1 million related to unconsolidated ventures), straight-line rental income of \$(23.1) million, amortization of above/below market leases of \$10.6 million, amortization of deferred financing costs of \$44.4 million, amortization of discount on financings and other of \$7.7 million and amortization of equity based compensation of \$24.7 million.
- b) For CAD, realized discounts on CDO bonds are accreted on an effective yield basis based on expected maturity. For CDOs that were deconsolidated, CDO bond accretion is included in net income attributable to common stockholders from the date of deconsolidation.
- c) The three months ended September 30, 2015 excludes \$(6.0) million related to securities in our consolidated CDOs, \$(0.8) million of foreign currency, \$(0.2) million related to conversion of exchangeable notes and \$(0.9) million of other and includes \$8.8 million related to the liquidation of CDO IV and \$0.5 million of accelerated amortization on CDO bonds. The nine months ended September 30, 2015 excludes \$(8.6) million related to securities in our consolidated CDOs, \$3.0 million related to a real estate asset sale in our consolidated CDO, \$(2.3) million of foreign currency, \$(1.3) million related to conversion of exchangeable notes and \$(0.4) million of other and includes \$15.4 million primarily related to accelerated amortization on CDO bonds and \$8.8 million related to the liquidation of CDO IV.
- d) The three months ended September 30, 2015 includes \$5.6 million of transaction costs, \$1.9 million of cash flow related to N-Star CDO equity interests, \$(6.0) million of deferred tax expense and \$1.4 million of bad debt expense and one-time items. The nine months ended September 30, 2015 includes \$127.7 million of transaction costs primarily related to costs associated with the acquisition of real estate including \$2.5 billion of pan-European primarily office portfolios, \$22.7 million of cash flow related to N-Star CDO equity interests, \$(14.5) million of deferred tax expense and \$9.5 million of bad debt expense and one-time items.
- e) CAD per share does not take into account any potential dilution from our outstanding exchangeable notes or restricted stock units subject to performance metrics not currently achieved.



# Presentation Endnotes (continued)



5. Asset Overview: Asset information as of September 30, 2015 unless otherwise noted below.

- a) Based on cost for real estate investments which includes net purchase price allocation related to net intangibles, deferred costs and other assets, if any, fair value for our investments (directly or indirectly in joint ventures) owning limited partnership interests in real estate private equity funds, or PE Investments, and includes the deferred purchase price for PE Investment II, principal amount for our CRE debt and securities investments and amortized cost for N-Star CDO equity and excludes any transaction costs associated with the initial acquisition of assets. Represents 100% of all real estate assets in consolidated joint ventures.
- b) Real Estate: Pro forma for an approximately \$141 million portfolio of manufactured housing communities NorthStar Realty entered into a definitive agreement to acquire in the third quarter 2015. Europe is approximately \$2.6 billion including transaction costs.
- c) Corporate Investments: Includes our investments in RXR Realty LLC, or RXR Realty, Aerium Group, or Aerium, and Legacy Partners Commercial, or Legacy Commercial.
- d) N-Star CDO Bonds: Includes N-Star CDO bonds with a principal amount of \$135 million related to CRE securities CDOs that are eliminated in consolidation.
- e) Assets Underlying CRE Debt CDOs: Includes assets of deconsolidated CRE debt CDOs, referred to as N-Star CDOs. Based on the respective remittance report issued on date nearest to September 30, 2015. This amount excludes \$513 million of aggregate N-Star CDO equity and N-Star CDO bonds included in CRE securities.



# Presentation Endnotes (continued)



## 6. Net Asset Value

- a) Excludes any assets or liabilities related to NorthStar Realty Europe. Assets include unrestricted cash, certain restricted cash, operating real estate, real estate debt and securities investments, excluding investments owned in consolidated CDO's, and assets of properties held for sale and exclude receivables, unbilled rent receivable, derivative assets, deferred cost and other assets. Liabilities include mortgage and other notes payable, credit facilities, exchangeable senior notes, junior subordinated notes and liabilities of properties held for sale and exclude CDO bonds payable, accounts payable, amounts due to related parties, escrow deposits payable, derivative liabilities and other liabilities. The calculation of NAV does not include obligations associated with lease agreements or other contractual arrangements, including, but not limited to, the Company's management agreement with NSAM. The calculation of NAV is subject to numerous assumptions and you should not unduly rely on it as an indicator of value or otherwise.
- b) Potential value assumes 2%, 4% and 6% growth, respectively, on projected full year 2015 EBITDA for hotel investments and NOI for all other real estate investments, including an annual amount for investments that were acquired in 2015 or are in contract to be acquired as of November 5, 2015.
- c) Asset Value: Shown at 100% for all consolidated investments and represents NorthStar Realty's ownership percentage for unconsolidated joint ventures and based on the following: i) Real estate based on projected 2015 NOI/EBITDA divided by Green Street Advisors' Weekly Pricing Update applied sub-sector nominal cap rates as of November 6, 2015 (Healthcare: 6.3%, Hotels: 7.3%, Manufactured Housing: 6.3%, Net Lease: 6.8%, Multi-Family: 4.8% and Multi-Tenant Office: 4.9%); ii) Private equity funds based on carrying value of \$1.12 billion as of September 30, 2015 less deferred purchase price liabilities of \$84.1 million, included in Other Liabilities on NorthStar Realty's consolidated balance sheet; iii) Real estate debt investments based on September 30, 2015 carrying value of \$966 million, less \$25 million of debt investments in consolidated CDOs, \$69 million of real estate development loans related to our healthcare real estate portfolio and \$66 million of credit facility financing. Pro forma for a payoff of loans from RXR Realty, LLC subsequent to September 30, 2015 totaling \$216 million; iv) Real estate securities based on September 30, 2015 fair value of \$755 million, less \$434 million of securities investments in consolidated CDOs and includes \$135 million of principal amount of owned CDO bonds that are eliminated in NorthStar Realty's consolidated financial statements; v) Unconsolidated joint ventures based on September 30, 2015 carrying value of \$146 million, excluding carrying value related to net lease and multifamily unconsolidated joint ventures which are included in 2015 NOI/EBITDA and real estate asset value; vi) Unrestricted cash of \$314 million as of November 5, 2015 and pro forma for expected funds required for the acquisition of an approximately \$141 million portfolio of manufactured housing communities NorthStar Realty entered into a definitive agreement to acquire in the third quarter 2015; and vii) Restricted cash includes capital expenditure reserves of \$186 million and operating real estate escrow reserves of \$129 million as of September 30, 2015, excluding any amounts contributed in the spin-off of NRE.
- d) Liabilities: Mortgage notes are pro forma for approximately \$104 million of financing on the portfolio of manufactured housing communities NorthStar Realty entered into a definitive agreement to acquire in the third quarter 2015, excludes NorthStar Realty Europe debt and includes \$49 million of unconsolidated joint venture debt and \$250 million of mortgages of multifamily real estate assets held for sale. Corporate debt includes principal amounts as of September 30, 2015 for exchangeable senior notes, credit facilities, pro forma for \$130 million of pay downs subsequent to the third quarter 2015 and Trust Preferred Securities ("TruPS") at fair value. \$66 million of credit facility financing is deducted from the real estate debt investments asset value. Unconsolidated joint venture debt includes NorthStar Realty's percentage of debt related to net lease and multifamily real estate joint ventures.
- e) Preferred Stock: Reflects closing stock price as of November 12, 2015 excluding accrued interest.
- f) Joint Venture Minority Interest: Reflects adjustment for NorthStar Realty's weighted average ownership percentage. Excludes any partner promote amounts that have not been recognized as of November 5, 2015.
- g) Shares outstanding: Reflects common shares, LTIP units and RSUs not subject to performance hurdles, outstanding as of November 5, 2015.





# Presentation Endnotes (continued)



## 7. Market Capitalization & Liquidity:

- a) Mortgage Notes: Pro forma for approximately \$104 million of financing on the portfolio of manufactured housing communities NorthStar Realty entered into a definitive agreement to acquire in the third quarter 2015. Excludes NorthStar Realty Europe debt. Includes \$49 million of unconsolidated joint venture debt and \$250 million of mortgages of multifamily real estate assets held for sale.
- b) Loan Facility 1 (non-recourse amount): Reflects 75% of the outstanding facility balance due to maximum recourse amount on the facility of 25%.
- c) Corporate Revolving Credit Facility: Pro forma for facility pay downs subsequent to the third quarter 2015.
- d) TruPS: Reflects fair value as of September 30, 2015.
- e) Common Equity: Market value reflects stock price (NYSE: NRF) as of November 12, 2015 of NorthStar Realty common shares, LTIP units and RSUs not subject to performance hurdles. For a description of NAV presented refer to endnote number 4.
- f) Preferred Stock: Reflects closing stock price as of November 12, 2015 excluding accrued interest.
- g) Excludes \$481 million of non-recourse CDO bonds related to CDO's consolidated on NorthStar Realty's financial statements.

## 8. Real Estate Projected 2015 NOI / EBITDA Summary:

- a) Projected 2015 NOI / HOTEL EBITDA: Reflects projected full year 2015 EBITDA for hotel investments and NOI for all other real estate investments, including an annual amount for investments that were acquired in 2015 or are in contract to be acquired as of November 5, 2015.
- b) NOI / EBITDA represents 100% for all consolidated investments and represents NorthStar Realty's ownership percentage for unconsolidated joint ventures. The below table represents NorthStar Realty's approximate weighted average ownership percentage in each portfolio.

	NRF ownership based on contributed capital
Healthcare	84.0%
Hotels	93.8%
Europe	99.6%
Manufactured Housing	94.2%
Net Lease	96.3%
Multifamily	93.5%
Multi-Tenant Office	95.0%

## 9. Real Estate - Healthcare:

- a) Pro forma senior housing facilities that are in the process of transitioning from senior housing – triple net lease to senior housing – RIDEA subsequent to the third quarter 2015.
- b) 2015 NOI includes approximately \$4 million related to interest earned from healthcare real estate development loans that are recorded in the Interest Income line item on NorthStar Realty's financial statements.
- c) Top 10 Operators/Tenants by NOI: Caring Homes (UK) lease (EBITDAR) coverage includes additional collateral provided by the operator.



# Presentation Endnotes (continued)



10. Real Estate - Hotel: EBITDA amounts exclude \$35 million of projected FF&E reserves.
  - a) Same-Property Results: Q3'15 EBITDA reflects \$140.5 million of total rental and escalation income less \$87.0 million of total real estate operating expenses. Q3'14 EBITDA reflects \$133.0 million of total rental and escalation income less \$84.6 million of total real estate operating expenses.
11. Real Estate – European Real Estate: 2015 NOI includes amortization of free rents over the term of the lease.
12. Real Estate - Manufactured Housing:
  - a) 2015 NOI pro forma for an approximately \$141 million portfolio of manufactured housing communities NorthStar Realty entered into a definitive agreement to acquire in the third quarter 2015.
  - b) 2015 NOI includes non-pad related income related primarily to interest earned from seller financing loans and ancillary income and rents from pad sites and homes that are recorded in the Interest Income and Other Revenue line items on NorthStar Realty's financial statements.
  - c) Same-Property Results: Q3'15 NOI reflects \$44.4 million of total rental and escalation and other income less \$20.1 million of total real estate operating expenses. Q3'14 NOI reflects \$42.6 million of total rental and escalation and other income less \$19.0 million of total real estate operating expenses. Non-Pad Related Income for Q3'15 and Q3'14 was \$2.1 million and \$1.9 million, respectively. Non-Pad Related income recorded in the Interest Income and Other Revenue line items on NorthStar Realty's financial statements.
13. Real Estate – Net Lease:
  - a) Same-Property Results: Q3'15 NOI reflects \$17.7 million of total rental and escalation income less \$1.8 million of total real estate operating expenses. Q3'14 NOI reflects \$17.3 million of total rental and escalation income less \$2.2 million of total real estate operating expenses.
14. Real Estate – Multi-Family:
  - a) Same-Property Results: Q3'15 NOI reflects \$10.5 million of total rental and escalation income plus \$0.7 million of other revenue less \$4.9 million of total real estate operating expenses. Q3'14 NOI reflects \$10.3 million of total rental and escalation income plus \$1.2 million of other revenue less \$5.9 million of total real estate operating expenses.
15. Real Estate Financing Overview:
  - a) Includes \$49 million of unconsolidated joint venture debt and \$250 million of mortgages of multifamily real estate assets held for sale.
  - b) Manufactured Housing: Pro forma for an approximately \$141 million portfolio of manufactured housing communities NorthStar Realty entered into a definitive agreement to acquire in the third quarter 2015.
  - c) Current interest rate is based on current LIBOR/EURIBOR for floating rate liabilities.
16. Real Estate PE Investments:
  - a) Number of General Partners: Includes 20 funds and ten general partners held across multiple PE Investments.
  - b) Initial NAV: Includes the deferred purchase price for PE Investment II and PE Investment III, respectively.
  - c) Initial NAV as a Percentage of Net Cost: Net cost represents total funded capital less distributions received.
  - d) Reported Annual NAV Growth: Measured from the agreed upon reported NAV at date of acquisition, or Initial NAV. The reported NAV growth for PE Investments owned for less than twelve months is annualized based on actual reported income from the Initial NAV through June 30, 2015.
  - e) Implied Leverage: Represents implied leverage for funds with investment-level financing, calculated as debt divided by assets at fair value.
  - f) Expected Remaining Future Capital Contributions: Represents the estimated amount of expected future capital contributions to funds as of September 30, 2015.



## Presentation Endnotes (continued)



17. Real Estate Debt Investments: Based on September 30, 2015 carrying value of \$966 million, less \$25 million of debt investments in consolidated CDOs, \$69 million of real estate development loans related to our healthcare real estate portfolio and \$66 million of credit facility financing. In October 2015, NorthStar Realty received a payoff of loans from RXR Realty, LLC totaling \$215 million.
18. Repurchased NorthStar Realty CDO Bonds:
- a) Owned CDO bonds total principal amount represents the maximum amount of principal proceeds that could be received. There is no assurance we will receive the maximum amount of principal proceeds.
  - b) Other Securities reflects \$119 million principal amount of CMBS and other securities as of September 30, 2015.
  - c) \$135 million of total principal amount of owned CDO bonds are eliminated in the consolidated financial statements.
19. CDO Real Estate Investments:
- a) Data based on remittance report issued on date nearest to September 30, 2015.
  - b) Includes all outstanding CDO bonds payable to third parties and all CDO bonds owned by us.
  - c) IC and OC coverage to the most constrained class.
  - d) CapLease OC at Offering: Based on trustee report as of August 31, 2011, closest to the date of acquisition.
  - e) CSE OC at Offering: Based on trustee report as of June 24, 2010, closest to the date of acquisition.



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