
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 20, 2017

COLONY NORTHSTAR, INC.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction
of incorporation)

001-37980
(Commission
File Number)

46-4591526
(IRS Employer
Identification No.)

515 S. Flower Street, 44th Floor
Los Angeles, CA
(Address of principal executive offices)

90071
(Zip Code)

Registrant's telephone number, including area code: (310) 282-8820

Not Applicable

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01. Entry into a Material Definitive Agreement

On December 20, 2017, Colony NorthStar, Inc. (the “Company”), NorthStar Healthcare Income, Inc. (“NorthStar Healthcare”), NorthStar Healthcare Income Operating Partnership, LP (the “Operating Partnership”) and CNI NSHC Advisors, LLC (the “Advisor”) entered into Amendment No. 1 (the “Advisory Agreement Amendment”) to the Advisory Agreement (the “Advisory Agreement”), dated as of June 30, 2014, by and among, the Company, as successor to NorthStar Asset Management Group Inc., NorthStar Healthcare, the Operating Partnership and the Advisor, as successor to NSAM J-NSHC Ltd. A description of the Advisory Agreement Amendment is set forth in Item 8.01 of this Current Report on Form 8-K and is incorporated herein by reference, and the full text of the Advisory Agreement Amendment is attached to this Current Report on Form 8-K as Exhibit 10.1 and is incorporated herein by reference.

Item 8.01 Other Events.

NorthStar Healthcare, a non-traded healthcare real estate investment trust managed by the Advisor, a subsidiary of the Company, recently completed the investment of substantially all of the proceeds of its public offering. In light of certain recent operational and regulatory challenges facing the healthcare industry and NorthStar Healthcare, the board of directors of NorthStar Healthcare, in consultation with the Advisor, has recently taken a series of actions, including modifying its distribution policy and share repurchase program, to strengthen NorthStar Healthcare’s capital structure at this time in order to protect long-term value for stockholders of NorthStar Healthcare. In connection with those actions taken by the board of directors of NorthStar Healthcare, the Advisor and the board of directors of NorthStar Healthcare also agreed to amend the Advisory Agreement as described below.

As noted above, on December 20, 2017, the Company, NorthStar Healthcare, the Operating Partnership and the Advisor entered into the Advisory Agreement Amendment, which made the following changes to the Advisory Agreement: (1) the Advisor will no longer receive an acquisition fee in connection with NorthStar Healthcare’s acquisitions of real property or debt investments; and (2) the Advisor’s monthly asset management fee will be equal to one-twelfth of 1.5% of NorthStar Healthcare’s most recently published aggregate estimated net asset value, as may be subsequently adjusted for any special distribution declared by the Board of NorthStar Healthcare in connection with a sale, transfer or other disposition of a substantial portion of NorthStar Healthcare’s assets (such distribution, a “Special Distribution”), with \$2.5 million per calendar quarter of such fee paid in shares of NorthStar Healthcare common stock at a price per share equal to the most recently published net asset value per share, as may be subsequently adjusted for any Special Distribution. The Advisor has also agreed that all shares of NorthStar Healthcare common stock issued to it in consideration of the asset management fee will be subordinate in the share repurchase program to shares of NorthStar Healthcare common stock held by third party stockholders for a period of two years, unless the Advisory Agreement is earlier terminated. The Advisory Agreement Amendment will be effective on January 1, 2018.

The foregoing description of the Advisory Agreement Amendment is a summary only, does not purport to be complete and is subject to, and qualified in its entirety by, the Advisory Agreement Amendment, which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

On December 26, 2017, NorthStar Healthcare filed with the U.S. Securities and Exchange Commission a Current Report on Form 8-K setting forth among other items, the entry into the Advisory Agreement Amendment, a determination of estimated value per share of NorthStar Healthcare and certain changes to its distribution policy, share repurchase program and the Advisory Agreement. The foregoing description of the Current Report on Form 8-K filed by NorthStar Healthcare is a summary only, does not purport to be complete and is subject to, and qualified in its entirety by, such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.1	Amendment No. 1 to Advisory Agreement, dated as of December 20, 2017, by and among NorthStar Healthcare Income, Inc., NorthStar Healthcare Income Operating Partnership, LP, CNI NSHC Advisors, LLC and Colony NorthStar, Inc.

EXHIBIT INDEX

**Exhibit
No.**

Description

10.1 [Amendment No. 1 to Advisory Agreement, dated as of December 20, 2017, by and among NorthStar Healthcare Income, Inc., NorthStar Healthcare Income Operating Partnership, LP, CNI NSHC Advisors, LLC and Colony NorthStar, Inc.](#)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: December 26, 2017

COLONY NORTHSTAR, INC.

By: /s/ Ronald M. Sanders

Ronald M. Sanders

Executive Vice President, Chief Legal Officer and Secretary

AMENDMENT NO. 1

TO

ADVISORY AGREEMENT

THIS AMENDMENT NO. 1 (this "Amendment") is made and entered into as of December 20, 2017, and amends that certain Advisory Agreement, dated as of June 30, 2014 (the "Advisory Agreement"), by and among NorthStar Healthcare Income, Inc., a Maryland corporation (the "Company"), NorthStar Healthcare Income Operating Partnership, LP, a Delaware limited partnership (the "Operating Partnership"), CNI NSHC Advisors, LLC (the "Advisor"), a Delaware limited liability company, as successor to NSAM J-NSHC Ltd, an Isle of Jersey limited company, and, solely in connection with the obligations set forth in Section 12.03 and Article 13 thereof, Colony NorthStar, Inc. ("CLNS"), a Maryland corporation, as successor to NorthStar Asset Management Group Inc., a Delaware corporation. Capitalized terms used but not defined herein shall have the meanings set forth in the Advisory Agreement.

RECITALS

WHEREAS, pursuant to Section 18.02 of the Advisory Agreement, the Advisory Agreement may not be changed or modified except by an instrument in writing signed by both parties thereto, or their respective successors or permitted assigns; and

WHEREAS, each of the Company, the Operating Partnership, the Advisor and CLNS desires to amend the Advisory Agreement as set forth in this Amendment.

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements contained herein, the sufficiency of which is hereby acknowledged by all parties, the parties hereto agree as follows:

AGREEMENT

1. Amendment to Agreement.

(a) Article 1 of the Advisory Agreement is hereby amended by:

(i) deleting the definition of "Cost of Investments" in its entirety;

(ii) deleting the definition of "Acquisition Fees" in its entirety and replacing it with the following:

"**Acquisition Fees** means all fees and commissions, excluding Acquisition Expenses, paid by any Person to any Person in connection with making or investing in any Investments or the purchase, development or construction of any Property by the Company. Included in the computation of such fees or commissions shall be any real estate commission, selection fee, development fee, construction fee, nonrecurring management fee, loan fees or points or any fee of a similar nature, however designated. Excluded shall be development fees and construction fees paid to Persons not Affiliated with the Advisor in connection with the actual development and construction of a Property."; and

(iii) adding the following definitions in their proper alphabetical locations:

"**NAV** has the meaning set forth in Section 8.02."

"**Special Distribution** means a Distribution declared by the Board in connection with a sale, transfer or other disposition of a substantial portion of the assets of the Company."

(b) Section 8.01 of the Advisory Agreement is hereby deleted in its entirety and replaced with the following:

“8.01 [RESERVED].”

(c) Section 8.02 of the Advisory Agreement is hereby deleted in its entirety and replaced with the following:

“8.02 **Asset Management Fees.** The Company shall pay the Advisor as compensation for the services described in Section 3.03 hereof a monthly fee (the “**Asset Management Fee**”) in an amount equal to one-twelfth of 1.5% of the Company’s most recently available publicly filed aggregate net asset value (the “**NAV**”), as the NAV may be subsequently adjusted for any Special Distribution. The Advisor shall submit a monthly invoice to the Company, accompanied by a calculation of the Asset Management Fee for the applicable month. The Asset Management Fee shall generally be payable on the last day of the month that immediately follows the month in which such Asset Management Fee was earned, or the first business day following the last day of such month. The Company shall pay the Asset Management Fee in the form of Shares (*provided* that no more than an aggregate of \$2.5 million per quarterly period shall be paid in the form of Shares), at a price per Share equal to the NAV per Share, as may be adjusted for any Special Distribution; *provided, however*, that, until January 1, 2020, such Shares may not be repurchased by the Company pursuant to the Company’s share repurchase program until all requests for repurchase pursuant to the share repurchase program made by stockholders that are not Affiliated with the Company, the Operating Partnership, the Advisor, CLNS, or any Affiliate thereof have been satisfied for the applicable calendar quarter; *provided, further, however*, that in the event the Advisory Agreement is not renewed or terminated for any reason, the foregoing limitation on Share repurchases by the Company shall not apply. Any Asset Management Fees in excess of an aggregate of \$2.5 million during such quarterly period shall be paid by the Company in cash. Payment of the Asset Management Fee may be deferred, in whole or in part, as to any transaction in the sole discretion of the Advisor. Any such deferred Asset Management Fees shall be paid to the Advisor without interest at such subsequent date as the Advisor shall request.”

2. Miscellaneous.

(a) *Effectiveness of Amendment.* This Amendment shall be effective on January 1, 2018.

(b) *Counterparts; Signature.* This Amendment may be executed in any number of counterparts and by the different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or electronic means shall be effective as delivery of a manually executed counterpart of this Amendment.

(c) *Governing Law.* This Amendment shall be governed by and construed in accordance with Section 18.04 of the Advisory Agreement.

(d) *Continued Effect.* Except as specifically set forth herein, all other terms and conditions of the Advisory Agreement shall remain unmodified and in full force and effect, the same being confirmed and republished hereby. In the event of any conflict between the terms of the Advisory Agreement and the terms of this Amendment, the terms of this Amendment shall control.

[Signatures on following page.]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 1 to Advisory Agreement as of the date set forth above.

NorthStar Healthcare Income, Inc.

By: /s/ Ann B. Harrington
Ann B. Harrington
General Counsel and Secretary

NorthStar Healthcare Income Operating Partnership, LP

By: NorthStar Healthcare Income, Inc., its General Partner

By: /s/ Ann B. Harrington
Ann B. Harrington
General Counsel and Secretary

CNI NSHC Advisors, LLC

By: /s/ Mark M. Hedstrom
Mark M. Hedstrom
Vice President

Colony NorthStar, Inc.

By: /s/ Mark M. Hedstrom
Mark M. Hedstrom
Executive Vice President and Chief Operating Officer

[Signature Page to Amendment No. 1 to Advisory Agreement]