

August 12, 2014

U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-1090

Attn: Elizabeth M. Murphy, Secretary

Re: File Number SR-FINRA-2014-006 (“Proposal”)

Dear Ms. Murphy:

NorthStar Asset Management Group Inc. (NYSE) (“NSAM”) was organized to provide asset management and other services to NorthStar Realty Finance Corp. (NYSE) (“NRF”), NSAM’s sponsored, public non-traded companies and other companies NSAM may manage in the future (collectively, the “NSAM Managed Companies”), both in the United States and internationally. The assets of the NSAM Managed Companies as of June 30, 2014 (adjusted for the Griffin-American Healthcare REIT II merger, acquisitions and purchase agreements through August 8, 2014) were approximately \$17 billion. NSAM’s Managed Companies include three public non-traded REITs targeting \$3.85 billion in equity capital: 1) NorthStar Real Estate Income Trust, Inc., which successfully completed its offering in July 2013 having raised \$1.1 billion, 2) NorthStar Real Estate Income II, Inc., and 3) NorthStar Healthcare Income, Inc.

NSAM’s non-traded REITs make both direct real estate equity and debt investments across a variety of real estate asset classes and its debt-focused REITs have raised approximately 87% and 82% of total capital in that sector in 2013 and year-to-date 2014, respectively (according to Robert A. Stanger & Co., Inc.). In addition, NorthStar Realty Securities, LLC is NSAM’s wholly-owned captive broker-dealer platform, registered with the Securities and Exchange Commission and with FINRA, through which NSAM has raised all its capital in this sector.

The market for non-listed public products, known as direct participation programs, is an increasingly important market with almost \$20 billion raised in 2013 and is on track to surpass this amount in 2014. These investment programs are an important resource for diversifying the portfolios of retail investors. As with any growing and significant market, there is a critical need for transparency in order to protect investors and preserve and expand capital formation. As an institutional sponsor of both traded and non-traded public companies with a strong track record for market leading disclosure and for delivering shareholder value creation, NSAM is in a unique position to assess the importance of transparency in the marketplace. It is with this perspective that NSAM is writing to support the Proposal including the 18 month implementation period which will help to assure continuity in the marketplace. NSAM has always been an advocate and a market leader for transparency across all of its investment vehicles and believes that the proposed amendments to

FINRA rule 2310 and NASD Rule 2340 (collectively, the Rules”) will bring clarity to customer statements for investors in direct participation programs.

Accordingly, we applaud the efforts of FINRA and the Securities and Exchange Commission to enhance disclosure and transparency in this marketplace and we strongly support the amendments to the Rules as set forth in the Proposal.

Sincerely,



Daniel R. Gilbert,
Chief Investment & Operating Officer