

Nontraded REIT Industry Review: Third Quarter 2014



CNL Healthcare Properties, Inc.

| | |
|--------------------------|-------------------|
| Total Assets..... | \$1,623.1 Million |
| Real Estate Assets | \$1,399.1 Million |
| Cash | \$83.5 Million |
| Securities | \$0.0 Million |
| Other | \$140.5 Million |



| | |
|---|---------------------|
| Cash to Total Assets Ratio: | 5.1% |
| Asset Type: | Healthcare |
| Number of Properties: | 87 |
| Square Feet / Units / Rooms / Acres:..... | 2.6 Million Sq. Ft. |
| Percent Leased: | 94.9% |
| Weighted Average Lease Term Remaining:..... | 8.3 Years |
| LifeStage:..... | Stabilizing |
| Investment Style | Core |
| Weighted Average Shares Outstanding: | 85,649,000 |

| | |
|--|------------------|
| Initial Offering Date: | June 27, 2011 |
| Offering Status..... | Initial |
| Number of Months Fundraising: | 39 |
| Anticipated Offering Close Date: | January 30, 2015 |
| Current Price per Share: | \$10.58 |
| Reinvestment Price per Share: | \$10.06 |

Historical Price



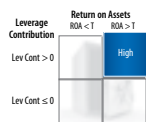
Contact Information

www.CNLHealthcareTrust.com

CNL Client Services
450 South Orange Ave.
Orlando, FL 32801
866-650-0650

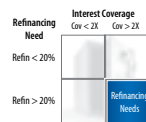
Performance Profiles

Operating Performance



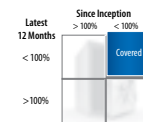
The REIT's recent 12-month average return on assets exceeds yields on 10-year Treasuries, indicating potential for positive risk-adjusted returns. At its current cost of debt and level of borrowing, its use of debt is contributing to increased returns for shareholders.

Financing Outlook



Interest coverage ratio is above the 2.0X benchmark but more than 20% of the REIT's debt matures within two years or is at unhedged variable rates. The REIT may face difficulties in refinancing its borrowings or interest rate risk from increasing rates, but earnings currently provide coverage of interest expense.

Cumulative MFFO Payout

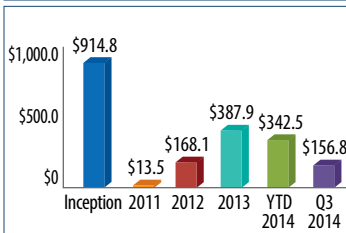


Cumulative MFFO since inception exceeds the cumulative cash distributions to common shareholders, indicating the REIT has fully funded cash distributions from its real estate operations. At the current distribution rate and level of modified funds from operations, trends suggest the distributions can be maintained.

Summary

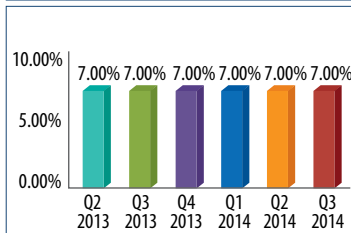
The REIT's 12-month return on assets of 5.51% does provide shareholders with a positive return above the yield on 10-Year Treasuries, and it has a positive leverage contribution given the 54.2% debt ratio and 3.46% average cost of debt. The REIT's interest coverage ratio was 2.62X for the last four quarters. Only 2% of the REIT's debt principal must be repaid within two years, but 27% is at unhedged variable rates, indicating some interest rate risk. The REIT has paid \$17.82 million in cash distributions, excluding DRP, to shareholders since inception compared to \$35.07 million in cumulative MFFO, for a net cash payout ratio of 51% since inception and 45% for the last four quarters, a sustainable cash payout rate.

Gross Dollars Raised*



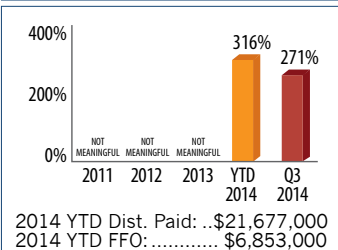
*Includes reinvested distributions (in millions)

Historical Distribution



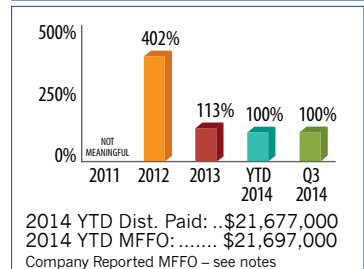
*See Notes

Historical FFO Payout Ratio



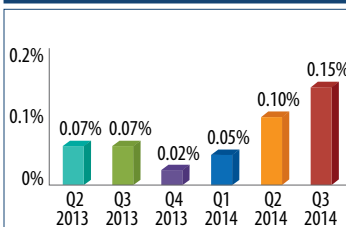
2014 YTD Dist. Paid: ..\$21,677,000
 2014 YTD FFO: ..\$6,853,000

Historical MFFO Payout Ratio

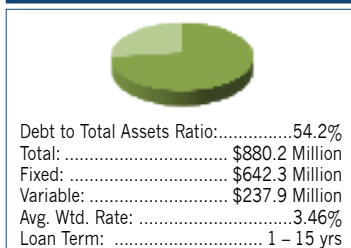


2014 YTD Dist. Paid: ..\$21,677,000
 2014 YTD MFFO: ..\$21,697,000
 Company Reported MFFO - see notes

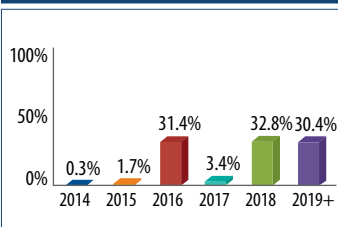
Redemptions



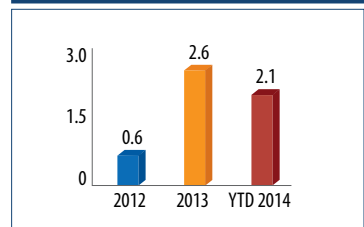
Debt Breakdown



Debt Repayment Schedule



Interest Coverage Ratio



Source of Distributions, Trends and Items of Note

- During 3Q 2014 the Company acquired six properties for approximately \$161 million.
- In November 2014, the Company announced that, effective November 4, 2014, its shares will be offered at \$10.58 per share, or \$10.06 per share pursuant to the Reinvestment Plan. Additionally, the Company filed a follow-on registration statement on Form S-11 with the Securities and Exchange Commission (the "SEC") in connection with the proposed offering of up to \$1 billion in shares of common stock (the "Follow-On Offering"). The Company plans to extend the offering through the effective date of a subsequent continuous Follow-On Offering, which is expected to occur on or about January 30, 2015. As of the date of this filing, the registration statement for the Follow-On Offering had not been declared effective by the SEC. The Company expects to sell shares of its common stock in the Follow-On Offering until the earlier of the date on which the maximum offering amount has been sold, or December 31, 2015; provided, however, that it will periodically evaluate the status of the offering, and its board of directors may extend the offering beyond December 31, 2015.
- In November 2014, in connection with the determination of the Company's estimated net asset value per share, it announced that the board of directors increased the amount of monthly cash distributions to \$0.0353

- per share together with monthly stock distributions of 0.0025 shares of common stock payable to all common stockholders of record as of the close of business on the first business day of each month beginning December 1, 2014. This change maintains the historical annual distribution rate of 4.0% in cash (based on the revised \$10.58 offering price) and 3 shares (or 3%) on each 100 outstanding shares of common stock. The new distribution rates are payable to all common stockholders of record as of the close of business of the first day of each month beginning December 1, 2014.
- The REIT's Cash to Total Assets ratio decreased to 5.1% as of 3Q 2014 compared to 6.8% as of 3Q 2013.
- The REIT's Debt to Total Assets ratio increased to 54.2% as of 3Q 2014 compared to 40.8% as of 3Q 2013.
- The Company used Modified Funds from Operations ("MFFO") as defined by the Investment Program Association ("IPA").
- During the nine months ended September 30, 2014, distributions paid to common stockholders net of reinvestment proceeds were \$9.782 million. During the nine months ended September 30, 2014, cash used to pay distributions was generated by operating activities, which totaled \$18.673 million.