



Nontraded REIT Industry Review: First Quarter 2014

CNL Healthcare Properties, Inc.

Total Assets.....	\$1,201.2 Million
Real Estate Assets.....	\$1,069.8 Million
Cash.....	\$40.6 Million
Securities.....	\$0.0 Million
Other.....	\$90.8 Million



Cash to Total Assets Ratio:.....	3.4%
Asset Type:.....	Healthcare
Number of Properties:.....	73
Square Feet / Units / Rooms / Acres:.....	2 Million Sq. Ft.
Percent Leased:.....	95.9%
Weighted Average Lease Term Remaining:.....	7.3 Years
LifeStage:.....	Stabilizing
Investment Style.....	Core
Weighted Average Shares Outstanding:.....	62,429,000

Initial Offering Date:.....	June 27, 2011
Offering Status.....	Initial
Number of Months Fundraising:.....	33
Anticipated Offering Close Date:.....	December 27, 2014
Current Price per Share:.....	\$10.14
Reinvestment Price per Share:.....	\$9.64



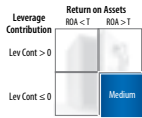
Contact Information

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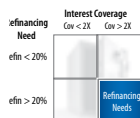
Performance Profiles

Operating Performance



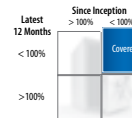
The REIT's recent 12-month average return on assets exceeds yields on 10-year Treasuries, indicating potential for positive risk-adjusted returns. At its current cost of debt and level of borrowing, its use of debt is not increasing returns to shareholders.

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

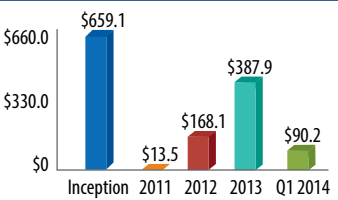


Cumulative MFFO since inception exceeds the cumulative cash distributions to common shareholders, indicating the REIT has fully funded cash distributions from its real estate operations. At the current distribution rate and level of modified funds from operations, trends suggest the distributions can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

Summary

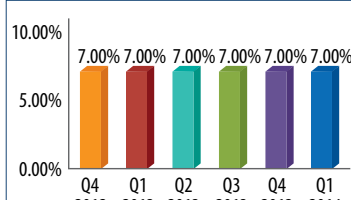
The REIT's 12-month return on assets of 2.50% does provide shareholders with a positive return above the yield on 10-Year Treasuries, but it has a negative leverage contribution given the 54.8% debt ratio and 3.68% average cost of debt. The REIT's interest coverage ratio was 2.9X for the last four quarters. Only 2.8% of the REIT's debt principal must be repaid within two years, but 27.6% of its debt is at unhedged variable rates, indicating some interest rate risk. The REIT has paid \$10.8 million cash distributions excluding DRP to shareholders since inception compared to \$19.5 million in cumulative MFFO, for a net cash payout ratio of 55% since inception and 45% for the last four quarters, a sustainable cash payout rate.

Gross Dollars Raised*



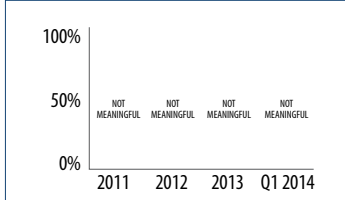
*Includes reinvested distributions (in millions)

Historical Distribution



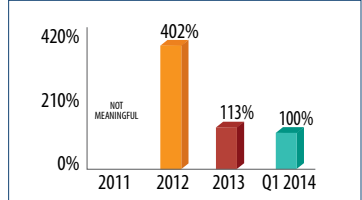
*See Notes

Historical FFO Payout Ratio



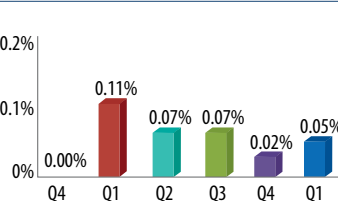
2014 YTD Dist. Paid:\$6,147,000
 2014 YTD FFO:.....(\$500,000)

Historical MFFO Payout Ratio

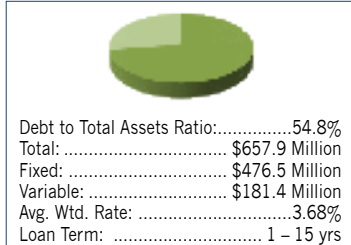


2014 YTD Dist. Paid:\$6,147,000
 2014 YTD MFFO:.....\$6,151,000
 Company Reported MFFO - see notes

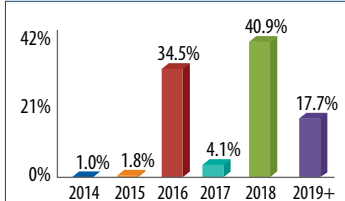
Redemptions



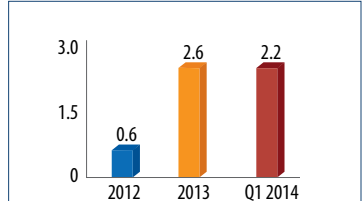
Debt Breakdown



Debt Repayment Schedule



Interest Coverage Ratio



Source of Distributions, Trends and Items of Note

- During 1Q 2014 the Company acquired 10 properties for \$186.8 million.
- In February 2014, the Company modified the terms of the Revolving Credit Facility and increased the aggregate maximum principal amount available for borrowing under it from \$120 million to \$240 million. In March 2014, it entered into a credit facility whereby it can draw up to \$15 million until May 29, 2014. In April 2014, the Company again modified the terms of the Revolving Credit Facility and increased the aggregate maximum principal amount available for borrowing under it from \$240 million to \$275 million.
- The Company entered into purchase and sale agreements on May 13, 2014, relating to the acquisition of a fee simple interest in a portfolio of three post-acute care rehabilitation hospitals for an aggregate purchase price of approximately \$68.0 million and two acute care surgical hospitals for an aggregate purchase price of approximately \$63.1 million. The properties are located in Oklahoma, Nevada, Indiana and Texas (2), respectively.
- The REIT's Cash to Total Assets ratio decreased to 3.4% as of 1Q 2014 compared to 4.1% as of 1Q 2013.
- The REIT's Debt to Total Assets ratio increased to 54.8% as of 1Q 2014 compared to 39.5% as of 1Q 2013.
- The Company used Modified Funds from Operations ("MFFO") as defined by the Investment Program Association ("IPA").
- During 1Q 2014, the Company paid \$2.798 million in cash distributions net of reinvestment proceeds. Cash flows provided by operating activities were \$6.277 million. Reinvested distributions via the DRP totaled \$3.349 million. For the 1Q 2014, the REIT expended approximately \$7.2 million in acquisition fees and expenses, which were paid from the proceeds of the offering.