



Nontraded REIT Industry Review: Second Quarter 2014

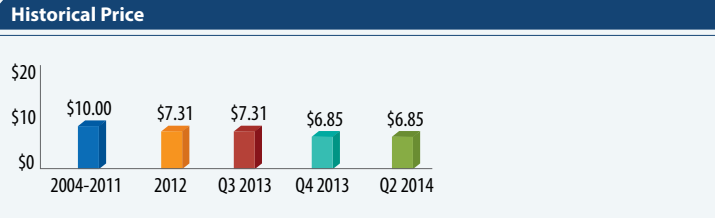
CNL Lifestyle Properties, Inc.

| | |
|--------------------------|-------------------|
| Total Assets..... | \$2,709.6 Million |
| Real Estate Assets | \$2,356.4 Million |
| Cash | \$121.3 Million |
| Securities | \$0.0 Million |
| Other | \$231.8 Million |



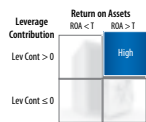
| | |
|--|---------------|
| Cash to Total Assets Ratio: | 4.5% |
| Asset Type: | Diversified |
| Number of Properties: | 148 |
| Square Feet / Units / Rooms / Acres: | Not Available |
| Percent Leased: | Not Available |
| Weighted Average Lease Term Remaining: | 13 years* |
| LifeStage: | Maturing |
| Investment Style: | Core |
| Weighted Average Shares Outstanding: | 324,197,000 |

| | |
|--|-------------------|
| Initial Offering Date: | April 16, 2004 |
| Offering Close Date: | April 9, 2011 |
| Current Price per Share: | \$6.85 |
| Reinvestment Price per Share: | \$6.85 |
| Cumulative Capital Raised during Offering (including DRP): | \$3,203.2 Million |



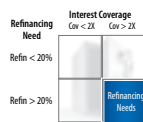
Performance Profiles

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

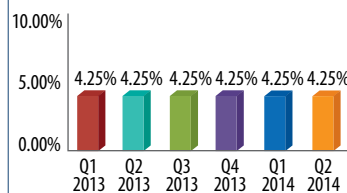
The REIT's return on assets for the last four quarters was 7.33%, well above the yield on 10-Year Treasuries, and it had a positive leverage contribution due to its 5.98% average cost of debt and 46.3% debt ratio. Over 29% of the REIT's debt principal must be repaid within two years and 40% is at unhedged variable rates, indicating significant refinancing concerns and interest rate risk. Its 12-month trailing interest coverage ratio of 3.2X has fallen YTD. Since inception the REIT has paid out 73% of estimated MFFO in cash distributions excluding DRP, and this was 64% for the last four quarters, implying a relatively safe cash distribution payout rate.

Contact Information

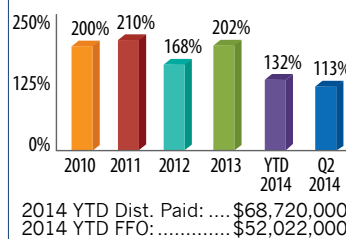
www.CNLLifestyleREIT.com

CNL Client Services
P.O. Box 4920
Orlando, FL 32802
866-650-0650

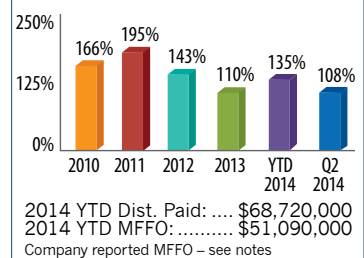
Historical Distribution



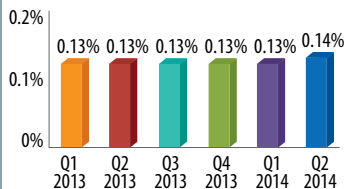
Historical FFO Payout Ratio



Historical MFFO Payout Ratio



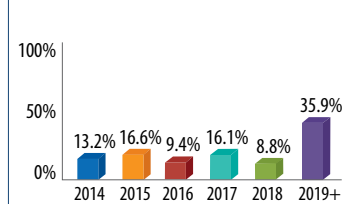
Redemptions



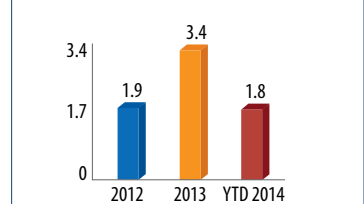
Debt Breakdown



Debt Repayment Schedule



Interest Coverage Ratio



Source of Distributions, Trends and Items of Note

- The current distribution yield is based upon the original \$10.00 share price.
- During 2Q 2014 the Company acquired 2 properties for \$12.5 million. The Company sold the Mizner Court property for \$73.5 million.
- On June 18, the REIT entered into an agreement with CF Arcis X, LLC, for the sale of the Company's entire portfolio of golf assets, comprising 48 properties, for \$320 million.
- The weighted average lease term shown above is for triple net properties only.
- In March 2014, the Company engaged Jefferies LLC, a leading global investment banking and advisory firm, to assist in actively evaluating various strategic opportunities including the sale of the REIT or its assets, potential merger opportunities, or the listing of its common stock.
- The REIT's Cash to Total Assets ratio increased to 4.5% as of 2Q 2014 compared to 3.1% as of 2Q 2013.
- The REIT's Debt to Total Assets ratio increased to 46.3% as of 2Q 2014 compared to 40.4% as of 2Q 2013.
- The REIT's estimated average return on assets is based upon MFFO + Interest Expense rather than Net Operating Income.
- The Company used Modified Funds from Operations ("MFFO") as defined by the Investment Program Association ("IPA"). The MFFO figures above are Blue Vault Partners estimates.
- Distributions for the quarter and six months ended June 30, 2014 were funded with cash flows from operating activities.