



## *News Release*

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### **CNL GROWTH PROPERTIES COMPLETES SUCCESSFUL LIQUIDATION**

*-- Company to send shareholders final distribution of \$5.35 per share --*

(ORLANDO, Fla.) Oct. 19, 2017 — CNL Growth Properties, a real estate investment trust (REIT) which invested in the development of Class A multifamily communities in the mid-Atlantic and Sun Belt regions of the United States, has completed the successful liquidation of its portfolio according to the plan approved by shareholders in August 2016. The company closed on the sale of its 17th and final property, Haywood Reserve in Greenville, South Carolina, on Sept. 29, 2017, for \$53.8 million.

During the week of Oct. 23, the company will issue its final cash distribution of \$120.7 million, which equals \$5.35 per share and compares favorably to the most recent published estimated net asset value per share of \$5.01. The final distribution is in addition to the \$7.65 per share in cash distributions that were paid to shareholders between February 2015 and December 2016, bringing total distributions to \$13.00 per share.

Shareholders also received quarterly stock distributions between October 2010 and September 2014, which increased the number of shares held by a shareholder by 3.4 percent to 40 percent, depending on when the shares were originally purchased. For example, shareholders who invested in CNL Growth Properties in December 2009 have received an additional 0.4 shares in the company for each share originally purchased. They will receive a total of \$18.21 in distributions for each \$10 invested. The shareholders who invested in April 2014 have received an additional 0.034 shares for each share originally purchased and will receive a total of \$13.45 in distributions for each \$11 invested.

During its life cycle, CNL Growth Properties developed from the ground up, 17 Class A rental communities in nine states with eight leading development partners. Total development costs were \$623.6 million for the 17 projects, creating 4,930 new dwelling units in aggregate. The portfolio was sold in 17 individual transactions for a total of \$868.3 million.

“The successful liquidation of CNL Growth Properties occurred much quicker and, more importantly, generated significantly higher proceeds for our shareholders than we originally forecasted,” said Stephen H. Mauldin, president and CEO of CNL Growth Properties. “We are quite pleased with the performance and outcome of this investment vehicle, which was in large part driven by the high quality of the portfolio that was created and the exceptional relationships we have worked hard to create with our carefully selected development partners. We appreciate the confidence shareholders have placed in us as stewards of their capital.”

**About CNL Growth Properties, Inc.**

CNL Growth Properties, Inc. is a non-traded real estate investment trust (REIT) strategically designed for growth. The REIT seeks commercial real estate investment opportunities in growth-oriented markets with a focus on multifamily development. For more information, visit [cnlgrowthproperties.com](http://cnlgrowthproperties.com).

**About CNL Financial Group**

CNL Financial Group (CNL) is a private investment management firm providing real estate and alternative investments. Since inception in 1973, CNL and/or its affiliates have formed or acquired companies with more than \$34 billion in assets. CNL is headquartered in Orlando, Florida. For more information, visit [cnl.com](http://cnl.com).

**Cautionary Note Regarding Forward-Looking Statements**

Statements above that are not statements of historical or current fact may constitute “forward-looking statements” within the meaning of the Federal Private Securities Litigation Reform Act of 1995. The Company intends that such forward-looking statements be subject to the safe harbor created by Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are statements that do not relate strictly to historical or current facts, but reflect management’s current understandings, intentions, beliefs, plans, expectations, assumptions and/or predictions regarding the future of the Company’s business and its performance, the economy, and other future conditions and forecasts of future events, and circumstances. Forward-looking statements are typically identified by words such as “believes,” “expects,” “anticipates,” “intends,” “estimates,” “plans,” “continues,” “pro forma,” “may,” “will,” “seeks,” “should” and “could,” and words and terms of similar substance in connection with discussions of future operating or financial performance, business strategy and portfolios, projected growth prospects, cash flows, costs and financing needs, legal proceedings, amount and timing of anticipated future distributions, estimated per share net asset value of the Company’s common stock, and/or other matters. The Company’s forward-looking statements are not guarantees of future performance. While the Company’s management believes its forward-looking statements are reasonable, such statements are inherently susceptible to uncertainty and changes in circumstances. As with any projection or forecast, forward-looking statements are necessarily dependent on assumptions, data and/or methods that may be incorrect or imprecise, and may not be realized. The Company’s forward-looking statements are based on management’s current expectations and a variety of risks, uncertainties and other factors, many of which are beyond the Company’s ability to control or accurately predict. Although the Company believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, the Company’s actual results could differ materially from those set forth in the forward-looking statements due to a variety of risks, uncertainties and other factors. Given these uncertainties, the Company cautions you not to place undue reliance on such statements.

For further information regarding risks and uncertainties associated with the Company’s business, and important factors that could cause the Company’s actual results to vary materially from those expressed or implied in its forward-looking statements, please refer to the factors listed and described under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the “Risk Factors” sections of the Company’s documents filed from time to time with the U.S. Securities and

Exchange Commission, including, but not limited to, the Company's quarterly reports on Form 10-Q, and the Company's annual report on Form 10-K, copies of which may be obtained from the Company's website at [cnlgrowthproperties.com](http://cnlgrowthproperties.com).

All written and oral forward-looking statements attributable to the Company or persons acting on its behalf are qualified in their entirety by this cautionary note. Forward-looking statements speak only as of the date on which they are made, and the Company undertakes no obligation to, and expressly disclaims any obligation to, publicly release the results of any revisions to its forward-looking statements to reflect new information, changed assumptions, the occurrence of unanticipated subsequent events or circumstances, or changes to future operating results over time, except as otherwise required by law.

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