



News Release

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**CNL HEALTHCARE PROPERTIES TO DEVELOP SOUTH CAROLINA
SENIOR HOUSING COMMUNITY**

-- Company will invest \$35.3 million in a new development just south of Charlotte, N.C. --

(ORLANDO, Fla.) Feb. 24, 2014 — CNL Healthcare Properties, a real estate investment trust (REIT) focused on senior housing and healthcare facilities, will invest approximately \$35.3 million to develop a 152-unit senior housing community in Tega Cay, S.C., approximately 20 miles southwest of Charlotte, N.C., and located in the Charlotte-Concord-Gastonia, NC-SC Metropolitan Statistical Area. The community is located on more than 12.5 acres with six planned buildings totaling about 175,000 square feet.

The community will feature 80 assisted living units, 24 memory care units and 48 units offering skilled nursing and short-term rehabilitative services. Additionally, it will have a resident clubhouse for dining, as well as a health and wellness center to provide residents with services designed to maintain their independence as they age.

This is the fifth development in which CNL Healthcare Properties has made a capital investment.

The community will be developed by Maxwell Group, Inc., a Charlotte-based company that has developed and operated senior housing properties in North Carolina, South Carolina, Georgia, Florida and Indiana. Upon completion, Maxwell will operate the community under its Wellmore brand.

“The development of this community at Tega Cay allows CNL Healthcare Properties to bring a Class-A senior living community to market and further diversify our portfolio, both in terms of property age and geography,” said Kevin R. Maddron, senior vice president of CNL Healthcare Properties. “We are excited to be partnering with Maxwell Group on this project. They have a strong reputation for creating and managing communities focused on wellness and resident-centric living environments. Maxwell has been

nationally recognized for its wellness approach to caring for seniors, and we believe both this community and the residents of South Carolina will see the benefits for years to come.”

“CNL Healthcare Properties has brought great execution to the table and is the ideal partner for our purpose of building and operating communities that help older folks live a higher quality, longer life, through a full continuum of care community that we call the ‘Weller Life,’” said Donald Thompson, CEO of Maxwell Group, Inc.

About CNL Healthcare Properties

CNL Healthcare Properties, Inc., is a real estate investment trust (REIT) that focuses on acquiring properties in the senior housing and healthcare sectors, both stabilized and development, as well as other income-producing properties, real-estate related securities and loans. CNL Financial Group, LLC is the sponsor of CNL Healthcare Properties. For more information, visit www.CNLHealthcareProperties.com.

About CNL Financial Group

CNL Financial Group (CNL) is a leading private investment management firm providing global real estate and alternative investments. Since inception in 1973, CNL and/or its affiliates have formed or acquired companies with more than \$28 billion in assets. CNL is headquartered in Orlando, Florida. For more information, visit www.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 Web site at www.CNLHealthcareProperties.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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