



# CNL Healthcare Properties

FACT CARD  
Q2 2023



Tranquillity at Fredericktowne

Built on Experience®



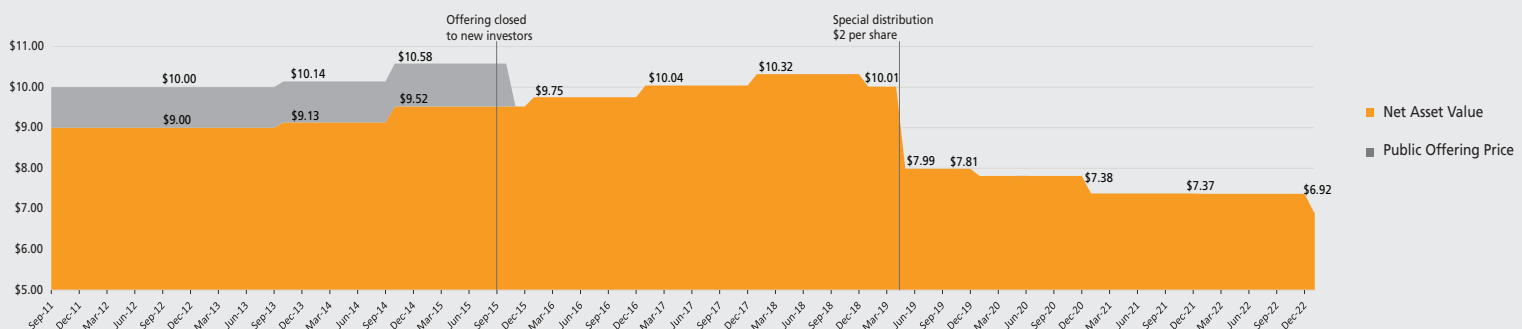
Fairfield Village of Layton

CNL Healthcare Properties is a non-traded real estate investment trust designed for income and growth. The company, which closed to new investors on Sept. 30, 2015, has acquired and developed a portfolio of seniors housing and healthcare properties. The company has been focused on evaluating and executing, as appropriate, on possible strategic alternatives to provide liquidity to shareholders. However, the company shifted away from pursuing larger strategic alternatives to provide further liquidity to shareholders due to pandemic-driven market conditions, industry disruptions in the seniors housing sector and a challenged economic environment. The company continues to carefully study market data and potential options for suitable liquidity alternatives that are in the best interest of shareholders.

## Portfolio Highlights

- Total investment of approximately \$1.74B
- The company is well positioned to manage its near-term debt maturities. As of June 30, 2023, the company had approximately \$185.9M of liquidity consisting of cash on hand, short-term securities and undrawn availability under its revolving credit facility.
- The regular quarterly cash distribution was \$0.0256 per share for the second quarter<sup>1</sup>
- The company's estimated net asset value (NAV) per share as of Dec. 31, 2022, is \$6.92.<sup>2</sup> The seniors housing industry and the general market has faced inflationary pressures and rising interest rates, which have impacted margins, discount and cap rates. The decrease in the estimated NAV is due to a decline in the value of the company's appraised properties. The estimated NAV includes an adjustment for current projected property-level transaction costs

## Historical Estimated Net Asset Value<sup>2</sup>



All data is as of Aug. 9, 2023, unless otherwise stated.

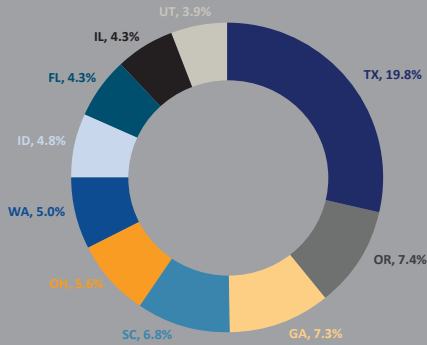
<sup>1</sup> For the quarter ended June 30, 2023, 100% of the company's distributions were covered by operating cash flow. The company decreased its regular quarterly cash distribution effective the first quarter of 2022. Through Dec. 31, 2018, the company had not fully covered distributions when calculated in accordance with securities industry guidance. The company's distribution was subsidized through year-end 2016 by expense waivers that were reimbursed to the advisor in the form of restricted stock. See the last page for full distribution detail. <sup>2</sup> The 2022 estimated NAV includes deductions for estimated transaction costs in a hypothetical liquidation. The valuation was determined with the assistance of a third party and is aligned in accordance with IPA guidelines, except for including a deduction for estimated transaction costs. There is no assurance that the IPA Guidelines are acceptable to the SEC, FINRA or under ERISA for compliance with reporting requirements. The estimated NAV per share is not the amount an investor is expected to receive now or at any time in the future. The estimated NAV per share is based on a number of assumptions and estimates which may not be complete. Given these uncertainties, do not place undue reliance on such statements that are dependent on assumptions, data and/or methods that may be incorrect or imprecise, and may not be realized.



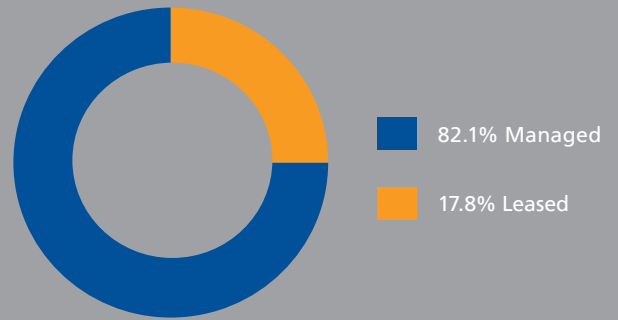
Prestige Senior Living Southern Hills



### Top 10 State Diversification (by investment basis)



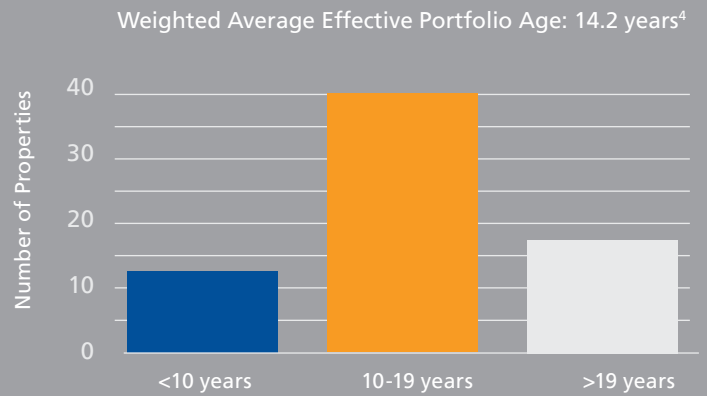
### Seniors Housing Operating Structure<sup>3</sup> (by investment amount)



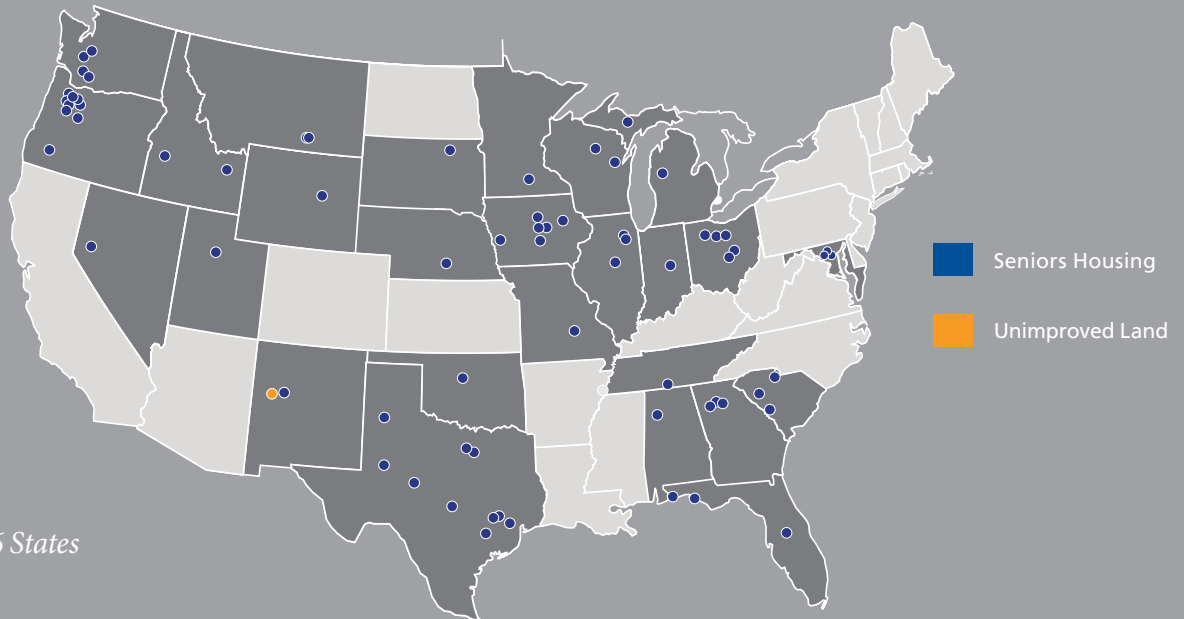
### Asset Class Diversification<sup>3</sup>

SENIORS HOUSING	70 INVESTMENTS
Independent Living	2,780 units
Assisted Living	3,593 units
Memory Care	1,025 units
Skilled Nursing	136 units
Vacant Parcel of Land	1 parcel

### Age Range



### Geographic Diversification



Data as of June 30, 2023, unless otherwise noted.

<sup>3</sup> As of Aug. 9, 2023. The remaining 0.1% represent the percent of total investment for one vacant parcel of land.

<sup>4</sup> Weighted average effective portfolio age is calculated using the year originally constructed or date of significant renovations to the buildings, weighted by the gross square footage.

<sup>5</sup> As of Aug. 9, 2023. Includes one vacant land parcel.



Dogwood Forest of Grayson

INVESTMENTS	LOCATION	ACQUISITION DATE	ASSET CLASS	INVESTMENT AMOUNT <sup>6</sup>
Brookridge Heights Assisted Living & Memory Care	Marquette, Mich.	12/21/12	Seniors Housing	\$18.5M
Cedar Lake Assisted Living and Memory Care	Lake Zurich, Ill.	09/30/15	Seniors Housing	\$30.0M
Curry House Assisted Living & Memory Care	Cadillac, Mich.	12/21/12	Seniors Housing	\$13.5M
Dogwood Forest of Grayson	Grayson, Ga.	11/24/15	Seniors Housing	\$25.7M
Fairfield Village of Layton	Layton, Utah	11/20/14	Seniors Housing	\$68.0M
HarborChase of Jasper	Jasper, Ala.	08/01/13	Seniors Housing	\$7.3M
HarborChase of Plainfield	Plainfield, Ill.	03/28/14	Seniors Housing	\$26.5M
HarborChase of Shorewood	Shorewood, Wis.	07/08/14	Seniors Housing	\$23.8M
HarborChase of Villages Crossing	Lady Lake, Fla.	08/29/12	Seniors Housing	\$19.7M
Hearthside Senior Living of Collierville	Collierville, Tenn.	12/29/15	Seniors Housing	\$17.0M
Isle at Cedar Ridge	Cedar Park, Texas	02/28/14	Seniors Housing	\$22.0M
Isle at Watercrest — Bryan	Bryan, Texas	04/21/14	Seniors Housing	\$50.4M
Isle at Watercrest — Mansfield	Mansfield, Texas	05/05/14	Seniors Housing	\$31.3M
Legacy Ranch Alzheimer's Special Care Center	Midland, Texas	03/28/14	Seniors Housing	\$12.0M
MorningStar of Billings	Billings, Mont.	12/02/13	Seniors Housing	\$48.3M
MorningStar of Boise	Boise, Idaho	12/02/13	Seniors Housing	\$40.0M
MorningStar of Idaho Falls	Idaho Falls, Idaho	12/02/13	Seniors Housing	\$44.4M
MorningStar of Sparks	Sparks, Nev.	12/02/13	Seniors Housing	\$55.2M
Palmilla Senior Living	Albuquerque, N.M.	09/30/15	Seniors Housing	\$47.6M
Palmilla Vacant Land	Albuquerque, N.M.	09/07/17	Seniors Housing	\$1.1M
Parc at Duluth	Duluth, Ga.	07/31/15	Seniors Housing	\$52.8M
Parc at Piedmont	Marietta, Ga.	07/31/15	Seniors Housing	\$50.8M

<sup>6</sup> Represents CNL Healthcare Properties' initial investment.





INVESTMENTS	LOCATION	ACQUISITION DATE	ASSET CLASS	INVESTMENT AMOUNT <sup>6</sup>
Park Place Senior Living at WingHaven	O'Fallon, Mo.	12/17/15	Seniors Housing	\$54.0M
Prestige Senior Living Arbor Place	Medford, Ore.	12/02/13	Seniors Housing	\$15.8M
Prestige Senior Living Auburn Meadows	Auburn, Wash.	02/03/14	Seniors Housing	\$21.9M
Prestige Senior Living Beaverton Hills	Beaverton, Ore.	12/02/13	Seniors Housing	\$12.9M
Prestige Senior Living Bridgewood	Vancouver, Wash.	02/03/14	Seniors Housing	\$22.1M
Prestige Senior Living Five Rivers	Tillamook, Ore.	12/02/13	Seniors Housing	\$16.7M
Prestige Senior Living High Desert	Bend, Ore.	12/02/13	Seniors Housing	\$13.6M
Prestige Senior Living Huntington Terrace	Gresham, Ore.	12/02/13	Seniors Housing	\$15.0M
Prestige Senior Living Monticello Park	Longview, Wash.	02/03/14	Seniors Housing	\$27.4M
Prestige Senior Living Orchard Heights	Salem, Ore.	12/02/13	Seniors Housing	\$17.8M
Prestige Senior Living Riverwood	Tualatin, Ore.	12/02/13	Seniors Housing	\$9.7M
Prestige Senior Living Rosemont	Yelm, Wash.	02/03/14	Seniors Housing	\$16.9M
Prestige Senior Living Southern Hills	Salem, Ore.	12/02/13	Seniors Housing	\$12.9M
Prestige Senior Living West Hills	Corvallis, Ore	03/03/14	Seniors Housing	\$15.0M
Primrose Retirement Community Cottages	Aberdeen, S.D.	12/19/12	Seniors Housing	\$4.3M
Primrose Retirement Community of Anderson	Anderson, Ind.	05/29/15	Seniors Housing	\$21.1M
Primrose Retirement Community of Casper	Casper, Wyo.	02/16/12	Seniors Housing	\$19.0M
Primrose Retirement Community of Council Bluffs	Council Bluffs, Iowa	12/19/12	Seniors Housing	\$12.9M
Primrose Retirement Community of Decatur	Decatur, Ill.	12/19/12	Seniors Housing	\$18.2M
Primrose Retirement Community of Grand Island	Grand Island, Neb.	02/16/12	Seniors Housing	\$13.4M
Primrose Retirement Community of Lancaster	Lancaster, Ohio	05/29/15	Seniors Housing	\$25.7M
Primrose Retirement Community of Lima	Lima, Ohio	12/19/12	Seniors Housing	\$18.6M

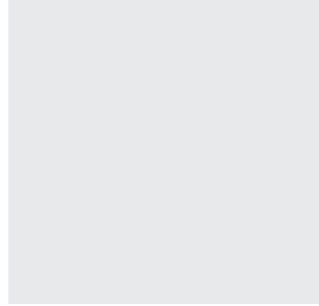


Park Place Senior Living at WingHaven



INVESTMENTS	LOCATION	ACQUISITION DATE	ASSET CLASS	INVESTMENT AMOUNT <sup>6</sup>
Primrose Retirement Community of Mansfield	Mansfield, Ohio	02/16/12	Seniors Housing	\$18.3M
Primrose Retirement Community of Marion	Marion, Ohio	02/16/12	Seniors Housing	\$17.9M
Primrose Retirement Community of Wausau	Wausau, Wis.	05/29/15	Seniors Housing	\$20.3M
Primrose Retirement Community of Zanesville	Zanesville, Ohio	12/19/12	Seniors Housing	\$19.1M
Raider Ranch	Lubbock, Texas	08/29/13	Seniors Housing	\$72.0M
Superior Residences of Panama City	Panama City Beach, Fla.	07/15/15	Seniors Housing	\$20.0M
Sweetwater Retirement Community	Billings, Mont.	02/16/12	Seniors Housing	\$16.3M
Symphony Manor	Baltimore, Md.	12/21/12	Seniors Housing	\$24.0M
The Beacon at Gulf Breeze	Gulf Breeze, Fla.	07/31/15	Seniors Housing	\$28.0M
The Hampton at Meadows Place	Houston, Texas	07/31/15	Seniors Housing	\$28.4M
The Pavilion at Great Hills	Austin, Texas	07/31/15	Seniors Housing	\$35.0M
The Shores of Lake Phalen	Maplewood, Minn.	11/10/15	Seniors Housing	\$29.2M
The Springs Alzheimer's Special Care Center	San Angelo, Texas	03/28/14	Seniors Housing	\$10.9M
Town Village	Oklahoma City, Okla.	08/29/13	Seniors Housing	\$23.7M
Tranquillity at Fredericktowne	Frederick, Md.	12/21/12	Seniors Housing	\$23.3M
Watercrest at Katy <sup>7</sup>	Katy, Texas	06/27/14	Seniors Housing	\$37.2M
Watercrest at Mansfield	Mansfield, Texas	06/30/14	Seniors Housing	\$49.0M
Waterstone® on Augusta	Greenville, S.C.	08/31/15	Seniors Housing	\$26.8M
Wellmore of Lexington	Lexington, S.C.	09/14/15	Seniors Housing	\$53.7M
Wellmore of Tega Cay	Tega Cay, S.C.	02/07/14	Seniors Housing	\$32.2M

<sup>7</sup> CNL Healthcare Properties owns a 95% interest through a joint venture with South Bay Partners, Ltd.



**INVESTMENTS**

	LOCATION	ACQUISITION DATE	ASSET CLASS	INVESTMENT AMOUNT <sup>6</sup>
Windsor Manor of Grinnell	Grinnell, Iowa	04/02/13	Seniors Housing	\$6.5M
Windsor Manor of Indianola	Indianola, Iowa	04/02/13	Seniors Housing	\$5.7M
Windsor Manor of Nevada	Nevada, Iowa	08/31/12	Seniors Housing	\$6.3M
Windsor Manor of Vinton	Vinton, Iowa	08/31/12	Seniors Housing	\$5.8M
Windsor Manor of Webster City	Webster City, Iowa	08/31/12	Seniors Housing	\$6.8M
Woodholme Gardens Assisted Living & Memory Care	Pikesville, Md.	12/21/12	Seniors Housing	\$17.1M





Wellmore of Tega Cay



HarborChase of Villages Crossing

## General Notices

CNL Healthcare Properties closed to new investors on Sept. 30, 2015.

This material is provided by CNL Healthcare Properties, Inc. This material is intended for general use with the public. CNL Healthcare Properties is not undertaking to provide investment advice for any individual or any individual situation, and an investor should not look to this material for any investment advice. Companies affiliated with CNL Healthcare Properties have financial interests that are served by the sale of CNL Healthcare Properties shares. The information herein does not supplement or revise any information in the company's public filings. To the extent information herein conflicts with the company's SEC filings, the information in the public filings shall govern.

Forward-looking statements are based on current expectations and may be identified by words such as believes, expects, may, could and terms of similar substance and speak only as of the date made. Actual results could differ materially due to risks and uncertainties that are beyond the company's ability to control or accurately predict. Stockholders should not place undue reliance on forward-looking statements.

In 2011, CNL Healthcare Properties commenced its offering at a price of \$10.00 per share. The board of directors determined the estimated net asset values (NAVs) per share of \$9.13, \$9.52, \$9.75, \$10.04, \$10.32, \$10.01 (which was later updated to \$7.99), \$7.81, \$7.38, \$7.37, and \$6.92 as of Sept. 30, 2013, Sept. 30, 2014, Dec. 31, 2015, 2016, 2017, 2018, 2019, 2020, 2021, and 2022, respectively. In establishing the estimated NAVs, the board of directors engaged an independent investment banking firm that specializes in providing various types of real estate financial services. The estimated NAV per share is based on numerous assumptions and estimates with respect to industry, business, economic and regulatory conditions, all of which are subject to changes. The estimated NAV does not represent the amount that a stockholder could expect to receive if CNL Healthcare Properties were to list its shares or liquidate its assets, now or in the future.

Throughout the valuation process, the valuation committee, the company's advisor and senior members of management reviewed, confirmed and approved the processes and methodologies and their consistency with real estate, industry standards and best practices. There is no assurance that the company's adherence to any of the methodologies set forth in IPA Practice Guideline 2013-01 satisfies applicable compliance or other requirements of the SEC, FINRA or under ERISA with respect to the preparation and disclosure of the company's estimated NAV. Please see the company's public filings for details.

## Risk Factors

The rate of occupancy recovery from the pandemic, a tight labor market, inflation, volatility in the credit markets, and a rising interest rate environment may impact the company's financial condition, results of operations and cash flow.

Non-traded REITs are illiquid. There is no public trading market for the shares. The company does not expect to offer a liquidity event in the near future and stockholders should be expected to hold shares for an indefinite period of time. If stockholders are able to sell their shares, it would likely be at a substantial discount.

The company suspended its redemption and dividend reinvestment plans as of July 11, 2018, given the company's later life stage and exploration of strategic liquidity alternatives. A redemption queue was established for redemptions received prior to July 11, 2018, that were not fully redeemed. There is no guarantee that the Redemption plan will be reinstated by the board or that the redemption queue will be satisfied.

The company currently pays fees to its advisor and affiliates for their services in managing the day-to-day operations of the company based upon agreements that have not been negotiated at arm's length, and some of which are payable based upon factors other than the quality of services. These fees could influence their advice and judgment in performing services. In addition, certain officers and directors of the advisor also serve as the company's officers and directors, as well as officers and directors of competing programs, resulting in conflicts of interest.

There is no guarantee of future distributions. The company may pay distributions from other sources without limit, including reimbursable expense waivers and cash flows from financing activities, which could include borrowings. This will reduce cash available for investment, lower stockholders' overall return, and is not sustainable over a long period of time.

The company decreased its regular quarterly cash distribution effective second quarter of 2019 and the first quarter of 2022. The company in the past has not fully covered distributions when calculated in accordance with securities industry guidance. The company's distribution was subsidized through year-end 2016 by expense waivers that were reimbursed to the advisor in the form of restricted stock. For the quarter ended June 30, 2023, 100% of the company's distributions were covered by operating cash flow. For the years ended Dec. 31, 2022, 2021, 2020, 2019 and 2018 (excluding the special cash distribution paid during the year ended Dec. 31, 2019), approximately 100%, 100%, 100%, 100% and 83% respectively of regular cash distributions were covered by operating cash flow and approximately 0%, 0%, 0%, 0% and 17.0% respectively of regular cash distributions were funded with borrowings under the company's credit facilities.

For the years ended 2017, 2016, 2015, 2014 and 2013, approximately 91%, 94%, 45%, 34% and 13%, respectively, of total distributions were covered by operating cash flow and approximately 9%, 6%, 55%, 66% and 87%, respectively, were funded by offering proceeds. For the years ended Dec. 31, 2012 and 2011, the company's first two years of operations, distributions were not covered by operating cash flow and were 100% funded by offering proceeds.

Cash flows from operating activities were impacted by high levels of acquisition costs and fees during the company's growth phase, as well as its strategy to develop new properties and acquire newer existing properties prior to being fully leased and stabilized. The company's long-term strategy was to fully invest its capital, complete its development/value add properties and work toward the goal of being leased up to a stabilized level of occupancy. The company believed that this would potentially generate higher levels of cash flows from operating activities to support its distributions.

Commencing in 2013, the company's advisor and its affiliated property manager provided expense support to the company, forgoing the payment of fees in cash and the acceptance of restricted stock for services as provided in the Expense Support Agreement and described in the company's periodic reports, Form S-3 and other filings with the SEC. The expense support amount will be calculated based on an annual determination date and a cumulative year-to-date basis and may be terminated at any time by the advisor. Decreases in the support amount from the advisor will reduce cash flow available for distributions. The company did not receive any reimbursable expense support for the year ended Dec. 31, 2022, or years ended 2021, 2020, 2019, 2018 or 2017.

If the company fails to maintain its qualification as a company for any taxable year, it will be subject to federal income tax on taxable income at regular corporate rates. In such an event, net earnings available for investment or distributions would be reduced. The use of leverage to acquire assets may hinder the company's ability to pay distributions and/or decrease the value of stockholders' investments.

There are significant risks associated with the seniors housing and healthcare sectors, including market risks impacting demand, competition from other entities, litigation risks and the cost of being responsive to changing government regulations. The company's success in these sectors is dependent, in part, on the ability to evaluate local conditions, identify appropriate opportunities and find qualified tenants or, where properties are acquired through a taxable REIT subsidiary, engage and retain qualified independent managers. For a comprehensive review of the company's risk factors, please see its Annual Report on Form 10-K filed with the SEC on March 10, 2023.

Shareholders are encouraged to contact their financial professional, call 866-650-0650 or visit [cnlhealthcareproperties.com](http://cnlhealthcareproperties.com) for more information.

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