



## *News Release*

**For information contact:**

Lisa Schultz  
Chief Communications Officer  
CNL Financial Group  
(407) 650-1223

**CNL HEALTHCARE PROPERTIES ACQUIRES SIX MEDICAL FACILITIES  
FOR \$59.5 MILLION**

*-- Portfolio includes five medical office and healthcare related buildings and one specialty hospital --*

(ORLANDO, Fla.) Aug. 29, 2013 — CNL Healthcare Properties, an investment offering focused on senior housing and healthcare real estate, has acquired a portfolio including five medical office buildings and one specialty hospital for \$59.5 million. The properties are located in the Cleveland; Phoenix; Kansas City, Kan.; and San Diego, Calif., metropolitan areas.

The portfolio has a combined 181,890 square feet of medical facilities space, with a blend of well-leased single-tenant buildings and multitenant buildings. It is comprised of: Cleveland Clinic Chestnut Commons Medical Office Building in Elyria, Ohio; Doctors Specialty Hospital Medical Office Building in Leawood, Kansas; The John C. Lincoln Medical Plaza I and II and North Mountain Medical Plaza in Phoenix, Ariz.; and Escondido Medical Arts Center in Escondido, Calif.

The properties in Ohio, Kansas, and Phoenix will be managed and leased by the healthcare division of Holladay Properties, which manages more than 500 buildings in 25 states, including the LaPorte Cancer Center in Westville, Ind., which CNL Healthcare Properties acquired earlier this year.

Escondido Medical Arts Center will be managed by Lincoln Harris CSG, an affiliate of Lincoln Property Company, a national, full-service real estate company. The healthcare team of Lincoln Harris manages more than 19 million square feet of space across 26 states.

“We believe this acquisition will both expand and diversify our medical office and specialty healthcare portfolio with the addition of high-quality facilities in thriving metropolitan markets,” said Kevin R. Maddron, senior managing director for healthcare and senior housing properties for CNL Financial Group. “We view both management companies selected for these properties as highly respected in the

industry, and we look forward to deepening our existing relationship with Holladay Properties and partnering with Lincoln Harris in the management of these facilities.”

Constructed in 2008, the Cleveland Clinic Chestnut Commons Medical Office Building, a 40,000-square-foot, outpatient-oriented medical facility, is 100 percent leased by The Cleveland Clinic.

Doctors Specialty Hospital is a Class A, 18,922-square-foot, high-end surgical hospital. The property is 100 percent leased by Patients First Health System, a regional and physician-owned provider of surgical services.

The John C. Lincoln Medical Plaza I, John C. Lincoln Medical Plaza II and the North Mountain Medical Plaza have a combined total of 73,666 square feet and are well-leased to multiple tenants including John C. Lincoln/Scottsdale Health. The John C. Lincoln Health Network, which occupies about 45 percent of the buildings, has recently formed a strategic alliance with Scottsdale Health System.

Located near the Palomar Medical Center hospital campus in Escondido, Calif., Escondido Medical Arts Center is a multitenant, 49,302 square foot outpatient medical office building built in 1994. The facility is well-leased with Graybill Medical Group, the largest independent primary care group in San Diego, occupying the majority of space in the building.

This marks the fourth medical office and healthcare-related facility portfolio acquisition for CNL Healthcare Properties this year. The company has now invested \$149.7 million in 12 medical facilities.

#### **About CNL Healthcare Properties**

CNL Healthcare Properties, Inc., is an investment offering 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. Beginning with the year ended Dec. 31, 2012, the company intends to be taxed as a real estate investment trust. CNL Financial Group, LLC is the sponsor of CNL Healthcare Properties. For more information, visit [www.CNLHealthcareProperties.com](http://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](http://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](http://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.

###