



News Release

For information contact:

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

CNL GROWTH PROPERTIES ANNOUNCES NEW SHARE PRICE FOR SECOND OFFERING

-- Board approves 8.4 percent share price increase following independent valuation --

(ORLANDO, Fla.) July 23, 2013 — The Board of Directors of CNL Growth Properties Inc., a non-traded real estate investment trust strategically designed with growth in mind, has established the public offering price per share for its upcoming second offering of common stock at \$10.84. This price represents an 8.4 percent increase over the \$10 price of its initial public offering that closed on April 7, 2013. CNL Growth Properties is not currently offering shares of its common stock, but expects to commence its second public offering in the third quarter.

To establish the new public offering price, CNL Growth Properties, acting under the direction of the Valuation Committee of its Board of Directors, engaged CBRE Capital Advisors to assist in establishing a range of net asset values for the company. The Board of Directors determined the valuation using traditional appraisal methods, management guidance, third-party research, and proprietary research including market and sector cap rate surveys. The Company followed the guidelines of the Investment Program Association (IPA), a trade association for non-listed investment vehicles, which were issued in April 2013 to promote best practices and consistency of valuation techniques among non-traded REITs.

“We are very pleased with the results of the valuation done by CBRE Capital Advisors and it confirms the strength of our investment portfolio in multifamily housing,” said Andy Hyltin, president and CEO of CNL Growth Properties. “The increase in our offering price reflects the work of CNL associates and our partners as we prepare for a second offering.”¹

The Company intends to maintain its current annualized stock distribution of 8 percent per share, which is payable to all common stockholders of record as of the close of business on the first day of each month.

CNL Growth Properties is advised by CNL Global Growth Advisors, LLC, which is an affiliate of the company’s sponsor, CNL Financial Group.

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 www.CNLGrowthProperties.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 \$26 billion in assets. CNL is headquartered in Orlando, Florida. For more information, visit www.cnl.com.

Caution Concerning Forward-Looking Statements

Certain information above 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 harbors created by Section 27A of the Securities Act of 1933, as amended, and 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. The Company's forward-looking statements are not guarantees of future performance, and actual results could differ materially from those set forth in the forward-looking statements due to a variety of risks, uncertainties and other factors, many of which are beyond the Company's ability to control or accurately predict. Given these uncertainties, the Company cautions you not to place undue reliance on such statements.

¹ CBRE Cap's valuation materials were addressed solely to the Company's board of directors to assist it in establishing an estimated value of the Company's common stock. CBRE Cap's valuation materials were not addressed to the public and should not be relied upon by any other person to establish an estimated value of the Company's common stock. CBRE Cap's Valuation Report does not constitute a recommendation by CBRE Cap to purchase or sell any shares of Company common stock. CBRE Cap's Valuation Report was based upon market, economic, financial and other information, circumstances and conditions existing prior to June 30, 2013, and any material change in such information, circumstances and/or conditions may have a material effect on the Company's estimated net asset value per share. A description of the methodologies, assumptions and qualifications regarding the valuation were included in the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission today, and are available on the Company's website at <http://www.cnlgrowthproperties.com>.

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 <http://www.cnlgrowthproperties.com>. Forward-looking statements speak only as of the date on which they are made; the Company undertakes no obligation to, and expressly disclaims any obligation to, update or revise its forward-looking statements to reflect new information, changed assumptions, the occurrence of subsequent events, or changes to future operating results over time unless otherwise required by law.

###