



CNL Securities

CORPORATE BROCHURE



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## **Risk Factors**

Investing in alternatives may be considered speculative and involves a high degree of risk, including the risk of a substantial loss of investment and therefore are not suitable for all investors.

Distributions from non-traded real estate investment trusts (REITs) are not guaranteed in frequency or amount. In the beginning stages, distributions can exceed earnings, are not based on the investment performance and will be paid from sources other than earnings. This is not sustainable over the long term. Distributions paid from sources other than earnings reduces future distributions and potentially dilutes value for shareholders entering the fund at a later date. A product's prospectus and financial filings should be consulted for more specific information on distributions.

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. 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 subsidiary, engage and retain qualified independent managers.

Non-traded alternative investments are illiquid. There is no public trading market for the shares. Investors should be prepared to hold shares for an indefinite period of time. There are significant limitations on redemptions and redemption programs vary between offerings. If investors are able to sell their shares, they would likely receive less than their purchase price.

Non-traded alternative investments pay substantial fees to the advisor, managing dealer, property manager and/or their respective affiliates for services provided in managing day-to-day operations. The services are provided under agreements which have not been negotiated at arm's length, and may be 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 advisors also serve as the REITs' officers and directors, as well as officers and directors of competing programs, resulting in conflicts of interest.

If a non-traded REIT fails to maintain qualification as a registered investment company (RIC) for any taxable year, it will be subject to federal income tax and net earnings available for investment or distributions would be reduced.

## **General Notices**

CNL Healthcare Properties II offering is not available to residents of New York, Maryland or any other state, except by a prospectus filed with the Department of Law of the state of New York, the Maryland Division of Securities or the respective state securities administrator. Neither the U.S. Securities and Exchange Commission, the attorney general of the state of New York nor any other regulatory agency has passed on or endorsed the merits of these offerings. Any representation to the contrary is unlawful.

This material is provided by CNL and its affiliates and is intended for general use with the public. CNL and its affiliates cannot provide investment advice for any individual or any individual situation, and are not acting in a fiduciary capacity to any investor. Do not look to this material for any investment advice. CNL and its affiliates have financial interests that are served by the sale of products it distributes.

*This is not an offer. Securities can be offered by a prospectus only, which should accompany or precede this material. Since investing in non-traded alternative investments is not suitable for all investors, a prospectus should be read carefully by an investor before investing. Investors are advised to consider the investment objectives, risks, charges and expenses before investing. Prospectuses, which are available at [sec.gov](http://sec.gov) and [cnlsecurities.com](http://cnlsecurities.com) and may be obtained by calling 866-650-0650, contain this and other information about the investment offerings.*

CNL Securities, member FINRA/SIPC, is the managing dealer of CNL investment programs. Information in this brochure is as of Sept. 30, 2017, unless otherwise noted.

# Alternative Investments



CNL Securities Corp. has raised more than \$18 billion since inception. We are known as a firm that delivers a distinctive platform of products to help selling-firms meet their clients' financial goals.

Since its inception in 1973, CNL and/or its affiliates have formed or acquired companies with more than

**\$34 Billion** in assets



## CNL Financial Group Timeline<sup>1</sup>

1973

James M. Seneff, Jr. borrows \$5,000 from father to form CNL



1978

First restaurant property is purchased

1981-1982

CNL Securities registered as a broker-dealer with FINRA and the SEC

*CNL Securities established*

1986

First public investment offering, CNL Income Fund

<sup>1</sup> Program launch year represents the program's initial effective date.

# Unmatched Experience

CNL Financial Group (CNL), CNL Securities' parent company, offers more than four decades of experience in sponsoring alternative investments and is one of the industry pioneers in non-traded alternatives.

Our vision is to create alternative investments that make a world of difference. Anchored by 45 years of thoughtfully investing in relationships, our mission is to deliver distinctive products, partners and solutions to our clients.



1995

CNL Restaurant Properties launched



⋮

*First Real Estate Investment Trust (REIT) launched*

1997

CNL Hotels & Resorts launched

Inception of CNL Real Estate & Development



1998

CNL Retirement Properties launched

2004

CNL Lifestyle Properties launched



2005

CNL Restaurant Properties liquidated<sup>2</sup>

The prior performance of real estate programs sponsored by CNL may not be indicative of the current or future results of CNL investment programs. Prior programs sponsored by CNL have been adversely affected by general economic conditions and other external factors during their respective operating periods. While the majority of CNL REITs produced positive returns for shareholders, all investing involves variables outside of anyone's control. During select periods, some REIT programs sponsored by CNL had a backlog of redemption requests that were unfulfilled and experienced net operating losses. In addition, two REITs have taken impairment charges on certain properties. During and after the global financial crisis in 2008, some REITs experienced declining performance which impacted the REITs' valuation.

Experience and total assets represent CNL Securities' parent company, CNL Financial Group, and its affiliates.

Photos shown depict properties from prior and current offerings. Future investors will not gain an ownership interest in properties of prior offerings.

<sup>2</sup> CNL Restaurant Properties and 18 CNL Income Funds merged with and into U.S. Restaurant Properties, specifically through a reverse merger. The name was then changed to Truststreet Properties (TSY) and continued to trade on the NYSE.

# Distinctive Investments



CNL Securities capitalizes on the reputation of its parent company and the relationships CNL has with investment organizations. We offer distinctive alternative investment solutions that are designed to provide a variety of return strategies to help financial advisors address their clients' investment needs.

Note: An investor must review the fees and expenses in the prospectus, as there are substantial costs and risks associated with alternative investment offerings.

2006

CNL Retirement Properties sold  
Commenced distribution of Chambers Street Properties<sup>3</sup>



*First product with a partner*

2007

CNL Hotels & Resorts sold  
Inception of CNL Commercial Real Estate



2009

CNL Growth Properties launched

2010

Global Income Trust launched



<sup>3</sup> Chambers Street Properties, formerly CB Richard Ellis Realty Trust, was a REIT for which CNL Securities was the distributor between November 2006 and January 2012. CNL Financial Group owned an interest in its advisor and parent holding company. CNL entities are no longer affiliated with Chambers Street Properties.

# Trusted Relationships



CNL Securities has a long-standing reputation for living up to its core values and for building relationships that “transcend transactions.” Since 1982, we’ve delivered alternative investment solutions to a network of 70,000 financial advisors.

Our sales team is well-versed in the alternative investment landscape, product structures and asset classes and serves both the IBD and RIA channels.

**35 Years**  
delivering alternative  
investments

Providing solutions for  
**70,000**  
financial advisors<sup>7</sup>

More than  
**550,000**  
investment registrations

2011

Corporate Capital Trust launched<sup>4</sup>  
CNL Healthcare Properties launched



*First Business Development Company (BDC) launched*

2013

Chambers Street Properties listed on NYSE<sup>3</sup>

2015

CNL Commercial Real Estate sold<sup>5</sup>  
Corporate Capital Trust II launched<sup>5,8</sup>  
Global Income Trust liquidated

2016

CNL Healthcare Properties II launched



<sup>4</sup> Corporate Capital Trust was advised by CNL Fund Advisors, LLC (CNL) and subadvised by KKR Credit Advisors (US) LLC (KKR).

<sup>5</sup> CNL agreed to a management-led buyout of CNL Commercial Real Estate by the real estate firm’s original partners and HQ Capital Real Estate L.P.

<sup>6</sup> Corporate Capital Trust II is advised by CNL Fund Advisors II, LLC and subadvised by KKR Credit Advisors (US) LLC (KKR).

<sup>7</sup> Since inception.

<sup>8</sup> Corporate Capital Trust II has suspended its continuous public offering as of Jan. 10, 2018.



CNL Securities

# With CNL Securities, *partnership* has its advantages.

As part of our ongoing commitment to deliver value to the IBD and RIA communities, we offer an extensive education program created specifically for advisors and their clients. These tools and resources are offered exclusively by CNL Securities and are designed to help educate investors on alternative investments, strengthen advisor knowledge in this distinctive category, as well as help advisors to grow their businesses.

## PROGRAM ADVANTAGES AT-A-GLANCE

- Resources for investor use
- Timely and relevant educational content
- Online articles, flyers and presentations
- Practice Management program
- Continuing education credits available
- Market commentaries

For more information, contact CNL Securities at **866-650-0650** or visit **[cnlsecurities.com](http://cnlsecurities.com)**.



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