

# CNL LIFESTYLE PROPERTIES PORTFOLIO TRANSACTION



Northstar Resort  
Truckee, CA



Rapids Water Park  
Riviera Beach, FL



Pacific Park  
Santa Monica, CA



**EPR Properties**<sup>™</sup>  
Return on Insight

# DISCLAIMER

## Forward-Looking Statements

This investor presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements include, without limitation, statements concerning projections, predictions, expectations, estimates, or forecasts as to EPR's, OZRE's and CNL's (as such terms are defined below) businesses, financial or operational results, and future economic performance, as well as statements of management's goals and objectives and other similar expressions concerning matters that are not historical facts. The words "may," "believe," "estimate," "expect," "intend," "plan," "predict," "project," "forecast," "potential," "will," "would," "could," "should," "continue," and similar expressions or their negatives, as well as statements in future tense, are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. EPR and OZRE may not actually achieve the plans, intentions or expectations disclosed in these forward-looking statements, and undue reliance should not be placed on these forward-looking statements. Forward-looking statements are based on management's beliefs, assumptions and expectations of future performance, taking into account all information available at the time those statements are made or management's good faith belief as of that time with respect to future events and, accordingly, actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements. Furthermore, these forward-looking statements should be considered as subject to the many risks and uncertainties that exist in EPR's, OZRE's and CNL's operations and business environment. Such risks and uncertainties could cause actual results to differ materially from those projected. These uncertainties include, but are not limited to: (1) the occurrence of any event, change or other circumstances that could give rise to the termination of the Purchase Agreement; (2) the inability to complete the proposed sale of CNL's ski and attractions assets to EPR and OZRE (the "Sale") due to the failure to obtain approval of the Sale from CNL's stockholders or the failure to satisfy other conditions of the proposed Sale within the proposed timeframe or at all; (3) disruption in key business activities or any impact on EPR's, OZRE's or CNL's relationships with third parties as a result of the announcement of the proposed Sale; (4) the failure of the proposed Sale to close for any reason; (5) risks related to disruption of management's attention from EPR's ongoing business operations due to the proposed Sale; (6) the outcome of any legal proceedings, regulatory proceedings or enforcement matters that may be instituted against EPR and others relating to the Agreement; (7) the risk that the pendency of the proposed Sale disrupts current plans and operations; (8) the amount of the costs, fees, expenses and charges related to the proposed Sale; (9) the risk that regulatory approvals required for the Sale are not obtained on the proposed terms and schedule or are not obtained subject to conditions that are not anticipated and (10) other risks, including those detailed in the sections of EPR's and CNL's Annual Reports on Form 10-K for the year ended December 31, 2015 and other filings with the SEC titled "Risk Factors." All forward-looking statements speak only as of the date of this investor presentation. All subsequent written and oral forward-looking statements attributable to EPR, OZRE, CNL or any person acting on their behalf are qualified by the cautionary statements in this section. Except as required by law, EPR undertakes no obligation to update publicly any forward-looking statements for any reason after this date to conform these statements to actual results or changes in EPR's expectations.

# DISCLAIMER

## **Additional Information about the Proposed Transactions and Where to Find It**

This investor presentation relates to the proposed Sale pursuant to the terms of the Purchase and Sale Agreement, dated November 2, 2016, by and among CNL, CLP Partners, LP, a Delaware limited liability company and subsidiary of CNL, EPR, Ski Resort Holdings LLC, a Delaware limited liability company and affiliate of OZRE, and the other sellers named therein.

For information on how non-GAAP metric such as NOI has been calculated in this investor presentation and for historical reconciliations to the nearest comparable financial measure under GAAP, see supplemental information provided with EPR's earnings release and supplemental operating and financial data available on the SEC's website at [www.sec.gov](http://www.sec.gov) or on EPR's website at [www.eprkc.com](http://www.eprkc.com).

In connection with the proposed Sale, EPR plans to file with the SEC a registration statement on Form S-4 in connection with the proposed transactions, which will include CNL's preliminary proxy statement and EPR's preliminary prospectus for the proposed transactions. EPR and CNL will also file other documents with the SEC relating to the proposed transactions. A definitive proxy statement/prospectus will be mailed to stockholders of CNL. THE REGISTRATION STATEMENT AND THE DEFINITIVE PROXY STATEMENT/PROSPECTUS WILL CONTAIN IMPORTANT INFORMATION ABOUT EPR, CNL, OZRE, THE PROPOSED SALE AND DISSOLUTION AND RELATED MATTERS. BEFORE MAKING ANY VOTING AND INVESTMENT DECISION WITH RESPECT TO THE TRANSACTIONS, INVESTORS AND STOCKHOLDERS OF CNL ARE URGED TO READ THE REGISTRATION STATEMENT AND DEFINITIVE PROXY STATEMENT/PROSPECTUS CAREFULLY WHEN THEY ARE AVAILABLE. The registration statement, the proxy statement/prospectus and other documents, when filed with the SEC by EPR and CNL, can be obtained free of charge through the website maintained by the SEC at [www.sec.gov](http://www.sec.gov), at EPR's website at [www.eprkc.com](http://www.eprkc.com) under the tab "Investor Center" and then "SEC Filings," at CNL's website at <http://www.cnllifestylereit.com> under the tab "Investor Relations" and then "View SEC Filings," from EPR Investor Relations, 909 Walnut Street, Suite 200, Kansas City, Missouri 64106, telephone: [(816) 472-1700], or from CNL Investor Relations, [450 South Orange Avenue, Orlando, Florida 32801], telephone: [(604) 623-6620].

## **Participants in the Solicitation**

EPR and its trustees and executive officers and CNL and its directors and executive officers and other members of their respective management and employees may be deemed participants in the solicitation of proxies from CNL's stockholders in connection with the proposed transactions. Information regarding the special interests of these trustees, directors and executive officers in the proposed transactions will be included in the definitive proxy statement/prospectus referred to above. Additional information regarding CNL's directors and executive officers is also included in CNL's proxy statement for its 2015 Annual Meeting of Stockholders, which was filed with the SEC on November 3, 2015., and in Form 4s of CNL's directors and executive officers filed with the SEC. Additional information regarding EPR's trustees and executive officers is also included in EPR's proxy statement for its 2016 Annual Meeting of Stockholders, which was filed with the SEC on April 1, 2016, and in Form 4s of EPR's trustees and executive officers filed with the SEC. These proxy statements and Form 4s are available free of charge at the SEC's website at [www.sec.gov](http://www.sec.gov) and from CNL and EPR by contacting them as described above. Other information about the participants in the proxy solicitation will be contained in the proxy statement/prospectus.

This communication shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor there any sale of securities in any jurisdiction in which the offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

# CNL LIFESTYLE PROPERTIES TRANSACTION

## OVERVIEW

EPR has agreed to acquire the CNL Lifestyle Properties (CNL) Northstar California Ski Resort and attractions portfolio, along with providing 65% debt financing to funds affiliated with Och-Ziff Real Estate (OZRE) for the remainder of the ski portfolio.

## TIMING

Anticipated deal closing in early Q2 2017 following CNL Lifestyle Properties shareholder approval

## OUTCOMES

### NORTHSTAR AND ATTRACTIONS PORTFOLIO

EPR will acquire Northstar California Ski Resort, along with 15 attraction assets (waterparks and amusement parks) for approximately \$456M

### OZRE SKI PORTFOLIO

EPR will provide approximately \$244M of five year financing for 14 Ski and Mountain Lifestyle Resorts to be acquired by OZRE for approximately \$374M

Unless otherwise indicated throughout document:

- A) Purchase price does not include pro-rations, transactions costs or closing adjustments
- B) Amount of the OZRE note does not include advances to reimburse closing costs or any other future advances
- C) Attractions portfolio information excludes 5 FECs that account for less than 1% of transaction



EPR Properties™

# SOURCES AND USES

(In Millions)

## OVERALL TRANSACTION

USES		SOURCES	
Stock Consideration to CNL*	\$ 647	EPR Equity*	\$ 647
Cash to CNL	<u>183</u>	EPR Cash	<u>62</u>
Subtotal	830	Subtotal	709
EPR Transaction Costs	<u>9</u>	OZRE Cash	<u>130</u>
Total	<u>\$839</u>	Total	<u>\$ 839</u>

## EPR TRANSACTION

USES		SOURCES	
Attractions & Northstar	\$ 456	Equity Issuance*	\$ 647
Loan to OZRE	<u>244</u>	EPR Cash	<u>62</u>
Subtotal	700		
EPR Transaction Costs	<u>9</u>		
Total	<u>\$ 709</u>	Total	<u>\$ 709</u>

\*Actual value at closing assuming 10-day Volume Weighted Average Price (VWAP) is within the collar range

# TRANSACTION MERITS

- ✓ **HIGH QUALITY ASSETS** – Proven assets with strong operators
- ✓ **DISCIPLINED APPROACH** – Two year process of negotiating, underwriting and due diligence in an area of core expertise
- ✓ **HIGHLY DURABLE** – High coverage, underwritten to 5 year EBITDAR averages
- ✓ **INCREASED DIVERSIFICATION** – Significantly expands geographic and operator diversification within EPR's Recreation segment
- ✓ **POSITIVE FINANCIAL IMPACT** – Projected to be immediately accretive, substantially all equity consideration
- ✓ **INVESTING IN THE EXPERIENCE ECONOMY**– Expands EPR's investments in the experience based Recreation segment

# OVERVIEW OF PROPERTIES TO BE ACQUIRED





Cross-Country, Telemark  
& Snowshoe Center

Lookout Mountain®  
8120 ft, 2475 m

Sawtooth Ridge  
Off-piste terrain when  
conditions permit

Lookout Glade  
Off-piste terrain when  
conditions permit





# NORTHSTAR CALIFORNIA SKI RESORT

## Leading Regional Destination

North Lake Tahoe

Day & destination  
visitors

BAY AREA SACRAMENTO

3

HOUR  
DRIVE

2

HOUR  
DRIVE



## Proven Operator, Proven Asset

**VAIL RESORTS**  
EXPERIENCE OF A LIFETIME™

PARK CITY

*Beaver Creek*

KEYSTONE

*Heavenly*  
LAKE TAHOE

Vail

NORTHSTAR  
CALIFORNIA

RENT COVERAGE\*

5 Year Avg. ~1.6x

## Extensive Co-Investments

### LODGING

RITZ CARLTON  
NORTHSTAR LODGE

### LUXURY SECOND HOME COMMUNITIES

MARTIS CAMP –  
Private, with direct Northstar access

MOUNTAINSIDE AT NORTHSTAR  
Ski in/ski out condo and homes



## Top Year Round Resort



# WHAT WE WILL OWN

REMAINING LEASE TERM = 10 YRS + 30 YRS OF TENANT OPTIONS



## MOUNTAIN RESORT

**3,170**

SKIABLE  
ACRES

**20**

LIFTS

**487**

SNOWMAKING  
GUNS

**100**

TRAILS

**8**

TERRAIN  
PARKS

**35** MILES

SNOWMAKING  
PIPELINE



## RETAIL VILLAGE

**42**

RETAIL  
SPACES

**~80K**

SQ.FT.

Retail & restaurants  
master leased by ski  
operator





# ATTRACTIONS PORTFOLIO



PACIFIC PARK - SANTA MONICA



WET 'N' WILD PHOENIX

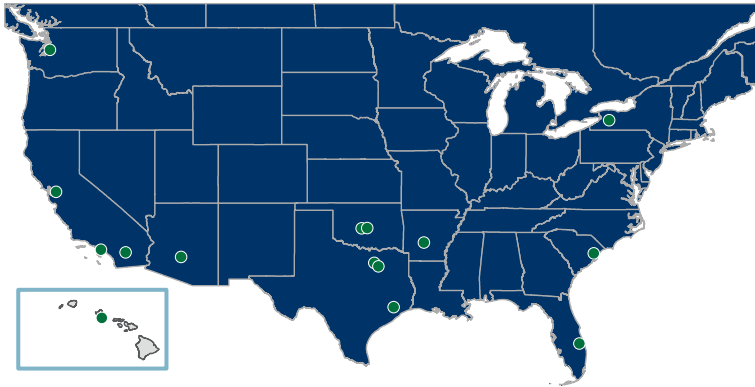


DARIEN LAKE - WESTERN NY

# ATTRACTIONS PORTFOLIO

## Geographic Diversity

**15** ATTRACTIONS ACROSS THE U.S.



## Enduring Experiences

15 attractions, comprised of water parks and amusement parks

Demonstrated resilience across economic cycles

Average remaining lease term of 18 years

<b>423</b>	<b>1,528</b>	<b>10</b>
Rides & Attractions	Acres	States

## Market-Leading Locations

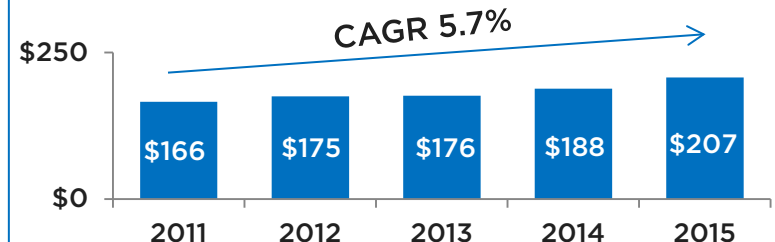
Strong regional brands delivering stable long term performance



## Strong Performance

**UNDERWRITTEN RENT COVERAGE\***  
5 Year Avg. ~1.8x

**OPERATOR PORTFOLIO REVENUE**  
(IN MILLIONS)



\*EBITDAR / Pro Forma Cash Minimum Rents

# ATTRACTIONS PORTFOLIO OVERVIEW

Attraction Asset	Location	Year Founded	Asset Type	Acreage	# of Rides
Darien Lake	Darien Center, NY	1981	Combination	978	50
Frontier City	Oklahoma City, OK	1958	Amusement Park	113	34
Magic Springs*	Hot Springs, AR	1978	Combination	70	30
Myrtle Waves Water Park*	Myrtle Beach, SC	1985	Waterpark	20	17
Rapids Water Park	Riviera Beach, FL	1979	Waterpark	30	45
Waterworld*	Concord, CA	1995	Waterpark	23	26
Wet 'n' Wild Hawaii	Kapolei, HI	1999	Waterpark	29	25
Wet 'n' Wild Palm Springs	Palm Springs, CA	1986	Waterpark	16	16
Wet 'n' Wild Phoenix	Glendale, AZ	2009	Waterpark	52	20
Wet 'n' Wild SplashTown	Spring, TX	1981	Waterpark	83	40
White Water Bay	Oklahoma City, OK	1980	Waterpark	21	17
Wild Waves*	Seattle, WA	1977	Combination	67	55
<b>Premier Parks</b>				<b>1,502</b>	<b>375</b>
<b>Pacific Park</b>	<b>Santa Monica, CA</b>	<b>1996</b>	<b>Amusement Park</b>	<b>2</b>	<b>18</b>
Hawaiian Falls - The Colony	The Colony, TX	2003	Waterpark	12	15
Hawaiian Falls - Garland	Garland, TX	2003	Waterpark	12	15
<b>Harvest Entertainment</b>				<b>24</b>	<b>30</b>
<b>Attractions Total</b>				<b>1,528</b>	<b>423</b>

\*Parks are not currently operated by Premier Parks, but will be leased to Premier following completion of CNL transaction.



# OZRE SKI PORTFOLIO

# OZRE SKI PORTFOLIO

## 14 REGIONALLY DIVERSE SKI & MOUNTAIN RESORTS

**9** STATES & B.C., CANADA  
**12,068** SKIABLE ACRES  
**1,026** TRAILS

Some of the most attractive drive-to and regional destinations in the U.S.

**120** MILLION PEOPLE Live Within 5 Hours of Portfolio Resorts

## 1 CONSERVATIVELY STRUCTURED \$244M SECURED LOAN

### TERMS

- 5 year term with three 30-month extension options
- 8.5% interest rate
- 1% origination & exit fee
- Committed to fund up to \$52M (65% of \$80M) of improvements

### FEATURES

- 65% Loan To Transaction Value
- Cross collateralized
- ~2.5x Underwritten Coverage\*

\*Property-Level Rent / Mortgage Interest Payment



BRIGHTON



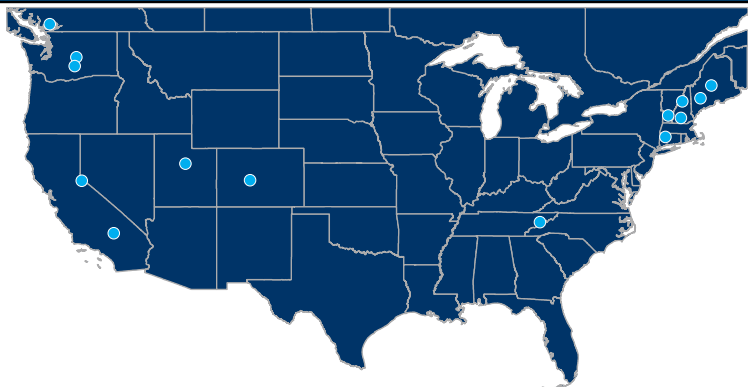
OKEMO



SUMMIT AT SNOQUALMIE

# OZRE SKI PORTFOLIO

Asset	State	Operator / Tenant	Year Opened	Lifts	Skiable Acres
Loon Mountain	NH	Boyne Resorts	1966	12	370
Summit at Snoqualmie	WA	Boyne Resorts	1937	27	1,981
Brighton	UT	Boyne Resorts	1936	7	1,050
Gatlinburg Sky Lift	TN	Boyne Resorts	1953	1	NA
Cypress Mountain	B.C.	Boyne Resorts	1984	8	600
Sunday River	ME	Boyne Resorts	1959	15	820
Sugarloaf	ME	Boyne Resorts	1950	14	1,230
<b>Total Boyne Resorts</b>				<b>84</b>	<b>6,051</b>
Crested Butte	CO	Triple Peaks	1961	17	1,547
Okemo	VT	Triple Peaks	1955	19	655
Mount Sunapee	NH	Triple Peaks	1948	11	233
<b>Total Triple Peaks</b>				<b>47</b>	<b>2,435</b>
Jiminy Peak	MA	The Fairbanks Group	1947	9	167
Mountain High	CA	Mountain High Resort Associates	1978	16	290
Stevens Pass	WA	Stevens Pass Mountain Resort	1937	13	1,125
Sierra at Tahoe	CA	Booth Creek	1946	14	2,000
<b>Total OZRE Ski Properties:</b>				<b>183</b>	<b>12,068</b>



# DEAL STRUCTURE & PRO FORMA RESULTS

# DEAL STRUCTURE

## STEP ONE

OZRE will buy 14 ski properties from CNL in exchange for ~\$130M cash and ~\$244M note



## STEP TWO

EPR will buy the ~\$244M note, 15 Attractions assets and Northstar California from CNL in exchange for ~\$647M of stock and ~\$53M cash



## STEP THREE

CNL will distribute EPR shares to their shareholders shortly after closing

## EQUITY CONSIDERATION

Number of shares issued based on 10-day VWAP ending on the second day before closing and subject to collar



# SUMMARY YIELDS AND COVERAGES

	Initial Value	Annualized Cash Rents <sup>*</sup> / Interest	Initial Yield	Underwritten Coverage
Attractions & Northstar	\$456M	\$42.6M	9.35%	~1.8x
OZRE Ski Mortgage	\$244M	\$20.7M	8.50%	~2.5x
<b>TOTAL</b>	<b>\$700M</b>	<b>\$63.3M</b>	<b>9.05%</b>	

\* Pro forma cash minimum rents

# PROJECTED ACCRETION IMPACT

	Low	Base	High
Price	\$68.25	\$73.78	\$82.63
Range	-7.5%	-	+12.0%
Shares issuable to CNL	9.5M	8.8M	7.8M
<b>FFOAA per share</b>	<b>\$0.18</b>	<b>\$0.22</b>	<b>\$0.28</b>

## Equity Collar

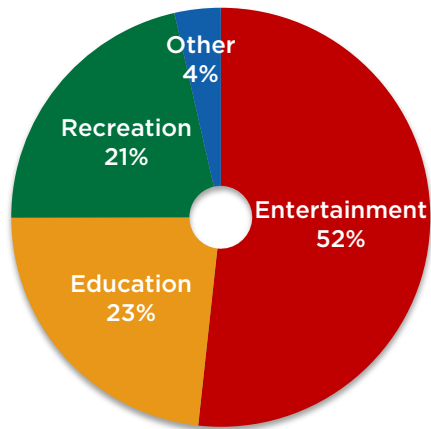
- Base scenario number of shares assumed to be 8.8M (\$647M/\$73.78)
- Base price is 10 day VWAP leading up to signing
- At closing, share issuance based on 10 day VWAP leading up to closing date
  - Max shares = 9.5M (7.5% down from \$73.78 share price)
  - Min shares = 7.8M (based on 12% up from \$73.78 share price)

## Assumptions

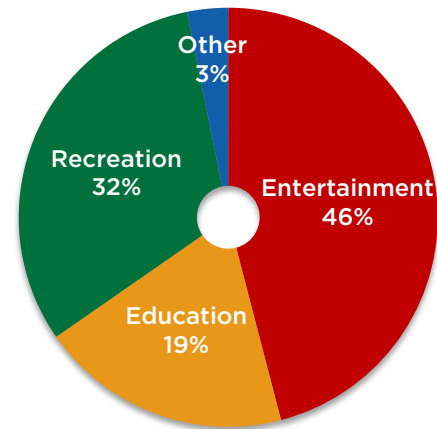
- Rents and interest per previous slide
- Non-cash GAAP revenue adjustments of +\$1.2M
- Full year perspective; actual 2017 will be lower due to assumed closing in early Q2 2017
- Cash portion of consideration financed with 10-Yr debt
- \$1.5M additional G&A expense
- Transaction costs excluded for FFOAA

# PRO FORMA SEGMENT MIX

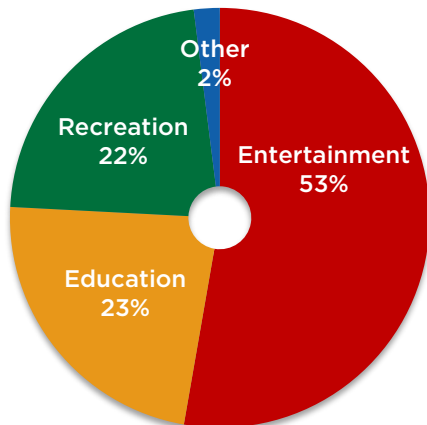
TOTAL INVESTMENTS\*



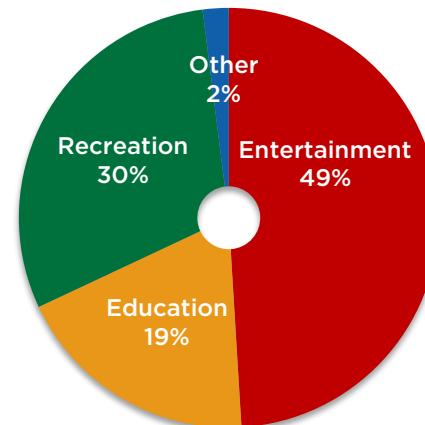
PRO FORMA TOTAL INVESTMENTS\*\*



NET OPERATING INCOME\*



PRO FORMA NET OPERATING INCOME\*\*



\* Represents actual amounts as of 9/30/2016.

\*\* Pro forma scenarios assume planned Imagine Schools dispositions in Q4 2016 / Q1 2017

# PRO FORMA TOP 10 CUSTOMERS

% OF Q3 2016 REVENUE	
AMC Theatres	17%
Regal Entertainment Group	9%
Topgolf	8%
Cinemark	7%
Carmike Cinemas	5%
<b>Imagine Schools</b>	<b>5%</b>
Camelback Resort	4%
Schlitterbahn	3%
<b>Children's Learning Adventure</b>	<b>3%</b>
<b>Southern Theatres</b>	<b>3%</b>
<b>Top 10</b>	<b>64%</b>



PRO FORMA % OF REVENUE*	
AMC Theatres	16%
Topgolf	8%
Regal Entertainment Group	8%
Cinemark	6%
Carmike Cinemas	5%
<b>Premier Parks</b>	<b>4%</b>
<b>OZRE</b>	<b>4%</b>
Camelback Resort	3%
Schlitterbahn	3%
<b>Basis Independent Schools</b>	<b>3%</b>
<b>Top 10</b>	<b>60%</b>

\*Pro forma assumes closing of CNL Transaction, planned Imagine Schools dispositions and current run rate adjustment

# RECREATION SEGMENT RATIONALE



# WHY RECREATION?

## ALIGNMENT WITH CONSUMER SPENDING TRENDS

- Recreation as a percentage of total discretionary spend continues to grow

## ALIGNMENT WITH DEMOGRAPHIC SHIFTS

- Baby Boomers entering peak leisure spending years
- Millennials (now the largest population segment) are focused on the types of experiences that Recreation assets offer

## ADVANTAGEOUS POSITION

- Assets are relatively difficult to replicate, creating and sustaining long-term value

## EPR'S STRONG LONG TERM PERFORMANCE

- Our current portfolio provides consistent and reliable cash flows

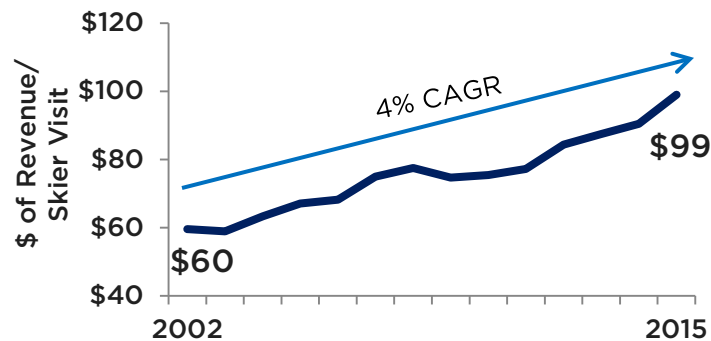
# SKI SECTOR OVERVIEW

## OVERVIEW

### Durable Demand, Fixed Supply



### Increased Revenue Per Visit



Source: National Ski Areas Association (NSAA)

## TRENDS

### Transitioning to Four-Season Business

Increases property utilization and generates new revenue

### Expanding Season Pass Networks

Stabilizes revenue and enhances customer value proposition

### Focus on the Beginner Experience

Makes activity more approachable and grows customer base

### Technology

Improves snowmaking efficiencies, infrastructure and customer marketing

# WEATHER RISK

## OUR APPROACH

### INITIAL FILTER

- Avoid high EBITDAR volatility
- Seek clear, proven position in the ski sector
- Seek Stabilizing Attributes: season pass base, proximity to large populations, significant snowmaking, off season revenue

### ASSET UNDERWRITING

- Long-term approach
- Historical weather analyzed
- Stressed scenarios modeled w/ 1.0x coverage in poor weather yrs.
- Modeling determines maximum rent

### CREDIT SUPPORT & STRUCTURE

- Require equity contribution
- Partner w/ multi-asset operators
- Seek cross defaulted portfolios
- Structure seasonal rent reserves



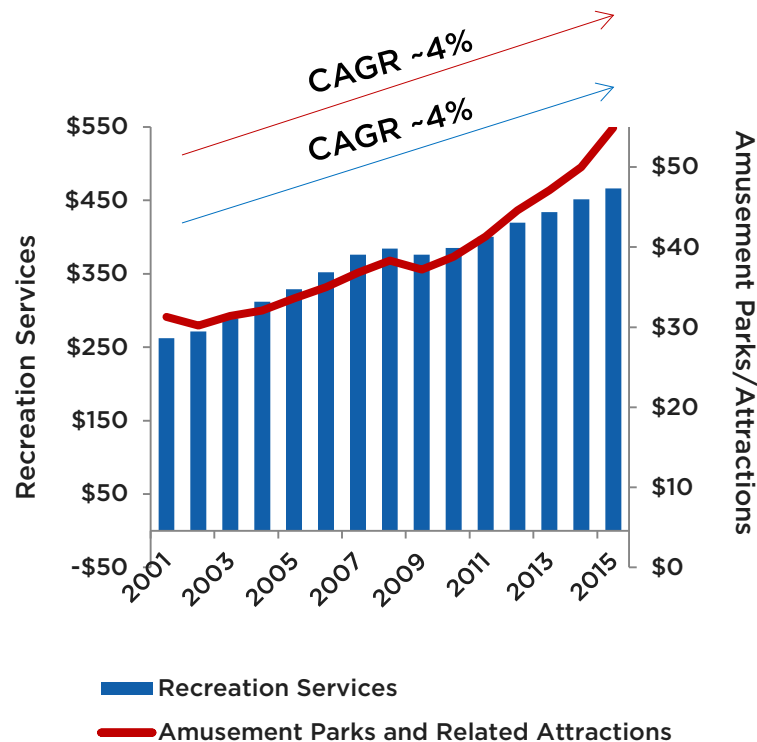
## OUR VIEWPOINT

Favorable risk adjusted returns can be achieved by looking beyond headlines and underwriting actual risk

# ATTRACTIONS SECTOR OVERVIEW

## OVERVIEW

### Growth in Annual Recreation Spending (In Billions)



## TRENDS

### Themed Environments

Creates an immersive environment tied together by a central theme (movies, characters)

### Experience-Driven Technology

New experience-driven offerings such as Surf Simulators provide skill based entertainment venues

### Segmented Solutions

Attraction programming that has relevant offerings across age segments, from children to older adults.

Source: U.S. Bureau of Economic Analysis (BEA)

# SUMMARY

**FOCUSED GROWTH**

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**QUALITY ASSETS**

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**INCREASED DIVERSIFICATION**

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**EXPECTED TO BE IMMEDIATELY ACCRETIVE**

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**LEADING REIT INVESTOR IN THE EXPERIENCE  
ECONOMY**

## NEXT STEPS

**INITIAL FORM S-4/PROXY FILING**

Late Q4 2016

**CNL SHAREHOLDER VOTE**

Late Q1/Early Q2 2017

**ANTICIPATED CLOSING**

Early Q2 2017



**EPR Properties**<sup>™</sup>

Return on Insight

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