

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
CNL HEALTHCARE PROPERTIES II, INC.		47-4524619	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
CLIENT SERVICES	866-650-0650	clientservicesinquiries@cni.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and Zip code of contact	
450 SOUTH ORANGE AVENUE		ORLANDO, FL 32801	
8 Date of action		9 Classification and description	
9/08/2016		MULTIPLE CLASSES OF COMMON STOCK - CLASS A, CLASS T, CLASS I	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
12594A302	N/A	N/A	
12594A104/12594A203			

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶

ON SEPTEMBER 8, 2016, THE TAXPAYER MADE A NONTAXABLE STOCK DISTRIBUTION OF .001881250 SHARES TO ITS SHAREHOLDERS OF RECORD ON AUGUST 1, 2016, AND SEPTEMBER 1, 2016 (EACH INDIVIDUALLY A "RECORD DATE"). STOCK DIVIDENDS ARE ISSUED IN THE SAME CLASS OF SHARES AS THE SHARES ON WHICH THE STOCK DIVIDEND WAS DECLARED.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶

THE STOCK DISTRIBUTION IS NOT CURRENTLY INCLUDED AS A COMPONENT OF GROSS INCOME (E.G. IT IS NOT TAXABLE WHEN RECEIVED). UPON RECEIVING A DISTRIBUTION OF STOCK EXEMPT FROM TAX (NEW STOCK), AND AS PROVIDED IN SECTION 307(a), THE STOCKHOLDER MUST ALLOCATE THE ADJUSTED BASIS OF THE STOCK WITH RESPECT TO WHICH THE NEW STOCK WAS DISTRIBUTED (THE "OLD STOCK") BETWEEN THE OLD STOCK AND THE NEW STOCK. IF YOU WERE A SHAREHOLDER ON RECORD FOR TWO OF THE RECORD DATES, THE BASIS OF THE OLD STOCK WOULD BE ALLOCATED 99.63% TO THE OLD STOCK AND 0.37% TO THE NEW STOCK. IF YOU WERE A SHAREHOLDER FOR ONE RECORD DATE, THE BASIS OF THE OLD STOCK WOULD BE ALLOCATED 99.81% TO THE OLD STOCK AND 0.19% TO THE NEW STOCK. THESE ALLOCATIONS MAY VARY IF YOU ARE A PARTICIPANT IN THE REINVESTMENT PLAN.

PLEASE CONSULT WITH YOUR TAX ADVISOR FOR ADDITIONAL GUIDANCE.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶

TREASURY REGULATION 1.307-1 REQUIRES AN ALLOCATION OF BASIS IN PROPORTION TO THE RELATIVE FAIR MARKET VALUES OF THE OLD AND THE NEW STOCK ON THE DATE OF DISTRIBUTION.

THE HOLDING PERIOD OF THE NEW STOCK, USED TO DETERMINE WHETHER CAPITAL GAIN OR LOSS ON ANY SALE OR EXCHANGE IS LONG-TERM OR SHORT-TERM, INCLUDES THE PERIOD FOR WHICH THE STOCKHOLDER HELD THE OLD STOCK.

THE PUBLIC OFFERING PRICE PER SHARE OF EACH MULTIPLE SHARE CLASS WAS AS FOLLOWS:

CLASS A - \$11.08 PER SHARE, CLASS T - \$10.50 PER SHARE, AND CLASS I - \$10.00 PER SHARE.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
IRC SECTIONS: 305(a) and 307(a). Treasury Regulation 1.307-1

18 Can any resulting loss be recognized? ▶ NO

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶
THESE ACTIONS ARE EFFECTIVE ON THE DATE OF THE DISTRIBUTION IDENTIFIED ABOVE.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ *[Handwritten Signature]* Date ▶ 11.11.16

Print your name ▶ KAKI RAWLS Title ▶ VICE PRESIDENT

Paid Preparer Use Only

Print/Type preparer's name Alex Park	Preparer's signature <i>Alex N. Park</i>	Date 11/11/16	Check <input type="checkbox"/> if self-employed	PTIN P00134487
Firm's name ▶ ERNST & YOUNG U.S. LLP			Firm's EIN ▶ 34-6565596	
Firm's address ▶ 55 IVAN ALLEN BLVD, SUITE 1000, ATLANTA, GA 30308			Phone no. 404-874-8300	