

**Report of Organizational Actions  
 Affecting Basis of Securities**

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name		<b>2</b> Issuer's employer identification number (EIN)	
CNL HEALTHCARE PROPERTIES II, INC.		47-4524619	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact	<b>5</b> Email address of contact	
CLIENT SERVICES	866-650-0650	clientservicesinquiries@cnl.com	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact		<b>7</b> City, town, or post office, state, and Zip code of contact	
450 SOUTH ORANGE AVENUE		ORLANDO, FL 32801	
<b>8</b> Date of action		<b>9</b> Classification and description	
03/08/2018		MULTIPLE CLASSES OF COMMON STOCK - CLASS A, CLASS T, CLASS I	
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> Account number(s)
12594A302			
12594A104/12594A203	N/A	N/A	

**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 MARCH 08, 2018, THE TAXPAYER MADE A NONTAXABLE STOCK DISTRIBUTION OF .00100625 SHARES TO ITS SHAREHOLDERS OF RECORD ON JANUARY 1, 2018, FEBRUARY 1, 2018, AND MARCH 1, 2018 (EACH INDIVIDUALLY A "RECORD DATE"). STOCK DIVIDENDS ARE ISSUED IN THE SAME CLASS OF SHARES AS THE SHARES OF 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 STOCK WAS DISTRIBUTED (THE "OLD STOCK") BETWEEN THE OLD STOCK AND THE NEW STOCK. IF YOU WERE A SHAREHOLDER OF RECORD ON ALL THREE RECORD DATES, THE BASIS OF THE OLD STOCK WOULD BE ALLOCATED 99.70% TO THE OLD STOCK AND 0.30% TO THE NEW STOCK. IF YOU WERE A SHAREHOLDER FOR TWO OF THE RECORD DATES THE BASIS OF THE OLD STOCK WOULD BE ALLOCATED 99.80% TO THE OLD STOCK AND 0.20% TO THE NEW STOCK. IF YOU WERE A SHAREHOLDER FOR ONE RECORD DATE, THE BASIS OF THE OLD STOCK WOULD BE ALLOCATED 99.90% TO THE OLD STOCK AND 0.10% 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 SHAREHOLDER HELD THE OLD STOCK.**

**THE PUBLIC OFFERING PRICE PER SHARE OF EACH MULTIPLE SHARE CLASS WAS: CLASS A - \$10.93 PER SHARE, CLASS T - \$10.50 PER SHARE, 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**

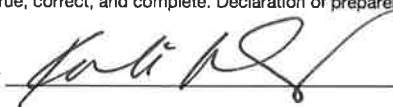
**18** Can any resulting loss be recognized? ▶ **NO**

**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.**

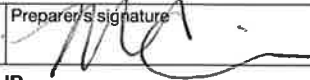
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

Signature ▶  Date ▶ **3.13.18**

Print your name ▶ **KAKI RAWLS** Title ▶ **VICE PRESIDENT**

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
<b>MICHELLE CINDER</b>		<b>3/12/18</b>		<b>P01325438</b>
Firm's name ▶ <b>CNL FINANCIAL GROUP</b>	Firm's EIN ▶ <b>27-4169415</b>			
Firm's address ▶ <b>P.O. BOX 4920, ORLANDO, FL 32802-4920</b>	Phone no. <b>407-650-1000</b>			