

News Release

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**CNL HEALTHCARE PROPERTIES II CLOSES ON SALE
OF ITS MEDICAL OFFICE BUILDING**

-- REIT to use the proceeds to pay down debt --

(ORLANDO, Fla.) May 7, 2019 — CNL Healthcare Properties II, a non-traded real estate investment trust (REIT) focused on seniors housing and healthcare properties, has sold the Mid-America Surgery Center in Overland Park, Kansas, to Overland Park MOB, LLC, an affiliate of HCP Medical Office Buildings, LLC, for \$15.4 million. CNL Healthcare Properties II purchased the facility in 2017 for \$14 million.

After the paying of customary closing costs, various credits and pro-rations and the satisfaction of the mortgage debt secured by the property, the sale of Mid-America Surgery Center is expected to generate net sales proceeds of approximately \$9.5 million. The board of directors of CNL Healthcare Properties II unanimously decided to use the proceeds to pay down other secured debt.

“The sale of the Mid-America Surgery Center is a significant first step as we pursue strategic alternatives,” said Stephen H. Mauldin, president and CEO of CNL Healthcare Properties II. “The use of the proceeds to pay down debt will further bolster our balance sheet and meaningfully reduce debt interest expenses, while we drive value in our seniors housing investments and remain focused on maximizing prospects for shareholder value.”

About CNL Healthcare Properties II

CNL Healthcare Properties II elected to be taxed as a real estate investment trust (REIT) for U.S. federal income tax purposes beginning with the year ending Dec. 31, 2017, and its intention is to be organized and operate in a manner that allows it to remain qualified as a REIT for federal income tax purposes. Based in Orlando, Florida, CNL Healthcare Properties II invested in the seniors housing and medical office sectors. For more information, visit cnlhealthcarepropertiesii.com.

About CNL Financial Group

CNL Financial Group (CNL) is a private investment management firm providing real estate and alternative investments. Since inception in 1973, CNL and/or its affiliates have formed or acquired

companies with more than \$34 billion in assets. CNL is headquartered in Orlando, Florida. For more information, visit cnl.com.

Cautionary Note Regarding Forward-Looking Statements

Statements above that are not statements of historical or current fact may constitute “forward-looking statements” within the meaning of the Federal Private Securities Litigation Reform Act of 1995. CNL Healthcare Properties II (the “Company”) intends that such forward-looking statements be subject to the safe harbor created by 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. Forward-looking statements are typically identified by words such as “believes,” “expects,” “anticipates,” “intends,” “estimates,” “plans,” “continues,” “pro forma,” “may,” “will,” “seeks,” “should” and “could,” and words and terms of similar substance in connection with discussions of future operating or financial performance, business strategy and portfolios, projected growth prospects, cash flows, costs and financing needs, legal proceedings, amount and timing of anticipated future distributions, and/or other matters. The Company’s forward-looking statements are not guarantees of future performance. While the Company’s management believes its forward-looking statements are reasonable, such statements are inherently susceptible to uncertainty and changes in circumstances. As with any projection or forecast, forward-looking statements are necessarily dependent on assumptions, data and/or methods that may be incorrect or imprecise, and may not be realized. The Company’s forward-looking statements are based on management’s current expectations and a variety of risks, uncertainties and other factors, many of which are beyond the Company’s ability to control or accurately predict. Although the Company believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, the Company’s actual results could differ materially from those set forth in the forward-looking statements due to a variety of risks, uncertainties and other factors. These risks include that CNL Healthcare Properties II has limited operating history and there is no assurance that it will be able to achieve its investment objectives; that the board of directors may amend or revise investment and other policies without stockholder consent; that it may have difficulty funding distributions with funds provided by cash flows from operating activities; and that market and business conditions may affect its success, including changes in general or local economic or market conditions and changing demographics. Given these uncertainties, the Company cautions you not to place undue reliance on such statements.

All written and oral forward-looking statements attributable to the Company or persons acting on its behalf are qualified in their entirety by this cautionary note. Forward-looking statements speak only as of the date on which they are made, and the Company undertakes no obligation to, and expressly disclaims any obligation to, publicly release the results of any revisions to its forward-looking statements to reflect new information, changed assumptions, the occurrence of unanticipated subsequent events or circumstances, or changes to future operating results over time, except as otherwise required by law.

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