

Nontraded REIT Industry Review: Third Quarter 2014



Lightstone Value Plus Real Estate Investment Trust II, Inc.

Total Assets.....	\$183.3 Million
Real Estate Assets	\$83.6 Million
Cash	\$76.6 Million
Securities	\$18.4 Million
Other	\$4.8 Million



Cash to Total Assets Ratio: 41.8%
 Asset Type: Diversified
 Number of Properties: 8
 Square Feet / Units / Rooms / Acres: 155,928 Sq. Ft.
 854 Rooms
 Percent Leased: Not Reported
 Weighted Average Lease Term Remaining: Not Available
 LifeStage: Stabilizing
 Investment Style Value Add
 Weighted Average Shares Outstanding: 13,681,000

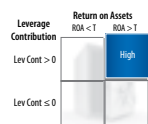
Initial Offering Date: February 17, 2009
 Offering Close Date: September 27, 2014
 Current NAV per Share: \$10.00
 Reinvestment Price per Share: \$9.50
 Cumulative Capital Raised during
 Offering (including DRP): \$184.4 Million

Historical Price



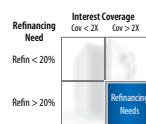
Performance Profiles

Operating Performance



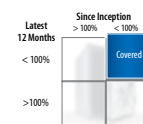
The REIT's recent 12-month average return on assets exceeds yields on 10-year Treasuries, indicating potential for positive risk-adjusted returns. At its current cost of debt and level of borrowing, its use of debt is contributing to increased returns for shareholders.

Financing Outlook



Interest coverage ratio is above the 2.0X benchmark but more than 20% of the REIT's debt matures within two years or is at unhedged variable rates. The REIT may face difficulties in refinancing its borrowings or interest rate risk from increasing rates, but earnings currently provide coverage of interest expense.

Cumulative MFFO Payout



Cumulative MFFO since inception exceeds the cumulative cash distributions to common shareholders, indicating the REIT has fully funded cash distributions from its real estate operations. At the current distribution rate and level of modified funds from operations, trends suggest the distributions can be maintained.

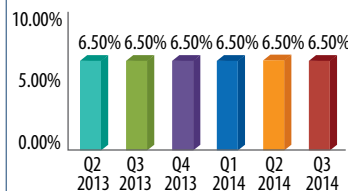
Summary

The REIT's return on assets for the last four quarters was 5.29%, well above the yield on 10-Year Treasuries of 2.64%, providing additional returns to shareholders. It had a slightly positive leverage contribution with its average cost of debt at 4.12% and a 23.3% debt ratio. About 23% of the REIT's debt principal is due within two years and 21% is at unhedged variable rates, indicating some refinancing need and interest rate risk. Its interest coverage ratio for the last four quarters was 5.0X, safely above the 2.0X benchmark. Since inception the REIT has paid out only 57% of MFFO in cash distributions excluding DRP, and this rate was 43% for the last four quarters, a very sustainable cash payout ratio.

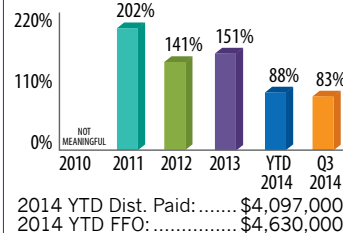
Contact Information

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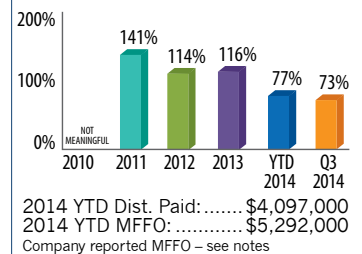
Historical Distribution



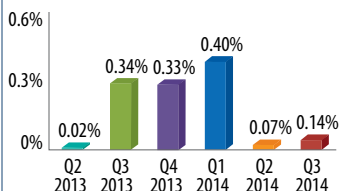
Historical FFO Payout Ratio



Historical MFFO Payout Ratio



Redemptions

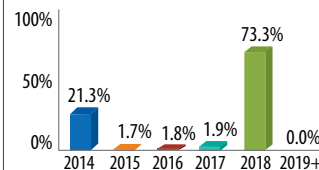


Debt Breakdown

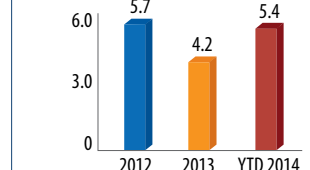


Debt to Total Assets Ratio: 16.5%
 Total: \$30.2 Million
 Fixed: \$23.9 Million
 Variable \$6.3 Million
 Avg. Wtd. Rate: 4.12%
 Loan Term: 1 – 4 yrs

Debt Repayment Schedule



Interest Coverage Ratio



Source of Distributions, Trends and Items of Note

- During 3Q 2014 the Company did not acquire any properties.
- On October 2, 2014, the Company completed the acquisition of a 120-room select service hotel located in Fort Myers, Florida (the "Hampton Inn – Fort Myers Beach") from an unrelated third party, for an aggregate purchase price of approximately \$9.4 million, excluding closing and other related transaction costs.
- The REIT's Cash to Total Assets ratio increased to 41.8% as of 3Q 2014 compared to 24.8% as of 3Q 2013.
- The REIT's Debt to Total Assets ratio decreased to 16.5% as of 3Q 2014 compared to 29.7% as of 3Q 2013.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- Total distribution for the nine-month period ending September 30, 2014 of approximately \$5.166 million was paid in full using a combination of cash and shares of the Company's common stock issued pursuant to the Company's DRIP, at a discounted price of \$9.50 per share. The distribution was paid from cash flows provided from operations (approximately \$2.485 million or 48%) and proceeds from the issuance of common stock through the DRIP (approximately \$2.681 million or 52%).