

Nontraded REIT Industry Review: Second Quarter 2014



American Realty Capital Healthcare Trust II, Inc.

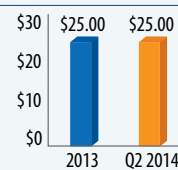
Total Assets	\$1,193.6 Million
Real Estate Assets	\$181.8 Million
Cash	\$964.3 Million
Securities	\$0.0 Million
Other	\$47.5 Million



Cash to Total Assets Ratio	80.8%
Asset Type	Healthcare
Number of Properties	24
Square Feet / Units / Rooms / Acres	728,000 Sq. Ft.
Percent Leased	93.9%
Weighted Average Lease Term Remaining	6.6 Years
LifeStage	Stabilizing
Investment Style	Core
Weighted Average Shares Outstanding	35,127,969

Initial Offering Date	February 14, 2013
Offering Status	Initial
Number of Months Fundraising	16
Anticipated Offering Close Date	See Notes
Current Price per Share	\$25.00
Reinvestment Price per Share	\$23.75

Historical Price



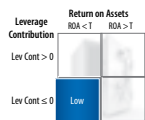
Contact Information

www.AmericanRealtyCap.com

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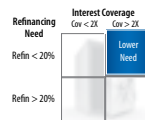
Performance Profiles

Operating Performance



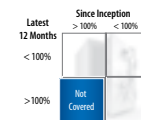
The REIT's recent 12-month average return on assets is less than yields on 10-year Treasuries, indicating negative risk adjusted returns. At its current cost of debt and level of borrowing, the use of debt is not increasing returns to shareholders. Earnings must improve to cover costs of debt.

Financing Outlook



Interest coverage ratio exceeds the 2.0X benchmark and the REIT does not have over 20% of debt maturing within 2 years or at unhedged variable rates. The REIT does not face an immediate need to refinance a significant portion of its debt, and has sufficient earnings to cover interest expense.

Cumulative MFFO Payout

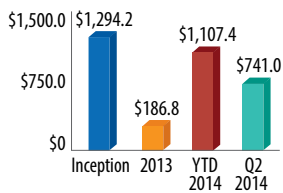


The REIT has not achieved a level of MFFO in excess of cash distributions since inception and the latest 12-month results indicate cash distributions exceed MFFO, a trend which must be eventually reversed for distribution sustainability.

Summary

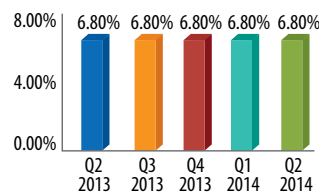
The REIT's 12-month average return on assets of 1.26% is below the 10-Year Treasury Yield, and it did not provide a positive leverage contribution given its average cost of debt of 6.12%. Its trailing 12-month interest coverage ratio is above the 2X benchmark, less than 11% of its term debt is due within two years, and none is at unhedged variable rates, so there is no need for refinancing. The REIT has paid over 300% of its cumulative MFFO as cash distributions since inception, not unusual during the first five quarters of a REIT's life.

Gross Dollars Raised*

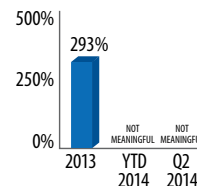


*Includes reinvested distributions (in millions)

Historical Distribution

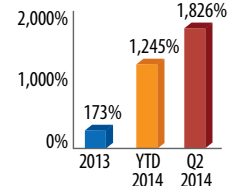


Historical FFO Payout Ratio



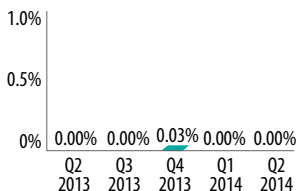
2014 YTD Dist. Paid: \$15,511,000
2014 YTD FFO: (\$1,491,000)

Historical MFFO Payout Ratio



2014 YTD Dist. Paid: \$15,511,000
2014 YTD MFFO: \$1,246,000
Company reported MFFO – see notes

Redemptions

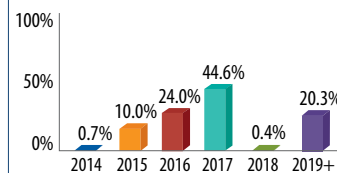


Debt Breakdown

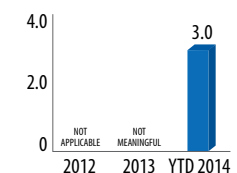


Debt to Total Assets Ratio: 5.2%
Total: \$62.3 Million
Fixed: \$62.3 Million
Variable: \$0.0 Million
Avg. Wtd. Rate: 6.12%
Loan Term: 1 – 5 yrs

Debt Repayment Schedule



Interest Coverage Ratio



Source of Distributions, Trends and Items of Note

- On August 22, 2014, Realty Capital Securities, LLC, the exclusive dealer manager for American Realty Capital Healthcare Trust II, Inc.'s initial public offering of common stock, sent an email to broker dealers and financial advisors affiliated with members of the Company's selling group in which it announced that the Company raised \$1.865 billion toward its approximate \$2.05 billion public non-traded offering of common stock (including amounts reallocated from its \$350 million distribution reinvestment plan), and that the Company expects the offering to close to new investments within the next 30-60 days.
- During 2Q 2014 the Company acquired 14 properties for a total purchase price of approximately \$118.5 million.
- The REIT's Cash to Total Assets ratio increased to 80.8% as of 2Q 2014 compared to 46.9% as of 3Q 2013.
- The REIT has now financed its properties using \$59.3 million in mortgage debt compared to no mortgage debt in 2013. Its YTD Interest Coverage Ratio is now meaningful at 3.0X.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- During the three months ended June 30, 2014, distributions paid to common stockholders totaled \$11.54 million, inclusive of \$6.06 million of distributions reinvested through the DRIP. During the three months ended June 2014, cash used to pay distributions was generated from proceeds from cash flows from operations (-1.4%), the net proceeds from the offering (48.9%) and DRIP (52.5%).