

**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)	
NORTHSTAR REAL ESTATE INCOME II, INC.		90-0916682	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
STEVEN KAUFF	212-547-2600	KAUFF@NRFC.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	
399 PARK AVENUE, 18TH FLOOR		NEW YORK, NY 10022	
8 Date of action		9 Classification and description	
SEE LINE 15		COMMON STOCK	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
66705W 108			

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 ▶ THE TAXPAYER MADE CASH DISTRIBUTIONS TO ITS SHAREHOLDERS FROM ITS CURRENT AND ACCUMULATED EARNINGS AND PROFITS. SEE PART II, LINE 15 FOR THE AMOUNT OF THESE DISTRIBUTIONS.

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 DISTRIBUTIONS REDUCED THE BASIS OF THE SECURITIES IN THE HANDS OF THE U.S. TAXPAYERS AS MENTIONED ON THE ATTACHED STATEMENT.

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 ▶ THE TAXPAYERS EARNINGS AND PROFITS WERE CALCULATED UNDER IRC SECTION 312, AS MODIFIED BY IRC SECTION 857(d) FOR A REAL ESTATE INVESTMENT TRUST, AND THE REGULATIONS THEREUNDER, AMOUNTS IN EXCESS OF EARNINGS AND PROFITS REDUCE THE SHAREHOLDER'S TAX BASIS IN ITS SHARES TO THE EXTENT OF BASIS.

NORTHSTAR REAL ESTATE INCOME II, INC.

FORM 8937

2013 TAX YEAR

PART II, LINE 15:

PER SHARE REDUCTION OF BASIS

	DISTRIBUTION DATE	DISTRIBUTION PER SHARE PER DAY	PER SHARE PER DAY REDUCTION OF BASIS	RETURN OF CAPITAL PERCENTAGE
COMMON STOCK	9/18/2013	\$ 0.001917808	\$ 0.001645940	85.824%
	10/1/2013	\$ 0.001917808	\$ 0.001645940	85.824%
	11/1/2013	\$ 0.001917808	\$ 0.001645940	85.824%
	12/2/2013	\$ 0.001917808	\$ 0.001645940	85.824%
	12/31/2013	\$ 0.001917808	\$ 0.001645940	85.824%