



KBS

Real Estate
Investment
Trust II

Portfolio Update

Second Quarter, 2020

Important Disclosures

The information contained herein should be read in conjunction with, and is qualified by, the information in KBS Real Estate Investment Trust II's (the "Company" or "KBS REIT II") Annual Report on Form 10-K for the year ended December 31, 2019 (the "Annual Report"), and in the Company's Quarterly Report on Form 10-Q for the period ended June 30, 2020 (the "Quarterly Report"), including the "Risk Factors" contained therein.

Forward-Looking Statements

Certain statements contained herein may be deemed to be forward-looking statements within the meaning of the Federal Private Securities Litigation Reform Act of 1995. The Company intends that such forward-looking statements be subject to the safe harbors created by Section 21E of the Securities Exchange Act of 1934, as amended. These statements include statements regarding the intent, belief or current expectations of the Company and members of its management team, as well as the assumptions on which such statements are based, and generally are identified by the use of words such as "may," "will," "seeks," "anticipates," "believes," "estimates," "expects," "plans," "intends," "should" or similar expressions. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they are made. The Company undertakes no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results over time, unless required by law. Such statements are subject to known and unknown risks and uncertainties which could cause actual results to differ materially from those contemplated by such forward-looking statements. The Company makes no representation or warranty (express or implied) about the accuracy of any such forward-looking statements. These statements are based on a number of assumptions involving the judgment of management. You should interpret many of the risks identified in this presentation, in our Annual Report and in our Quarterly Report as being heightened as a result of the ongoing and numerous adverse impacts of the COVID-19 pandemic.

Important Disclosures (cont.)

Forward-Looking Statements

On November 13, 2019, the Special Committee and board of directors of KBS REIT II unanimously approved the sale of all of KBS REIT II's assets and its dissolution pursuant to the terms of KBS REIT II's plan of complete liquidation and dissolution (the "Plan of Liquidation"). The principal purpose of the Plan of Liquidation is to provide liquidity to stockholders by selling KBS REIT II's assets, paying its debts and distributing the net proceeds from liquidation to stockholders. On March 5, 2020, KBS REIT II's stockholders approved the Plan of Liquidation. For more information, see the Plan of Liquidation, which is included as an exhibit to the Annual Report. There are many factors that may affect the amount of liquidating distributions ultimately paid to KBS REIT II's stockholders, including, among other things, the ultimate sale price of each asset, changes in market demand for office properties during the sales process, the amount of taxes, transaction fees and expenses relating to the liquidation and dissolution, and unanticipated or contingent liabilities that could arise. No assurance can be given as to the amount or timing of liquidating distributions KBS REIT II will ultimately pay to its stockholders. If KBS REIT II underestimated its existing obligations and liabilities or if unanticipated or contingent liabilities arise, the amount of liquidating distributions ultimately paid to KBS REIT II's stockholders could be less than estimated.

The COVID-19 pandemic, together with the resulting measures imposed to help control the spread of the virus, including quarantines, "shelter in place" and "stay at home" orders, travel restrictions, restrictions on businesses and school closures, has had a negative impact on the economy and business activity globally. The extent to which the COVID-19 pandemic impacts the Company's operations and those of its tenants and the Company's implementation of the Plan of Liquidation, depends on future developments, which are highly uncertain and cannot be predicted with confidence, including the scope, severity and duration of the pandemic, the actions taken to contain the pandemic or mitigate its impact, and the direct and indirect economic effects of the pandemic and containment measures, among others. If tenants default on their rent and vacate, the ability to re-lease this space is likely to be more difficult if the economic slowdown continues and any long term impact of this situation, even after an economic rebound, remains unclear. Given the uncertainty and current business disruptions as a result of the outbreak of COVID-19, the Company's implementation of the Plan of Liquidation may be materially and adversely impacted and this may have a material effect on the ultimate amount and timing of liquidating distributions received by stockholders.

Important Disclosures (cont.)

Forward-Looking Statements

Actual events may cause the value and returns on the Company's investments to be less than that used for purposes of the Company's estimated value per share and estimated net proceeds from liquidation. The Company's estimated range in net proceeds from liquidation is based on the range in estimated value per share of the Company's common stock approved by the Company's board of directors on November 13, 2019, adjusted for estimated costs and fees the Company would incur during the implementation of the Plan of Liquidation. For a full description of the methodologies, limitations and assumptions used in the calculation of the estimated range in net proceeds from liquidation, see the Company's definitive proxy statement filed with the SEC on December 9, 2019. The risks presented by the COVID-19 pandemic are not priced into the estimated net proceeds from liquidation. Even small changes to these assumptions could result in significant differences in the appraised values of the appraised properties, the estimated value per share and the estimated net proceeds from liquidation. For a full description of the limitations and assumptions used in the calculation of the August 2020 estimated value per share, see the Company's Current Report on Form 8-K filed with the SEC on August 3, 2020.

The Company adopted the liquidation basis of accounting as of and for the periods subsequent to February 1, 2020. Net assets in liquidation represents the remaining estimated liquidation value available to stockholders upon liquidation. The liquidation value of real estate represents the estimated amount of cash that the Company will collect through the disposal of its assets, including any residual value attributable to lease intangibles, as it carries out the Plan of Liquidation. The Company estimated the liquidation value of its investments in real estate based on internal valuation methodologies using a combination of the direct capitalization approach and discounted cash flow analyses and an offer received which the Company subsequently accepted in the case of two office buildings. The internal valuation methodologies used by the Company assume the properties realize the projected net operating income and expected exit cap rates and that investors would be willing to invest in such properties at yields equal to the expected discount rates. Due to the uncertainty in the timing of the sale of the Company's remaining real estate properties and the estimated cash flows from operations, actual liquidation costs and sale proceeds may differ materially from the amounts estimated, which risks are heightened as a result of the outbreak of COVID-19. The statements herein also depend on factors such as: future economic, competitive and market conditions; the Company's ability to maintain and/or improve occupancy levels and rental rates at its real estate properties during the liquidation; the Company's ability to sell its real estate properties at the times and at the prices it expects; the Company's ability to successfully negotiate modifications, extensions or any needed refinancing of its debt obligations; the Company's ability to successfully implement the Plan of Liquidation; and other risks identified in Part I, Item 1A of the Company's Annual Report and in Part II, Item 1A of the Company's Quarterly Report.

Liquidation Approval & Liquidating Distribution

On March 5, 2020, at the annual shareholders' meeting, the Company's shareholders approved the Plan of Liquidation. Based on the range in estimated value per share as of November 13, 2019 and the estimated cost and expenses of liquidating the Company, the estimated range in liquidation proceeds per share as indicated in the Company's definitive proxy statement filed with the SEC was **\$3.40 and \$3.83 (or \$2.65 and \$3.08 after adjusting for the initial liquidating distribution of \$0.75/share)¹**.

¹ See the Company's definitive proxy statement filed with the SEC on December 9, 2019 for information on the calculation of range of liquidating distributions.

Pursuant to the Plan of Liquidation, the Board of Directors approved an initial liquidating distribution of \$0.75/share to stockholders of record at the close of business on March 5, 2020 which was paid on March 10, 2020. We anticipate making liquidating distributions to stockholders periodically as we complete asset sales and pay out the net proceeds of such sales. We expect to pay multiple liquidating distribution payments to our stockholders during the liquidation process and to pay the final liquidating distribution after we sell all of our assets, pay all of our known liabilities and provide for unknown liabilities.

The Company adopted the liquidation basis of accounting as of and for the periods subsequent to February 1, 2020. Net assets in liquidation represents the remaining estimated liquidation value available to stockholders upon liquidation. Due to the uncertainty in the timing of the sale of the Company's remaining real estate properties and the estimated cash flows from operations, actual liquidation costs and sale proceeds may differ materially from the amounts estimated.

Estimated Net Assets in Liquidation	June 30, 2020	March 31, 2020
Real Estate	\$4.36	\$4.75
Other Assets	0.42	0.10
Total Assets	\$4.78	\$4.85
Notes Payable	\$1.30	\$1.30
Liabilities for estimated costs in excess of estimated receipts during liquidation	0.66	0.73
Liabilities for estimated closing costs and disposition fees	0.10	0.11
Other Liabilities	0.05	0.05
Total Liabilities	\$2.11	\$2.19
Estimated Net Assets in Liquidation	\$2.67	\$2.66

2nd Liquidating Distribution & Updated Estimated Value Per Share

The net proceeds from the two-building sale of Corporate Technology Centre allowed the board to authorize a \$0.25 per share second liquidating distribution on July 31, 2020, which was paid on August 7th, 2020. In connection with the authorization of the \$0.25 per share second liquidating distribution, the board also approved an updated estimated value per share of the Company's common stock of \$2.41, effective August 7, 2020.

The August 2020 estimated value per share is equal to the midpoint of the estimated range of liquidating distributions of \$3.40 and \$3.83 per share of \$3.615 reduced by (i) the authorization of the initial liquidating distribution of \$0.75 per share of common stock for March 2020, (ii) an estimated decrease in the net value of the Company's remaining real estate properties and other net assets held as of June 9, 2020 of \$0.21 per share due to the impact of the COVID-19 pandemic on leasing projections, projected rental rates, hold periods and the resulting ultimate estimated impact on sales prices of the real estate properties, and (iii) the authorization of the second liquidating distribution of \$0.25 per share of common stock for August 2020. The August 2020 estimated value per share reflects the resulting reduction of the shareholders' remaining investment in the Company. For a full description of the limitations and assumptions used in the calculation of the August 2020 estimated value per share, see the Company's Current Report on Form 8-K filed with the SEC on August 3, 2020.



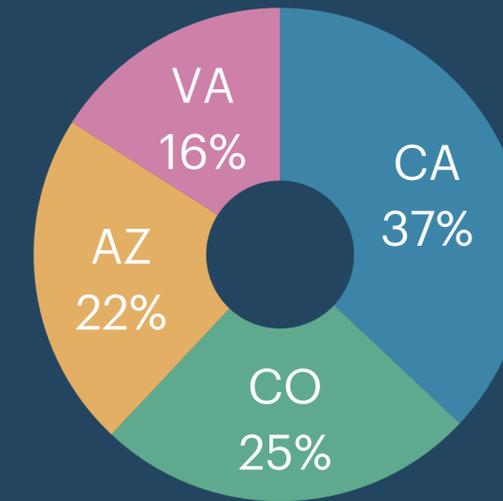
Portfolio Overview

As of June 30, 2020

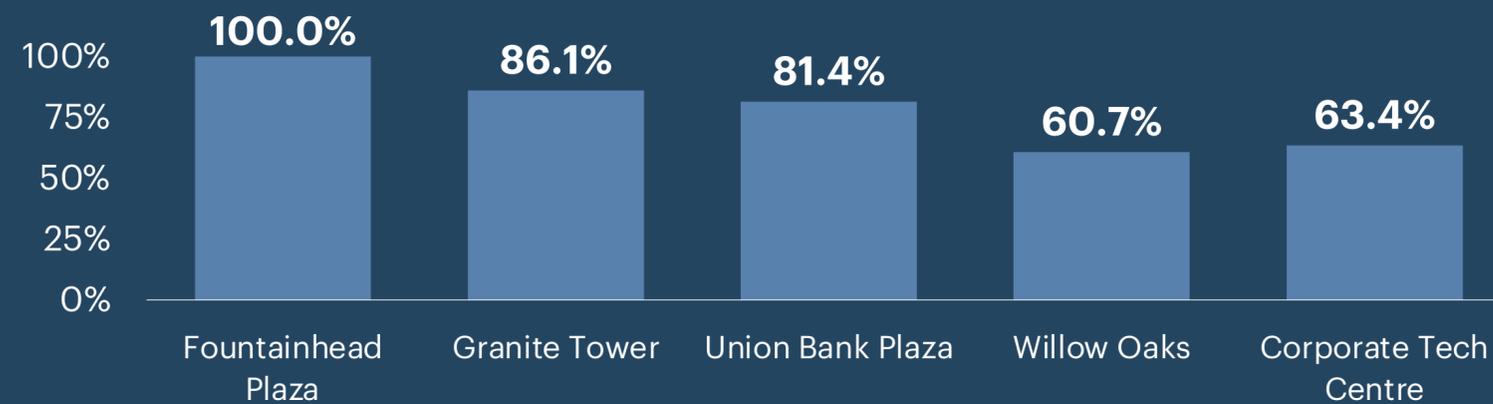
Key Statistics

No. of Assets	5
Total Rentable Sq. Ft.	2,598,301
Cost Basis	\$931.0 Million
Wtd Avg Lease Term	6.3 years
Economic Occupancy	77.8%
Leased Occupancy ¹	79.1%
No. of Tenants	89
Leverage	34%

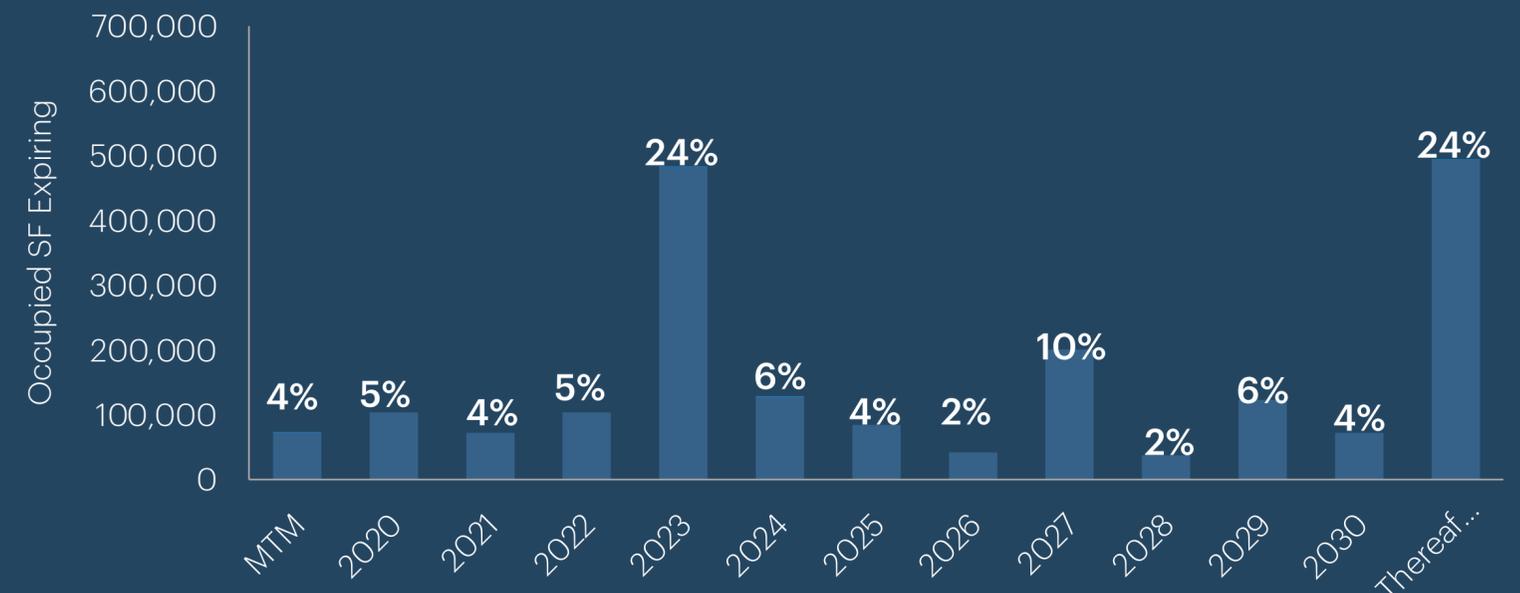
Geographic Diversification²



Leased Occupancy¹



Occupied SF Expirations as of June 30, 2020



¹ Leased occupancy includes future leases that had been executed but had not yet commenced as of June 30, 2020.
² Based on occupied square feet as of June 30, 2020.

Liquidation Timeline

- ✓ Obtain Shareholder vote on liquidation - completed on March 5, 2020.
- ✓ Made 1st & 2nd liquidating distributions in March and August 2020
- ✓ Continue to execute liquidation during 2020 and 2021, making periodic liquidating distributions
- ✓ Complete liquidation within 24 months from March 5, 2020, the day our stockholders approved the Plan of Liquidation.

