

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

July 25, 2016

Hines Global REIT II, Inc.

(Exact name of registrant as specified in its charter)

Commission file number: 000-55599

Maryland

(State or other jurisdiction of incorporation
or organization)

80-0947092

(I.R.S. Employer Identification No.)

2800 Post Oak Boulevard

Suite 5000

Houston, Texas

(Address of principal executive offices)

77056-6118

(Zip code)

(888) 220-6121

(Registrant's telephone number, including area code)

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement.

Hines Global REIT II, Inc. (the “Company”) and Hines Securities, Inc. (the “Dealer Manager”) previously entered into the Second Amended and Restated Dealer Manager Agreement, dated as of August 12, 2015 (the “Dealer Manager Agreement”). On July 25, 2016, with the authorization of the Company’s board of directors (the “Board”), the Company, the Dealer Manager and Hines Global REIT II Advisors LP (the “Advisor”) entered into the Third Amended and Restated Dealer Manager Agreement (the “Amended Dealer Manager Agreement”), in order to add the Advisor as a party with respect to Section 3.3 of the Amended Dealer Manager Agreement. Section 3.3 of the Amended Dealer Manager Agreement provides that the Advisor will pay a portion of the dealer manager fees payable to the Dealer Manager pursuant to the Amended Dealer Manager Agreement in an amount equal to up to 1.5% of the gross offering proceeds from the sale of the Company’s Class A Shares of common stock (the “Class A Shares”) and Class T Shares of common stock (the “Class T Shares”) sold in the Company’s primary offering on or after August 2, 2016 (the “Advisor Subsidy”). With respect to sales prior to that date, all dealer manager fees will have been paid by the Company from gross offering proceeds. Per the Amended Dealer Manager Agreement, the Advisor will not be reimbursed by the Company in any way for the payment of such dealer manager fees.

The preceding summary of the Amended Dealer Manager Agreement does not purport to be complete and is qualified in its entirety by reference to the Amended Dealer Manager Agreement, a copy of which is filed as Exhibit 1.1 to this Current Report on Form 8-K.

Item 8.01 Other Events.

Amendments to the Distribution Reinvestment Plan

In connection with the Company’s entry into the Amended Dealer Manager Agreement and the Advisor Subsidy, on July 25, 2016, the Board of directors determined new primary offering prices of \$9.96 per Class A Share and \$9.411 per Class T Share, effective as of August 2, 2016, for the shares of common stock being offered in the Company’s public offering. These new primary offering prices reflect a reduction equal to the per share amount of dealer manager fees our Advisor has agreed to pay with respect to the Class A Shares and Class T Shares sold on and after August 2, 2016. In connection with the determination of new primary offering prices, on July 25, 2016, our board of directors also approved and adopted the Fourth Amended and Restated Distribution Reinvestment Plan in order to reflect new offering prices for the distribution reinvestment plan shares of \$9.46 per Class A Share and \$9.08 per Class T Share. The Fourth Amended and Restated Distribution Reinvestment Plan will supersede and replace the Company’s current distribution reinvestment plan, effective as of August 5, 2016. Accordingly, since the Fourth Amended and Restated Distribution Reinvestment Plan takes effect on August 5, 2016, the new offering prices under the distribution reinvestment plan will first be applied to distributions declared for the month of August 2016, which will be reinvested on September 1, 2016.

The preceding summary of the Fourth Amended and Restated Distribution Reinvestment Plan does not purport to be complete and is qualified in its entirety by reference to the Fourth Amended and Restated Distribution Reinvestment Plan, a copy of which is filed as Exhibit 4.1 to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

- 1.1 Third Amended and Restated Dealer Manager Agreement, dated July 25, 2016 and effective as of August 2, 2016, by and among Hines Global REIT II, Inc., Hines Securities, Inc. and Hines Global REIT II Advisors LP
- 4.1 Hines Global REIT II, Inc. Fourth Amended and Restated Distribution Reinvestment Plan, effective as of August 5, 2016

Forward-Looking Statement

This Current Report on Form 8-K contains forward-looking statements (such as those with respect to the payment of fees or distributions) that are based on the Company’s current expectations, plans, estimates, assumptions, and beliefs that involve numerous risks and uncertainties, including, without limitation, risks associated with future economic, competitive and market conditions, future business decisions and those risks set forth in the Company’s Annual Report on Form 10-K and other filings with the Securities and Exchange Commission. Although these forward-looking statements reflect management’s belief as to future events, actual events or the Company’s investments and results of operations could differ materially from those expressed or implied in these forward-looking statements. To the extent that the Company’s assumptions differ from actual results, the Company’s ability to meet such forward-looking statements may be significantly hindered. You are cautioned not to place undue reliance on any forward-looking statements.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Hines Global REIT II, Inc.

July 25, 2016

By: /s/ J. Shea Morgenroth
Name: J. Shea Morgenroth
Title: Chief Accounting Officer and Treasurer

Exhibit Index

Exhibit No.	Description
1.1	Third Amended and Restated Dealer Manager Agreement, dated July 25, 2016 and effective as of August 2, 2016, by and among Hines Global REIT II, Inc., Hines Securities, Inc. and Hines Global REIT II Advisors LP
4.1	Hines Global REIT II, Inc. Fourth Amended and Restated Distribution Reinvestment Plan, effective as of August 5, 2016

HINES GLOBAL REIT II, INC.

Offering of up to \$2,500,000,000 in Shares of Common Stock

THIRD AMENDED AND RESTATED DEALER MANAGER AGREEMENT

Dated July 25, 2016 and Effective as of August 2, 2016

Hines Securities, Inc.
Suite 5000
2800 Post Oak Boulevard
Houston, Texas 77056-6118

Ladies and Gentlemen:

Hines Global REIT II, Inc., a Maryland corporation (the “Company”), has registered for public sale shares of its common stock, \$0.001 par value per share (the “Offering”), to be issued and sold for a maximum aggregate purchase price of \$2,500,000,000. The Company proposes to offer (a) up to the maximum aggregate purchase price of \$2,000,000,000 pursuant to the Company’s primary offering in any combination of Class A and Class T Shares of common stock, which are referred to herein individually as “Class A Shares” and “Class T Shares,” and collectively as the “Shares,” and (b) a maximum aggregate purchase price of \$500,000,000 in Shares to be offered pursuant to the Company’s distribution reinvestment plan in any combination of Class A Shares and Class T Shares. However, the Company is entitled to reallocate Shares between the primary offering and the offering pursuant to the distribution reinvestment plan and the Company’s board of directors may adjust the primary offering price per Share and distribution reinvestment plan price per Share for each class of Shares in its discretion. The minimum initial purchase by any one person shall be \$2,500 in Shares, except as otherwise indicated in the Prospectus (as defined in Section 1.1 below) or in any letter or memorandum from the Company to Hines Securities, Inc. (the “Dealer Manager”). The Company and the Dealer Manager previously entered into a Dealer Manager Agreement dated August 15, 2014, as amended by the Amended and Restated Dealer Manager Agreement on December 12, 2014 and the Second Amended and Restated Dealer Manager Agreement on August 12, 2015 (collectively, the “Initial Dealer Manager Agreement”). The Initial Dealer Manager Agreement is hereby further amended by this Third Amended and Restated Dealer Manager Agreement, effective as of August 2, 2016 (the Initial Dealer Manager Agreement, as amended herein, is referred to as the “Dealer Manager Agreement”), in order to add Hines Global REIT II Advisors LP (the “Advisor”) as a party to the Dealer Manager Agreement, solely with respect to Section 3.3 of the Dealer Manager Agreement, and to reflect that subscriptions exceeding all required minimum offering amounts for the Offering have been received and no subscriptions are required to be submitted to the escrow agent. The Dealer Manager has entered into Selected Dealer Agreements substantially in the form attached to the Initial Dealer Manager Agreement and this Dealer Manager Agreement as “Exhibit A” and it is anticipated that the Dealer Manager will enter into additional such Selected Dealer Agreements with other broker-dealers participating in the Offering (each broker-dealer being referred to herein as a “Dealer” and said dealers being collectively referred to herein as the “Dealers”) and each such Selected Dealer Agreement entered into, is hereinafter referred to as the “Selected Dealer Agreement.” The Company shall have the

right to approve any material modifications or addendums to the form of the Selected Dealer Agreement. Terms not defined herein shall have the same meaning as in the Prospectus. In connection therewith, the Company and the Dealer Manager and, solely with respect to Section 3.3, the Advisor, hereby agree as follows:

1. Representations and Warranties of the Company

The Company represents and warrants to the Dealer Manager and each Dealer with whom the Dealer Manager enters into a Selected Dealer Agreement that:

1.1. A registration statement with respect to the Company has been prepared by the Company in accordance with applicable requirements of the Securities Act of 1933, as amended (the “Securities Act”), and the applicable rules and regulations (the “Rules and Regulations”) of the United States Securities and Exchange Commission (the “SEC”) promulgated thereunder, covering the Shares. Said registration statement, which includes a preliminary prospectus, was initially filed with the SEC on September 11, 2013 (Registration No. 333-191106) and was declared effective initially on August 20, 2014. Copies of such registration statement and each amendment thereto have been or will be delivered to the Dealer Manager. The registration statement and prospectus contained therein as declared effective by the SEC and as may be amended or modified from time to time thereafter by any amendment (as to the registration statement) and/or supplements (as to the prospectus) are respectively referred to herein as the “Registration Statement” and the “Prospectus.”

1.2. The Company has been duly and validly organized and formed as a corporation under the laws of the State of Maryland, with the power and authority to conduct its business as described in the Prospectus.

1.3. The Registration Statement and Prospectus comply with the Securities Act and the Rules and Regulations, and the Prospectus and any and all authorized sales materials prepared or approved by the Company for use with potential investors in connection with the Offering (“Authorized Sales Materials”), when used in conjunction with the Prospectus, do not contain any untrue statements of material facts or omit to state any material fact required to be stated therein or necessary in order to make the statements therein not misleading; provided, however, that the foregoing provisions of this Section 1.3 will not extend to such statements contained in or omitted from the Registration Statement or Prospectus or Authorized Sales Materials as are primarily within the knowledge of the Dealer Manager or any of the Dealers and are based upon information either (a) furnished by a Dealer in writing to the Dealer Manager or the Company, or (b) furnished by the Dealer Manager in writing to the Company specifically for inclusion therein.

1.4. The Company intends to use the funds received from the sale of the Shares as set forth in the Prospectus.

1.5. No consent, approval, authorization or other order of any governmental authority is required in connection with the execution or delivery by the Company of this Dealer Manager Agreement or the issuance and sale by the Company of the Shares, except such as may be required under the Securities Act or applicable state securities laws.

1.6. There are no actions, suits or proceedings pending or to the knowledge of the Company, threatened against the Company at law or in equity or before or by any federal or state commission, regulatory body or administrative agency or other governmental body, domestic or foreign, which will have a material adverse effect on the business or property of the Company.

1.7. The execution and delivery of this Dealer Manager Agreement, the consummation of the transactions herein contemplated and compliance with the terms of this Dealer Manager Agreement by the Company will not conflict with or constitute a default under any charter, by-law, indenture, mortgage, deed of trust, lease, rule, regulation, writ, injunction or decree of any government, governmental instrumentality or court, domestic or foreign, having jurisdiction over the Company, except to the extent that the enforceability of the indemnity and/or contribution provisions contained in Section 4 of this Dealer Manager Agreement may be limited under applicable securities laws.

1.8. The Company has full legal right, power and authority to enter into this Dealer Manager Agreement and to perform the transactions contemplated hereby, except to the extent that the enforceability of the indemnity and/or contribution provisions contained in Section 4 of this Dealer Manager Agreement may be limited under applicable securities laws.

1.9. The Shares, when subscribed for, paid for and issued, will be duly and validly issued, fully paid and non-assessable and will conform to the description thereof contained in the Prospectus; no holder thereof will be subject to personal liability for the obligations of the Company solely by reason of being such a holder; such Shares are not subject to the preemptive rights of any stockholder of the Company; and all corporate action required to be taken for the authorization, issuance and sale of such Shares shall have been validly and sufficiently taken.

1.10. The Company is not in violation of its charter or its bylaws.

1.11. The financial statements of the Company filed as part of the Registration Statement and those included in the Prospectus present fairly in all material respects the financial position of the Company as of the date indicated and the results of its operations for the periods indicated; said financial statements have been prepared in conformity with generally accepted accounting principles applied on a consistent basis.

1.12. The Company does not intend to conduct its business so as to be an “investment company” as that term is defined in the Investment Company Act of 1940, as amended, and the rules and regulations thereunder, and it will exercise reasonable diligence to ensure that it does not become an “investment company” within the meaning of the Investment Company Act of 1940, as amended.

2. Covenants of the Company

The Company covenants and agrees with the Dealer Manager that:

2.1. It will prepare and file with the SEC and each appropriate state securities commission, at no expense to the Dealer Manager, the Registration Statement, including all

amendments and exhibits thereto. In addition, it will furnish the Dealer Manager, at no expense to the Dealer Manager, with such number of printed copies of the Registration Statement, including all amendments and exhibits thereto, as the Dealer Manager may reasonably request. It will similarly furnish to the Dealer Manager and others designated by the Dealer Manager as many copies as the Dealer Manager may reasonably request in connection with the offering of the Shares of: (a) the Prospectus in preliminary and final form and every form of supplemental or amended prospectus; and (b) this Dealer Manager Agreement.

2.2. It will prepare and file with the appropriate regulatory authorities, at no expense to the Dealer Manager, the Authorized Sales Materials. In addition, it will furnish the Dealer Manager, at no expense to the Dealer Manager, with such number of printed copies of Authorized Sales Materials as the Dealer Manager may reasonably request.

2.3. It will furnish such proper information and execute and file such documents as may be necessary for the Company to qualify the Shares for offer and sale under the securities laws of such jurisdictions in the United States as the Dealer Manager may reasonably designate and will file and make in each year such statements and reports as may be required by such jurisdictions. The Company will furnish to the Dealer Manager a copy of such papers filed by the Company in connection with any such qualification.

2.4. It will use its best efforts to cause the Registration Statement to become effective with the SEC and each state securities commission which it deems appropriate in its sole discretion. If at any time the SEC or any state securities commission shall issue any stop order suspending the effectiveness of the Registration Statement, and to the extent the Company determines that such action is in the best interest of its stockholders, it will use its best efforts to obtain the lifting of such order at the earliest possible time.

2.5. If at any time when a Prospectus is required to be delivered under the Securities Act any event occurs as a result of which, in the opinion of either the Company or the Dealer Manager, would cause the Prospectus or any other prospectus then in effect to include an untrue statement of a material fact or, in view of the circumstances under which they were made, to omit to state any material fact necessary to make the statements therein not misleading, the Company will promptly notify the Dealer Manager thereof (unless the information shall have been received from the Dealer Manager) and will effect the preparation of an amended or supplemental prospectus which will correct such statement or omission. The Company will then promptly prepare such amended or supplemental prospectus or prospectuses as may be necessary to comply with the requirements of Section 10 of the Securities Act.

2.6. Each of the representations and warranties contained in this Dealer Manager Agreement are true and correct and the Company will comply with each covenant and agreement contained in this Dealer Manager Agreement.

2.7. It will be duly qualified to do business as a foreign corporation in each jurisdiction in which it will own or lease property of a nature, or transact business of a type, that will make such qualification necessary.

2.8. It intends to satisfy the requirements of the Internal Revenue Code of 1986, as amended (the “Code”), for qualification of the Company as a real estate investment trust. The Company will elect to be treated as a real estate investment trust under the Code at such time as it so qualifies and will direct the investment of the proceeds of the offering of the Shares in such a manner, and will exercise reasonable diligence to operate the business of the Company so as to comply with such requirements.

3. Obligations and Compensation of Dealer Manager

3.1. The Company hereby appoints the Dealer Manager as its agent and principal distributor for the purpose of selling for cash up to an aggregate maximum purchase price of \$2,500,000,000 in Shares through the Dealers, all of whom shall be members in good standing of the Financial Industry Regulatory Authority (“FINRA”). The Dealer Manager may also sell Shares for cash directly to its own clients, customers and employees (and certain family members of the Company and the Dealer Manager and their affiliates), subject to the terms and conditions stated in the Prospectus. The Dealer Manager hereby accepts such agency and distributorship and agrees to use its best efforts to sell the Shares on said terms and conditions. The Dealer Manager represents to the Company that it is a member in good standing of FINRA and that it and its employees and representatives have all required licenses and registrations to act under this Dealer Manager Agreement.

3.2. Promptly after the effective date of the Registration Statement, the Dealer Manager and the Dealers commenced the offering of the Shares for cash to the public in jurisdictions in which the Shares are registered or qualified for sale or in which such offering is otherwise permitted. The Dealer Manager and the Dealers will suspend or terminate offering the Shares upon request of the Company at any time and will resume offering the Shares upon subsequent request of the Company.

3.3. Except as otherwise provided in the “Plan of Distribution” section of the Prospectus, as compensation for the services rendered by the Dealer Manager, the Company agrees that it will pay to the Dealer Manager selling commissions in the amount of 7.0% of the gross proceeds of the Class A Shares sold in the primary offering, all of which may be reallocated to Dealers. The Company further agrees that it will pay to the Dealer Manager selling commissions in the amount of 2.0% of the gross proceeds of the Class T Shares sold in the primary offering, all of which may be reallocated to Dealers. In addition, the Dealer Manager shall be paid a dealer manager fee in the amount of up to 3.0% gross proceeds of the Class A Shares sold to the public in the primary offering (the “Class A Dealer Manager Fee”). The Company agrees that it will pay a portion of the Class A Dealer Manager Fee in an amount equal to up to 1.5% of the gross proceeds of the Class A Shares sold to the public in the primary offering and the Advisor agrees that it will pay a portion of the Class A Dealer Manager Fee in an amount equal to up to 1.5% of the gross proceeds of the Class A Shares sold to the public in the primary offering; provided, that, if the Class A Dealer Manager Fee payable to the Dealer Manager with respect to a sale of Class A Shares is equal to or less than an amount equal to 1.5% of the gross proceeds of the sale of such Class A Shares due to waivers or other discounts described in the “Plan of Distribution” section of the Prospectus, the Advisor shall pay the entire Class A Dealer Manager Fee, if any, and the Company shall not pay

any portion of the Class A Dealer Manager Fee. Further, the Dealer Manager shall be paid a dealer manager fee in the amount of 2.75% gross proceeds of the Class T Shares sold to the public in the primary offering (the “Class T Dealer Manager Fee” and, together with the Class A Dealer Manager Fee, the “Dealer Manager Fee”). The Company agrees that it will pay a portion of the Class T Dealer Manager Fee in an amount equal to 1.25% of the gross proceeds of the Class T Shares sold to the public in the primary offering and the Advisor agrees that it will pay a portion of the Class T Dealer Manager Fee in an amount equal to 1.5% of the gross proceeds of the Class T Shares sold to the public in the primary offering. The Company, the Dealer Manager and the Advisor agree that the Advisor’s obligation to pay a portion of the Dealer Manager Fees pursuant to this Section 3.3 shall apply only to sales of Shares completed on or after the effective date of this Dealer Manager Agreement. Further, the Advisor agrees and acknowledges that the Company shall not reimburse the Advisor for the Advisor’s payment of any portion of the Dealer Manger Fees pursuant to this Section 3.3. All or a portion of the Dealer Manager Fee may be paid by the Dealer Manager to Dealers as a marketing fee. In addition, the Dealer Manager may pay, out of a portion of the Dealer Manager Fee, reimbursements of distribution and marketing-related costs and expenses, such as costs associated with attending or sponsoring conferences, technology costs, and other distribution and marketing-related costs and expenses of the Dealer. In addition, the Dealer Manager may pay, out of a portion of its Dealer Manager Fee, reimbursements of distribution and marketing-related costs and expenses, such as costs associated with attending or sponsoring conferences, technology costs, and other distribution and marketing-related costs and expenses of the Dealer.

3.4. In addition, the Company agrees that it will pay to the Dealer Manager a distribution and stockholder servicing fee in an annual amount equal to 1.0% of the gross offering price of the Class T Shares sold in the primary offering (or, if the Company is no longer offering primary shares, the then-current net asset value if such a value has been publicly disclosed by the Company), which will accrue daily and be payable quarterly in arrears. No selling commissions, dealer manager fees or distribution and stockholder servicing fees shall be paid to the Dealer Manager or the Dealers with respect to sales pursuant to the Company’s distribution reinvestment plan. The Dealer Manager may reallocate the distribution and stockholder servicing fees to the Dealer who sold the Class T Shares giving rise to such distribution and stockholder servicing fees, to the extent the Selected Dealer Agreement with such Dealer provided for such reallocation. Notwithstanding the foregoing, if the Dealer Manager is notified that the Dealer who sold such Class T Shares is no longer the broker-dealer of record with respect to such Class T Shares, then such Dealer’s entitlement to the distribution and stockholder servicing fees related to such Class T Shares shall cease, and such Dealer shall not receive the distribution and stockholder servicing fees for any portion of the quarter in which such Dealer is not the broker-dealer of record on the last day of the quarter; provided, however, if the change in the broker-dealer of record with respect to such Class T Shares is made in connection with a change in the registration of record for such Class T Shares on the Company’s books and records (including, but not limited to, a re-registration due to a sale or a transfer or a change in the form of ownership of the account), then such Dealer shall be entitled to a pro rata portion of the distribution and stockholder servicing fees related to such Class T Shares for the portion of the quarter for which such Dealer was the broker-dealer of record. Thereafter, such distribution and stockholder servicing fees may be reallocated by the Dealer Manager to the then-current broker-dealer of record of the Class T Shares, if any, if such broker-dealer of record has entered into a Selected Dealer Agreement with the Dealer Manager that provides for such

reallowance. In this regard, all determinations will be made by the Dealer Manager in good faith in its sole discretion. The Company will cease paying the distribution and stockholder servicing fees with respect to any particular Class T Share sold in the primary offering on the earliest to occur of the following: (i) a listing of the Class A Shares on a national securities exchange; (ii) a merger or consolidation of the Company with or into another entity, or the sale or other disposition of all or substantially all of the Company's assets; (iii) the end of the month in which the Dealer Manager determines that total underwriting compensation paid in the primary offering including the distribution and stockholder servicing fee paid on all Class T Shares sold in the primary offering is equal to 10.0% of the gross proceeds of the primary offering from the sale of both Class A Shares and Class T Shares; and (iv) the end of the month in which the underwriting compensation paid in the primary offering including the distribution and stockholder servicing fee paid with respect to the Class T Shares held by a stockholder within his or her particular account equals 10.0% of the gross offering price at the time of investment of the Class T Shares held in such account.

The Company may also reimburse the Dealer Manager, which may in turn reimburse the Dealers for bona fide out of pocket itemized and detailed due diligence expenses. For these purposes, Shares shall be deemed to be "sold" if and only if a transaction has closed with a subscriber for Shares pursuant to all applicable offering and subscription documents, the Company has accepted the subscription agreement of such subscriber, and such Shares have been fully paid for. The Company and the Advisor will not be liable or responsible to any Dealer for direct payment of commissions, fees or reimbursements to any Dealer, it being the sole and exclusive responsibility of the Dealer Manager for payment of commissions, fees and reimbursements to Dealers. Notwithstanding the above, at the discretion of the Company and the Advisor, respectively, the Company and the Advisor may act as agent of the Dealer Manager by making direct payments to Dealers on behalf of the Dealer Manager without incurring any liability therefor.

3.5. The Dealer Manager represents and warrants to the Company and each person that signs the Registration Statement that the information under the caption "Plan of Distribution" in the Prospectus and all other information furnished to the Company by the Dealer Manager in writing expressly for use in the Registration Statement, the Prospectus, or any Authorized Sales Materials does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading.

3.6. The Dealer Manager represents and warrants to the Company that it will not use any sales literature not authorized and approved by the Company, use any "broker-dealer use only" materials with members of the public, or make any unauthorized verbal representations in connection with offers or sales of the Shares. The Dealer Manager further represents and warrants to the Company that it shall promptly (a) notify the Dealers of any supplement or amendment to the Prospectus or Authorized Sales Materials, and (b) supply the Dealers with reasonable quantities of the Prospectus, any Authorized Sales Materials and any supplements or amendments thereto, to the extent provided to the Dealer Manager by the Company.

4. Indemnification

4.1. The Company will indemnify and hold harmless the Dealer Manager, its officers and directors and each person, if any, who controls the Dealer Manager within the meaning

of Section 15 of the Securities Act or Section 20 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") from and against any losses, claims, damages or liabilities, joint or several, to which the Dealer Manager, its officers and directors, or such controlling person may become subject, under the Securities Act or the Exchange Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon (a) any untrue statement or alleged untrue statement of a material fact contained in (i) any Registration Statement (including the Prospectus as a part thereof), (ii) any Authorized Sales Materials (when read in conjunction with the Prospectus), or (iii) any blue sky application or other document executed by the Company or on its behalf specifically for the purpose of qualifying any or all of the Shares for sale under the securities laws of any jurisdiction or based upon written information furnished by the Company under the securities laws thereof (any such application, document or information being hereinafter called a "Blue Sky Application"), or (b) the omission or alleged omission to state in the Registration Statement (including the Prospectus as a part thereof), Authorized Sales Materials (when read in conjunction with the Prospectus), or in any Blue Sky Application a material fact required to be stated therein or necessary to make the statements therein not misleading. The Company will reimburse the Dealer Manager, and its officers and directors and controlling persons, for any reasonable legal or other reasonable expenses incurred by the Dealer Manager, its officers and directors and controlling persons, in connection with investigating or defending such loss, claim, damage, liability or action; provided that the Company will not be liable in any such case to the extent that any such loss, claim, damage, liability or action arises out of, or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in reliance upon and in conformity with written information furnished to the Company by the Dealer Manager specifically for use in the preparation of the Registration Statement, the Prospectus, such Authorized Sales Materials, or any such Blue Sky Application; and further provided that the Company will not be liable in any such case if it is determined in a legal proceeding that the Dealer Manager was at fault in connection with such loss, claim, damage, liability or action. This indemnity agreement will be in addition to any liability which the Company may otherwise have.

4.2. The Dealer Manager will indemnify and hold harmless the Company and its officers and directors (including any persons named in any of the Registration Statements with his, her or its consent, as about to become a director), each person who has signed any of the Registration Statements and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any losses, claims, damages or liabilities, joint or several, to which any of the aforesaid parties may become subject, under the Securities Act or the Exchange Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon (a) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (including the Prospectus as a part thereof), any Authorized Sales Materials (when read in conjunction with the Prospectus), or any Blue Sky Application, or (b) the omission or alleged omission to state in the Registration Statement (including the Prospectus as a part thereof), any Authorized Sales Materials (when read in conjunction with the Prospectus) or any Blue Sky Application a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case described in these clauses (a) and (b) to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company by or on behalf of the Dealer Manager specifically for use

in the preparation of the Registration Statement, the Prospectus, such Authorized Sales Materials or any such Blue Sky Application, or (c) any failure of the Dealer Manager to comply with its obligations contained in Section 3.5 hereof, or (d) any untrue statement or alleged untrue statement made by the Dealer Manager or its representatives or agents or omission or alleged omission to state a fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading in connection with the offer and sale of the Shares, or (e) any material breach of the Dealer Manager Agreement by the Dealer Manager, or (f) any failure to comply with applicable laws governing money laundry abatement and anti-terrorist financing efforts, including applicable rules of FINRA, including the National Association of Securities Dealers (“NASD”) Conduct Rules, the Rules and Regulations and the USA PATRIOT Act of 2001, or (g) any other failure by the Dealer Manager to comply with applicable rules of FINRA, including the NASD Conduct Rules, or the Rules and Regulations. The Dealer Manager will reimburse the aforesaid parties for any reasonable legal or other reasonable expenses incurred by them in connection with investigating or defending such loss, claim, damage, liability or action; provided that the Dealer Manager will not be liable to the extent provided in clauses (a) and (b) of this Section 4.2; and further provided that the Dealer Manager will not be liable in any such case if it is determined in a legal proceeding that the Company was at fault in connection with such loss, claim, damage, liability or action. This indemnity agreement will be in addition to any liability which the Dealer Manager may otherwise have.

4.3. The Company and the Dealer Manager will jointly and severally indemnify and hold harmless each Dealer, its officers and directors and each person, if any, who controls such Dealer within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act from and against any losses, claims, damages or liabilities, joint or several, to which such Dealer, its officers and directors, or any such controlling person may become subject, under the Securities Act or the Exchange Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon (a) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (including the Prospectus as a part thereof), any Authorized Sales Materials (when read in conjunction with the Prospectus) or any Blue Sky Application, or (b) the omission or alleged omission to state in the Registration Statement (including the Prospectus), any Authorized Sales Materials (when read in conjunction with the Prospectus) or in any Blue Sky Application a material fact required to be stated therein or necessary to make the statements therein not misleading. The Company and the Dealer Manager will reimburse each Dealer and its officers and directors and controlling persons, for any reasonable legal or other reasonable expenses incurred by such Dealer and its officers and directors and controlling persons, in connection with investigating or defending such loss, claim, damage, liability or action; provided that the Company and the Dealer Manager will not be liable in any such case to the extent that any such loss, claim, damage, liability or action arises out of, or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in reliance upon and in conformity with written information furnished to the Company or to the Dealer Manager by or on behalf of the Dealer specifically for use in the preparation of the Registration Statement, the Prospectus, such Authorized Sales Materials or any such Blue Sky Application; and further provided that neither the Company nor the Dealer Manager will be liable in any such case if it is determined in a legal proceeding that the Dealer was at fault in connection with such loss, claim, damage,

liability or action. This indemnity agreement will be in addition to any liability which the Company and the Dealer Manager may otherwise have.

Notwithstanding the foregoing, as required by Section II.G. of the Statement of Policy Regarding Real Estate Investment Trusts of the North American Securities Administrators Association, Inc. (the “NASAA REIT Guidelines”), the indemnifications and agreements to hold harmless are further limited to the extent that no such indemnification by the Company of the Dealer Manager, or its officers, directors or controlling persons, pursuant to Section 4.1 above, or by the Company or the Dealer Manager of a Dealer, or its officers, directors or controlling persons, pursuant to this Section 4.3, shall be permitted under this Agreement for an alleged violation of federal or state securities laws, or any losses, claims, damages or liabilities arising out of such alleged violation, unless one or more of the following conditions are met: (a) there has been a successful adjudication on the merits of each count involving alleged securities law violations as to the particular indemnitee; (b) such claims have been dismissed with prejudice on the merits by a court of competent jurisdiction as to the particular indemnitee; or (c) a court of competent jurisdiction approves a settlement of the claims against the indemnitee and finds that indemnification of the settlement and the related costs should be made, and the court considering the request for indemnification has been advised of the position of the SEC and of the published position of any state securities regulatory authority in which the securities were offered or sold as to indemnification for violations of securities laws.

4.4. Each Dealer, by its execution of a Selected Dealer Agreement with the Dealer Manager, agrees to severally indemnify and hold harmless the Company, the Dealer Manager and each of their respective officers and directors (including any persons named in any of the Registration Statements with his, her or its consent, as about to become a director), each person who has signed any of the Registration Statements and each person, if any, who controls the Company and the Dealer Manager within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act from and against any losses, claims, damages or liabilities, joint or several, to which the Company, the Dealer Manager, any such director or officer, or controlling person may become subject, under the Securities Act or the Exchange Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon (a) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (including the Prospectus as a part thereof), any Authorized Sales Materials (when read in conjunction with the Prospectus), or any Blue Sky Application, or (b) the omission or alleged omission to state in the Registration Statement (including the Prospectus as a part thereof), any Authorized Sales Materials (when read in conjunction with the Prospectus) or in any Blue Sky Application a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case described in these clauses (a) and (b) to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company or the Dealer Manager by or on behalf of such Dealer specifically for use in the preparation of the Registration Statement, the Prospectus, such Authorized Sales Materials or any such Blue Sky Application, or (c) any use of sales literature not authorized or approved by the Company or use of “broker-dealer use only” materials with members of the public or unauthorized verbal representations concerning the Shares by such Dealer or Dealer’s representatives or agents, or (d) any untrue statement or alleged untrue statement made by such Dealer or its representatives or

agents or omission or alleged omission to state a fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading in connection with the offer and sale of the Shares, or (e) any material breach of the Selected Dealer Agreement by the Dealer, or (f) any failure to comply with applicable laws governing money laundry abatement and anti-terrorist financing efforts, including applicable rules of FINRA, including the NASD Conduct rules, the Rules and Regulations and the USA PATRIOT Act of 2001, or (g) any other failure to comply with applicable rules of FINRA, including the NASD Conduct rules or the Rules and Regulations. Each such Dealer will reimburse the aforesaid parties for any reasonable legal or other reasonable expenses incurred by them in connection with investigating or defending such loss, claim, damage, liability or action; provided that such Dealer will not be liable to the extent provided in clauses (a) and (b) of this Section 4.4; and further provided that such Dealer will not be liable in any such case if it is determined in a legal proceeding that the Company and the Dealer Manager were at fault in connection with such loss, claim, damage, liability or action. This indemnity agreement will be in addition to any liability which such Dealer may otherwise have.

4.5. Promptly after receipt by an indemnified party under this Section 4 of notice of the commencement of any action (but in no event in excess of 30 days after receipt of actual notice), such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 4, notify in writing the indemnifying party of the commencement thereof and the omission so to notify the indemnifying party will relieve the indemnifying party from any liability under this Section 4 as to the particular item for which indemnification is then being sought, but not from any other liability which it may have to any indemnified party. In case any such action is brought against any indemnified party, and it notifies an indemnifying party of the commencement thereof, the indemnifying party will be entitled, to the extent it may wish, jointly with any other indemnifying party similarly notified, to participate in the defense thereof, with separate counsel. Such participation shall not relieve such indemnifying party of the obligation to reimburse the indemnified party for reasonable legal and other reasonable expenses (subject to Section 4.6) incurred by such indemnified party in defending itself, except for such expenses incurred after the indemnifying party has deposited funds sufficient to effect the settlement, with prejudice, of the claim in respect of which indemnity is sought. Any such indemnifying party shall not be liable to any such indemnified party on account of any settlement of any claim or action effected without the consent of such indemnifying party.

4.6. The indemnifying party shall pay all reasonable legal fees and expenses of the indemnified party in the defense of such claims or actions; provided, however, that the indemnifying party shall not be obliged to pay legal expenses and fees to more than one law firm in connection with the defense of similar claims arising out of the same alleged acts or omissions giving rise to such claims notwithstanding that such actions or claims are alleged or brought by one or more parties against more than one indemnified party. If such claims or actions are alleged or brought against more than one indemnified party, then the indemnifying party shall only be obliged to reimburse the reasonable expenses and fees of the one law firm that has been selected by a majority of the indemnified parties against which such action is finally brought; and in the event a majority of such indemnified parties is unable to agree on which law firm for which expenses or fees will be reimbursable by the indemnifying party, then payment shall be made to the first law firm of record representing an indemnified party against the action or claim. Such law firm shall

be paid only to the extent of services performed by such law firm and no reimbursement shall be payable to such law firm on account of legal services performed by another law firm.

4.7. The indemnity agreements contained in this Section 4 shall remain operative and in full force and effect regardless of (a) any investigation made by or on behalf of any Dealer, its officers or directors or controlling persons or by or on behalf of the Company, the Dealer Manager or any of their respective officers or directors or controlling persons, (b) delivery of any Shares and payment therefor, and (c) any termination of this Dealer Manager Agreement or any Selected Dealer Agreement. A successor of any Dealer or of any of the parties to this Dealer Manager Agreement, as the case may be, shall be entitled to the benefits of the indemnity agreements contained in this Section 4.

5. Survival of Provisions

The respective agreements, representations and warranties of the Company and of the Dealer Manager and, solely with respect to Section 3.3, of the Advisor, set forth in this Dealer Manager Agreement shall remain operative and in full force and effect regardless of (a) any termination of this Dealer Manager Agreement, (b) any investigation made by or on behalf of any Dealer, its officers or directors or controlling persons or by or on behalf of the Company, the Dealer Manager or any of their respective officers or directors or controlling persons, and (c) the acceptance of any payment for the Shares. The provisions of Sections 4 and 6 hereof shall also survive the termination of this Dealer Manager Agreement.

6. Applicable Law

This Dealer Manager Agreement was executed and delivered in, and its validity, interpretation and construction shall be governed by, the laws of the State of Texas; provided however, that causes of action for violations of federal or state securities laws shall not be governed by this Section 6. The Company, the Dealer Manager, the Advisor and each Dealer hereby acknowledges and agrees that venue for any action brought hereunder or in connection herewith shall lie exclusively in Houston, Texas.

7. Counterparts

This Dealer Manager Agreement may be executed in any number of counterparts. Each counterpart, when executed and delivered, shall be an original contract, but all counterparts, when taken together, shall constitute one and the same agreement.

8. Successors and Amendment

8.1. This Dealer Manager Agreement shall inure to the benefit of and be binding upon the Dealer Manager and the Company and, solely with respect to Section 3.3, the Advisor and their respective successors, and to the benefit of the Dealers to the extent set forth in Sections 1 and 4 hereof. Nothing in this Dealer Manager Agreement is intended or shall be construed to give to any other person any right, remedy or claim, except as otherwise specifically provided herein.

8.2. This Dealer Manager Agreement may be amended by the written agreement of the Dealer Manager and of the Company and, solely with respect to Section 3.3, of the Advisor.

9. Term

This Dealer Manager Agreement may be terminated by any of the parties (a) immediately upon notice to the other parties in the event that the non-terminating party shall have materially failed to comply with any of the material provisions of this Dealer Manager Agreement on its part to be performed during the term of this Agreement or if any of the representations, warranties, covenants or agreements of such party contained herein shall not have been materially complied with or satisfied within the times specified or (b) on 60 days' written notice.

In any case, this Dealer Manager Agreement shall expire at the close of business on the effective date that the Offering is terminated. In addition, the Dealer Manager, upon the expiration or termination of this Dealer Manager Agreement, shall (a) promptly transmit any and all funds in its possession which were received from investors for the sale of Shares to any account that the Company may designate; and (b) promptly deliver to the Company all records and documents in its possession which relate to the Offering which are not designated as dealer copies. The Dealer Manager, at its sole expense, may make and retain copies of all such records and documents, but shall keep all such information confidential. The Dealer Manager shall use its best efforts to cooperate with the Company to accomplish any orderly transfer of management of the Offering to a party designated by the Company. Upon expiration or termination of this Dealer Manager Agreement, the Company and the Advisor shall pay to the Dealer Manager all compensation to which the Dealer Manager is or becomes entitled under Section 3, including without limitation commissions and Dealer Manager Fees, at such time as such compensation becomes payable; provided, however, the Advisor shall only be obligated to pay to the Dealer Manager the respective portion of any Dealer Manager Fees that the Advisor is required to pay pursuant to Section 3.3.

10. Confirmation

The Company hereby agrees to prepare and send confirmations to all purchasers of Shares whose subscriptions for the purchase of Shares are accepted by the Company.

11. Suitability of Investors

The Dealer Manager will offer Shares, and in its agreements with Dealers will require that the Dealers offer Shares, only to persons who meet the suitability standards set forth in the Prospectus or in any suitability letter or memorandum sent to it by the Company and will only make offers to persons in the states in which it is advised in writing that the Shares are qualified for sale or that such qualification is not required. In offering Shares, the Dealer Manager will, and in its agreements with Dealers, the Dealer Manager will, require that the Dealers comply with the provisions of all applicable rules and regulations relating to suitability of investors, including without limitation, the provisions of Article III.C. and Article III.E.1 of the NASAA REIT Guidelines.

12. Submission of Orders

12.1. Those persons who purchase Shares will be instructed by the Dealer Manager or the Dealer to make their checks payable or wire funds to “Hines Global REIT II, Inc.” The Dealer Manager and any Dealer receiving a check or wire transfer (collectively, a “Payment”) not conforming to the foregoing instructions shall return such Payment directly to such subscriber not later than the end of the next business day following its receipt. Payments received by the Dealer Manager or Dealer which conform to the foregoing instructions shall be transmitted for deposit pursuant to one of the methods described in this Section 12. Transmittal of received investor funds will be made in accordance with the following procedures.

12.2. Where, pursuant to a Dealer’s internal supervisory procedures, internal supervisory review is conducted at the same location at which subscription documents and Payments are received from subscribers, Payments will be transmitted by the end of the next business day following receipt by the Dealer to an account designated by the Company.

12.3. Where, pursuant to a Dealer’s internal supervisory procedures, final internal supervisory review is conducted at a different location, Payments will be transmitted by the end of the next business day following receipt by the Dealer to the office of the Dealer conducting such final internal supervisory review (the “Final Review Office”). The Final Review Office will in turn transmit by the end of the next business day following receipt at a different location by the Final Review Office such Payments to an account designated by the Company.

[Signature page follows.]

If the foregoing correctly sets forth our understanding, please indicate your acceptance thereof in the space provided below for that purpose, whereupon this letter and your acceptance shall constitute a binding agreement between us as of the date first above written.

Very truly yours,

HINES GLOBAL REIT II, INC.

By: /s/ Ryan T. Sims

Name: Ryan T. Sims

Title: Chief Financial Officer and Secretary

Accepted and agreed as of
the date first above written:

HINES SECURITIES, INC.

By: /s/ Frank R. Apollo

Name: Frank R. Apollo

Title: Senior Managing Director, Finance,
Secretary and Treasurer

Accepted and agreed with respect to Section 3.3 of this Dealer Manager Agreement as of the date first above written:

HINES GLOBAL REIT II ADVISORS LP

By: Hines Global REIT II Advisors GP LLC,
its general partner

By: /s/ Sherri W. Schugart

Name: Sherri W. Schugart

Title: President and Chief Executive Officer

HINES GLOBAL REIT II, INC.
FOURTH AMENDED AND RESTATED
DISTRIBUTION REINVESTMENT PLAN
Effective as of August 5, 2016

Hines Global REIT II, Inc., a Maryland Corporation (the “Company”), has adopted the following Distribution Reinvestment Plan (the “DRP”). Capitalized terms shall have the same meaning as set forth in the Company’s Charter (the “Articles”) unless otherwise defined herein.

1. *Distribution Reinvestment.* As an agent for the stockholders (“Stockholders”) of the Company who purchase shares of the Company’s common stock (the “Shares”) pursuant to an offering by the Company (“Offering”), and who elect to participate in the DRP (the “Participants”), the Company will apply all cash distributions, other than Designated Special Distributions (as defined below), (“Distributions”), including Distributions paid with respect to any full or fractional Shares acquired under the DRP, to the purchase of the Shares for such Participants directly, if permitted under state securities laws and, if not, through the Dealer Manager or Soliciting Dealers registered in the Participant’s state of residence. The Shares purchased pursuant to the DRP shall be of the same Share class as the Shares with respect to which the Participant is receiving cash distributions to be reinvested through DRP. As used in the DRP, the term “Designated Special Distributions” shall mean those cash or other distributions designated as Designated Special Distributions by the Board of Directors.

2. *Procedure for Participation.* Any Stockholder who owns Shares and who has received a prospectus, as contained in the Company’s Registration Statement filed with the Securities and Exchange Commission (the “Commission”), may elect to become a Participant by completing and executing a subscription agreement, an enrollment form or any other appropriate authorization form as may be available from the Company from time to time. Participation in the DRP will begin with the next Distribution payable after receipt of a Participant’s subscription, enrollment or authorization. Shares will be purchased under the DRP on the date that Distributions are paid by the Company. We request that if, at any time prior to the listing of the Shares on a national securities exchange, a Participant does not meet the minimum income and net worth standards established for making an investment in the Company or can no longer make the other representations or warranties set forth in the subscription agreement or other applicable enrollment form, he or she will promptly so notify the Company in writing.

Participation in the DRP shall continue until such participation is terminated in writing by the Participant pursuant to Section 7 below. If the DRP transaction involves Shares which are registered with the Commission in a future registration or the Board of Directors elects to change the purchase price to be paid for Shares issued pursuant to the DRP, the Company shall make available to all Participants the prospectus as contained in the Company’s Registration Statement filed with the Commission with respect to such future registration or provide public notification to all Participants of such change in the purchase price of Shares issued pursuant to the DRP. If, after a price change, a Participant does not desire to continue to participate in the DRP, he should exercise his right to terminate his participation pursuant to the provisions of Section 7 below.

3. *Purchase of Shares.* Participants will acquire DRP Shares from the Company at a price equal to \$9.46 per Class A Share and \$9.08 per Class T Share. Participants in the DRP may also purchase fractional Shares so that 100% of the Distributions will be used to acquire Shares.

However, a Participant will not be able to acquire DRP Shares to the extent that any such purchase would cause such Participant to violate any provision in the Articles.

Shares to be distributed by the Company in connection with the DRP may (but are not required to) be supplied from: (a) the DRP Shares which are being registered with the Commission in connection with the Offering, (b) Shares to be registered with the Commission after the Offering for use in the DRP (a "Future Registration"), or (c) Shares of the Company's common stock purchased by the Company for the DRP in a secondary market (if available) or on a securities exchange (if listed) (collectively, the "Secondary Market"). Shares purchased on the Secondary Market as set forth in (c) above will be purchased at the then-prevailing market price, which price will be utilized for purposes of purchases of Shares in the DRP. Shares acquired by the Company on the Secondary Market will have a price per share equal to the then-prevailing market price, which shall equal the price on the securities exchange, or over-the-counter market on which such shares are listed at the date of purchase if such shares are then listed. If Shares are not so listed, the Board of Directors of the Company will determine the price at which Shares will be issued under the DRP.

If the Company acquires Shares in the Secondary Market for use in the DRP, the Company shall use reasonable efforts to acquire Shares for use in the DRP at the lowest price then reasonably available. However, the Company does not in any respect guarantee or warrant that the Shares so acquired and purchased by the Participant in the DRP will be at the lowest possible price. Further, irrespective of the Company's ability to acquire Shares in the Secondary Market or to complete a Future Registration for Shares to be used in the DRP, the Company is in no way obligated to do either, in its sole discretion.

4. *Share Certificates.* The ownership of the Shares purchased through the DRP will be in book-entry form only.

5. *Reports.* Within 90 days after the end of the Company's fiscal year, the Company shall provide or cause to be provided to each Stockholder an individualized report on his or her investment, including the purchase date(s), purchase price and number of Shares owned, as well as the dates of Distributions and amounts of Distributions paid during the prior fiscal year. In addition, the Company shall provide or cause to be provided to each Participant a confirmation at least once every calendar quarter showing the number of Shares owned by such Participant at the beginning of the covered period, the amount of the Distributions paid in the covered period and the number of Shares owned at the end of the covered period.

6. *Commissions.* The Company will not pay any selling commissions or Dealer Manager fees in connection with Shares sold pursuant to the DRP.

7. *Termination by Participant.* A Participant may terminate participation in the DRP at any time, upon 10 days' written notice, without penalty by delivering to the Company a written notice of such termination. Any such withdrawal will be effective only with respect to distributions paid more than 30 days after receipt of such written notice. Prior to listing of the Shares on a national securities exchange, any transfer of Shares by a Participant to a non-Participant will terminate participation in the DRP with respect to the transferred Shares. Upon the Company's receipt of a request for redemption from a Participant, the Company will

terminate the Participant's participation in the DRP. Upon termination of DRP participation, future Distributions, if any, will be distributed to the Stockholder in cash.

8. *Taxation of Distributions.* The reinvestment of Distributions in the DRP does not relieve Participants of any taxes which may be payable as a result of those Distributions and their reinvestment in Shares pursuant to the terms of the DRP.

9. *Amendment or Termination of DRP by the Company.* The Board of Directors of the Company may by majority vote amend, suspend or terminate the DRP for any reason upon 10 days' notice to the Participants, which notice shall be provided by the Company to the Participants in a Current Report on Form 8-K publicly filed with the Commission; provided, however, the Board of Directors may not amend the DRP to eliminate the right of a Participant to terminate participation in the DRP at least annually.

10. *Liability of the Company.* The Company shall not be liable for any act done in good faith, or for any good faith omission to act, including, without limitation, any claims or liability: (a) arising out of failure to terminate a Participant's account upon such Participant's death prior to receipt of notice in writing of such death; and (b) with respect to the time and the prices at which Shares are purchased or sold for Participant's account.