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KBS Strategic Opportunity REIT II Acquires the Q&C Hotel in New Orleans

NEW ORLEANS, (Dec. 22, 2015) – [KBS Strategic Opportunity REIT II](#), a public, non-traded real estate investment trust based in Newport Beach, California, announced today the acquisition of the Q&C Hotel for \$51.2 million in a joint venture with Dallas-based Encore Hospitality, LLC.

Built in 1913 and fully renovated in 2014, the Q&C Hotel features 196 guest rooms, 2,600 square feet of flexible meeting space, a restaurant and bar, valet and self-parking, and a 24-hour onsite fitness center with treadmills, ellipticals, recumbent bikes, dumbbells and flatscreen televisions. Its Q&C Bar is open for breakfast, lunch, dinner and happy-hour cocktails, and was recently named the “Best Kept Secret” in the Downtown NOLA Awards and among the “Top 10 Happy Hours” by St. Charles Avenue Magazine.

The 12-story, two-building hotel is located at 344 Camp Street in downtown New Orleans, three blocks away from the French Quarter. Bourbon Street, the Superdome, the New Orleans Morial Convention Center, museums, and most of the city’s Class A office space are located within a 15-minute walk from the hotel. The Q&C Hotel is easily accessible to mass transportation as it is three blocks away from the New Orleans Streetcar, five minutes away from I-10 and 20 minutes from Louis Armstrong International Airport.

“We are thrilled to acquire the Q&C Hotel in the dynamic market of New Orleans,” said Brian Ragsdale, executive vice president at KBS. “We believe New Orleans’ robust tourism industry coupled with the property’s recent renovations will make it a strong asset in the KBS Strategic Opportunity REIT II portfolio.”

Currently an independent hotel, the Q&C Hotel will be franchised under the Marriott Autograph brand. It will be on Marriott’s worldwide reservation system and frequent traveler program, “Marriott Rewards,” which has over 50 million members. Encore Hospitality will manage the hotel.

“We believe KBS’ partnerships with Encore Hospitality and Marriott will create a pleasant experience for hotel guests,” said Jeff Rader, senior vice president at KBS. “Encore Hospitality’s strong hotel management abilities combined with the booking and rewards features of the Marriott brand will make the Q&C Hotel an attractive option for those visiting New Orleans.”

About KBS

KBS Capital Advisors is the external advisor to KBS Real Estate Investment Trusts (REITs), and is an affiliate of KBS Realty Advisors, a private equity real estate company and SEC-registered investment adviser founded in 1992. Since its inception, KBS-affiliated companies have completed transactional activity in excess of \$30.5 billion via 14 separate accounts, six commingled funds, five sovereign wealth funds and six non-traded REITs. For information, visit www.kbs.com.

About Encore Enterprises, Inc.

Encore Enterprises, Inc. is a privately owned national real estate investment company founded in 1999 with corporate headquarters in Dallas, Texas. Encore develops, acquires, and manages hotels, multi-family communities, retail shopping centers, and commercial offices. For more information visit www.encore.bz, or call (214) 259-7000.

This release may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including KBS Strategic Opportunity REIT II's ability to invest in and manage a diverse portfolio, the performance of the Q&C Hotel and the performance of the New Orleans real estate market. These statements are subject to known and unknown risks, uncertainties and other factors which may cause KBS Strategic Opportunity REIT II's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

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