

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Carey Watermark Investors 2 Inc.		2 Issuer's employer identification number (EIN) 46-5765413	
3 Name of contact for additional information Liou Guo		4 Telephone No. of contact (212) 492-1161	5 Email address of contact lguo@wpcarey.com
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 50 Rockefeller Plaza, 2nd Floor			7 City, town, or post office, state, and Zip code of contact New York, NY 10020
8 Date of action 10/16/2017		9 Classification and description Class A & Class T Common Stock	
10 CUSIP number 14179D107 & 14179D206	11 Serial number(s) N/A	12 Ticker symbol N/A	13 Account number(s) N/A

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 ▶ On October 16, 2017, Class A and Class T stockholders of record during the period of 7/1/17 to 9/30/17, were paid a 0.003091% and 0.003269% stock dividend per day, respectively, in which the stock was held during the record period. On such date, Class A and Class T stockholders of record during the period of 7/1/17 to 9/30/17, were also paid a .012844% and .010997% cash dividend per day, respectively, in which the the stock was held during the record period. In accordance with Internal Revenue Code section 316(a)(2), any impact on stockholder basis from such cash dividend will be determined, and if necessary reported separately once such determination is made. Distribution rates are based upon the per share offering price present during the record period.

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 ▶ A Stockholder's basis in one (1) share of Class A common stock or Class T common stock after the distribution will be less than the basis the stockholder had in one (1) share of Class A common stock or Class T common stock prior to the distribution, respectively. Carey Watermark Investors 2, Inc. declares a daily distribution but distributes quarterly. A shareholder should factor the number of days held in each quarter when determining the quantitative effect of basis. Please refer to the discussion on line 16.

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 change in basis to a shareholder as a result of the stock distribution would be calculated by taking the adjusted basis of the old stock and allocating it between the old and new stock on the date of distribution. This organization action would result in a decreased basis per share and an increase in the number of shares held by each shareholder.
