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## KBS REIT III Purchases First Equity Asset

### ***Non-traded REIT acquires Domain Gateway in Austin, Texas***

AUSTIN, Texas. (Oct. 3, 2011) –KBS Real Estate Investment Trust III (KBS REIT III) a publicly registered, non-traded real estate investment trust, has completed its first equity asset acquisition with Domain Gateway, a five-story USGBC–LEED Core- and Shell Silver-certified office building in northwest Austin, Texas. The 173,962-square-foot property is 100 percent occupied by OneWest Bank of Pasadena, Calif.

With \$26 billion of total assets, OneWest is the largest Southern California-based bank. The thrift holding company is owned by a consortium of private investors including Paulson & Co. and George Soros' Fund Management.

Completed in 2009 on nearly 4.3 acres, Domain Gateway is one of the centerpieces of The Domain, a premiere mixed-use development which upon completion will contain 304 acres of office, retail, residential, entertainment and green space. The complex is situated 15 minutes north of downtown Austin, offers immediate access to Loop 360 and I-35, and is adjacent to a Capital Metro commuter stop.

Andrew Levy and Todd Savage of the Holliday Fenoglio Fowler Dallas office represented the seller in the acquisition, while Bill Rogalla, Central Region senior vice president and director of acquisitions and dispositions, handled the transaction for KBS.

KBS- affiliated companies own three other properties in Austin, for a total of 756,388 square feet.

**About KBS**

KBS Capital Advisors is an affiliate of KBS Realty Advisors, which is a private equity real estate company and SEC-registered investment advisor founded by Peter Bren and Charles Schreiber, Jr. Since 1992, KBS Realty Advisors and its affiliated companies have completed transactional activity in excess of \$20.55 billion via 14 separate accounts, six commingled funds, five sovereign wealth funds and five non-traded REITs. For information, visit [www.kbsrealty.com](http://www.kbsrealty.com).

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*This release may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including discussions regarding KBS REIT III's use of proceeds and certain other factors that may affect future earnings or financial results. Such statements involve risks and uncertainties which could cause actual results to vary materially from those expressed in or indicated by the forward-looking statements. Factors that may cause actual results to differ materially include changes in general economic conditions, changes in real estate conditions, construction delays, changes in interest rates, lease-up risks, lack of financing availability and lack of capital proceeds.*

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