



Real Estate
Investment
Trust III

FOR IMMEDIATE RELEASE

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**KBS REIT III Closes on \$121 Million Purchase
of 201 Spear Street in San Francisco**

KBS acquires the Class-A office tower in San Francisco's South Financial District

SAN FRANCISCO (Dec. 5, 2013) – [KBS Real Estate Investment Trust III](#), a public non-traded real estate investment trust based in Newport Beach, Calif., announces the purchase of 201 Spear Street, a 246,563-square-foot, waterfront Class-A office tower in San Francisco's South Financial District, for \$121 million plus closing cost.

“San Francisco's South Financial District is considered one of the nation's top-performing office markets, and KBS REIT III is pleased to have a presence here,” said KBS Senior VP and Asset Manager Brent Carroll. “201 Spear Street is near much of what Downtown San Francisco has to offer, making it a great addition to this REIT's nationwide portfolio.”

The 18-story 201 Spear Street building has been institutionally owned and operated since its construction and was 82-percent occupied at the time of purchase. Tenants include Verizon Business Solutions, CoreLogic and Moovweb. The property benefits from its location, which includes proximity to transportation and a number of new high-rise residential towers.

“This property has a desirable location two blocks from the site of the new Transbay Terminal transportation and housing project, Market Street, the recently revitalized Embarcadero promenade and Ferry Building,” said KBS Western Regional President Rodney Richerson. “This spot is quickly becoming the location of choice for premier technology companies and others. It is representative of the type of Class-A office asset KBS REIT III wants in its portfolio.”

About KBS

KBS Capital Advisors is an affiliate of KBS Realty Advisors, a private equity real estate company and SEC-registered investment advisor founded in 1992. Since its inception, KBS Realty Advisors and its affiliated companies have completed transactional activity of approximately \$26 billion via 14 separate accounts, six commingled funds, five sovereign wealth funds and five non-traded REITs. For information, visit www.kbscapital.com.

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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 statements relating to KBS REIT III's ability to invest in, lease and manage a diverse portfolio, the performance of 201 Spear Street, KBS REIT III's ability to attract tenants to 201 Spear Street, the performance of the San Francisco real estate market and the completion of the Transbay Terminal. These statements are subject to known and unknown risks, uncertainties and other factors which may cause KBS REIT III'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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