



Strategic
Opportunity
REIT

FOR IMMEDIATE RELEASE

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**KBS Strategic Opportunity REIT
Declares Distribution to Shareholders**

Non-traded REIT announces distribution of \$0.35 per share

NEWPORT BEACH, Calif. (Aug. 1, 2012) – The [KBS Strategic Opportunity REIT, Inc.](#) (KBS Strategic Opportunity REIT) board of directors has authorized a special distribution of \$0.35 per share for shareholders of record as of the close of business on Friday, July 20, 2012. The distribution was paid on Tuesday, July 31, 2012, in cash or, for investors enrolled in the dividend reinvestment plan, reinvested in additional shares.

This distribution was made because the board believed that assets in the KBS Strategic Opportunity REIT portfolio have appreciated in value since acquisition. However, because the gains from the increases in value have not yet been realized, the distribution was funded from existing debt financing.*

“Based on recent analysis and research that included new broker opinions of value, we believe that the value of the assets within the portfolio has increased,” said Keith Hall, CEO of KBS Strategic Opportunity REIT. “This distribution was an opportunity to pass these expected gains to our current shareholders.”

KBS Strategic Opportunity REIT is a public non-traded real estate investment trust that intends to invest in and manage a diverse portfolio of real estate-related loans, opportunistic real estate, real estate-related debt securities and other real estate-related investments. KBS Strategic Opportunity REIT was sponsored indirectly by Charles J. Schreiber, Jr., Peter Bren, Keith Hall and Peter McMillan III and is advised by KBS Capital Advisors LLC, an affiliated entity which is indirectly owned and controlled by KBS Strategic Opportunity REIT’s sponsors.

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 in excess of \$22.5 billion via 14 separate accounts, six commingled funds, five sovereign wealth funds and five non-traded REITs. For information, visit www.kbscapital.com.

**These types of distributions may result in a reduction of funds available for investment, which may reduce the investment's overall return.*

This release may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including KBS Strategic Opportunity REIT's ability to invest in and manage a diverse portfolio and to realize gains on the dispositions of the assets within its portfolio. The estimated values of certain of KBS Strategic Opportunity REIT's properties provided by broker opinions of value are based upon numerous assumptions, are not appraisals and may not be indicative of the actual values of the properties or of the REIT. There is no guarantee that KBS Strategic Opportunity REIT will ultimately realize these values on the sale of the properties. These statements are subject to known and unknown risks, uncertainties and other factors which may cause KBS Strategic Opportunity REIT'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.