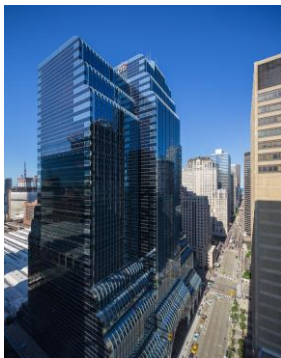




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KBS REIT III Signs 14,817 Square Feet in Leases at 500 West Madison



CHICAGO, (Feb. 5, 2016) – [KBS Real Estate Investment Trust III](#) (“KBS REIT III”), a non-traded real estate investment trust based in Newport Beach, California, announced today the signing of two leases totaling 14,817 square feet at 500 West Madison, Chicago’s largest Class A, LEED Gold-certified tower. TalentSprout by Sykes Enterprises renewed and expanded a 10,425-square-foot lease, and OpenMarkets signed a new 4,392-square-foot lease.

500 West Madison, located in the city’s West Loop neighborhood, is a 40-story, 1.46 million-square-foot property featuring a distinct art deco design. The iconic building sits above Ogilvie Transportation Center, one of two main suburban train stations connecting Chicago’s suburbs with the central business district. The first two levels of the property contain 64,289 square feet of retail space with 45 stores and restaurants, offering over 20 food service options. The second level also connects to the train station, accessing trains and buses.

“500 West Madison’s many on-site amenities, accessibility and premier location make it a truly desirable office location,” said Brett Merz, senior vice president at KBS. “Great companies like TalentSprout by Sykes Enterprises have made this their home, and we are pleased that they will remain a valued KBS tenant. We are also looking forward to welcoming OpenMarkets.”

In addition to convenient access to transportation, on-site amenities at the tower include a conference center with three separate conference and meeting rooms, and a two story fitness center with cardiovascular equipment, weights, group training areas, locker rooms with showers, and a basketball court. 500 West Madison also has a 55-space executive parking garage, 24/7 security, a tenant lounge with private wine storage lockers, multiple seating areas and a full-service kitchen.

Sykes Enterprises provides comprehensive customer contact management solutions and services in the business process outsourcing (BPO) arena, serving market leaders in the communications, financial services, technology, healthcare and transportation and leisure industries. The Chicago office houses its TalentSprout division, a full-service training solutions offering. OpenMarkets is a technology company reinventing the healthcare equipment marketplace. Healthcare providers and equipment suppliers use OpenMarkets software and services to create more efficient transactions benefiting all.

"OpenMarkets picked 500 West Madison because this address is at the heart of Chicago. We're surrounded by established and innovative companies, many of which are in our healthcare industry. The space at 500 West Madison is perfect for us as we continue to grow," said Dan Michalek, CEO and co-founder of OpenMarkets.

Michael Lirtzman and Courtney Baratz of Transwestern represented KBS REIT III in the deals. Paul Reaumont of CBRE represented TalentSprout by Sykes Enterprises, and Jarrett Annenberg of CBRE represented Openmarkets in the respective transactions.

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 \$31.1 billion via 14 separate accounts, six commingled funds, five sovereign wealth funds and six non-traded REITs. For information, visit www.kbs.com.

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 and manage a diverse portfolio, and the performance of 500 West Madison and of the Chicago real estate market. These statements are subject to known and unknown risks, uncertainties and other factors which may cause KBS REIT III's and/or 500 West Madison'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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