



Growth &
Income REIT

September 4, 2017

Dear KBS Growth & Income REIT Stockholder:

On August 9, 2017, the board of directors of KBS Growth & Income REIT, Inc. (the "REIT") approved an estimated net asset value ("NAV") per share of the REIT's common stock of \$8.75. This estimated NAV per share is based on the estimated value of the REIT's assets less the estimated value of the REIT's liabilities, or NAV, divided by the number of shares outstanding, all as of June 30, 2017.

The estimated NAV per share approved by the board of directors was based on the calculation of the range in estimated NAV per share of the REIT's common stock provided by Duff & Phelps, LLC ("Duff & Phelps"), an independent third-party real estate valuation firm, using appraisals they performed on the three real estate properties owned by the REIT as of June 30, 2017. The valuation report provided by Duff & Phelps indicated an estimated range in NAV per share of \$8.01 to \$9.53, with a mid-range value of \$8.75 per share. Additional information regarding the limitations, methodologies and assumptions used to value the REIT's assets and liabilities, and used in the calculation of the estimated value per share, is included in the REIT's Current Report on Form 8-K, filed with the SEC on August 9, 2017.

Based on the individual property appraisals performed by Duff & Phelps, the portfolio had increased in value by 10% compared to the REIT's cost basis, with a weighted average ownership period for the properties of only slightly over one year. We are pleased with the strong performance we have achieved with our properties to date, though the costs and challenges of building a new REIT in the current regulatory environment have impacted the overall value of the REIT. As we move forward with an online offering, we are considering a fee structure that would minimize the impact of such fees and costs to the REIT's stockholders.

As previously announced, KBS Capital Advisors LLC (the "Advisor"), the REIT's external advisor, has agreed to pay stockholders any difference between the "net price paid" (not the actual purchase price) by such stockholder and the estimated NAV per share. The "net price paid" is defined as the gross purchase price paid by the stockholder less selling commissions and dealer manager fees associated with the sale of the shares to such stockholder.

The payment will be calculated with respect to each outstanding stockholder at the time of payment, which is expected to be prior to the end of the third quarter of 2017. This cash payment will be funded entirely by the Advisor without any payment or reimbursement from the REIT and would be ineligible for reinvestment through the distribution reinvestment plan.

For more details, please visit the KBS Growth & Income REIT section of kbs-cmg.com, then click on "Edgar Filings" on the Investor Information page to view the latest SEC filings.

I look forward to providing you with future updates.

Sincerely,

Charles J. Schreiber, Jr.
Chief Executive Officer

Cautionary Note Regarding Forward-Looking Statements

The foregoing includes forward-looking statements within the meaning of the Federal Private Securities Litigation Reform Act of 1995. The REIT intends that such forward-looking statements be subject to the safe harbors created by Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements include statements regarding the intent, belief or current expectations of the company and members of its management team, as well as the assumptions on which such statements are based, and generally are identified by the use of words such as “may,” “will,” “seeks,” “anticipates,” “believes,” “estimates,” “expects,” “plans,” “intends,” “should” or similar expressions. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they are made. The REIT undertakes no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results over time, unless required by law. Such statements are subject to known and unknown risks and uncertainties which could cause actual results to differ materially from those contemplated by such forward-looking statements. The REIT makes no representation or warranty (express or implied) about the accuracy of any such forward-looking statements. These statements are based on a number of assumptions involving the judgment of management. The appraisal methodology for the three properties appraised by Duff & Phelps assumes the properties realize the projected net operating income and expected exit cap rates and that investors would be willing to invest in such properties at yields equal to the expected discount rates. Though the appraisals of the properties, with respect to Duff & Phelps, and the valuation estimates used in calculating the estimated value per share, with respect to Duff & Phelps, the Advisor and the REIT, are the respective party’s best estimates as of June 30, 2017, the REIT can give no assurance in this regard. Even small changes to these assumptions could result in significant differences in the appraised values of the properties appraised and the estimated NAV per share. These statements also depend on factors such as: future economic, competitive and market conditions; the REIT’s ability to maintain occupancy levels and rental rates at its real estate properties; and other risks identified in Part I, Item 1A of the REIT’s Annual Report on Form 10-K for the year ended December 31, 2016, filed with the SEC on March 9, 2017, and in Part II, Item 1A of the REIT’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2017, filed with the SEC on May 10, 2017. Actual events may cause the value and returns on the REIT’s investments to be less than that used for purposes of the estimated NAV per share.