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KBS REIT III Signs 19,280-Square-Foot New Lease at Hanley Corporate Tower



CLAYTON, Mo. (July 20, 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 a 19,280-square-foot lease by [Varsity Tutors](#) at Hanley Corporate Tower in Clayton, which borders St. Louis. Varsity Tutors is a live learning platform that connects students with online and in-person tutors.

Hanley Corporate Tower is a Class A, 19-story building with 360,505 rentable square feet. Renovations are currently underway at the office tower, including a new fitness center with full locker rooms, a conference facility, a tenant lounge and an updated lobby. The property also offers shoe shining services, onsite security and property management and ample parking with a four-floor parking structure and a separate surface lot. Tenants can easily access nearby shopping and

dining, and the property is conveniently located near public transportation as well as four hotels.

“The recent renovations at Hanley Corporate Tower demonstrate KBS’ strong commitment to the property and St. Louis. This property offers tenants a rich live-work-play environment,” said Brett Merz, senior vice president at KBS. “We believe that Varsity Tutors will benefit from the modern work space offered by Hanley Corporate Tower and we are pleased they have chosen this property.”

Artie Kerckhoff and Mark Palmer of CBRE represented KBS REIT III, and Jim Loft of Colliers International represented Varsity Tutors in the transaction.

“Hanley Corporate Towers’ amenities truly add value to our company’s office space,” said Kevin Gaugush, chief people officer at Varsity Tutors. “Since moving in, we have routinely used the property’s new tenant conference facility for training our new employees and have positively adjusted our training program as a result of what we can do with the conference facility.”

KBS REIT III acquired Hanley Corporate Tower in December 2014.

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 \$31.9 billion via 14 separate accounts, six commingled funds, five sovereign wealth funds and seven non-traded REITs. For information, visit www.kbs.com.

About Varsity Tutors

Varsity Tutors is a live learning platform that connects students and professionals with personalized instruction to achieve any goal. To date, users have accessed more than 1 million hours of live instruction on the platform. Additionally, through the company's free online learning tools, mobile applications and books, Varsity Tutors has created an ecosystem of more than 150,000 free practice questions, answers and explanation sets across more than 200 subjects and standardized tests. Varsity Tutors was founded in 2007 at Washington University in St. Louis. For more information visit www.varsitytutors.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 Hanley Corporate Tower and of the Clayton 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 Hanley Corporate Tower'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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