



**Media Contact:**

Janelle Joseph  
Prosek Partners for KBS  
(646) 818-9119  
[jjoseph@prosek.com](mailto:jjoseph@prosek.com)

## **KBS Real Estate Investment Trust II Increases Valuation of its Common Stock**

NEWPORT BEACH, Calif., (December 14, 2018) – **KBS Real Estate Investment Trust II**, a public non-traded real estate investment trust based in Newport Beach, Calif., announced that its board of directors has approved an estimated net asset value (“NAV”) per share of its common stock of \$4.95 as of December 3, 2018. This estimated value 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 as of September 30, 2018.

“The increase in value of this portfolio is testament to KBS’ ability to find, assess and manage performing properties,” said Chuck Schreiber, Chief Executive Officer and Director of KBS Real Estate Investment Trust II. “We are pleased to announce to our investors such positive results.” The REIT has paid monthly distributions since July 2008, with a special distribution paid in February 2013 and September 2014.”

The Company’s conflicts committee, composed solely of its independent directors, engaged CBRE, Inc. (“CBRE”), an independent third-party valuation firm, to provide appraisals for the REIT’s real estate properties and to provide a calculation of the range in estimated value per share of the REIT’s common stock. KBS Capital Advisors LLC, the REIT’s external advisor, performed valuations of the REIT’s other assets and liabilities. Upon the committee’s receipt and review of CBRE’s valuation report and consideration of the material assumptions and valuation methodologies applied and described therein, the committee recommended to the board of directors that it adopt \$4.95 as the estimated value per share of the REIT’s common stock, which the board unanimously agreed to.

The valuation was performed in accordance with the methodology provided in the Institute for Portfolio Alternatives’ (f/k/a the Investment Program Association) practice guideline regarding valuations of publicly registered non-listed REITs. The estimated NAV does not reflect any “portfolio premium,” nor does it reflect an enterprise value for the Company.

For a full description of the limitations, methodologies and assumptions used to value the REIT’s assets and liabilities in connection with the calculation of the REIT’s estimated value per share, see the REIT’s Current Report on Form 8-K, filed with the Securities and Exchange Commission (“SEC”) on December 7, 2018.

### **About KBS**

[KBS](#) is a private equity real estate company and an SEC-registered investment adviser. Founded in 1992 by Peter Bren and Chuck Schreiber, it is recognized as one of the largest

commercial office owners globally. Since inception, KBS-affiliated companies have completed transactional activity in excess of \$38 billion via 16 separate accounts and six commingled funds for government and corporate pension funds. Additionally, KBS has sponsored five sovereign wealth funds and seven SEC-registered, non-traded REITs. For information, visit [www.kbs.com](http://www.kbs.com).

#### **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 21E of the Securities Exchange Act of 1934, as amended. These statements include statements regarding the intent, belief or current expectations of the REIT 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 Appraised Properties 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 Appraised Properties, with respect to CBRE, and the valuation estimates used in calculating the estimated value per share, with respect to the Company and the Advisor, are the respective party's best estimates as of September 30, 2018 or December 3, 2018, as applicable, the Company can give no assurance in this regard. Even small changes to these assumptions could result in significant differences in the appraised values of the Appraised Properties and the estimated value per share. The forward-looking statements also depend on factors such as: future economic, competitive and market conditions; the Company's ability to maintain occupancy levels and rental rates at its real estate properties; the borrower under the Company's loan investment continuing to make required payments under the loan documents; and other risks identified in Part I, Item 1A of the Company's Annual Report on Form 10-K for the year ended December 31, 2017 as filed with the SEC. Actual events may cause the value and returns on the Company's investments to be less than that used for purposes of the Company's estimated value per share. No assurance can be given that the REIT will continue to declare distributions and that the estimated value of the shares will not decrease.*

# # #