Form **8937**
(December 2017)
Department of the Treasury
Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

OMB No. 1545-0123

Part I Reporting Issuer

1 Issuer's name	2 Issuer's employer identification number (EIN)
KBS Real Estate Investment Trust III, Inc.	27-1627696

3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact
Stacie Yamane	949-417-6500	syamane@kbs.com

6 Number and street (or P.O. box if mail is not delivered to street address) of contact	7 City, town, or post office, state, and ZIP code of contact
800 Newport Center Drive, Ste 700	Newport Beach, CA 92660

8 Date of action	9 Classification and description
various see 14. below	Common Stock

10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
48668L105			

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ Distributions in excess of earnings and profits were made on the following dates:
January 2, 2018; February 1, 2018; March 1, 2018; April 2, 2018; May 1, 2018; June 1, 2018; July 3, 2018; August 1, 2018; September 4, 2018; October 1, 2018; November 1, 2018 and December 3, 2018.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ January 2, 2018: Distribution per share $0.055205; Return of Capital per share $0.033491
February 1, 2018: Distribution per share $0.055205; Return of Capital per share $0.033491
March 1, 2018: Distribution per share $0.049863; Return of Capital per share $0.030250
April 2, 2018: Distribution per share $0.055205; Return of Capital per share $0.033491
May 1, 2018: Distribution per share $0.053425; Return of Capital per share $0.032411
June 1, 2018: Distribution per share $0.055205; Return of Capital per share $0.033491
July 3, 2018: Distribution per share $0.053425; Return of Capital per share $0.032411
August 1, 2018: Distribution per share $0.055205; Return of Capital per share $0.033491; September 4, 2018: Distribution per share $0.055205; Return of Capital per share $0.033491; October 1, 2018: Distribution per share $0.053425; Return of Capital per share $0.032411
November 1, 2018: Distribution per share $0.055205; Return of Capital per share $0.033491;
and December 3, 2018: Distribution per share $0.053425; Return of Capital per share $0.032411.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ Distributions in excess of earnings and profits are applied against and reduce the adjusted basis of stock.

Part II Organizational Action *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ **Section 301**

18 Can any resulting loss be recognized? ▶ **Not applicable**

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ **Not applicable**

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ _____ Date ▶ 1/18/19

Print your name ▶ **Stacie K Yamane** Title ▶ **Chief Accounting Officer**

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054