

KBS Completes \$527 Million in Refinancing for Three Properties in Chicago, IL; San Jose, CA; and Charlotte, NC

Transactions represent lenders confidence in high-caliber real estate assets located in prime markets throughout the country despite the pandemic



NEWPORT BEACH, CALIFORNIA (January 26, 2021) – [KBS](#), one of the largest investors in premier commercial real estate in the nation, announced today that it has completed three refinances totaling \$527 million during the 4th quarter of 2020 for assets located in Chicago, Illinois; San Jose, California; and Charlotte, North Carolina. The transactions involved five different national and multinational lending institutions.

The refinances demonstrate strong lender confidence in high-caliber real estate assets located in prime markets throughout the country despite the pandemic, according to Chuck Schreiber, co-founder and CEO of KBS.

“KBS has a long-held reputation for identifying opportunities to own and manage top-shelf real estate assets in key growth markets throughout the U.S., as well as a deep understanding as to how the right capital stack can influence a property’s performance,” says Schreiber. “In today’s real estate market, which has faced headwinds from the COVID-19 pandemic, these sizable transactions are a testament to the quality of these assets and KBS’ expertise in managing them efficiently and effectively now and in the future. In addition, our ability to understand and implement the right capital structure through our in-house team adds considerable value to these holdings and our investors.”

The recently closed refinancing transactions include:

\$375 million loan for Accenture Tower in Chicago, Illinois

KBS secured a \$375 million refinancing loan for [Accenture Tower](#), a 40-story, 1.46-million-square-foot office tower owned by KBS REIT III and located in Chicago, Illinois.

The loan consists of a 75% term loan and 25% revolving loan with a three-year initial term with two, one-year extensions options, and floats over LIBOR. U.S. Bank and Bank of America jointly led the loan’s arrangement, with U.S. Bank serving as the administrative agent, and Deutsche Pfandbriefbank joining the lender group at closing.

“This was a successful large financing that reflects KBS’ experience as an owner-operator through all real estate and economic cycles, even during the pandemic,” says Rob Durand, EVP of financing for KBS. “This complex financing was executed by KBS’ own internal team in a challenging capital markets environment and demonstrates the depth and strength of the firm as an asset manager, as well as the confidence that our capital partners have in KBS and Accenture Tower.”

Durand adds that, “We are honored that KBS’ long-term relationships with U.S. Bank and Bank of America led these highly reputable financial institutions to become joint lead arrangers of the new Accenture Tower loan. The firm is also excited to establish Deutsche Pfandbriefbank as a new KBS lending partner.”

“The iconic nature of Accenture Tower and its first-rate credit tenancy were apparent to the lender group, offsetting any short-term COVID-related concerns regarding CBD office properties,” says Durand. “Accenture Tower’s irreplaceable location, combined with KBS’ strong operating experience, conservative leverage and financing acumen were key factors in the successful loan closing.”

Built in 1987, Accenture Tower is a Class A LEED Gold-certified building that has earned The Outstanding Building of the Year (TOBY) Award Internationally by The Building Owner and Managers Association. The property sits above the Ogilvie Transportation Center, one of two main train stations in Chicago’s west loop, which connects the suburbs with Downtown Chicago. Accenture Tower’s first two levels features 80,000 square feet of retail space. The second level connects directly with the Ogilvie rail station providing direct access to city trains, buses and expressways.

Accenture Tower is located at 500 West Madison in Chicago, Illinois.

Please click [here](#) for photos of Accenture Tower.

\$123 million loan for The Almaden in San Jose, California

KBS also secured a \$123 million refinancing loan for [The Almaden](#), a three-building, 416,126-square-foot office park owned by KBS REIT III and located in San Jose, California.

The loan consists of a three-year initial fixed-rate term with two, one-year floating rate extension options, and was issued by Equitable Financial Life Insurance Company.

“The Almaden’s location in one of the top tech markets in the country, with proximity to Silicon Valley and the Bay Area, made it a desirable asset for Equitable to finance,” says Durand. “This is a well-amenitized property that helps tenants attract and retain top talent to remain competitive in the market. The refinancing of this asset underscores KBS’ ability to structure the right loan facility to enhance returns for our investors.”

Developed between 1980 and 1981 and renovated in 2006, The Almaden encompasses 416,126 square feet of office space and 1,264 parking spaces. Current tenant amenities include multiple conference rooms with video conference capabilities; an outdoor patio with BBQ, fireplace and seating; a fitness center; a locker room with showers; and a tenant lounge with roll-up door, bar area, TVs and games.

The Almaden is located at 1, 55, and 99 Almaden Boulevard in San Jose, California.

Please click [here](#) for photos of The Almaden.

\$28,795,000 loan for Crossroads Distribution Center in Charlotte, North Carolina

In addition, KBS secured a \$28,795,000 refinancing loan for [Crossroads Distribution Center](#), a four-building 496,723-square-foot industrial distribution center located in Charlotte, North Carolina.

The loan, issued by Citizens, consists of a three-year initial term with two, one-year extension options, all floating over LIBOR.

“Crossroads Distribution Center represented a prime opportunity for Citizens to refinance a highly desirable distribution property in one of the top industrial markets in the nation,” says Durand. “Its location is close to several ports along the Eastern seaboard – including Wilmington and Morehead City, North Carolina; Savannah, Georgia; Charleston, South Carolina; Norfolk, Virginia; and Baltimore, Maryland – as well as the property’s appealing features gave Citizens confidence in the asset’s ability to continue to perform strongly well into the future.”

Developed between 1998 and 2007, Crossroads Distribution Center features four concrete tilt-wall warehouse buildings with ceiling clear heights ranging from 24 to 30 feet. All of the buildings have 50-foot concrete aprons and truck courts that range from 110 to 140 feet. Tenants include several companies that sell and distribute products imported into the US, most of which are shipped into the country via container ships.

Amenities at the property include a fitness center, tenant lounge, onsite car wash/detail, loading docks, proximity to public transportation, and nearby shopping, entertainment and restaurants.

Crossroads Distribution Center is located at 11401, 11415, 11435, and 11445 Granite Street in Charlotte, North Carolina.

Please click [here](#) for photos of Crossroads Distribution Center.

About KBS

[KBS](#) is one of the largest investors of premier commercial real estate in the nation. As a private equity real estate company and an SEC-registered investment adviser, KBS and its affiliated companies have completed transactional activity of more than \$42 billion on behalf of private and institutional investors globally. Founded in 1992 by Peter Bren and Chuck Schreiber, KBS acquires and operates prime commercial real estate in some of the most successful epicenters in the country. The firm is committed in its business ethics, its business relationships and its constant focus on exceeding the expectations of its investors, partners and tenants. SEC registration as an investment advisor does not imply any particular level of skill or training. For more information on KBS, please 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’ ability to invest in and manage a diverse portfolio, and the performance of Accenture Tower, The Almaden and Crossroads Distribution Center and of the Chicago, San Jose, or Charlotte real estate market. These statements are subject to known and unknown risks, uncertainties and other factors which may cause KBS’ and/or Accenture Tower’s, The Almaden’s and Crossroads Distribution Center’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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