

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name KBS Real Estate Investment Trust III, Inc.		2 Issuer's employer identification number (EIN) 27-1627696	
3 Name of contact for additional information Stacie Yamane	4 Telephone No. of contact 949-417-6500	5 Email address of contact syamane@kbs.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 800 Newport Center Drive, Ste 700		7 City, town, or post office, state, and ZIP code of contact Newport Beach, CA 92660	
8 Date of action various see 14. below	9 Classification and description Common Stock		
10 CUSIP number 48668L105	11 Serial number(s)	12 Ticker symbol	13 Account number(s)

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, 2020 (record date December 9, 2020); February 3, 2020 (record date January 23, 2020); March 2, 2020 (record date February 20, 2020); April 1, 2020 (record date March 20, 2020); May 1, 2020 (record date April 20, 2020); June 1, 2020 (record date May 26, 2020); July 1, 2020 (record date June 25, 2020); August 3, 2020 (record date July 27, 2020); September 1, 2020 (August 20, 2020); October 1, 2020 (September 21, 2020); November 2, 2020 (record date October 20, 2020) and December 1, 2020 (record date November 20, 2020).

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, 2020: Distribution per share \$0.054167; Return of Capital per share \$0.014038**
February 3, 2020: Distribution per share \$0.049833; Return of Capital per share \$0.012915
March 2, 2020: Distribution per share \$0.049833; Return of Capital per share \$0.012915
April 1, 2020: Distribution per share \$0.049833; Return of Capital per share \$0.012915
May 1, 2020: Distribution per share \$0.049833; Return of Capital per share \$0.012915
June 1, 2020: Distribution per share \$0.049833; Return of Capital per share \$0.012915
July 1, 2020: Distribution per share \$0.049833; Return of Capital per share \$0.012915
August 3, 2020: Distribution per share \$0.049833; Return of Capital per share \$0.012915; September 1, 2020: Distribution per share \$0.049833; Return of Capital per share \$0.012915; October 1, 2020: Distribution per share \$0.049833; Return of Capital per share \$0.012915
November 2, 2020: Distribution per share \$0.049833; Return of Capital per share \$0.012915 and December 1, 2020 Distribution per share \$0.049833; Return of Capital per share \$0.012915

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

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.

Sign Here

Signature ▶  Date ▶ 1/18/2021

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	