KBS Real Estate Investment Trust III

Portfolio Update Meeting

November 21, 2019

Important Disclosures

The information contained herein should be read in conjunction with, and is qualified by, the information in KBS Real Estate Investment Trust III's (the "Company" or "KBS REIT III") Annual Report on Form 10-K for the year ended December 31, 2018 (the "Annual Report"), and in the Company's Quarterly Reports on Form 10-Q for the periods ended June 30, 2019 and September 30, 2019 (the "Quarterly Reports"), including the "Risk Factors" contained therein. For a full description of the limitations, methodologies and assumptions used to value the Company's assets and liabilities in connection with the calculation of the Company's estimated value per share, see the Company's Current Report on Form 8-K, filed with the SEC on December 6, 2018.

Forward-Looking Statements

Certain statements contained herein may be deemed to be forward-looking statements within the meaning of the Federal Private Securities Litigation Reform Act of 1995. The Company intends that such forward-looking statements be subject to the safe harbors created by Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements include statements regarding the intent, belief or current expectations of the Company 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 Company 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 Company 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 Company may fund distributions from any source including, without limitation, from offering proceeds or borrowings. Distributions paid through September 30, 2019 have been funded with cash flow from operating activities, debt financing and proceeds from asset sales. There are no guarantees that the Company will continue to pay distributions or that distributions at the current rate are sustainable. No assurances can be given with respect to distributions. 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 NAV per share. With respect to the estimated NAV per share, the appraisal methodology used 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 Duff & Phelps, and the valuation estimates used in calculating the estimated value per share, with respect to Duff & Phelps, the Company's advisor and the Company, are the respective party's best estimates as of September 30, 2018, and 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. Further, the Company can make no assurances with respect to the future value appreciation of its properties and ultimate returns to investors.

Stockholders may have to hold their shares for an indefinite period of time. The Company can give no assurance that it will be able to provide additional liquidity to stockholders. Although the board of directors has approved management's recommendation to explore strategic alternatives for the Company, the Company is not obligated to pursue any particular transaction or any transaction at all. Further, although the Company is exploring strategic alternatives, there is no assurance that this process will provide a return to stockholders that equals or exceeds the Company's estimated value per share. Even if the board of directors decides to pursue a particular strategy, there is no assurance that the Company will successfully implement its strategy.

The statements herein also depend on factors such as: future economic, competitive and market conditions; the Company's ability to maintain and/or improve occupancy levels and rental rates at its real estate properties; and other risks identified in Part I, Item IA of the Company's Annual Report and in Part II, Item IA of the Company's Quarterly Reports.

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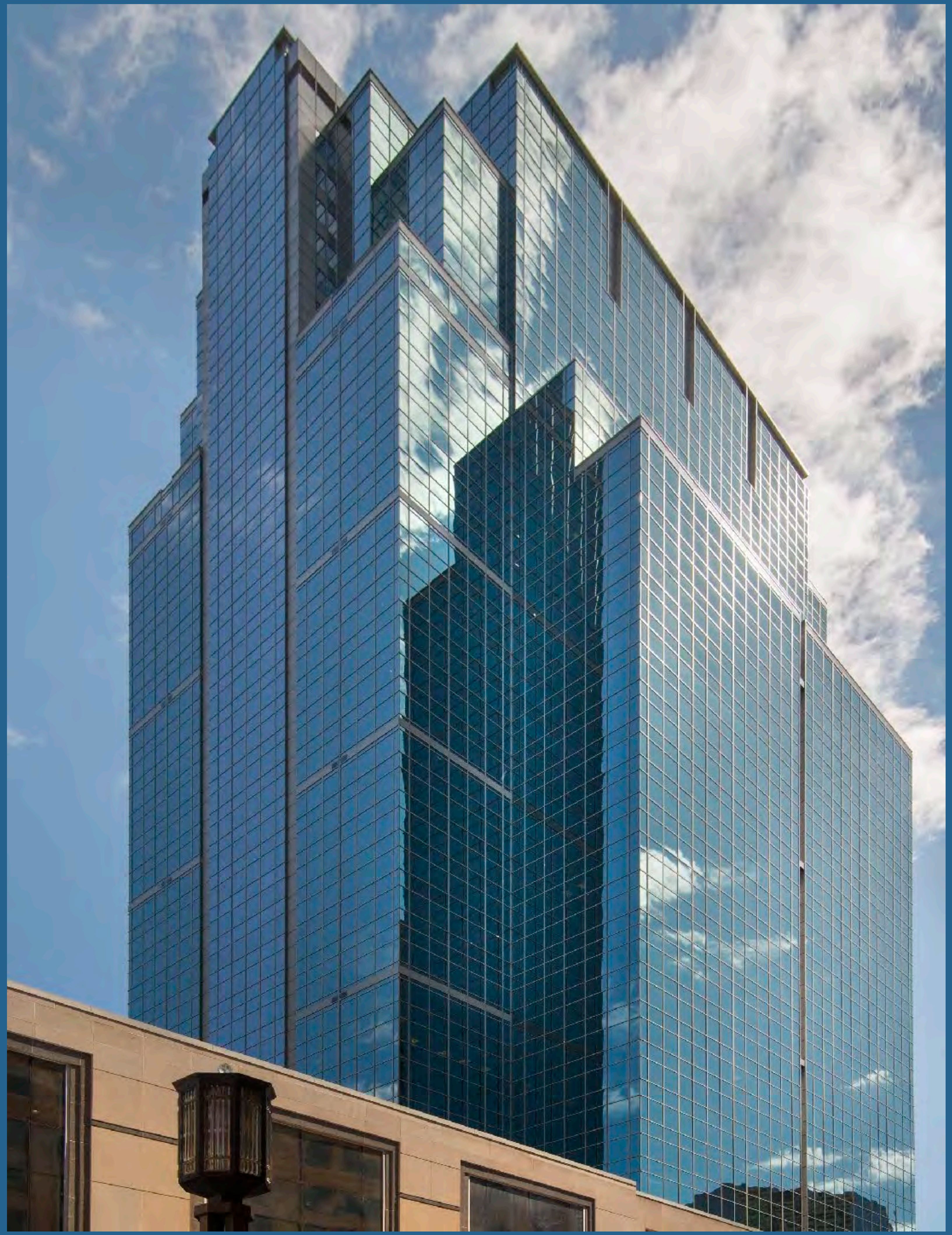
About KBS

Formed by Peter Bren and Chuck Schreiber in 1992.

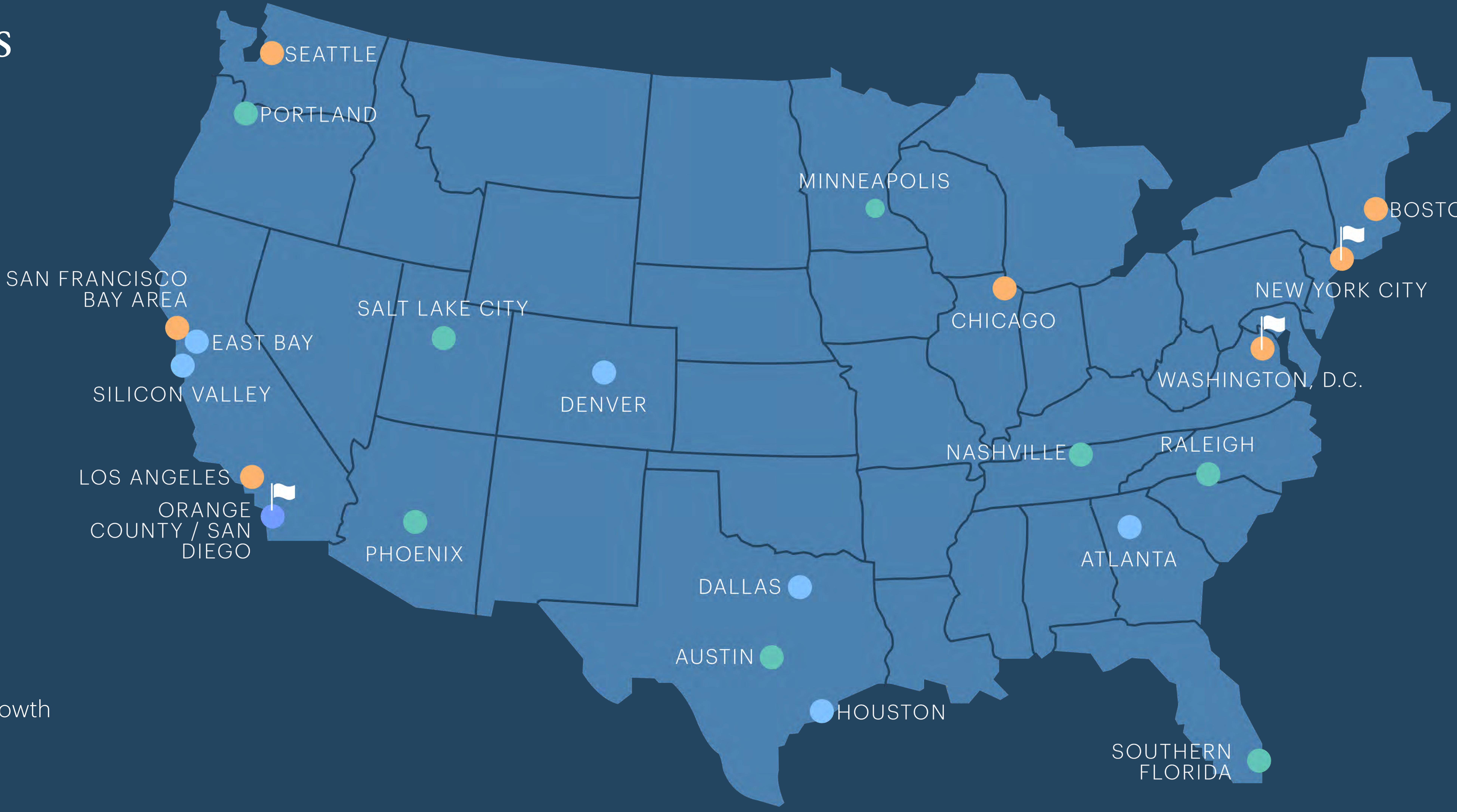
Over 26 years of investment and management experience with extensive long-term investor relationships.

- Transactional volume in excess of $42.3 billion[1], AUM of $11.2 billion[1] and 35.3 million square feet under management[1].
- 8th Largest Office Owner Globally, National Real Estate Investor[2].
- Among Top 44 Global Real Estate Investment Managers, Pensions & Investments[3].
- Buyer and seller of well-located, yield-generating office and industrial properties.
- Advisor to public and private pension plans, endowments, foundations, sovereign wealth funds and publicly registered non-traded REITs.
- A trusted landlord to thousands of office and industrial tenants nationwide.
- A preferred partner with the nation's largest lenders.
- A development partner for office, mixed-use and multi-family developments.



1 As of September 30, 2019.
2 The ranking by National Real Estate Investor is based on volume of office space owned globally, as of December 31, 2017. The results were generated from a survey conducted by National Real Estate Investor based on advertising and website promotion of the survey, direct solicitation of responses, direct email to subscribers and other identified office owners and daily newsletter promotion of the survey, all supplemented with a review of public company SEC filings.
3 KBS was ranked #44 on Pensions & Investments List of Largest Real Estate Investment Managers, September 30, 2019. Ranked by total worldwide real estate assets, in millions, as of June 30, 2019. Real estate assets were reported net of leverage, including contributions committed or received, but not yet invested

Regional Focus Map



- Gateway Target
- First-tier Target
- Strong Employment / Growth
- KBS Offices

Office Market Update

According to Cushman & Wakefield's Third Quarter 2019 MarketBeat Report, the U.S. economy continued to grow at a steady pace in the third quarter of 2019, adding approximately 470,000 new jobs, of which 140,000 were in the key office-using sectors. Consumer confidence remains solid indicating shoppers are still optimistic. As of September, the unemployment rate is at 3.7% .

EMPLOYMENT INDICATORS*

	Q3 18	Q3 19	12-Mo. Forecast
Total Non-Farm Employment	149.4 M	151.5 M	▲
Office-Using Employment	32.7 M	33.0 M	▲
Unemployment	3.8%	3.7%	▲

MARKET INDICATORS*

	Q3 18	Q3 19	12-Mo. Forecast
Net Absorption	10.9 M	9.8 M	—
Under Construction	112.6 M	126.6 M	▼
Weighted Asking Rent (FS)	$31.36	$32.63	▲

**Cushman & Wakefield, MarketBeats 3Q 2019*

KBS Real Estate Investment Trust III

Singapore Portfolio **Sale**

Introduction

KBS Real Estate Investment Trust III, Inc. (the "Company") has prepared this section of the presentation to summarize the Portfolio Sale, as well as communicate the Company's plan for the sales proceeds and its strategic plans going forward.

ON JULY 18, 2019

11 Properties Sold

$1.2 Billion Sale Price

On July 18, 2019, the Company executed a strategic sale of 11 of its properties (the "Singapore Portfolio"), at a gross sale price of $1.2 billion (the "Portfolio Sale"), to Prime US REIT which is a newly formed Singapore real estate investment trust (the "SREIT").

The Singapore Portfolio sale resulted in a $147.4 million gain over cost basis, which represents a $0.09 increase per share in the estimated value of the Singapore Portfolio[2]

Increase in estimated value per share is after selling credits, third-party selling costs and disposition fees to the Company's Advisor[2]

The Singapore Portfolio represented 27% of the Company's overall real estate portfolio[1]

The properties were selected primarily based on their higher cash yields and stabilized cash flow with a lack of near-term lease rollover. The properties had been successfully renovated and/or stabilized, creating the value which was anticipated during our underwriting.

$254.8 Million Invested in the SREIT

As part of the Portfolio Sale, the Company has invested $254.8 million in the SREIT's units, which is publicly traded on the Singapore Stock Exchange.

1 Based solely on the appraised values as of September 30, 2018 as reflected in the December 2018 estimated share value. The appraised values do not take into account estimated disposition costs and fees.
2 Calculated by comparing (i) the actual net sale proceeds after third-party selling costs and disposition fees to the Company's Advisor vs. (ii) the appraised values as of September 30, 2018 plus capital expenditures from that appraisal date to July 18, 2019.

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The Portfolio Sale Generated Proceeds of $413.0 Million

Dollars in Thousands

Gross Sales Proceeds	$ 1,222,150
Seller Credit [1]	(10,093)
KBS REIT III 31.3% Interest in SREIT [2]	(254,814)
Subtotal-Net Sale Price Less KBS REIT III Interest	957,243
Closing Costs, Interest Rate Buydown, Advisor Disposition Fee [3]	(19,893)
Net Sales Proceeds Before Debt	937,350
Required Debt Repayment	(524,377)
TOTAL - Net Sales Proceeds	**$ 412,973**

1 Seller credit is for outstanding leasing and capital improvement costs to be paid by the SREIT.
2 Reflects the Company's 31.3% equity interest in the SREIT. As of September 30, 2019, the Company owned 289,561,899 units of PRIME US REIT (SGX Ticker: OXMU).
3 Disposition fee was 1.0% on the net sale price less REIT III's equity interest after the exercise of the over-allotment option. The disposition fee paid to the Advisor was $9.6 million.

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Use of Proceeds

Recognizing that the Company's shareholders each have different investment objectives, timelines, and liquidity needs, the Company has and will consider using the net proceeds from the Portfolio Sale for a variety of shareholder liquidity options, including:

#1

Expanded the 2019 share redemption program by $40.0 million

#2

Authorized a special dividend

#3

Enhance future shareholder liquidity

#4

Debt Paydowns/ Asset Acquisitions

November 4, 2019 Special Dividend

The Company will pay a special dividend of $0.80 per share of common stock in December 2019 as a result of generating a significant amount of taxable capital gains from the Singapore Portfolio sale. Up to 35% of the dividend will be paid in cash with the remainder paid in stock.

The REIT rules require that at least 90% of “real estate investment trust taxable income" (which includes net capital gains) be distributed in each year for the Company to maintain its REIT status and avoid paying corporate level taxes.

As a result of taxable capital gains, the REIT has authorized a special dividend to stockholders as of November 4, 2019 that will be paid in December 2019

- Special dividend of $0.80 per share payable to stockholders of record as of November 4, 2019.
- Stockholders will receive election forms in November 2019 and must return them to the REIT’s transfer agent by 5 pm CST on December 2, 2019, if they desire a 100% stock distribution.
- Stockholder can elect 100% Stock or 100% Cash; the default election will be 100% Cash.
- Because the aggregate amount of cash to be distributed by the REIT cannot exceed 35% of the total special dividend, the likely result of a cash election or default election is the receipt of approximately 35% cash and 65% stock.
- The special dividend is ineligible for reinvestment through the Dividend Reinvestment Plan.
- The special dividend payment, including both cash and stock, is expected to generally be taxed as capital gain distribution. Stockholders are advised to consult their tax advisors regarding the tax consequences of the special dividend.

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Special Dividend

Record Date November 4, 2019

Receipt of a cash payment in the special dividend ultimately impacts the value of shares held in a client's account. Receipt of a stock distribution increases the number of shares owned and decreases the value of each share but does not impact the total account value.

Hypothetical Illustration of Special Dividend on Shareholder Account[1]:

	Estimated Value Per Share	Total Shares	Total Account Value	Cash Distributions	Total Account Value and Cash Distributions
Before Special Dividend	$12.02	1.00000	$12.02		$12.02
Special Dividend [2]					
Cash Distribution	($0.28)		($0.28)	$0.28	
Stock Distribution Value[3]	($0.52)	0.04635	($0.00)		
After Special Dividend Paid in December 2019	$11.22	1.04635	$11.74	$0.28	$12.02

1 The above example is a hypothetical illustration of the special dividend's impact per share to a shareholder's account assuming the shareholder receives 35% of the special dividend in cash and 65% in stock. The example is based on the December 2018 estimated value per share of $12.02 and assumes that there is no change to the share price other than the payment of the $0.80 special dividend. The Company will update its estimated value per share in December 2019 and the estimate value per share and the total shares issued as a result of the special dividend will be different than the above example.

2 Assumes the shareholder receives 35% of the special dividend in cash and 65% in stock. If a significant number of investors elect all stock, an investor making a cash election or default election may receive more than 35% of the special dividend in cash.

3 Assumes 0.04635 shares received in the special stock distribution per share of common stock outstanding.

KBS Real Estate Investment Trust III

Fund and Portfolio **Overview**

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Fund and Portfolio Overview

As of September 30, 2019, unless otherwise noted;

1 Current portfolio of properties as of September 30, 2019, value based solely on the appraised values as of September 30, 2018 as reflected in the December 2018 estimated share value. The appraised values do not take into account estimated disposition costs and fees.
2 Represents the aggregate value of REIT III's investment in the units of the SREIT (SGX Ticker: OXMU), based on the closing price of the SREIT units on the SGX of $0.93 per unit as of September 30, 2019.
3 Represents cost basis of portfolio, which includes acquisition price (excluding closing costs) plus subsequent capital expenditures as of September 30, 2019 for the current portfolio of properties.
4 Rentable square feet includes a multi-family apartment development project consisting of 463,956 SF, which was under construction as of September 30, 2019.
5 Includes future leases that had been executed but had not yet commenced as September 30, 2019 and excludes a multi-family apartment development project consisting of 453 units, which was under construction as of September 30, 2019.
6 Calculated as total debt as of September 30, 2019, divided by the December 2018 estimated value of the current portfolio of properties and current value of investment in PRIME US REIT.
7 DRIP refers to dividend reinvestment plan.
8 Rate is annualized and assumes a $10 per share purchase price.
9 Rate is annualized and NAV refers to the $12.02 December 2018 estimated value per share.
10 Assumed early investor (invested at escrow break on March 24, 2011) and all distributions have been taken in cash. See slides 27-30 for more information on stockholder performance.

FUND

Primary Offering Broke Escrow
May 24, 2011

Primary Offering Closed
July 28, 2015

Capital Raised in Primary Offering
$1.7 billion

Additional Capital Raised from DRIP[7]
$320.1 million

Current Distribution Rate, on Cost[8]
6.50%

Current Distribution Rate, on NAV[9]
5.41%

Cumulative Distributions Per Share (life-to-date as of September 2019)[10]
$5.32

PORTFOLIO

December 2018 Estimated Value of Current Properties[1]
$3.1 billion

Current Value of Investment in PRIME US REIT
$269.3 million[2]

Current Cost Basis of Real Estate Portfolio[3]
$2.8 billion

Current Rentable Square Feet[4]
8.3 million

Total Leased Occupancy[5]
91.3%

Total Leverage (Loan-to-Value)[6]
42%

Current Portfolio of Properties

$3.1 Billion[1]

- Urban, Well-Located, Institutional-Quality Portfolio
- Mass Transit Connectivity
- Growth Markets & Urban Live/Work/Play Locations
- Recently Renovated and Amenitized Buildings

20 Class A Properties

8.3 Million RSF[2]

91.3% Leased[3]

4.4 Years Weighted Average Lease Term[4]

In-place Rents 10% Below Market

30% STEM/TAMI Tenants[5]

1 Includes portfolio of properties as of September 30, 2019, value based solely on the appraised values as of September 30, 2018 as reflected in the December 2018 estimated share value. The appraised values do not take into account estimated disposition costs and fees.
2 Rentable square feet includes a multi-family apartment development project consisting of 463,956 SF, which was under construction as of September 30, 2019.
3 As of September 30, 2019. Leased percentage includes future leases that have been executed but have not yet commenced and excludes a multi-family apartment development project, which was under construction as of September 30, 2019.
4 As of September 30, 2019, and represents the weighted average lease term remaining based on occupied square feet.
5 STEM is an industry abbreviation which stands for science, technology, engineering, and math, and TAMI stands for technology, advertising, media, and information.

The Current Portfolio of Properties

Property	Metro City	Building Class (A,B or C)	Sq. Ft.	Classification (CBD, Urban, Suburban)	Mass Transit Availability	Leased Occupancy at Acquisition	Leased Occupancy at September 30, 2019[1]
WEST							
Anchor Centre	Phoenix	A	333,014	Suburban	Metro	78%	96%
Gateway Tech Center	Salt Lake City	A	210,256	CBD	Metro/Light Rail	92%	84%
Hardware Village	Salt Lake City	Apartment	478,596	CBD	Metro/Light Rail	N/A	N/A
201 Spear	San Francisco Bay Area	A	252,591	CBD	Subway/Metro/Light Rail	84%	97%
Ten Almaden	San Francisco Bay Area	A	309,255	CBD	Metro/Light Rail	89%	97%
The Almaden	San Francisco Bay Area	A	416,126	CBD	Metro/Light Rail	95%	97%
Towers II & III at Emeryville	San Francisco Bay Area	A	592,811	Urban	Metro/Light Rail/Shuttle	85%	82%
CENTRAL							
Legacy Tower Center	Dallas	A	522,043	Urban	None	89%	96%
Preston Commons	Dallas	A	427,799	Urban	None	88%	94%
Sterling Plaza	Dallas	A	313,609	Urban	None	87%	98%
RBC Plaza	Minneapolis	A	710,332	CBD	Metro/Light Rail	86%	97%
Domain Gateway	Austin	A	183,911	Urban	Metro/Light Rail	100%	100%
515 Congress	Austin	A	263,058	CBD	Metro/Light Rail	95%	94%
EAST							
Park Place Village	Kansas City	A	483,984	Suburban	None	95%	94%
Accenture Tower	Chicago	A	1,457,724	Urban	Subway/Metro	93%	81%
Carillon	Charlotte	A	488,277	Urban	Metro/Light Rail	92%	92%
201 17th Street	Atlanta	A	355,870	Urban	Shuttle	93%	93%
3001 Washington	Washington, D.C.	A	94,837	Urban	Metro	31%	98%
3003 Washington	Washington, D.C.	A	210,804	Urban	Metro	96%	99%
McEwen Building	Nashville	A	175,262	Suburban	None	97%	97%

1 Includes future leases that had been executed but had not yet commenced as September 30, 2019.

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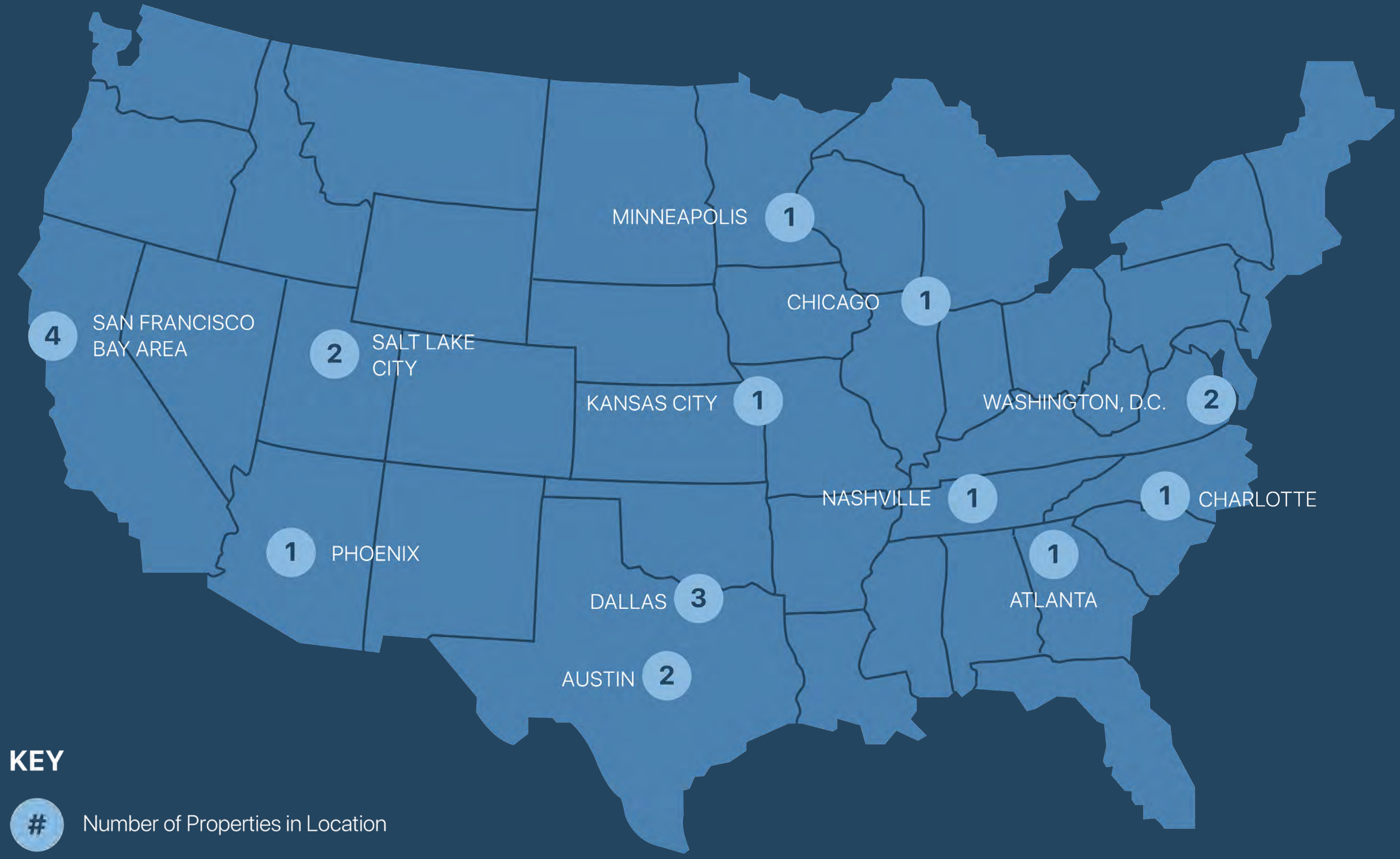
The Current Portfolio of Properties

The following map shows the markets where the current portfolio of properties are located:

- **In major target markets which are high-ranked as office absorption leaders in the last 10 years**
- **In top tech markets.**
- **In prime locations within the markets, via proximity to urban centers, an educated workforce, attractive live/work/play amenities, and/or mass transit.**



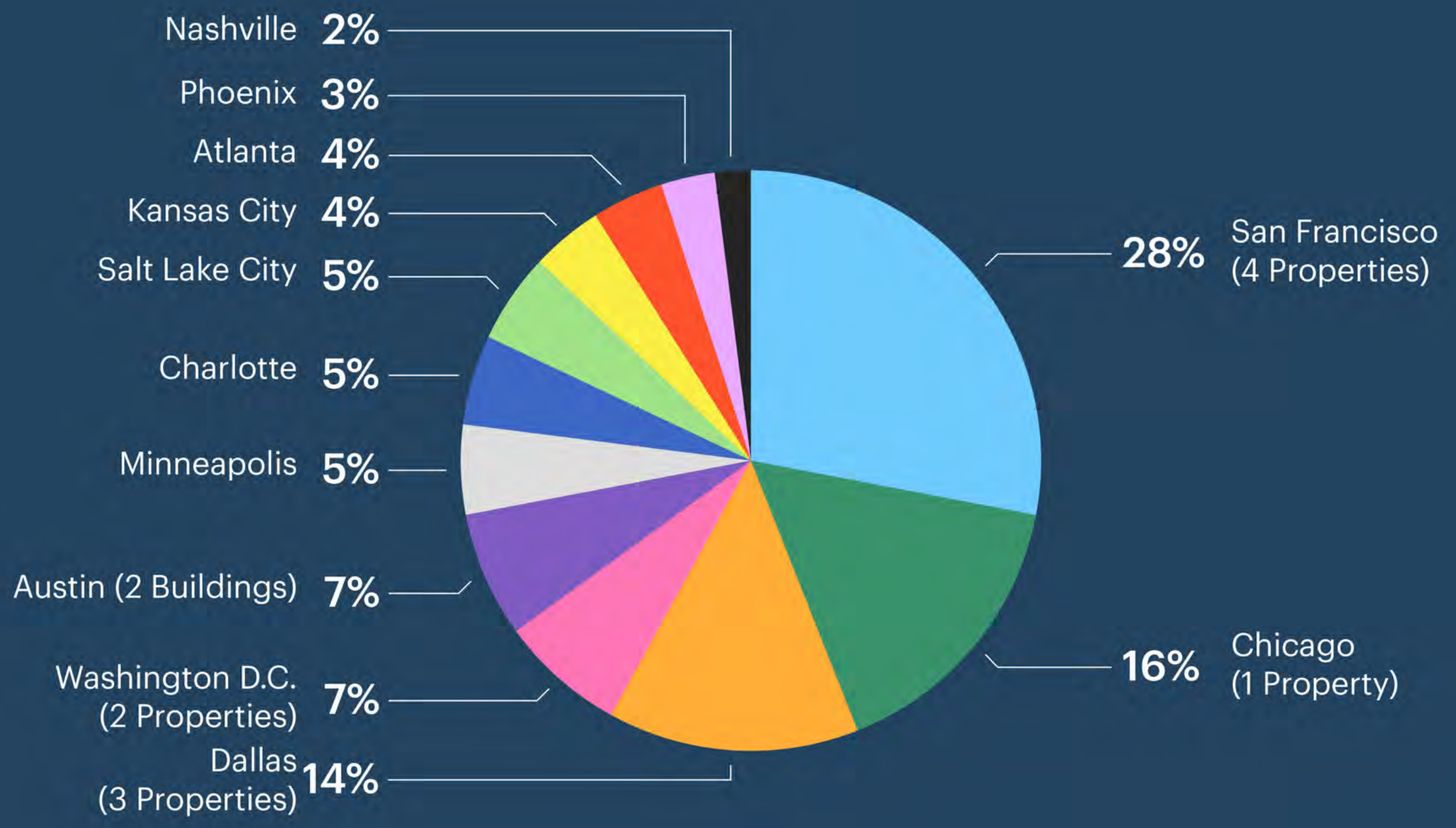
Statistics for the Current Portfolio

Market Diversification [1]

Invested in Target Markets:

46% of value[2] in CBRE's Top 10 Tech Markets

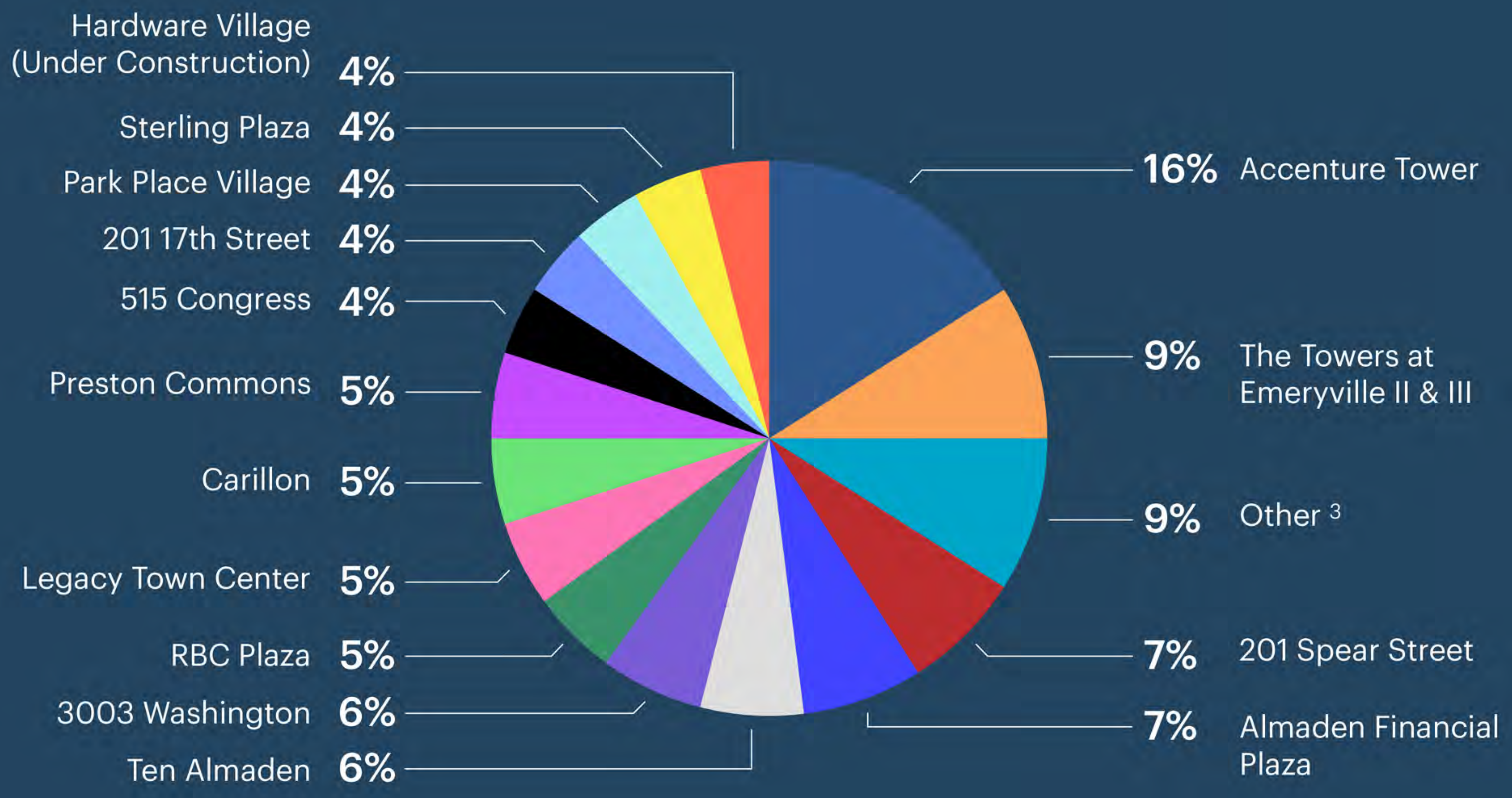
89% of value[2] in CBRE's Top 25 Tech Markets



Asset Diversification [1]

Asset Diversification:

Largest asset accounts for just **16%**



1 Based solely on the appraised values as of September 30, 2018 as reflected in the December 2018 estimated share value for the current portfolio of properties. The appraised values do not take into account estimated disposition costs and fees.
2 Per CBRE's 2019 Tech Talent Report

3 "Other" is comprised of various properties that individually represent less than 3% or less of total value.

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Statistics for the Current Portfolio

Accenture will become the 2nd largest tenant based on SF, once its expansion lease commences in 2022.

Signed an expansion lease in July 2019, increasing space to 263,718 SF for 15 years of term

Indeed, Inc. will become the 3rd largest tenant based on SF, once its new lease commences.

Signed a new lease for 183,911 SF for 13 years of term

Top 10 Tenants [1]

TOP 10 TENANTS	INDUSTRY SECTOR	PROPERTY	NLA (SQ. FT)	WEIGHTED AVERAGE LEASE TERM (YRS)	% OF ANNUALIZED BASE RENT [2]
CNA Corporation	Management Consulting	3003 Washington	152,414	9.7	4.2%
WeWork [3]	Real Estate and Rental and Leasing	201 Spear Street	78.869	10.9	2.9%
RBC Capital Markets, LLC	Finance	RBC Plaza, The Almaden	304,120	2.6	2.5%
American Multi-Cinema, Inc	Arts & Entertainment	Park Place Village	163,655	6.9	2.3%
ZOOM Video Communications	Computer Systems Design	The Almaden	73,754	9.4	2.1%
WorldPay US, Inc.	Finance	201 17th Street	130,088	7.5	1.9%
Expedia Inc.	Travel	Accenture Tower	113,851	9.3	1.5%
Nelson Mullins Riley & Scarborough	Legal	201 17th Street	115,104	9.3	1.4%
Adobe Systems Incorporated	Computer Software	Ten Almaden	63,254	3.3	1.4%
Verizon	Information	201 Spear Street	42,033	2.3	1.3%
		TOTAL / WEIGHTED AVG.	**1,237,142**	**6.8**	**21.5%**

1 As of September 30, 2019.
2 Annualized base rent represents annualized contractual base rental income as of September 30, 2019, adjusted to straight-line any contractual tenant concessions (including free rent), rent increases and rent decreases from the lease's inception through the balance of the lease term. Percent of annualized base rent is based on total annualized base rent of the current portfolio, excluding Hardware Village (under construction).
3 For more information on REIT III's exposure to WeWork, please see the next slide.

KBS REIT III Exposure to WeWork

PROPERTY:	201 Spear - San Francisco	Legacy Town Center – Plano, TX
WeWork Space	78,869 SF	53,776 SF
WeWork as a % of the Property	31.2%	10.30%
WeWork Occupancy	100%	100%
WeWork Tenants	Google is a single tenant	Qualtrics, Navigent, United Health
Commencement Date	This lease commenced over a period of time. A majority of the floors commenced in August, 2018.	Construction is underway, commencement is estimated to be December 1, 2019. The space is 100% preleased to the tenants noted above.
WeWork Corporate Guaranty	We are protected by $5.39 million in corporate guarantees plus the cost of enforcement. This amount starts declining after year 4 of the lease.	We are protected by a $2.0 million corporate guaranty which starts declining after month 20 of the lease.
Other WeWork Credit Enhancements	WeWork put up a Letter of Credit in the amount of $2.7 million. This amount starts declining after year 4 of the lease.	$2.0 million Lease Guaranty Bond from investment grade insurance company, including Philadelphia Indemnity Insurance, Chubb, Berkshire Hathaway, or Zurich which starts declining after month 20 of the lease.

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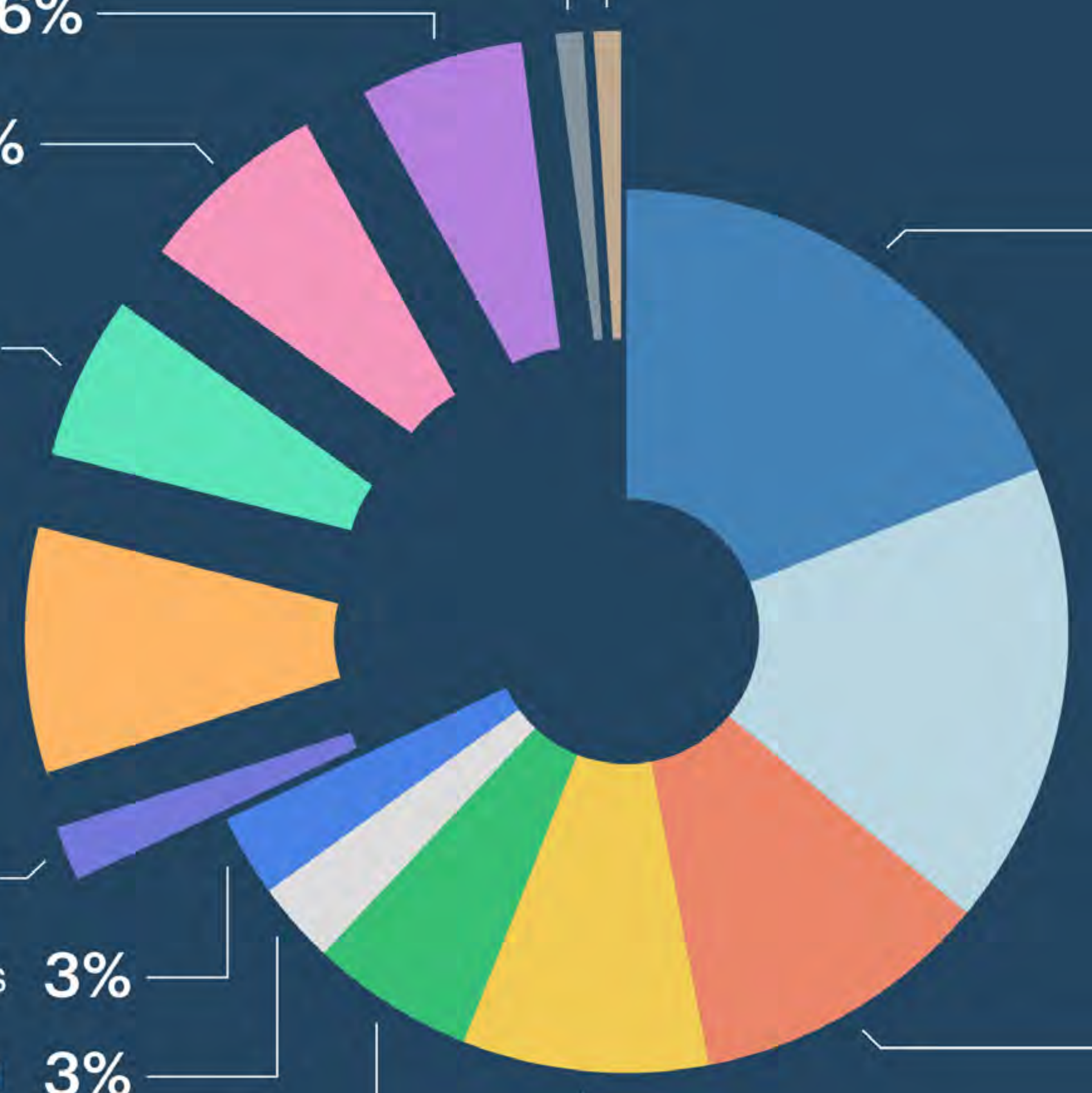
Statistics for the Current Portfolio

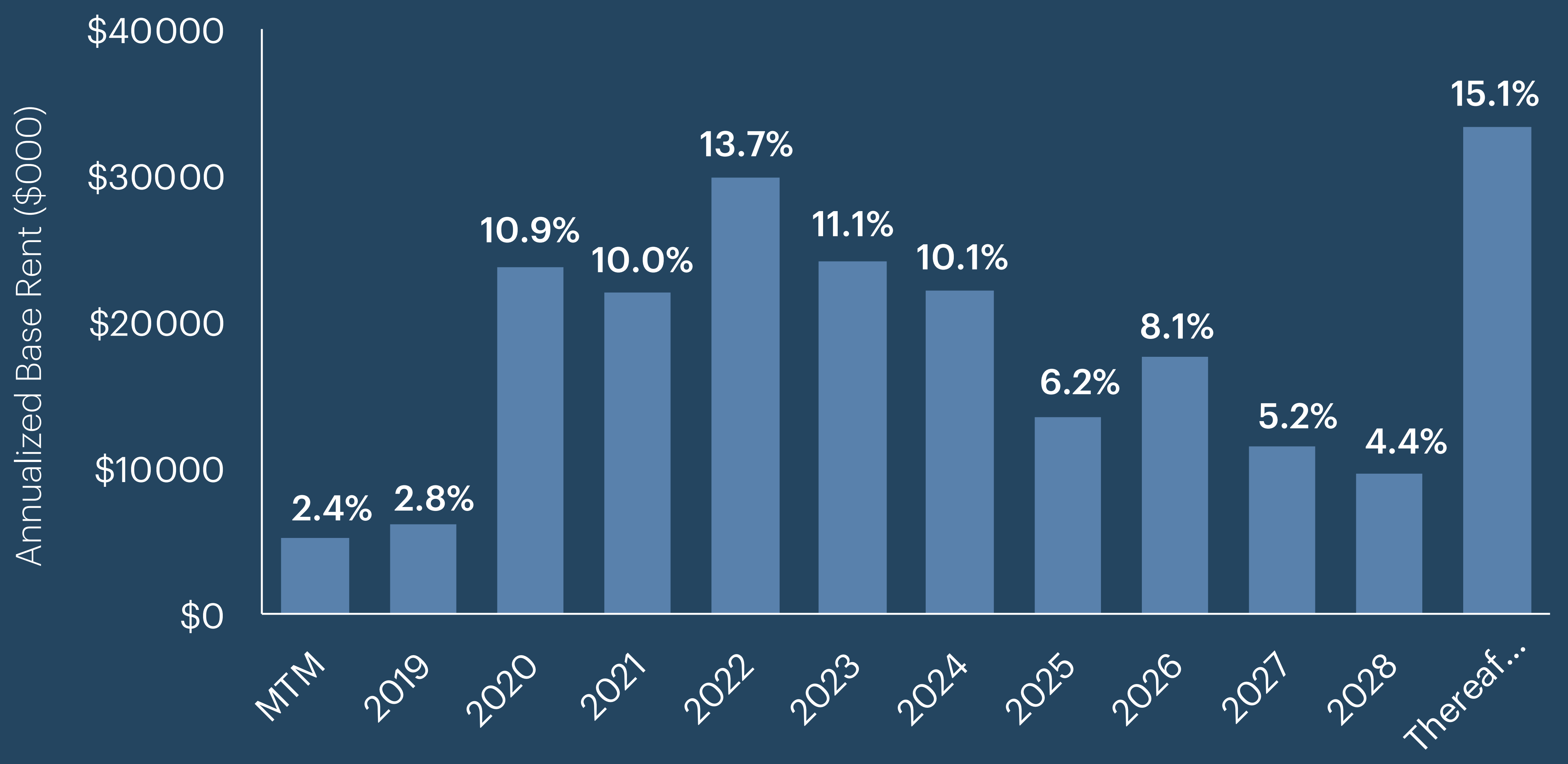
Over 650 Tenants with Staggered Lease Expirations and Industry Diversification

Tenant Industries [1]



- Industry diversification provides downside protection from any single industry. No one sector represents over 19% of the total portfolio.
- STEM/TAMI[2], the fastest growing sector, represents 30% of the total portfolio.

Lease Expirations [1]



1 Annualized base rent represents annualized contractual base rental income as of September 30, 2019, adjusted to straight-line any contractual tenant concessions (including free rent), rent increases and rent decreases from the lease's inception through the balance of the lease term. Percent of annualized base rent is based on total annualized base rent of the current portfolio, excluding Hardware Village (under construction).

2 STEM is an industry abbreviation which stands for science, technology, engineering, and math, and TAMI stands for technology, advertising, media, and information.

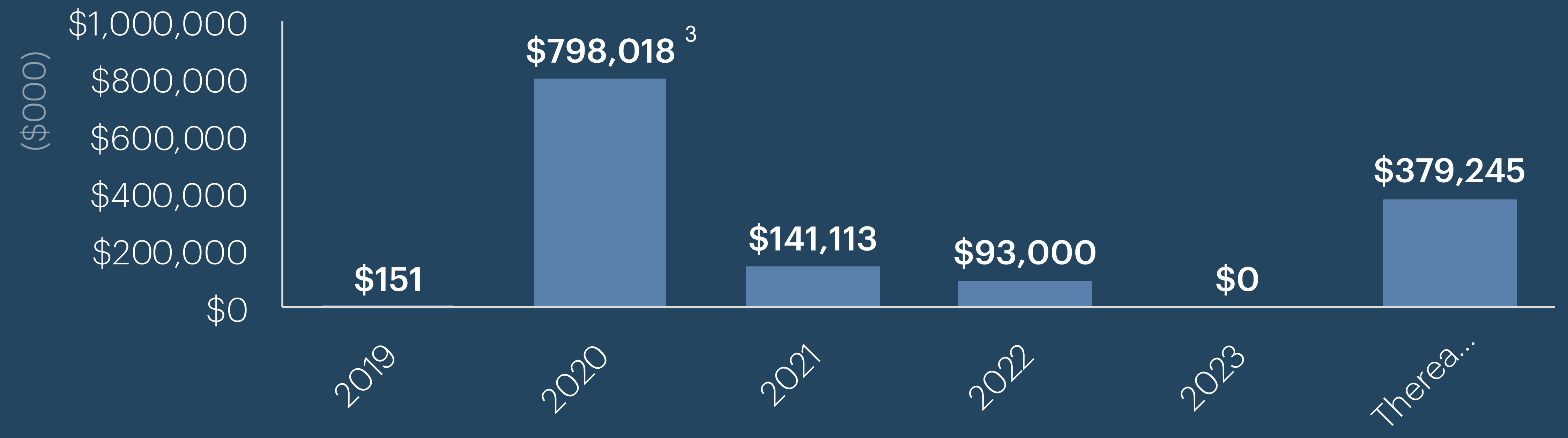
3 "Other" is comprised of various industries that individually represent less than 3.0% of total annualized base rent, excluding STEM/TAMI industries.

Capital Management[1]

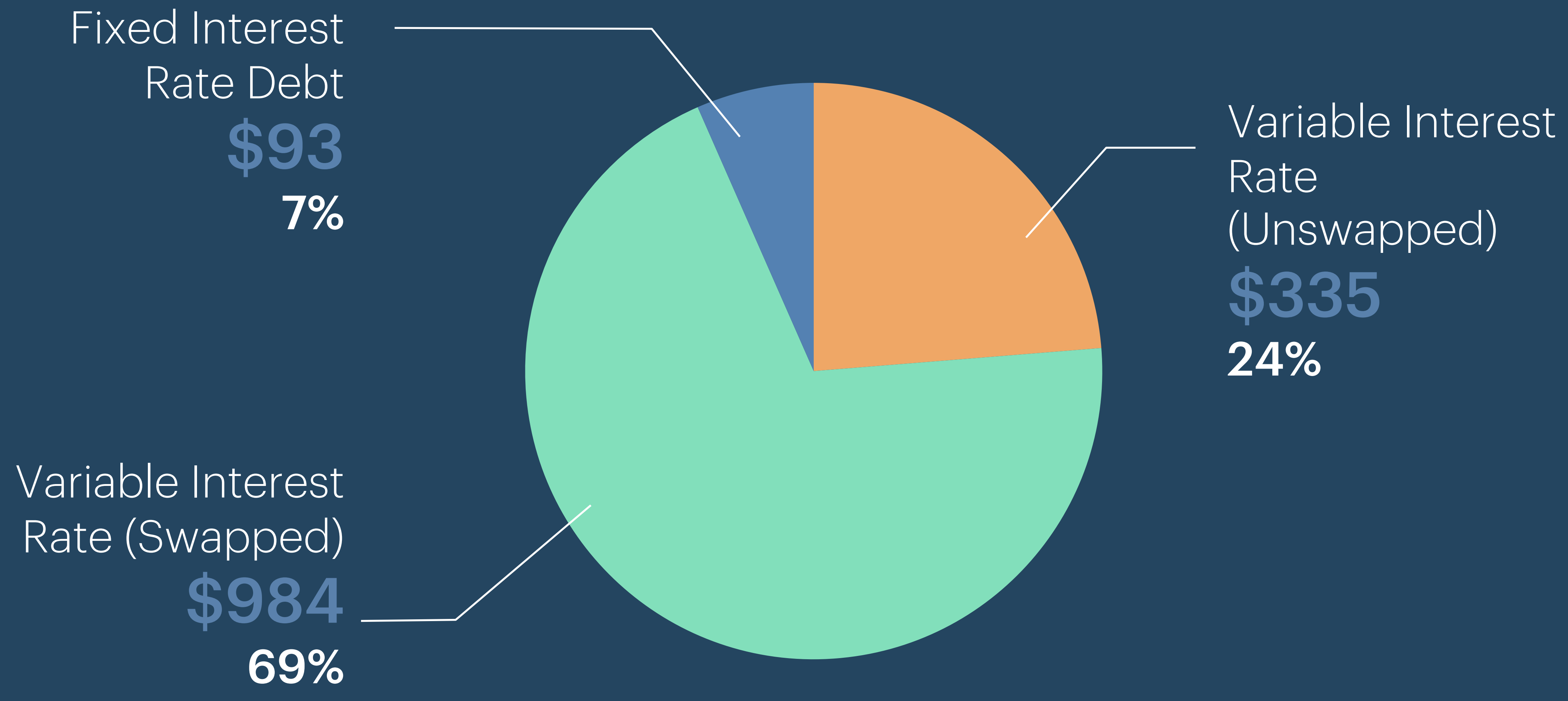
As of September 30, 2019, unless otherwise noted

Total Debt[1]	**$1.4 billion**
Loan-to-Value[2]	**42%**
Average cost of debt	**3.74% per annum**
Average term to initial maturity	**2.2 years**
Average term to fully extended maturity	**3.9 years**

Initial Debt Maturities [1]



Interest Rate Exposure (in millions)



1 Based on total debt as of September 30, 2019.
2 Loan-to-Value equals the total debt as of September 30, 2019 divided by the December 2018 estimated value of the current portfolio of properties and current value of investment in PRIME US REIT.
3 As of September 30, 2019, $749.0 million of the debt initially maturing in 2020 has extension options.

KBS Real Estate Investment Trust III

Property **Updates**

Carillon
Charlotte, NC

1 As of September 30, 2019. Leased occupancy includes leases that are signed but commencing in the future.

Key Statistics

Rentable SF	Leased Occupancy[1]	Current Market Rent/ In - Place Rent[1]	Weighted-Avg. Lease Term (Yrs.)[1]
488,277	92.3%	$33.50 / $28.58 (17.2% Mark-to-Market)	3.3

Key Tenants

Tenant	Sq. Ft.	% of Property RSF
Cadwalader Wickersham Taft	45,922	9.4%
Crescent Communities	39,711	8.1%
GSA	38,153	7.8%

Key Highlights

Located in Charlotte's resurgent Central Business District, Carillon is a 24-story LEED-Silver certified office tower with museum-quality interiors and artwork and nine-foot floor-to-ceiling windows providing maximum natural light. The property includes a high-end fitness and amenity center with juice bar and fitness classes due to open December 2019. The main lobby is being refurbished with a new curtain wall side entry to a newly constructed courtyard connecting to the Grand Bohemian hotel due to open in early 2020. Additionally, the property offers a conference center, on-site childcare, on-site car wash, Morton's steakhouse and a 10-level parking garage.

The property has recently experienced strong leasing activity - Four signed LOI's for expansion/extension for a total of approximately 30,000 SF. Two additional renewals are close to a signed LOI for a total of approximately 10,000 SF.

Park Place Village
Leawood, KS

1 As of September 30, 2019. Leased occupancy includes leases that are signed but commencing in the future.

Key Statistics

Rentable SF	Leased Occupancy[1]	Current Market Rent/ In - Place Rent[1]	Weighted-Avg. Lease Term (Yrs.)[1]
483,984	93.8% Office 86.2% Retail	$28.05 / $27.81 (0.8% Mark-to-Market)	5.6

Key Tenants

Tenant	Sq. Ft.	% of Property RSF
AMC	163,655	33.8%
SCOR Global	40,286	8.3%
RPS Financial	32,523	6.7%

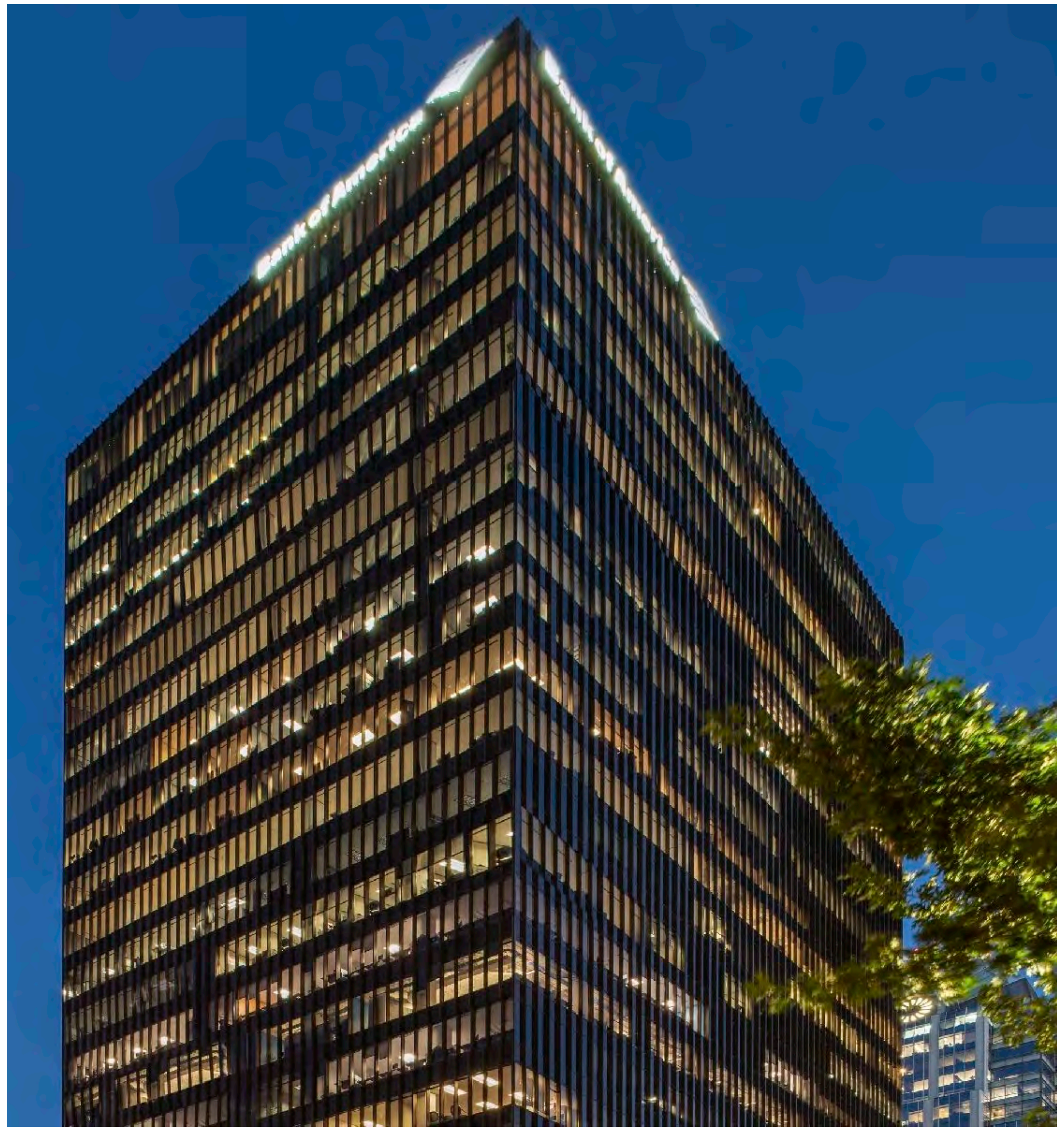
Key Highlights

Park Place Village is a multi-tenant mixed-use office and retail property located in Kansas City's South Johnson County submarket. Anchored by the headquarters of American Multi-Cinema (AMC), the property includes 10 buildings that were developed in phases starting in 2007. Park Place includes a dynamic mix of tenants and offers many amenities including boutique shops, upscale restaurants and cafes.

In August, Park Place Village executed three new leases totaling 14,273 SF and one renewal for 3,100 SF.

Park Place Village was marketed for sale in September 2019 by Cushman & Wakefield and CBRE. Preliminary offers have been delivered and a buyer will likely be selected in Q4 2019.

515 Congress Avenue
Austin, TX



1 A triple-net (NNN) lease is one in which the tenant is responsible for ongoing expenses of the property, including real estate taxes, maintenance and insurance.
2 As of September 30, 2019. Leased occupancy includes leases that are signed but commencing in the future.

Key Statistics

Rentable SF	Leased Occupancy[1]	Current Market Rent/ In - Place Rent[1]	Weighted-Avg. Lease Term (Yrs.)[2]
263,058	93.69%	$42.00 NNN / $35.64 NNN (17.8% Mark-to-Market)	3.5

Key Tenants

Tenant	Sq. Ft.	% of Property RSF
Cloudera	27,222	10.4%
Bright Health	14,082	5.4%
Lion Street	14,068	5.4%

Key Highlights
KBS recently signed a full-floor lease (14,082 SF). KBS is also in negotiations with a large technology company that could potentially lease two full floors and the building's remaining available space.
Renovations since acquisition include a full lobby level and façade remodel with a complete overhaul and repositioning of the ground-floor retail spaces. Additionally, we have completed a full modernization of the elevator system plus aesthetic upgrades, renovated multi-tenant floor elevator lobbies and corridors and added a bike storage room.
The Austin CBD continues to perform well and rivals anywhere in the nation for absorption and rent growth; the last 12 months have seen rent growth of 6.5% with a 6.4% vacancy rate and over 36,600 SF of net absorption. Market rents have increased over 40% since our acquisition.

Strategic Alternatives

Following the Portfolio Sale, the Company's **Board of Directors is finalizing a review of strategic alternatives** in an effort to further enhance shareholder liquidity and maximize shareholder value. These strategic alternatives include a conversion into an NAV REIT or strategic asset sales.

As the Board of Directors evaluates various strategic alternatives, they will be focused on certain key attributes of the Company including the current portfolio size and performance, shareholder desire for liquidity as well as their desire to stay invested and current market environments.

NAV REITs at a Glance

- ✓ Perpetual Life Investment Vehicle
- ✓ Potential enhanced liquidity, up to 20% of equity per year
- ✓ Frequent valuations
- ✓ Lower up-front fees

KBS

REIT III Goals & Objectives

- Provide enhanced shareholder liquidity
- Finalize a review of strategic alternatives, with the goal of further enhancing shareholder liquidity and maximizing shareholder value
- Complete major capital projects, such as renovations or amenity enhancements, with the goal of attracting quality tenants
- Complete construction of Hardware Village property and continue to lease-up
- Lease-up and stabilize all properties in the portfolio with an emphasis in capital investments leading to stabilized occupancy at increased market rental rates
- Distribute operating cash flows to stockholders
- Continue to monitor the properties in the portfolio for beneficial sale opportunities in order to maximize value

KBS

Upcoming:
December 2019 NAV update

Please join us **December 12, 2019** for the December 2019 NAV update webcast.

KBS Real Estate Investment Trust III

Q&A

For additional questions, contact

KBS Capital Markets Group Investor Relations

(866) 527-4264