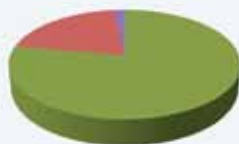


# Nontraded REIT Industry Review: Third Quarter 2011



## KBS Real Estate Investment Trust III, Inc.

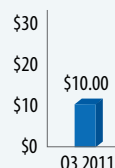
Total Assets.....	\$73.5 Million
Real Estate Assets .....	\$57.2 Million
Cash .....	\$15.0 Million
Securities .....	\$0.0 Million
Other .....	\$1.3 Million



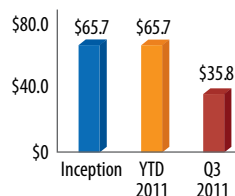
Initial Offering Date: .....	October 26, 2010
Number of Months Fundraising: .....	11
Anticipated Offering Close Date: .....	October 26, 2012
Current Price per Share: .....	\$10.00
Reinvestment Price per Share: .....	\$9.50

Cash to Total Assets Ratio: ..... 20.4%  
 Asset Type: ..... Office  
 Number of Properties: ..... 1 Property and 1 Note  
 Square Feet / Units / Rooms / Acres: ..... 173,962  
 Percent Leased: ..... 100%  
 LifeStage..... Emerging  
 Investment Style ..... Core

### Historical Price



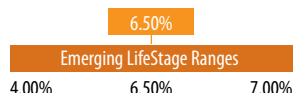
### Gross Dollars Raised\*



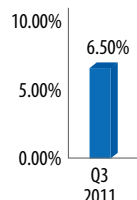
\*Includes reinvested distributions (in millions)

### Current Distribution

Current Distribution Yield: ... 6.50%



### Historical Distribution



### Contact Information

**www.KBS-CMG.com**  
**KBS Real Estate Investment Trust III, Inc.**  
**P.O. Box 219015**  
**Kansas City, MO 64121-9015**  
**866-584-1381**

### Year to Date FFO Payout Ratio

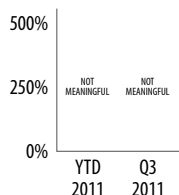
FFO Payout Ratio:  
 YTD Distributions/YTD FFO: NOT MEANINGFUL

NOT MEANINGFUL

Emerging LifeStage Ranges

YTD Distributions Paid:..... \$497,314  
 YTD FFO: ..... (\$1,506,598)

### Historical FFO Payout Ratio



### Year to Date MFFO Payout Ratio

MFFO Payout Ratio:  
 YTD Distributions/YTD MFFO: NOT MEANINGFUL

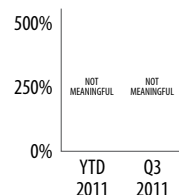
NOT MEANINGFUL

Emerging LifeStage Ranges

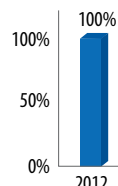
113% 954% 1287%

YTD Distributions Paid:..... \$497,314  
 YTD MFFO: ..... (\$764,590)  
 \*BVP estimated MFFO – see notes

### Historical MFFO Payout Ratio

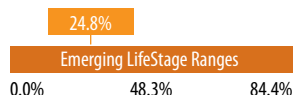


### Debt Maturity



### Current Debt Ratio

Debt to Total Assets Ratio: ... 24.8%



### Debt Breakdown



Total: ..... \$18.3 Million  
 Fixed: ..... \$0.0 Million  
 Variable: ..... \$18.3 Million  
 Rate: ..... 2.50%  
 Term: ..... 1 yr.

### Interest Coverage Ratio

YTD Interest Coverage Ratio: NOT MEANINGFUL

NOT MEANINGFUL

Emerging LifeStage Ranges

0.6 0.85 1.6

Adjusted EBITDA: ..... (\$940,245)  
 Interest Expense: ..... \$2,523

### Redemptions

Ratio of Shares Redeemed to Wtd.  
 Avg. Shares Outstanding:..... 0.00%

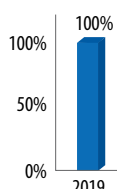
0.00%

Emerging LifeStage Ranges

0.00% 0.45%

Redemptions Year to Date: ..... 0  
 Wtd. Avg. Shares Outstanding  
 as of 12/31/10: ..... 20,000

### Lease Expirations



### Trends and Items of Note

- The REIT was declared effective by the SEC in October 2010 and raised proceeds sufficient to break escrow in March 2011.
- The Company acquired one property during the third quarter for \$47.4 million.
- Distributions to stockholders began in June 2011.
- Due to the Emerging LifeStage, most metrics are not meaningful at this point.
- The Company did not report MFFO for 2011. The MFFO figures above are Blue Vault Partners' estimate.
- See additional notes on page 70 for information regarding the source of distributions.