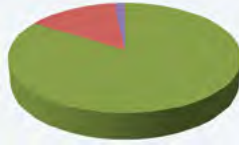




Nontraded REIT Industry Review: Third Quarter 2012

KBS Real Estate Investment Trust III, Inc.

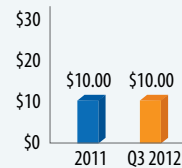
Total Assets.....	\$326.9 Million
Real Estate Assets	\$274.5 Million
Cash	\$47.0 Million
Securities	\$0.0 Million
Other	\$5.5 Million



Initial Offering Date:	October 26, 2010
Number of Months Fundraising:	23
Anticipated Offering Close Date:	October 11, 2013
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio: 14.4%
 Asset Type: Office
 Number of Properties: 5 Properties and 1 Note
 Square Feet / Units / Rooms / Acres: 1,207,840 Sq. Ft.
 Percent Leased: 91%
 LifeStage..... Growth
 Investment Style Core

Historical Price



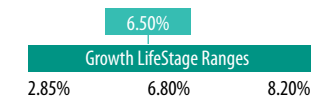
Gross Dollars Raised*



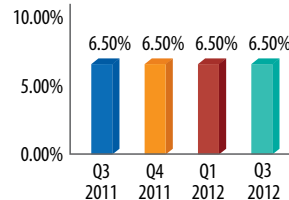
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.50%



Historical Distribution

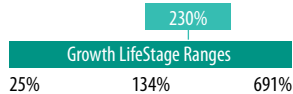


Contact Information

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

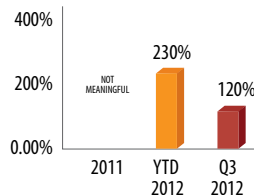
Year to Date FFO Payout Ratio

FFO Payout Ratio:
 YTD Distributions/YTD FFO: 230%



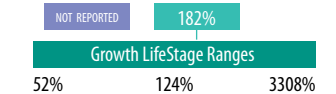
YTD Distributions Paid:..... \$7,712,000
 YTD FFO: \$3,360,000

Historical FFO Payout Ratio



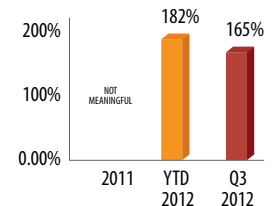
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ...182%

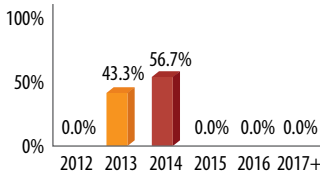


YTD Distributions Paid:..... \$7,712,000
 YTD MFFO: \$4,231,000
 ■ *BVP Adjusted-See Notes ■ Company reported

Historical MFFO Payout Ratio

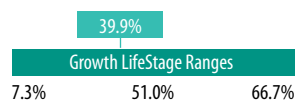


Debt Repayment Schedule



Current Debt Ratio

Debt to Total Assets Ratio: ... 39.9%

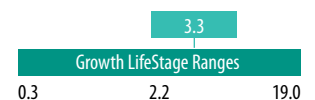


Debt Breakdown

Total: \$130.6 Million
 Fixed: \$0.0 Million
 Variable: \$130.6 Million
 Avg. Wtd. Rate: 2.3%
 Term: <1 - 2 yrs

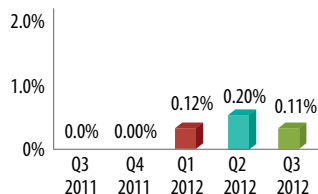
Interest Coverage Ratio

YTD Interest Coverage Ratio: 3.3



Adjusted EBITDA: \$8,758,000
 Interest Expense: \$2,680,000

Redemptions



Lease Expirations

Average weighted term is 5.6 years

Trends and Items of Note

- The board of directors has approved an extension of our primary offering of 200,000,000 shares until the earlier of the sale of all 200,000,000 shares or October 11, 2013.
- On October 12, 2012, the Company announced that in the event the board of directors determines that it is in its best interest to obtain the personnel needed to become self-managed by entering into a business combination with affiliates of the sponsors (an "Internalization Transaction"), then the Company will not enter into such an Internalization Transaction unless the advisor or one of its affiliates agrees to proceed with the Internalization Transaction without the payment of any internalization fee or other consideration by the Company, whether in the form of a cash payment or in the form of stock, warrants or options.
- The REIT did not acquire any properties during the third quarter.
- Cash to total assets increased significantly to 14.4% compared to the previous quarter's ratio of 5.9% was above the median compared to other Growth LifeStage REITs.
- The interest coverage increased to 3.3, up from 3.0x in Q2 2012.
- The Company did not report MFFO for Q3 2012. The MFFO Payout Ratios reported above were estimated by Blue Vault Partners based on the IPA Guidelines.
- See additional notes on page 99 for information regarding the source of distributions.