



Strategic
Opportunity
REIT

FOR IMMEDIATE RELEASE

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**KBS Strategic Opportunity REIT Announces
Valuation of its Common Stock**

NEWPORT BEACH, Calif., (March 31, 2014) – [KBS Strategic Opportunity REIT](#), a public non-traded real estate investment trust based in Newport Beach, Calif., announced that its board of directors has approved an estimated value per share of its common stock of \$11.27, a 12.7-percent increase over the offering price of \$10 per share. This estimated value per share is based on the estimated value of the REIT's assets less the estimated value of the REIT's liabilities, or net asset value, divided by the number of shares outstanding as of Dec. 31, 2013. For a full description of the limitations, methodologies and assumptions used to value the REIT's assets and liabilities in connection with the calculation of the REIT's estimated value per share, see the REIT's Current Report on Form 8-K, filed with the Securities and Exchange Commission ("SEC") on March 27, 2014.

The value was based on the recommendation and valuation performed by the REIT's external advisor, KBS Capital Advisors, LLC, using the methodologies and assumptions described in the Form 8-K filing referenced above. KBS Strategic Opportunity REIT engaged Duff & Phelps and Landauer Services, LLC, third-party real estate valuation firms, to provide appraisals for all of its real estate assets as of Dec. 31, 2013.

"We are very pleased to announce this valuation to our shareholders," said Keith Hall, chief executive officer of KBS Strategic Opportunity REIT. "We believe this valuation supports the opportunistic and value-add strategies we have used to build this portfolio."

About KBS

KBS Capital Advisors is KBS Strategic Opportunity REIT's external adviser and is an affiliate of KBS Realty Advisors, a private equity real estate company and SEC-registered investment adviser founded in 1992. Since its inception, KBS and its affiliated companies have completed transactional activity of approximately \$30 billion via 14 separate accounts, six commingled funds, five sovereign wealth funds and five non-traded REITs. For information, visit www.kbscapital.com.

This release includes forward-looking statements. These statements include statements regarding the intent, belief or current expectations of KBS Strategic Opportunity REIT 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. Further, forward-looking statements speak only as of the date they are made, and KBS Strategic Opportunity REIT 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. Actual results may differ materially from those contemplated by such forward-looking statements. The valuation methodology for KBS Strategic Opportunity REIT’s real estate properties assumes the properties realize the projected cash flows 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 valuation estimates used in calculating the estimated value per share are Duff & Phelps’, Landauer’s or KBS Strategic Opportunity REIT’s and/or the REIT’s advisor’s best estimates as of March 25, 2014, KBS Strategic Opportunity REIT can give no assurance in this regard. These statements also depend on factors such as: future economic, competitive and market conditions; KBS Strategic Opportunity REIT’s ability to maintain occupancy levels and lease rates at its real estate properties; the borrower under KBS Strategic Opportunity REIT’s loan investment continuing to make required payments under the loan documents; the ability of the borrower to maintain occupancy levels and lease rates at the property securing KBS Strategic Opportunity REIT’s real estate-related investment; and other risks identified in Part I, Item 1A of KBS Strategic Opportunity REIT’s Annual Report on Form 10-K for the year ended December 31, 2013, as filed with the SEC. Actual events may cause the value and returns on KBS Strategic Opportunity REIT’s investments to be less than that used for purposes of KBS Strategic Opportunity REIT’s estimated value per share.

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