



Strategic
Opportunity
REIT

FOR IMMEDIATE RELEASE

Media Contacts:

Cindy Tullues or Bob Ochsner
DGWB for KBS Realty Advisors
(714) 881-2310
ctullues@dgwb.com
bochsner@dgwb.com

**KBS Strategic Opportunity REIT Forecloses
on Two Business Parks Near Sacramento, Calif.**

***Non-Traded REIT gains ownership of 10 buildings,
bringing its total ownership to nearly 640,000 square feet***

NEWPORT BEACH, Calif. (Aug. 3, 2011) – KBS Strategic Opportunity REIT has foreclosed on and gained ownership of two area business parks located in the metropolitan area of Sacramento, Calif., totaling more than 324,000 square feet. KBS has initiated leasing efforts at each property.

On June 27, 2011, KBS Strategic Opportunity REIT foreclosed on the Roseville Commerce Center in Roseville, which contains 113,342 square feet in five flex industrial buildings and an additional six acres of partially developed land 18 miles northeast of downtown Sacramento. KBS Strategic Opportunity REIT acquired the non-performing loan, which was secured by the Roseville Commerce Center and had an outstanding principal balance of \$14.7 million at acquisition, for a purchase price of \$5.9 million in September 2010. As of June 30, 2011, the completed buildings in the Roseville Commerce Center were 39 percent occupied.

On June 21, 2011, KBS Strategic Opportunity REIT foreclosed on the Iron Point Business Park, a 211,056-square-foot, five-building office complex in the northeastern Sacramento suburb of Folsom. KBS Strategic Opportunity REIT acquired the non-performing loan, which was secured by the Iron Point Business Park and had an outstanding principal balance of \$25.6 million at acquisition, for a purchase price of \$19.8 million in March 2011. As of June 21, 2011, Iron Point Business Park was 37 percent occupied.

KBS Strategic Opportunity REIT is a public non-traded real estate investment trust that intends to invest in and manage a diverse portfolio of real estate-related loans, real estate-related debt securities and other real estate-related investments. KBS Strategic Opportunity REIT was sponsored indirectly by Charles J. Schreiber, Jr., Peter Bren, Keith Hall and Peter McMillan III and is advised by KBS Capital Advisors LLC, an affiliated entity which is indirectly owned and controlled by KBS Strategic Opportunity REIT's sponsors.

(more)

About KBS

KBS Capital Advisors is an affiliate of KBS Realty Advisors LLC, a private equity real estate company and SEC-registered investment advisor founded by Peter Bren and Charles J. Schreiber, Jr. Since 1992, KBS Realty Advisors and its affiliated companies have completed transactional activity of approximately \$20 billion via 14 separate accounts, six commingled funds, five sovereign wealth funds and five non-traded REITs. For information, visit www.kbsrealty.com.

This release may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including KBS Strategic Opportunity REIT's ability to invest in and manage a diverse portfolio. These statements are subject to known and unknown risks, uncertainties and other factors which may cause KBS Strategic Opportunity REIT's, Roseville Commerce Center's or Iron Point Business Park's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Factors that may cause actual results to differ materially include changes in general economic conditions, changes in real estate conditions, construction delays, changes in interest rates, lease-up risks, lack of financing availability and lack of capital proceeds.

#