Form **8937**

(December 2011) Department of the Treasury Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

► See separate instructions.

OMB No. 1545-2224

| Part I Reporting Issuer | | | | | | | | |
|--|--|--|--|--|--|--|--|--|
| 1 Issuer's name | 2 Issuer's employer identification number (EIN) | | | | | | | |
| | | | | | | | | |
| KBS Strategic Opportunity REIT Inc. | 26-3842535 | | | | | | | |
| 3 Name of contact for additional information | 4 Telephone No. of contact | 5 Email address of contact | | | | | | |
| | 949-417-6560 | | | | | | | |
| Stacie Yamane 6 Number and street (or P.O. box if mail is not | syamane@kbsrealty.com 7 City, town, or post office, state, and Zip code of contact | | | | | | | |
| • Number and street (or 1.0. box if mains not | 7 Oity, town, or post office, state, and zip code of contact | | | | | | | |
| 620 Newport Center Drive, Ste 1300 | Newport Beach, CA 92660 | | | | | | | |
| 8 Date of action | newport Beach, ort 02000 | | | | | | | |
| | | | | | | | | |
| various see 14. below | Common Stock | | | | | | | |
| 10 CUSIP number 11 Serial number(s | s) 12 Ticker symbol | 13 Account number(s) | | | | | | |
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| 48242N106 | h additional atatawana it is an adad. Con | leader of forms for a stable and a supplier of | | | | | | |
| | h additional statements if needed. See | against which shareholders' ownership is measured for | | | | | | |
| the action Distributions in excess of e | | | | | | | | |
| December 23, 2011. | armings and promes were made on the for | nowing date. | | | | | | |
| 2000201 201 | | | | | | | | |
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| 15 Describe the quantitative effect of the organ | nizational action on the basis of the security | in the hands of a U.S. taxpayer as an adjustment per | | | | | | |
| share or as a percentage of old basis ▶ | inzational action on the basis of the security | Thrittle flands of a 0.5. taxpayer as all adjustifient per | | | | | | |
| December 23, 2011: Distribution per share \$0.300000; Return of Capital per share \$0.300000 | | | | | | | | |
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| 16 Describe the calculation of the change in ba | asis and the data that supports the calculati | ion, such as the market values of securities and the | | | | | | |
| | | st and reduce the adjusted basis of stock. | | | | | | |
| DISTIBUTIONS IN CACCSS | or carriings and profits are applied again | st and reduce the adjusted basis of stock. | | | | | | |
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| Part | | Organizational Action (continued | d) | Kara-ana-ana-ana-ana-ana-ana-ana-ana-ana- | | |
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| | | | | | | |
| 17 L | ist the | applicable Internal Revenue Code section | on(s) and subsection(s) upon w | hich the tax treatmer | nt is based I | • |
| Sectio | n 301 | | | | | |
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| 18 C | an any | y resulting loss be recognized? ► Not a | pplicable | | | |
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| 19 Pr | ovide | any other information necessary to imple | ement the adjustment such as | s the reportable tax v | oar ▶ | |
| 10 11 | Ovido | any other information necessary to impr | ernent the adjustment, such as | s the reportable tax yo | | |
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| | Unde | r penalties of perjury, I declare that I have exa | amined this return, including accor | mpanying schedules and | d statements, | and to the best of my knowledge and |
| | belief | , it is true, correct, and complete. Declaration | of preparer (other than officer) is be | ased on all information o | f which prepared | arer has any knowledge. |
| Sign | | | | | | |
| Here | 17/2012 | | | | | |
| | - 5 | ature▶ | | Date ▶ | / | 1112012 |
| | Print | your name ► Stacie K Yamane | | Title▶ | Chief Acc | counting Officer |
| Paid | | Print/Type preparer's name | Preparer's signature | Date | | Check if PTIN |
| | rer | | | | | self-employed |
| Prepa Use C | | Firm's name | and reconstruction of the second | | | Firm's EIN ▶ |
| USE C | rilly | Firm's address ▶ | | | | Phone no. |
| Send Fo | rm 89 | 37 (including accompanying statements) | to: Department of the Treasu | ry, Internal Revenue S | Service, Og | |