

## **Part 2A of Form ADV: Firm Brochure**

### **Item 1 Cover Page**

Koll Bren Schreiber Realty Advisors, Inc.  
620 Newport Center Drive, Suite 1300  
Newport Beach, CA 92660  
(949) 417-6500  
Rachel Umipig, CCO  
kbsrealty.com

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- This brochure provides information about the qualifications and business practices of Koll Bren Schreiber Realty Advisors, Inc. (“KBSRA, Inc.”). If you have any questions about the contents of this brochure, please contact KBSRA, Inc. at (949) 417-6500 or [rumipig@kbsrealty.com](mailto:rumipig@kbsrealty.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.
- Additional information about Koll Bren Schreiber Realty Advisors, Inc. also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).
- While Koll Bren Schreiber Realty Advisors, Inc. is a registered investment advisor with the SEC, that registration does not imply a certain level of skill or training.

## **Item 2 Material Changes**

- This brochure was last updated on March 31, 2013. The following summarizes only material changes made to this brochure since the last update:
  - Item 4 has been amended to include additional disclosure clarifying the approach taken by KBSRA, Inc. in determining client assets managed for purposes of this Brochure as that approach differs from the approach used to determine the amount of regulatory assets under management disclosed in Part 1 of Form ADV.
- You may request the most recent version of this brochure by contacting Cheryl Byrne, (949) 417-6506, [cbyrne@kbsrealty.com](mailto:cbyrne@kbsrealty.com).

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#### **Item 4 Advisory Business**

- Founded by Donald M. Koll, Peter Bren and Charles J. Schreiber, Jr. in 1992, KBSRA, Inc., a private real estate equity company, was formed to buy commercial real estate and structured debt investments on behalf of institutional and pension fund clients. KBSRA, Inc. also originates and acquires debt positions collateralized by stabilized and value-added real properties.
- KBSRA, Inc. provides acquisition, disposition, asset management and consulting services to corporations and institutional investors in connection with real estate assets and real estate-related investments including, on a limited basis, real estate securities. In particular, KBSRA, Inc. provides these services to pension and profit sharing plans through its management of real estate limited partnerships established to facilitate the investment by such clients directly or indirectly in real estate and related investments. In certain cases, such limited partnerships may invest through a real estate investment trust.
- Acquisition services include identifying and evaluating for client investment various real estate assets and real estate-related investments including, on a limited basis, real estate securities including but not limited to: direct investments in real estate, real estate limited partnership interests, real estate investment trusts, group trusts and other collective real estate investment vehicles, loans secured by interests in real estate, real property equities, and mortgage-backed securities. In this capacity, KBSRA, Inc. serves as investment adviser to public and corporate pension funds and/or certain investment vehicles established on their behalf.
- KBSRA, Inc. is controlled and indirectly owned by the following individuals:

Peter Milton Bren; Born 1933

Education: University of Southern California, Los Angeles, CA; University of California Los Angeles, Los Angeles, CA and University of Frankfurt, Frankfurt, Germany

Business Background: Koll Bren Schreiber Realty Advisors, Inc., President and Co-Chairman, 1/98 to present; KBS Realty Advisors, LLC, President and Chairman, 1/2000 to present; Bren, Inc., President, 1/92 to present

Charles Jay Schreiber, Jr.; Born 1951

Education: University of Southern California, Los Angeles, CA 1973, B.S. - Finance

Business Background: Koll Bren Schreiber Realty Advisors, Inc., Chief Executive Officer, 1/98 to present; KBS Realty Advisors, LLC, Chief Executive Officer, 1/2000 to present; Koll Realty Advisors, Inc., Senior Vice President, 10/92 to 11/97

In addition, a portion of KBSRA, Inc. is owned by the estate of one of its founders, Donald M. Koll, and related trust vehicles.

- KBSRA, Inc. does not participate in any Wrap Programs

As of 12/31/12, KBSRA, Inc. managed client assets of approximately \$31,775 on a discretionary basis and \$62 million on a partial or non-discretionary basis. A substantial majority of the assets managed by KBSRA, Inc. are invested in real estate property assets with the remainder of these assets being invested in other real estate-related investments, including, but not limited to, real estate securities.

Because the majority of client assets managed by KBSRA, Inc. are invested in real estate property assets, such assets may not be included in KBSRA, Inc.'s calculation of regulatory assets under management provided in Part 1 of Form ADV. Therefore, the amount of client assets managed disclosed in this Brochure may be different from the amount of KBSRA, Inc.'s regulatory assets under management disclosed in Part 1 of Form ADV.

At this time, KBSRA, Inc. does not expect to be pursuing new real estate and real estate-related investment acquisitions on behalf of its clients.

## **Item 5 Fees and Compensation**

KBSRA, Inc. may receive from its clients some or all of the following fees in connection with its advisory and real estate asset management services:

- Acquisition fees for services related to the sourcing, underwriting and negotiating of real property investments and, in certain cases, loans and other debt secured by real estate, are typically based on a percentage of acquisition cost (or funding amount).
- Asset management fees for investment advisory services relating to real estate properties and other real estate-related investments (including real estate securities) held by a client are equal to a percentage of average monthly net asset value or the cost of investments acquired, payable quarterly or monthly. The percentage may scale downward at various break points as net asset value increases. Generally, these asset management fees are approximately between 75 and 100 basis points per year, depending on the size and complexity of a particular client's portfolio. KBSRA, Inc. may negotiate separate asset management fees with each client. The fees, accordingly, may vary for each client and/or investment vehicle established and managed for clients
- In certain cases, KBSRA, Inc. may have the ability to receive performance-based fees from its clients. This may constitute a fee arrangement that would create an incentive for KBSRA, Inc. to make investments that are riskier or more speculative than would be in the case in the absence of a "performance based" fee.
- The use of the performance component is intended to comply with the provisions of Rule 205-3 under the Investment Advisers Act of 1940 relating to incentive compensation arrangements. This Rule imposes certain requirements relating to the calculation methodology for a performance fee and the imposition of certain net worth or assets-under management standards for clients with which the fee is calculated.

## **Item 6 Performance-based Fees and Side-by-side Management**

- As noted in Item 5 above, certain clients may pay KBSRA, Inc. performance-based fees.
- Because of the different fee arrangements in place for its clients, including its receipt of performance-based fees from some clients and not from others, KBSRA, Inc. may have an incentive to favor clients that pay performance-based fees over those that do not. This incentive could, for example, affect its decision to invest in certain real estate assets or real estate-related investments (including real estate securities) for some clients and not for others if it believes the transaction will be profitable (or to allocate a greater portion of a limited investment opportunity to such clients' accounts), or to engage in cross trades between client accounts.
- To address these conflicts, KBSRA, Inc.'s policies and procedures seek to provide that investment decisions are made without consideration of its economic interests, and instead are made in accordance with its fiduciary duties to all clients. It is the policy of KBSRA, Inc. that investment decisions are to be made consistent with the investment objectives, guidelines, and restrictions of clients and those investments are to be allocated fairly and equitably over time among clients, taking into consideration the objectives, restrictions, investment strategy, asset allocation and benchmarks of each client. As a general matter, KBSRA, Inc. and its affiliates generally do not recommend the same investment in the same asset or investment opportunity for two or more clients of KBSRA, Inc. or its affiliates at the same time. Given cash constraints and the amount of time often required to "close" on certain recommended investments, KBSRA, Inc. expects that determinations regarding which client will invest into a particular asset or investment opportunity will arise somewhat infrequently. Nevertheless, in accordance with its duties under the Advisers Act, the policy of the KBSRA, Inc. is to allocate specific investment opportunities which may be suitable for one or more clients on a fair and equitable basis over time.
- When deciding whether to allocate a limited investment opportunity to any client of, in their sole and absolute discretion, KBSRA, Inc. and its affiliates shall seek to determine the client for which the investment opportunity is most suitable based on the investment objectives and other criteria for each client. Some of the factors considered are: (i) the investment objectives and criteria of each client; (ii) the cash requirements of each client; (iii) the effect of the investment on the diversification of each client's portfolio; (iv) the anticipated cash flow of the property or asset to be acquired; (v) the income tax effects of the purchase on each client; (vi) the size of the investment; and (vii) the amount of funds available to each client and the length of time that such funds have been available for investment.
- KBSRA, Inc.'s receipt of performance fees from certain clients may incentivize it to make investments that are riskier or more speculative than it would make if it did not receive performance fees.
- KBSRA, Inc. and its affiliates sponsor or manage other investment funds and managed accounts, some of which have objectives that are similar to, or which overlap with, those

of its clients. Additionally, KBSRA, Inc. and its affiliates may own interests in those investments funds and managed accounts. In certain circumstances, particularly when KBSRA, Inc. and its affiliates sponsor a new product or platform (because KBSRA, Inc. and its affiliates may provide the initial seed money), such product or platform may be wholly or principally owned by KBSRA, Inc. and its affiliates. KBSRA, Inc. ownership interest in these accounts may give it an incentive to favor these accounts over other client accounts.



### **Item 7 Types of Clients**

- The types of clients to whom KBSRA, Inc. generally provides investment advice are institutional clients, including corporations and pension funds, each of whom may invest through real estate limited partnerships or real estate investment trusts.

## **Item 8 Methods of Analysis, Investment Strategies and Risk of Loss**

- KBSRA, Inc. provides asset management services and investment advisory services in respect of the following types of investments: direct investments in real estate, real estate limited partnership interests, real estate investment trusts, group trusts and other collective real estate investment vehicles, loans secured by interests in real estate, real property equities, and mortgage-backed securities.
- Investment analysis methods will include internally and externally prepared appraisals/valuations of real property assets to include consideration of market conditions and an asset's fit in the client's portfolio, as determined by the client.
- Sources of information will also include KBSRA, Inc.'s evaluation of real estate markets and pricing trends often using data and analytical techniques based upon research derived from major national real estate marketing and brokerage firms.
- KBSRA, Inc.'s acquisition team identifies opportunities in real estate assets and related investments by focusing on selective regions and submarkets that it believes have an ability to withstand fluctuating economic cycles over time. KBSRA, Inc. is particularly sensitive to identifying and seeking to avoid areas and markets that it believes are most likely to experience overbuilding and weak employment growth. The firm seeks to acquire on behalf of clients office, industrial, retail and multi-family assets, which it believes offer the potential for high relative returns in any market situation. KBSRA, Inc. has a streamlined acquisition submittal review process that it believes promotes a quick response to investment opportunities that it has identified. The major source of KBSRA, Inc.'s acquisitions for its clients comes from a combination of direct submittals through institutional seller relationships, national brokerage relationships and through personal relationships with sellers in various markets.

At this time, KBSRA, Inc. does not expect to be pursuing new real estate and real estate-related investment acquisitions on behalf of its clients.

As part of each investment decision, KBSRA, Inc. establishes a target sale date for every asset that it acquires. KBSRA, Inc. employs not only opportunistic buying techniques but also opportunistic selling strategies. In that regard, KBSRA, Inc. may seek to sell assets on behalf of its clients earlier than the anticipated sale date when an opportunity arises to exceed the return projections set forth in the original business plan of an asset.

- Risk management is a fundamental principle in the KBSRA, Inc. investment management process. The firm's asset management and underwriting groups utilize a system of checks and balances, including Asset Plan Reviews (APRs), which are reviewed continually by senior management. This review process seeks to ensure that situations are detected and resolved before they develop into significant issues.

The Asset Plan Review for every asset under management is monitored and updated monthly and linked directly into proprietary portfolio management reports and tracking tools. This system provides “real time” operational and financial data across all KBSRA, Inc. portfolios, which is instrumental in making acquisition, disposition, leasing, financing and cash management decisions. It is also highly useful in monitoring potential risks and deviations from the original investment plan. Each month, variances to budget and original plan are reviewed and evaluated so that revised operational strategies can be employed, if necessary.

Additionally, a critical part of this process is ongoing communications with clients throughout the investment cycle. Timely active communication alerts clients to both positive and negative changes that develop.

Investing in real estate assets and real estate-related investments (including real estate securities) or any type of investment, involves risk of loss that clients should be prepared to bear.

The following are some of the material risks associated with the various real estate investments recommended by KBSRA, Inc. to its clients:

- Economic, market and regulatory changes may impact the real estate market generally and may decrease the value of the investments acquired for clients;
- The investment returns and cash flow associated with investments in real estate properties are dependent on the ability of tenants to pay rent. To the extent that tenants default, terminate their leases or are significantly impacted by certain outside economic factors, the net income associated with such real estate properties may be adversely affected;
- Competition in the market from third parties in acquiring properties or other real estate-related investments may reduce the profitability of such investments;
- The value of investments recommended in real estate loans or securities may be adversely affected by fluctuations in interest rates;
- The mortgage loans recommended and the value of mortgage loans underlying the mortgage securities recommended are subject to delinquency, foreclosure and loss, which could result in losses to clients;
- Investments recommended in subordinated loans and subordinated mortgage-backed securities may be subject to losses;
- In addition to being subject to the risks associated with mortgage loans, the commercial mortgage-backed securities recommended for investment are subject to the risks of the securitization process;
- Some or all of the investments recommended in real estate-related securities and loans may be illiquid and, thus, may be particularly vulnerable to changes in economic and other conditions;
- Prepayments can adversely affect the yields on the real estate-related investments recommended to clients.

In addition to the foregoing real estate-related risks, KBSRA, Inc.’s clients may be exposed to other risks associated with certain inherent or potential conflicts of interest raised by KBSRA,

Inc.'s ownership structure and the investment activities engaged in by its affiliates, which clients should consider. These risks include, without limitation:

- KBSRA, Inc. faces certain conflicts of interest with its affiliates, which are primarily owned by certain of KBSRA, Inc.'s principal owners and/or certain of its key investment professionals, caused by the compensation arrangements in place with KBSRA, Inc.'s clients on the one hand and the clients of its affiliates on the other. Such conflicts may give KBSRA, Inc.'s principal owners and/or key investment professionals an incentive to favor certain client accounts over others to the extent that the fee arrangements with such clients are more beneficial;
- KBSRA, Inc.'s affiliates sponsor or manage other investment funds and accounts, some of which have objectives that are similar to, or which overlap with, those of KBSRA, Inc.'s clients. As a result, KBSRA, Inc.'s clients and such other similar investment funds and accounts could compete for certain limited investment opportunities analyzed by KBSRA, Inc.'s investment professionals. To the extent that these investment opportunities are not allocated to KBSRA, Inc.'s clients, the performance of such clients' investment portfolios may be adversely affected. Conversely, the investment objectives and/or investment strategies employed by KBSRA, Inc.'s affiliates on behalf of certain clients could conflict with the transactions and strategies employed by KBSRA, Inc. on behalf of its clients, which may affect the prices and availability of the real estate investments in which such clients invest; and
- KBSRA, Inc.'s investment professionals who provide investment advice to other investment funds and accounts face competing demands for their time which may have an adverse effect on KBSRA, Inc.'s clients.

**The preceding discussion of the risks (i) associated with investments in real estate and real estate-related investments and (ii) related to KBSRA LLC's structure and the investment activities of its affiliates is not intended to be exhaustive.**

Despite the aforementioned potential conflicts, KBSRA, Inc. and its personnel have both legal and fiduciary obligations as prescribed by the respective client's partnership and/or operating agreements and applicable law. Advisory personnel are required to allocate sufficient time in which to discharge these responsibilities.

### **Item 9 Disciplinary Information**

Form ADV Part 2 requires KBSRA, Inc. to disclose legal or disciplinary events involving the firm or its partners, officers, or principals that are material to a client's or prospective client's evaluation of its advisory business or the integrity of its management. At this time, KBSRA, Inc. has no information to report that is applicable to this Item.

## **Item 10 Other Financial Industry Activities and Affiliations**

- Two of KBSRA, Inc.'s affiliates, KBS Realty Advisors, LLC ("KBS Realty") and KBS Capital Advisors, LLC ("KBS CA" and, collectively, with KBS Realty, the "Investment Adviser Affiliates"), are each registered investment advisers. KBS CA is the exclusive external advisor to publicly registered, non-traded real estate investment trusts (the "KBS REITs") which are sponsored and managed by its affiliates and affiliates of KBSRA, Inc. KBS Realty provides real estate asset management and advisory services to corporations and institutional investors including pension plans and sovereign wealth funds. Like KBSRA, Inc., the Investment Adviser Affiliates also provide real estate asset management and advisory services in connection with real estate assets and real estate-related investments including certain real estate-related securities. As mentioned in Item 8 above, the Investment Adviser Affiliates are substantially owned and managed by certain of KBSRA, Inc.'s principal owners and/or certain of its key investment professionals and certain of the same investment professionals that conduct the advisory activities for KBSRA, Inc. also perform the same or similar functions in connection with their duties in respect of the Investment Adviser Affiliates. Furthermore, the Investment Adviser Affiliates sponsor and manage other investment funds and accounts which may have the same or similar investment objectives and strategies to those of the KBSRA, Inc.'s clients. As a result, to the extent that the accounts or investment funds managed by the Investment Adviser Affiliates have compensation arrangements in place that are more beneficial, there is a potential conflict that KBSRA, Inc.'s principal owners and/or key investment professionals have an incentive to favor certain higher paying client accounts over the accounts of KBSRA, Inc.'s clients when allocating limited investment opportunities. Please refer to Items 6 and 8 above for a description of how KBSRA, Inc. and its affiliates attempt to address certain conflicts raised by its ownership structure.
- Another one of KBSRA, Inc.'s affiliates, KBS Capital Markets Group LLC ("KBS Capital Markets"), is registered as a broker-dealer with the SEC and is also a member of FINRA in such capacity. KBS Capital Markets serves as the dealer manager in connection with the offering of shares in the KBS REITs managed by KBS CA.
- Certain affiliates of KBSRA, Inc. act as general partner to real estate limited partnerships established to facilitate the investment by KBSRA, Inc.'s clients in real estate and real estate-related investments. These affiliates may engage KBSRA, Inc. to provide advisory and administrative services to these partnerships.

## **Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

- KBSRA, Inc. has adopted a code of ethics (the “Code”) that is applicable to all employees of KBSRA, Inc. The Code contains policies and procedures that, among other things:
  - Require employees to observe fiduciary duties owed to clients;
  - Prohibit employees from taking personal advantage of opportunities belonging to clients;
  - Place limitations on personal trading by employees and impose reporting obligations with respect to employee personal trading except for certain types of securities;
  - Impose limitations on the giving or receiving of gifts;
  - Restrict employees’ outside business activities; and
  - Prohibit disclosure of confidential information relating to KBSRA, Inc., its clients and their investment activity.

In addition, the Code defines material, non-public information, prohibits the use of such information for client or personal gain and sets forth the responsibilities of all employees relative to insider trading. All principals and employees of KBSRA, Inc. must agree to comply with the Code upon employment and must certify annually that they have read and understand the Code and have complied with it. A copy of the Code will be provided to any client or prospective client upon request.

- Pursuant to the Code, as a general matter, KBSRA, Inc. employees may not trade in any security for their own accounts until all active client purchases and sales of the same securities have taken place.
- KBSRA, Inc. does not, as a general practice, buy or sell securities for its own investment account, although the principals and employees of KBSRA, Inc. may do so, either individually or as a group (such as through an investment partnership). KBSRA, Inc. does not prohibit any of its principals or employees from purchasing or selling for their own accounts securities that may be recommended or held by KBSRA, Inc.’s clients or from taking investment positions that are different from or opposite to investments recommended or held by such clients. To address potential conflicts of interest posed by the aforementioned personal trading activity, KBSRA, Inc. maintains the Code, as described above. The Code requires KBSRA, Inc.’s principals or employees who have access to client recommendations or client positions (“access persons”) to periodically report their personal securities transactions and holdings to its Chief Compliance Officer (or his/her designee). In this way, KBSRA, Inc. is able to monitor and identify personal trading activity that might present a conflict of interest.

## **Item 12 Brokerage Practices**

- As described above, KBSRA, Inc. primarily provides real estate asset management and advisory services to its clients in respect of direct investments into real property assets and real estate-related investments including, to a limited extent, certain real estate securities. In the event that KBSRA, Inc. recommends or trades in securities on behalf of its clients, such securities are typically not publicly traded and/or are purchased from dealer inventories. Therefore, while KBSRA, Inc. often has discretion to choose brokers and/or dealers through whom transactions for clients may be executed, the broker-dealer selection process is not the same as it would be for exchange-traded securities. Nevertheless, KBSRA, Inc. seeks to obtain quality execution for securities transactions at favorable prices and at competitive rates or spreads through brokers and dealers who in KBSRA, Inc.'s opinion are financially responsible.
- In connection with KBSRA, Inc.'s clients' investments in real estate assets, such clients frequently pay commissions to real estate brokers/dealers for purchases, leasing, and sales of real estate assets.
- KBSRA, Inc. does not pay commissions to broker/dealers for soliciting and/or placing clients.
- KBSRA, Inc. has no agreements with brokers for a fixed dollar commission commitment in return for research services from a third party research provider.



### **Item 13 Review of Accounts**

- Each client's portfolio is reviewed by Senior Management, Asset Managers, Financial Analysts and Fund Accounting Teams to determine conformity with investment objectives, guidelines and restrictions for the account. These reviews take place on a monthly basis, or more frequently as deemed appropriate, taking into account revisions in client objectives, material movement in the market and other like and unlike factors. KBSRA, Inc.'s investment committee will review and consider reports of each client no less frequently than quarterly.

Periodic detailed reports are prepared for all clients. Not all of the following reports are specific to all clients; however, examples of the types of reports which clients could expect may include, but are not limited to, the following:

1. *Property Level Balance Sheets and Operating Statements*  
Transactions in underlying investments

2. *Property Level Statements of Cash Flow*  
Cash Activity in underlying investments

3. *Notes to Financial Statements*  
Commitments to underlying investments

4. *Summary of Invested Assets*  
Schedule of underlying investments

5. *Property Level Financial Statements / Narrative Discussions*  
Valuation of underlying investments

6. *Tables and Narrative Discussions*  
Industry standard data for the underlying investments

7. *Cash Basis Returns / Current Value Returns Compared to NCREIF Standards*  
Gross and net performance by underlying investment, sub-asset class, geography, vintage year etc., using a broad list of industry standard metrics

8. *Consolidated Financial Statements*  
Account summary or aggregate reporting

9. *Portfolio Level Bank Account Activity*  
Account cash activity, including fees and expenses

#### **Item 14 Client Referrals and Other Compensation**

- Other than as described in Item 12, Brokerage Practices, above, there is no economic benefit or compensation paid to anyone for providing investment advice or other advisory services to its clients.

## **Item 15 Custody**

- Registered investment advisers with actual or constructive custody or possession of client funds or securities are required to comply with Rule 206(4)-2 under the Advisers Act (the “custody rule”). Although KBSRA, Inc. generally does not have custody over client securities, KBSRA, Inc. may have technical custody of certain types of privately-offered real estate securities (e.g., interests in limited partnerships, limited liability companies or other private companies) by maintaining physical possession of documentation evidencing such securities. In addition, KBSRA, Inc. is deemed to have custody over its clients’ cash and securities by virtue of the fact that affiliates of KBSRA, Inc. serve as general partner to the limited partnerships established to facilitate the investment by its clients in real estate and real estate-related investments. Even though KBSRA, Inc. is deemed to have custody over client cash and securities, it is exempt from many of the provisions of the custody rule because the limited partnership investment vehicles established to facilitate investment by each of its clients are audited in accordance with U.S. generally accepted accounting principles on an annual basis by an independent accountant and the audited financial statements are distributed to limited partners within 120 days of the end of each limited partnership’s fiscal year.
- Except as is permitted by the custody rule, client securities generally are held in separate accounts in the client’s name with registered broker-dealers and/or banks (i.e., qualified custodians) and all client cash is maintained in separate accounts with FDIC-insured banks.
- All clients should receive, at least quarterly, account statements from the broker-dealer, bank, or other qualified custodian that maintains its cash and/or securities. Clients are urged to compare the statements received from their custodians with any statements they may receive from KBSRA, Inc. Statements that KBSRA, Inc. provides clients may vary from the statements received from custodians due to differences in the timing on posting transactions, accounting procedures, or other reasons.
- In addition, KBSRA, Inc. may maintain custody of certain real estate assets on behalf of clients including real estate supported by trust deeds, notes receivable and letters of credit for security deposits from lease tenants.

## **Item 16 Investment Discretion**

- KBSRA, Inc. primarily provides real estate asset management and advisory services to its clients in respect of direct investments into real property assets and real estate-related investments including, to a limited extent, certain real estate securities. Even though KBSRA, Inc. does not frequently engage in securities transactions on behalf of its clients, it does typically have discretionary authority to buy and sell securities for clients. Clients may impose limitations on this discretion with respect to certain aspects of the management of its portfolio. Such limitations are stated in the governing documents of the limited partnership investment vehicles or in an asset management agreement.
- KBSRA, Inc. typically assumes discretionary authority through a power of attorney contained within the governing documents of the limited partnership investment vehicle, or through a power of attorney granted in an asset management agreement.

### **Item 17 Voting Client Securities**

- KBSRA, Inc. does not vote client securities.

### **Item 18 Financial Information**

- Form ADV Part 2 requires KBSRA, Inc. to disclose any financial condition reasonably likely to impair its ability to meet contractual commitments to clients. At this time, KBSRA, Inc. has no information to report that is applicable to this item.