

A light gray world map is centered in the background of the slide. Overlaid on the map is a dark blue rectangular box with a thin white border. Inside this box, the text "KENNEDY WILSON" is written in a white, serif, all-caps font.

KENNEDY WILSON

## INVESTOR PRESENTATION

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THIRD QUARTER 2016

(As of September 30, 2016)

# Disclaimer/Forward-Looking Statements

Statements made by us in this presentation and in other reports and statements released by us that are not historical facts constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are necessarily estimates reflecting the judgment of our senior management based on our current estimates, expectations, forecasts and projections and include comments that express our current opinions about trends and factors that may impact future operating results. Some of the forward-looking statements may be identified by words like “believes”, “expects”, “anticipates”, “estimates”, “plans”, “intends”, “projects”, “indicates”, “could”, “may” and similar expressions. These statements are not guarantees of future performance and involve a number of risks, uncertainties and assumptions. Accordingly, actual results or the performance of Kennedy-Wilson Holdings, Inc. (the “Company”) or its subsidiaries may differ significantly, positively or negatively, from forward-looking statements made herein. Unanticipated events and circumstances are likely to occur. Factors that might cause such differences include, but are not limited to, the risks that the Company’s business strategy and plans may not receive the level of market acceptance anticipated; disruptions in general economic and business conditions, particularly in geographic areas where our business may be concentrated; the continued volatility and disruption of the capital and credit markets, higher interest rates, higher loan costs, less desirable loan terms, and a reduction in the availability of mortgage loans and mezzanine financing, all of which could increase costs and

could limit our ability to acquire additional real estate assets; continued high levels of, or increases in, unemployment and a general slowdown in commercial activity; our leverage and ability to refinance existing indebtedness or incur additional indebtedness; an increase in our debt service obligations; our ability to generate a sufficient amount of cash from operations to satisfy working capital requirements and to service our existing and future indebtedness; our ability to achieve improvements in operating efficiency; foreign currency fluctuations; adverse changes in the securities markets; our ability to retain our senior management and attract and retain qualified and experienced employees; our ability to attract new user and investor clients; our ability to retain major clients and renew related contracts; trends in the use of large, full-service commercial real estate providers; changes in tax laws in the United States, Europe or Japan that reduce or eliminate our deductions or other tax benefits; future acquisitions may not be available at favorable prices or with advantageous terms and conditions; and costs relating to the acquisition of assets we may acquire could be higher than anticipated. Any such forward-looking statements, whether made in this report or elsewhere, should be considered in the context of the various disclosures made by us about our businesses including, without limitation, the risk factors discussed in our filings with the U.S. Securities and Exchange Commission (“SEC”). Except as required under the federal securities laws and the rules and regulations of the SEC, we do not have any intention or obligation to update publicly any forward-looking statements, whether as a result of new information, future events, change in assumptions, or otherwise.

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The information with respect to the projections presented herein is based on a number of assumptions about future events and is subject to significant economic and competitive uncertainty and other contingencies, none of which can be predicted with any certainty and some of which are beyond the company’s control. There can be no assurances that the projections will be realized, and actual results may be higher or lower than those indicated. Neither the company nor any of their respective securityholders, directors, officers, employees, advisors or affiliates, or any representatives or affiliates of the foregoing, assumes responsibility for the accuracy of the projections presented herein.

# Kennedy Wilson Overview<sup>(1)</sup>

- **Global** real estate investment company with complementary services division
- Market capitalization of **\$2.6 billion**
- Investment portfolio at carrying value totals **\$11.3 billion**:
  - KW has an average **39% ownership**
  - Focus on sourcing acquisitions **off-market** directly from financial institutions
- **33% IRR<sup>(2)(3)</sup> and 1.9x equity multiple<sup>(2)(3)</sup> to Kennedy Wilson** on its completed real estate investments since going public in 2009
- **\$17 billion** in IMRES AUM<sup>(2)</sup> encompassing **59 million square feet** under management

Merritt on 3rd  
Oakland, CA



Shelbourne Hotel  
Dublin, Ireland

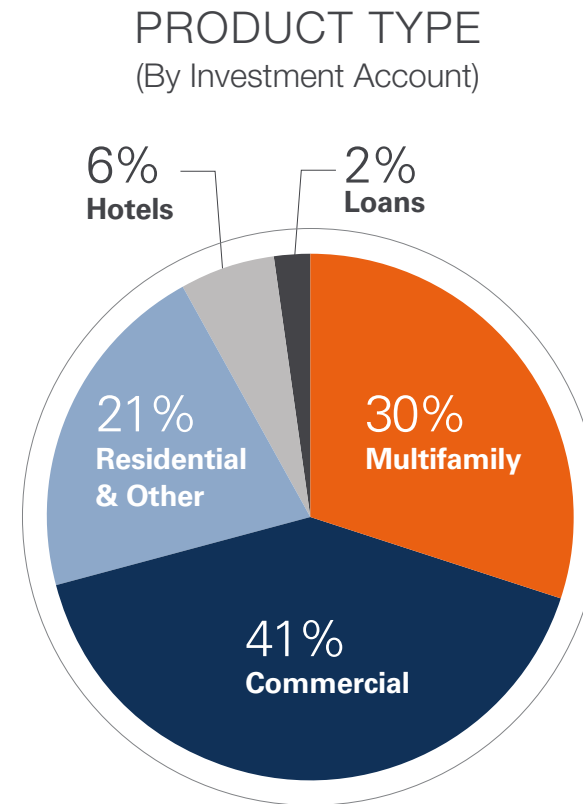
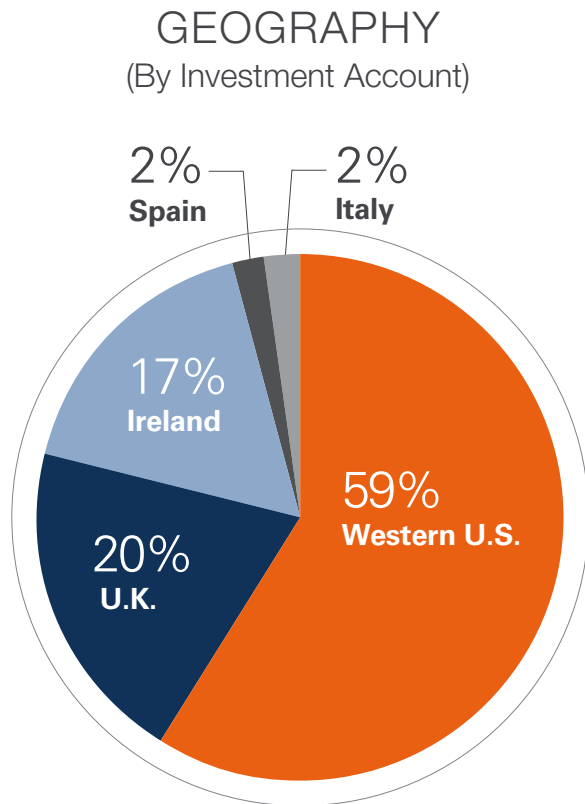
1. Information as of September 30, 2016, unless otherwise noted.

2. As defined in the "Definitions" section.

3. The IRR and equity multiple are returns to KW (including promoted interest and excluding management fees) for all real estate investments purchased and sold since becoming a listed company on the NYSE on November 13, 2009 to date, including loans converted to real estate.

# Real Estate Portfolio

Global Strategy Focused on Key Markets and Product Types



Information as of September 30, 2016 and includes KWE. KW's stake in KWE accounts for 21.8% of total portfolio.

# Global Investment Portfolio<sup>(1)</sup>

- Includes 444 properties totaling approximately 40 million square feet

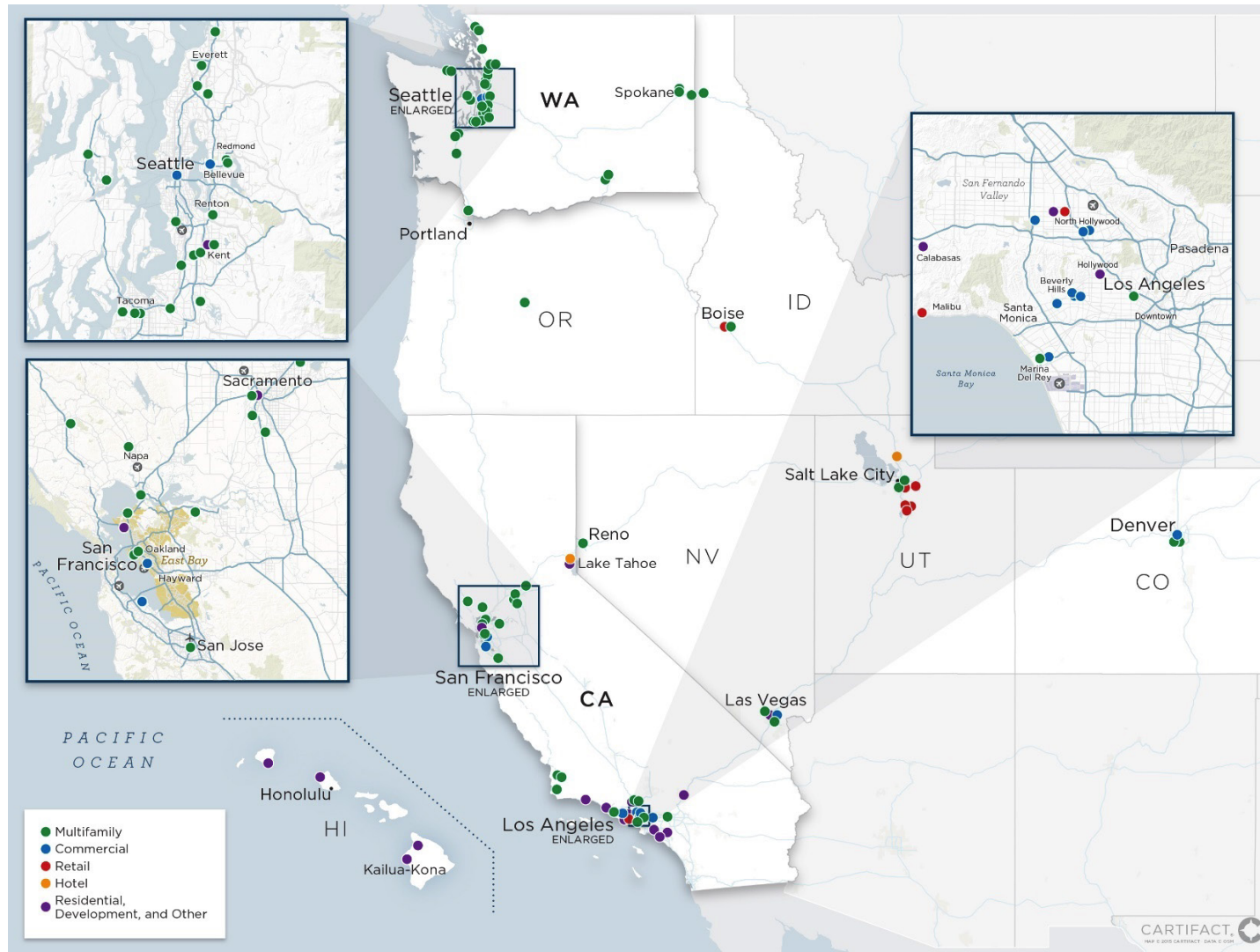
	MULTIFAMILY	COMMERCIAL	LOANS	RESIDENTIAL & OTHER	HOTELS
<b>KW Ownership<sup>(2)</sup></b>	54%	31%	26%	40%	56%
<b>Geography<sup>(3)</sup></b>	<p>86% U.S., 10% Ireland, 3% U.K., 1% Japan</p>	<p>36% U.S., 15% Ireland, 41% U.K., 6% Italy, 2% Spain</p>	<p>35% U.S., 17% Ireland, 48% U.K.</p>	<p>78% U.S., 16% Ireland, 2% U.K., 4% Spain</p>	<p>25% U.S., 67% Ireland, 8% U.K.</p>
<b>Description</b>	25,769 Units	18.2M Sq. Ft.	\$246 million of Unpaid Principal	<ul style="list-style-type: none"> <li>• 428 lots</li> <li>• 4,308 acres</li> <li>• 680 residential units</li> </ul>	<ul style="list-style-type: none"> <li>• 5 properties</li> <li>• 972 rooms</li> <li>• 716 acres</li> </ul>

1. Information as of September 30, 2016. Includes investments made and held directly by Kennedy Wilson Europe Real Estate PLC (LSE:KWE). KW owns 21.8% of KWE's total share capital as of September 30, 2016.

2. Weighted average ownership excluding promoted interest. Reflects KW's 21.8% ownership of KWE's total share capital as of September 30, 2016.

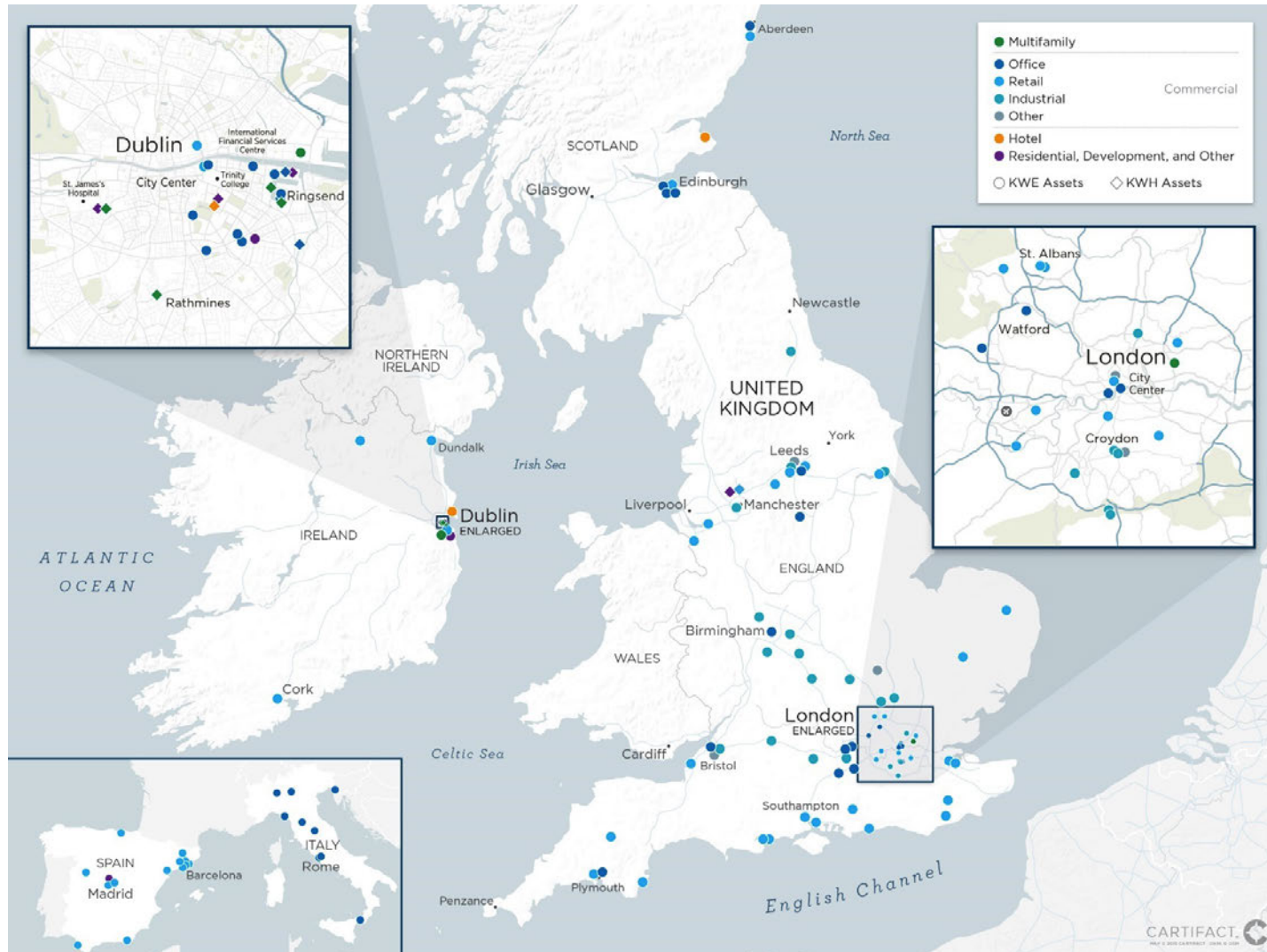
3. Calculated based on KW Investment Account.

# U.S. Property Map - Investment Markets



Map excludes certain investments totaling approximately 5% of total U.S. Investment account.

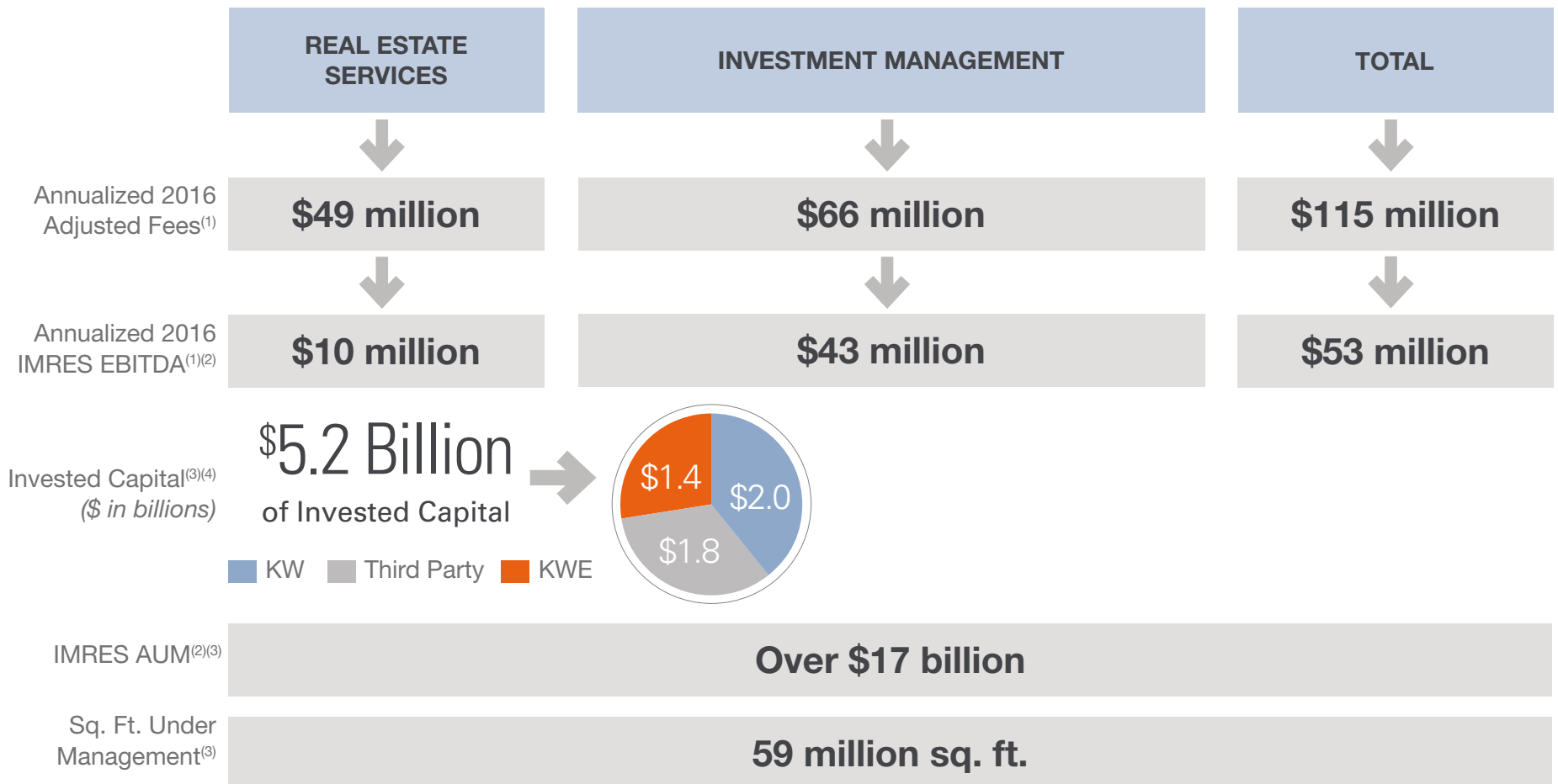
# Europe Property Map – Investment Markets



Map includes investments made by KWE and excludes certain investments totaling approximately 5% of total European Investment account

# Investment Management + Real Estate Services

- Leveraging our global network of relationships



1. Annualized figures are based upon the nine-month adjusted fees/adjusted EBITDA amounts as of September 30, 2016 and are not indicators of the actual results that the Company will or expects to realize in any period.  
 2. As defined in the "Definitions" section.  
 3. As of September 30, 2016.  
 4. Represents total investment level equity. Kennedy Wilson earns fee income on KWE and Third Party equity.

# Q3 - 2016 Financial Highlights

Q3 2016 (\$ in millions)	GROSS		KENNEDY WILSON'S SHARE				
	Aggregate Purchase/Sale Price	Income Producing	Non-income Producing	Total	NOI	KW Cap Rate <sup>(1)</sup>	Equity Multiple <sup>(1) (2)</sup>
Acquisitions	\$459.8	\$244.9	\$30.5	\$275.4	\$13.4	5.5%	
Dispositions	444.2	96.9	18.7	115.6	5.1	5.3%	2.2x
Total Transactions	\$904.0			\$391.0			

## Adjusted EBITDA and Adjusted Net Income for Q3

**\$88 MILLION** Q3 Adjusted EBITDA | **\$45 MILLION** Q3 Adjusted Net Income

## Same Property Revenue and NOI Growth for Q3

### Multifamily

**12.6%** NOI  
**9.6%** Revenue

### Commercial

**3.0%** NOI  
**3.3%** Revenue



**LIV Bel-Red**  
(Acquired during Q3 by Fund V)

1. As defined in the "Definitions" section

2. KW Equity Multiple is based on income producing properties only and excludes dispositions by KWE.

# Value-Creation Initiatives

\$150 - \$200 million of estimated capex over the next 18 months

## Under Development<sup>(1)</sup>

- Additional 466,000 commercial square feet
- 1,827 multifamily units
- 400 residential units

## Entitled / Seeking Entitlement

- Value-realization options include sale of entitled land before completion, joint-venture, or project completion

Before



Capital Dock  
Dublin, Ireland

Once Completed (Projected image)



1. Includes potential developments or redevelopments that the Company is considering. The scope of these projects may change. There is no certainty that the Company will develop any or all of these potential projects. Total estimated project-level capital expenditure of under development initiatives is approximately \$1.1 billion.

# Case Study: Non-stabilized Commercial

2013

Acquired 100% vacant  
60,000 square foot property  
in Beverly Hills, CA

2014 - 2015

Full-scale renovation of  
exterior and interior of  
building

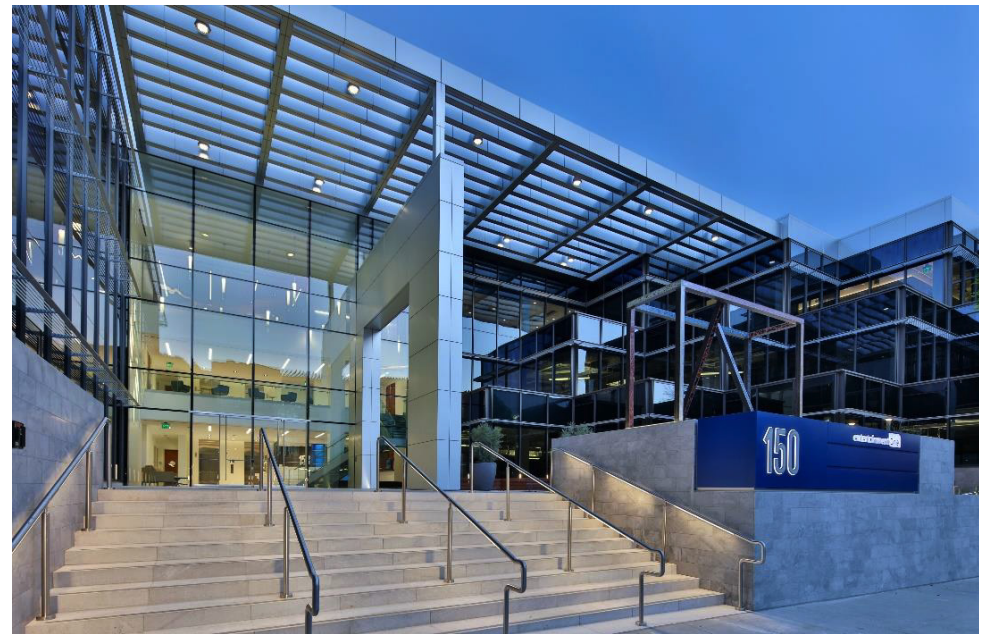
2016

Completion of exterior; 100% leased during Q2-2016  
Will represent highest per square foot rents in U.S. office portfolio

During Construction



Current



## Key Takeaways

- **Global real estate platform** with regional investment teams creates a competitive advantage and the ability to allocate capital across multiple real estate cycles
- **High levels of liquidity** with \$1.7 billion in consolidated cash and lines of credit<sup>(1)</sup>
- Substantial **growth in recurring cash flow**
- No near-term corporate maturities; 86% of debt is **protected against rising interest rates**
- Seasoned executive team highly **focused on value-creation** through
  - asset management
  - strategic growth
  - selective investment realization

Information as of September 30, 2016

1. Includes approximately \$627 million of cash and \$290 million of lines of credit related to KWE

# APPENDIX



**Esprit**

Marina Del Rey, California  
437-unit multifamily community

# Components of Value <sup>(1)</sup>

Below are key valuation metrics provided to assist in the calculation of a sum-of-the-parts valuation for the Company:

					KW SHARE		
<i>(Dollars in millions, except per share data)</i>		Description	KW Investment Account	KW Ownership <sup>(3)</sup>	Occupancy	Est. Annual NOI <sup>(2)</sup>	Investment Debt
INVESTMENTS							
1	Multifamily <sup>(4)</sup>	25,253 units	\$ 603.6	55.3%	94.5%	\$ 148.2	\$ 1,578.6
2	Commercial <sup>(4)</sup>	5.9 million square feet	295.3	53.2%	94.1%	46.7	401.1
2a	Commercial – unstabilized <sup>(4)</sup>	600K sq. ft. - Western U.S. 400 sq. ft. – Europe	108.8	79.1%	61.5%		115.7
3	Hotels	628 Hotel Rooms	112.7	86.7%		19.2	102.7
4	Loans, residential, and other <sup>(4)</sup>	35 investments, 5 unresolved loans	317.0				
4a	Development and redevelopment	Detail on significant value creation projects	101.0				
					<b># of shares (millions)</b>	<b>Share Price</b>	<b>Market Value</b>
5	KWE	21.8% ownership in LSE:KWE	\$ 443.4	100%	29.6	\$ 13.02	\$ 385.0
<b>INVESTMENT MANAGEMENT AND REAL ESTATE SERVICES</b>						<b>Annualized Adj. Fees</b>	<b>Annualizes Adj. EBITDA</b>
6	Investment Management	Management fees and promote fees		100%	\$ 66.4	\$ 43.0	
7	Property Services and Research	Fees and commissions		100%	48.5	9.6	
	<b>Total</b>				\$ 114.9	\$ 52.6	
<b>NET CORPORATE DEBT</b>			<b>Total</b>				
8	KWH Corporate Debt	Senior notes payable	\$ 955.0	100%			
8	Cash and other assets	Cash and hedge asset	(357.5)	100%			
	<b>Total Net Corporate Debt</b>		\$ 597.5				

1. For more information, please see our Q3-2016 Earnings Release and Supplemental Financial Information located at [www.kennedywilson.com](http://www.kennedywilson.com). All information is as of September 30, 2016.

2. See definition of Estimated Annualized NOI in the "Definitions" section.

3. Weighted-average ownership figures.

4. Excludes investments held by KWE.

5. Annualized figures are calculated by dividing the nine-month adjusted fees / adjusted services EBITDA figures as set forth in Appendix by nine and multiplying by 12. These annualized figures are not indicators of the actual results that the Company will or expects to realize in any period.

# Income-Producing Multifamily and Commercial Summary<sup>(1)</sup>

(excludes KWE)

The following summarizes Kennedy Wilson's income-producing multifamily and commercial portfolio by ownership. Excluded below are KWE, commercial - unstabilized, loans, and residential and other investments.

MULTIFAMILY											
September 30, 2016						September 30, 2015					
KW Ownership Category	Units	Occupancy	KW Share Est. Annual NOI <sup>(2)</sup>	KW Share of Debt <sup>(3)</sup>	Ownership <sup>(3)</sup>	NOI Growth	Units	Occupancy	KW Share of Est. Annual NOI <sup>(2)</sup>	Debt <sup>(3)</sup>	Ownership <sup>(4)</sup>
~100%	8,378	93.3%	\$95.8	\$984.7	98.5%	26.1%	7,460	93.7%	\$76.0	\$818.0	98.3%
~50%	9,335	96.2%	41.1	414.9	48.7%	(9.6)%	10,273	95.3%	45.8	455.8	49.1%
Minority Owned	7,540	93.9%	10.9	147.0	12.7%	81.7%	7,875	94.4%	6.0	68.3	7.1%
<b>Total</b>	<b>25,253</b>	<b>94.5%</b>	<b>\$148.1</b>	<b>\$1,546.6</b>	<b>55.3%</b>	<b>15.9%</b>	<b>25,608</b>	<b>94.5%</b>	<b>\$127.8</b>	<b>\$1,342.1</b>	<b>50.0%</b>

COMMERCIAL											
September 30, 2016						September 30, 2015					
KW Ownership Category	Rentable Sq. Ft	Occupancy	KW Share Est. Annual NOI <sup>(2)</sup>	KW Share of Debt <sup>(3)</sup>	Ownership <sup>(4)</sup>	NOI Growth	Rentable Sq. Ft	Occupancy	KW Share of Est. Annual NOI <sup>(2)</sup>	Debt <sup>(3)</sup>	Ownership <sup>(4)</sup>
~100%	2.1	95.8%	\$28.5	\$235.0	97.3%	17.3%	1.8	95.2%	\$24.3	\$195.2	93.5%
~50%	0.9	93.2%	9.2	93.8	50.3%	(23.3)%	1.2	94.9%	12.0	110.3	50.4%
Minority Owned	2.9	92.6%	8.6	72.5	21.7%	(22.5)%	3.5	88.2%	11.1	91.3	23.0%
<b>Total</b>	<b>5.9</b>	<b>94.1%</b>	<b>\$46.3</b>	<b>\$401.3</b>	<b>53.2%</b>	<b>(2.3)%</b>	<b>6.5</b>	<b>91.3%</b>	<b>\$47.4</b>	<b>\$396.8</b>	<b>48.4%</b>

1. For more information, please see our Q3-2016 Earnings Release and Supplemental Financial Information located at [www.kennedywilson.com](http://www.kennedywilson.com). All information is as of September 30, 2016. Excludes investments held by KWE.

2. See definition of NOI in the "Definitions" section.

3. Debt represents KW's share of the debt balance against properties

4. Weighted-average ownership figures.

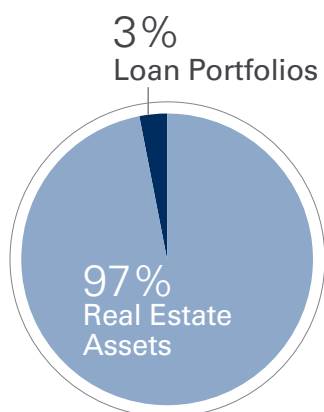
# Kennedy Wilson Europe Real Estate PLC

("KWE", LSE:KWE)

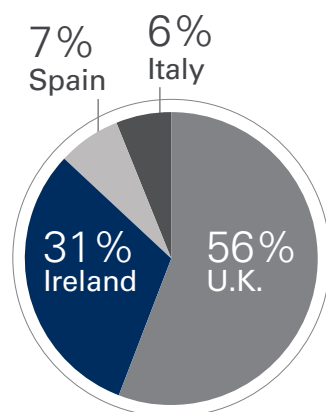
## Combined acquisitions since 2014 IPO exceed \$4 billion<sup>(1)</sup>

- As of September 30, 2016, Kennedy Wilson owns 29.6 million shares or 21.8% of the share capital of KWE
- Annualized NOI<sup>(2)</sup> as reported by KWE of approximately £167 million (\$215 million)<sup>(1)</sup>
- Weighted average unexpired lease term of 7.3 years<sup>(4)</sup> across the property portfolios
- Property portfolio occupancy of 95%<sup>(5)</sup>
- A wholly-owned subsidiary serves as KWE's external manager, in which capacity we are entitled to receive certain management and performance fees

### Asset Mix<sup>(3)</sup>



### Geography<sup>(3)</sup>



1. As of September 30, 2016.

2. As of September 30, 2016. Includes property portfolio net rental income, hotel EBITDA and loan portfolio interest income. These annualized figures are not indicators of the actual results that the company will or expects to realize in any period.

3. All charts calculated by market value, as reported by KWE.

4. Weighted average unexpired lease term is to first break, weighted by net rental income; excluding hotels and residential.

5. Occupancy excluding hotels, weighted by estimated rental values (ERVs).

# Reconciliation to Consolidated EBITDA and Adjusted EBITDA

(Unaudited)

(\$ in millions)

	2016			2015			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net income	\$ 13.1	\$ (2.2)	\$ 20.5	\$ 28.3	\$ 5.1	\$ 29.9	\$ (4.3)
Non-GAAP adjustments:							
Add back:							
Interest expense - investment	36.8	33.6	32.5	42.3	31.3	27.2	19.4
Interest expense - corporate	14.5	12.2	12.1	1.0	11.7	10.8	13.0
Kennedy Wilson's share of interest expense included in unconsolidated investments	6.3	6.2	6.1	7.4	7.1	7.2	6.4
Depreciation and amortization	50.0	48.9	48.3	46.8	44.9	38.0	36.6
Kennedy Wilson's share of depreciation and amortization included in unconsolidated investments	5.5	5.3	5.2	5.6	5.3	8.4	8.8
(Benefit from) provision for income taxes	5.5	(3.9)	0.5	20.9	4.5	36.1	(8.1)
<b>Consolidated EBITDA</b>	<b>\$ 131.7</b>	<b>\$ 100.1</b>	<b>\$ 125.2</b>	<b>\$ 152.3</b>	<b>\$ 109.9</b>	<b>\$ 157.6</b>	<b>\$ 71.8</b>
Add back (less):							
Share-based compensation	15.6	14.7	17.5	11.2	5.5	6.8	7.3
EBITDA attributable to noncontrolling interests	(59.6)	(41.3)	(70.9)	(41.8)	(32.4)	(51.6)	(25.4)
<b>Adjusted EBITDA</b>	<b>\$ 87.7</b>	<b>\$ 73.5</b>	<b>\$ 71.8</b>	<b>\$ 121.7</b>	<b>\$ 83.0</b>	<b>\$ 112.8</b>	<b>\$ 53.7</b>

# Reconciliation to Consolidated Adjusted Net Income and Adjusted Net Income

(Unaudited)

(\$ in millions)

	2016			2015			
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net income	\$ 13.1	\$ (2.2)	\$ 20.5	\$ 28.3	\$ 5.1	\$ 29.9	\$ (4.3)
Non-GAAP adjustments:							
Add back:							
Depreciation and amortization	50.0	48.9	48.3	46.8	44.9	38.0	36.6
Kennedy Wilson's share of depreciation and amortization included in unconsolidated investments	5.5	5.3	5.2	5.6	5.3	8.4	8.8
Share-based compensation	15.6	14.7	17.5	11.2	5.5	6.8	7.3
<b>Consolidated Adjusted Net Income</b>	<b>84.2</b>	<b>66.7</b>	<b>91.5</b>	<b>91.9</b>	<b>60.8</b>	<b>83.1</b>	<b>48.4</b>
Less:							
Net income attributable to the noncontrolling interests, before depreciation and amortization	(39.3)	(23.3)	(53.2)	(24.2)	(13.8)	(20.1)	(17.9)
<b>Adjusted Net Income</b>	<b>\$ 44.9</b>	<b>\$ 43.4</b>	<b>\$ 38.3</b>	<b>\$ 67.7</b>	<b>\$ 47.0</b>	<b>\$ 63.0</b>	<b>\$ 30.5</b>

# Adjusted Fees

(Unaudited)

(\$ in millions)

	3Q		YTD	
	2016	2015	2016	2015
Investment management, property services and research fees	\$ 14.1	\$ 15.1	\$ 46.7	\$ 47.0
<b>Non-GAAP adjustments:</b>				
Add back:				
Fees eliminated in consolidation <sup>(1)</sup>	7.5	12.1	30.3	36.4
Kennedy Wilson's share of fees in unconsolidated service businesses <sup>(2)</sup>	2.6	3.0	9.3	10.6
<b>Adjusted Fees</b>	<b>\$ 24.2</b>	<b>\$ 30.2</b>	<b>\$ 86.3</b>	<b>\$ 94.0</b>

1. The three months ended September 30, 2016 and 2015 includes \$5.3 million and \$8.7 million, respectively, and the six months ended September 30, 2016 and 2015 includes \$19.4 million and \$26.9 million, respectively, of fees recognized in net (income) loss attributable to noncontrolling interests relating to the portion of fees paid by noncontrolling interest holders in KWE and equity partner investments.

2. Included in income from unconsolidated investments relating to the Company's investment in a servicing platform in Spain.

# Investment Management and Real Estate Services EBITDA

(Unaudited)

(\$ in millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
<b>Investment Management and Real Estate Services</b>				
<b>Net Income</b>	\$ 0.3	\$ (0.1)	\$ 5.8	\$ 6.3
Add back:				
Kennedy Wilson's share of interest expense included in unconsolidated investments	0.3	0.2	0.7	0.6
Kennedy Wilson's share of depreciation and amortization included in unconsolidated investments	1.3	0.8	2.7	2.2
Other operating (income) expenses attributable to noncontrolling interests	-	-	-	0.4
Fees eliminated in consolidation	7.5	12.1	30.3	36.4
<b>Adjusted EBITDA</b>	<u>\$ 9.4</u>	<u>\$ 13.0</u>	<u>\$ 39.5</u>	<u>\$ 45.9</u>

# Definitions

**Adjusted EBITDA:** Represents Consolidated EBITDA, as defined below, adjusted to exclude share-based compensation expense and EBITDA attributable to noncontrolling interests.

**Adjusted Fees:** Refers to Kennedy Wilson's gross investment management, property services and research fees adjusted to include fees eliminated in consolidation and Kennedy Wilson's share of fees in unconsolidated service businesses. Our management uses Adjusted fees to analyze our investment management and real estate services business because the measure removes required eliminations under GAAP for properties in which the Company provides services but also has an ownership interest. These eliminations understate the economic value of the investment management, property services and research fees and makes the Company comparable to other real estate companies that provide investment management and real estate services but do not have an ownership interest in the properties they manage. Our management believes that adjusting GAAP fees to reflect these amounts eliminated in consolidation presents a more holistic measure of the scope of our investment management and real estate services business.

**Cap Rate:** Represents the net operating income of an investment for the year preceding its acquisition or disposition, as applicable, divided by the purchase or sale price, as applicable. Cap rates set forth in this presentation only includes data from income-producing properties. We calculate cap rates based on information that is supplied to us during the acquisition diligence process. This information is often not audited or reviewed by independent accountants and may be presented in a manner that is different from similar information included in our financial statements prepared in accordance with GAAP. In addition, cap rates represent historical performance and are not a guarantee of future NOI. Properties for which a cap rate is provided may not continue to perform at that cap rate.

**Consolidated EBITDA:** The term "Consolidated EBITDA" represents net income before noncontrolling interest income, interest expense, the Company's share of interest expense included in income from investments in unconsolidated investments, depreciation and amortization, the Company's share of depreciation and amortization included in income from unconsolidated investments, loss on early extinguishment of corporate debt and income taxes.

**Equity Multiple:** Equity multiple is calculated by dividing the amount of total distributions received by KW from an investment (including any gains, return of equity invested by KW and promoted interests) by the amount of total contributions invested by KW in such investment. This metric does not take into account management fees, organizational fees, or other similar expenses, all of which in the aggregate may be substantial and lower the overall return to KW. Equity multiples represent historical performance and are not a guarantee of the future performance of investments.

**Estimated Annualized NOI:** "Estimated annualized NOI" is a property-level non-GAAP measure representing the estimated annualized net operating income from each property as of the date shown, inclusive of rent abatements (if applicable). The calculation excludes depreciation and amortization expense, and does not capture the changes in the value of our

properties that result from use or market conditions, nor the level of capital expenditures, tenant improvements, and leasing commissions necessary to maintain the operating performance of our properties. Any of the enumerated items above could have a material effect on the performance of our properties. Estimated annualized NOI is not an indicator of the actual annual net operating income that the Company will or expects to realize in any period. Estimated annualized NOI for properties held by KWE are presented as reported by KWE. Please also see the definition of "Net operating income" below.

**Investment Management and Real Estate Services Assets under Management ("IMRES AUM):** Generally refers to the properties and other assets with respect to which we provide (or participate in) oversight, investment management services and other advice, and which generally consist of real estate properties or loans, and investments in joint ventures. Our AUM is principally intended to reflect the extent of our presence in the real estate market, not the basis for determining our management fees. Our AUM consists of the total estimated fair value of the real estate properties and other real estate related assets either owned by third parties, wholly owned by us or held by joint ventures and other entities in which our sponsored funds or investment vehicles and client accounts have invested. Committed (but unfunded) capital from investors in our sponsored funds is not included in our AUM. The estimated value of development properties is included at estimated completion cost.

**IRR:** "IRR" is based on cumulative distributions to date on each investment and is the leveraged internal rate of return on equity invested in the investment. The IRR measures the return on KW's investment in each asset including promoted interests, expressed as a compound rate of interest over the entire investment period. This return does not take into account management fees, organizational fees, or other similar expenses, all of which in the aggregate may be substantial and lower the overall return to KW. IRR represents historical performance and is not a guarantee of the future performance of investments.

**KW Cap Rate:** Represents the Cap Rate (as defined) weighted by the Company's ownership interest in the underlying investments. Cap rates set forth in this presentation includes data only from income-producing properties. We calculate cap rates based on information that is supplied to us during the acquisition diligence process. This information is often not audited or reviewed by independent accountants and may be presented in a manner that is different from similar information included in our financial statements prepared in accordance with GAAP. In addition, cap rates represent historical performance and are not a guarantee of future NOI. Properties for which a cap rate is provided may not continue to perform at that cap rate.

**Same Property:** Refers to properties in which Kennedy Wilson has an ownership interest during the entire span of both periods being compared. The same property information presented throughout this report is shown on a cash basis and excludes non-recurring expenses. This analysis excludes properties that are either under development or undergoing lease up as part of our asset management strategy.

KENNEDY WILSON

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