

Kennedy Wilson and Partner Acquire Real Estate Portfolio of 29 UK Assets for £63M

BEVERLY HILLS, Calif.--(BUSINESS WIRE)--Jan. 17, 2013-- International real estate investment and services firm Kennedy Wilson (**NYSE: KW**) today announced that the company and one of its investment partners acquired a portfolio of 29 U.K. real estate assets for approximately £63 million (\$101 million) out of a CMBS pool of assets. Kennedy Wilson invested \$21 million of equity in the transaction. The properties were purchased on an all cash basis.

Sixty percent of the portfolio's assets are located in London and the Southeast, with the remaining spread throughout the rest of the country. The asset types are primarily office buildings but also include industrial and retail properties. The combined floor area of the properties is in excess of 1.1 million sq. ft. On a trailing twelve month basis, the properties currently generate a 15% yield.

"This portfolio is an excellent mix of assets with significant value-add opportunity," said Mary Ricks, president and CEO of Kennedy Wilson Europe. "We believe that our asset management expertise will allow us to maximize the potential of the properties and provide excellent returns for Kennedy Wilson and our partner."

Last month, the company, in partnership with a European financial institution, acquired a large U.K.-based commercial loan portfolio secured by real estate. Since the beginning of last year, Kennedy Wilson has completed \$1.5 billion of acquisitions in Europe, including \$1 billion of acquisitions since the beginning of the fourth quarter. In total, Kennedy Wilson has contributed approximately \$131 million into these transactions.

About Kennedy Wilson

Founded in 1977, Kennedy Wilson is an international real estate investment and services company headquartered in Beverly Hills, CA with 24 offices in the U.S., U.K., Ireland, Spain and Japan. The company offers a comprehensive array of real estate services including auction, conventional sales, property services, research and investment management. Through its fund management and separate account businesses, Kennedy Wilson is a strategic investor of real estate investments in the U.S., U.K., Ireland and Japan. For further information on Kennedy Wilson, please visit www.kennedywilson.com.

Cautionary Statement

We calculate the yield for an individual real estate asset by dividing the net operating income for such asset for the twelve-month period prior to our acquisition of such asset by the purchase price for such asset. We caution you not to place undue reliance on the yield referenced in this release because the net operating income figures used in such calculation are based solely on the data that were made available to us during the diligence processes for the acquisitions referenced in this release. Moreover, past operating results should not be relied upon as an indication of future operating results. In addition, net operating income is calculated on a non-GAAP basis.

Source: Kennedy Wilson

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