

Kennedy Wilson Closes Off-market Acquisition of 344-unit Apartment Community in Albuquerque for \$65 Million

Company recycles proceeds from recent asset sales to expand Western U.S. multifamily presence

BEVERLY HILLS, Calif.--(BUSINESS WIRE)-- Global real estate investment company Kennedy Wilson (NYSE:KW) (“KW”) has acquired Sombra del Oso, a wholly owned 344-unit apartment community in Albuquerque, New Mexico, for \$65 million, excluding closing costs. Kennedy Wilson invested \$28 million of equity using proceeds generated from recent asset sales and secured a 10-year loan of \$39 million at a fixed-rate of 2.85%.

This press release features multimedia. View the full release here:
<https://www.businesswire.com/news/home/20210701005214/en/>



Sombra del Oso (Photo: Business Wire)

The purchase comes on the heels of several large apartment transactions across the Western U.S. that have added more than 2,000 units to Kennedy Wilson’s growing portfolio in the last six months, with a focus on recycling capital into high-quality properties located in high-growth markets.

“We first entered the Albuquerque multifamily market in 2019 to establish a foothold in a region that offers relative affordability, a strong job market and a great lifestyle for residents, and we are pleased to build on our presence with the acquisition of Sombra del Oso,” said Senior Managing Director Shem Streeter, who leads acquisitions for Kennedy Wilson’s multifamily division. “We

are encouraged by the region's resilience this past year and believe there is significant upside in local multifamily as investment continues to flood into the area and residents seek out high quality rental opportunities.”

Sombra del Oso is a two-story, garden-style community that sits on 16 acres in the Westside of Albuquerque, six miles from Downtown and surrounded by a variety of shopping and restaurants. The property is currently expected to add approximately \$3 million of initial annual net operating income upon acquisition, which is projected to grow as Kennedy Wilson plans to invest approximately \$7 million to upgrade unit interiors as well as amenities and common areas on site.

The acquisition of Sombra del Oso contributes to a dramatic increase in recent transaction activity at Kennedy Wilson as well as an expansion of its multifamily portfolio, which has grown from 30,000 units at year-end 2020 to over 32,000 units at the close of Q2 2021. Sombra del Oso is Kennedy Wilson's second multifamily acquisition in the Albuquerque market, following the purchase of Skystone in 2019.

About Kennedy Wilson

Kennedy Wilson (NYSE:KW) is a leading global real estate investment company. We own, operate, and invest in real estate through our balance sheet and through our investment management platform. We focus on multifamily and office properties located in the Western U.S., U.K., and Ireland. For further information on Kennedy Wilson, please visit: www.kennedywilson.com.

Special Note Regarding Forward-Looking Statements

Statements in this press release that are not historical facts are “forward-looking statements” within the meaning of U.S. federal securities laws. These forward-looking statements are estimates that reflect our management's current expectations, are based on assumptions that may prove to be inaccurate and involve known and unknown risks. Accordingly, our actual results or performance may differ materially and adversely from the results or performance expressed or implied by these forward-looking statements, including for reasons that are beyond our control. For example, we may not be able to maintain our current acquisition or disposition pace or identify future properties to acquire on terms we consider attractive, and our current property portfolio may not perform as expected. Accordingly, you should not unduly rely on these statements, which speak only as of the date of this press release. We assume no duty to update the forward-looking statements, except as may be required by law.

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