

Kennedy Wilson and Capri Capital Partners, LLC Acquire 372 Unit Apartment Community in Seattle Suburb

Kennedy Wilson's global multifamily portfolio totals more than 17,700 units

BEVERLY HILLS, Calif.--(BUSINESS WIRE)--Mar. 26, 2014-- Global real estate investment and services firm Kennedy Wilson (**NYSE: KW**) today announced that the company and its partners have teamed with Capri Capital Partners, LLC ("Capri") to acquire Bailey Farm Apartments, a 372-unit apartment development in Bothell, a suburb of Seattle, Washington. The property was purchased from The Wolff Company for \$91.5 million, including \$45.8 million of debt through a life insurance company. Kennedy Wilson invested \$4 million of equity in the transaction.

The Bailey Farm purchase follows two related acquisitions of a total of 456 apartment units in El Cerrito, California and Spokane, Washington in December 2013.

"We are pleased to have completed the acquisition of this property following the purchases of Village at Town Center and Big Trout Lodge in December," said Kurt Zech, president of Kennedy Wilson's Multifamily Management Group. "All three of these properties are very attractive assets acquired off market that complement our existing Western U.S. portfolio."

Ken Lombard, Vice Chairman - Investments & Partner at Capri Capital Partners, stated, "Our investment in Bailey Farm Apartments highlights Capri's continued interest in investing in high quality multifamily assets located in markets with strong underlying fundamentals. We are pleased to be teaming up with Kennedy Wilson on this off-market lease-to-core investment, which is poised to capture the growing local residential demand, and we look forward to contributing to the ongoing revitalization of the Bothell market."

Built in 2013, Bailey Farm Apartments offers a mix of one, two and three-bedroom units averaging 877 square feet. The property sits at the foot of an enormous natural preserve next to North Creek Park and includes amenities such as a resort style swimming pool and spa, BBQ and picnic area, fire pit, yoga studio and world class 24-hour fitness room. The 20.6-acre site is located near major freeways, providing easy access to Seattle, Bellevue, and Everett. Top employers in the area include Boeing, Everett Naval Station, Washington State and Providence Medical Center.

"Employers such as Boeing have helped to drive the strongest population growth in the metro, supporting solid apartment demand," commented Zech. "Downtown Bothell is experiencing an incredible amount of redevelopment that will benefit the property tremendously and continue the market's strong rent growth."

The company's global multifamily portfolio totals 17,753 units.

About Kennedy Wilson

Founded in 1977, Kennedy Wilson is a vertically integrated global 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, on its own or with partners, invests opportunistically in a variety of real estate related investments, including commercial, multifamily, loan purchases and originations, residential, and hotels. Kennedy Wilson offers a comprehensive array of real estate services including investment management, property services, auction, conventional sales, brokerage and research. For further information on Kennedy Wilson, please visit www.kennedywilson.com.

About Capri Capital Partners

Capri Capital Partners, LLC is an SEC registered institutional real estate investment advisory firm which has acquired or originated over \$10 billion in commercial real estate investments since its founding in 1992. Capri offers a broad spectrum of real estate equity and debt products to its clients through separate account, commingled fund, and joint venture formats. Over its 21 year history, Capri has demonstrated experience investing in multifamily residential and urban investments. Diversified assets managed on behalf of its pension fund and other institutional investors totaled approximately \$3.6 billion as of September 30, 2013. Capri is headquartered in Chicago, with additional offices in Los Angeles and the New York area. For more information, visit the company's website www.capricapital.com.

Source: Kennedy Wilson

Kennedy Wilson
Christina Cha
VP of Corporate Communication
(310) 887-6294
ccha@kennedywilson.com
www.kennedywilson.com