

Kennedy Wilson Partners with Fairfax Financial on New €278M European Commercial Real Estate Investment Platform

Partnership will initially focus on UK and Irish commercial real estate; investment builds on fully invested \$278 million U.S. partnership

BEVERLY HILLS, Calif.--(BUSINESS WIRE)--Mar. 13, 2012-- International real estate investment and services company Kennedy Wilson (**NYSE: KW**) today announced the formation of a new partnership with Fairfax Financial Holdings Limited (**TSX: FFH**) (**TSX: FFH.U**) ("Fairfax") to pursue acquisitions of European commercial real estate assets, including loans and real property. The partnership will initially focus on investments in the UK and Ireland with Fairfax providing a €250 million capital commitment alongside a 10% co-investment from Kennedy Wilson. This platform follows on Kennedy Wilson and Fairfax's fully invested \$278 million U.S. real estate investment partnership.

Fairfax chairman and CEO Prem Watsa commented, "We are pleased with our U.S. commercial real estate partnership with Kennedy Wilson and look forward to investing in European assets through this new platform."

Fairfax will review and approve all opportunities sourced by Kennedy Wilson through the new European platform. Kennedy Wilson will play the lead role in sourcing, negotiating and executing the acquisition of investment opportunities in addition to holding responsibility for due diligence, financing, property management, asset management and disposition.

"Kennedy Wilson and its partners have completed \$3.7 billion of deals in the UK and Ireland to date," said William McMorow, chairman and CEO of Kennedy Wilson. "We are excited to continue our relationship with Fairfax overseas and to pursue additional opportunities in Europe."

About Kennedy Wilson

Founded in 1977, Kennedy Wilson is an international real estate investment and services company headquartered in Beverly Hills, CA with 23 offices in the U.S., Europe and Japan. The company offers a comprehensive array of real estate services including auction, conventional sales, property services 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., Europe and Japan. For further information on Kennedy Wilson, please visit www.kennedywilson.com.

Source: Kennedy Wilson

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