

Kennedy Wilson and Partners Sell Multifamily Property in Northern California for \$55 Million

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BEVERLY HILLS, Calif.--(BUSINESS WIRE)-- Global real estate investment and services firm Kennedy Wilson (**NYSE: KW**) today announced that the Company and its equity partners completed the sale of a 159-unit multifamily property in the greater San Francisco Bay Area for \$55 million. The apartment community was acquired by Kennedy Wilson and its partners in 2013 after which Kennedy Wilson implemented a value-add asset management program and grew the NOI by approximately 20% prior to sale.

“Kennedy Wilson was able to create substantial value in this property through the implementation of an institutional asset management program,” said Kurt Zech, president of Kennedy Wilson Multifamily Investments. “This was an opportune time to selectively dispose of a handful of investments in which the Company had smaller ownership interests. With that said, we continue to focus on growing the income in our core portfolio and strategically adding units to our overall multifamily platform.”

Since September 30, 2015, the Company and its partners have sold six multifamily properties totaling 1,997 units located in the Western U.S. for gross sales proceeds of \$479 million. The Company had a 22% weighted average ownership in these joint venture investments and the sales were completed at an average cap-rate of 4.9%. The net proceeds (including promoted interests) to Kennedy Wilson were \$57 million, which equates to an approximate \$35 million cash profit on these investments. Kennedy Wilson’s global multifamily portfolio has grown by approximately 3,500 units in the past 12 months and now stands at over 24,000 units. Kennedy Wilson has an approximate 48% weighted average ownership interest in this portfolio.

For the full year of 2015, the Company and its equity partners (including KWE) completed over \$3 billion of acquisitions and over \$2 billion of dispositions.

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 25 offices in the U.S., U.K., Ireland, Spain, Jersey 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.

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. Furthermore, the capitalization rate of our investments represents the net operating income of an investment for the year preceding its acquisition or disposition divided by the purchase or sale price. Capitalization rates represent historical performance and are not a guarantee of future net operating income. 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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Kennedy Wilson
Christina Cha
VP of Corporate Communication
310-887-6294
ccha@kennedywilson.com

or

Daven Bhavsar
Director of Investor Relations
310-887-3431
dbhavsar@kennedywilson.com

Source: Kennedy Wilson