

## Kennedy Wilson and Partners Acquire The Ritz-Carlton, Lake Tahoe and The Ritz-Carlton Residences, Lake Tahoe

### Company to begin sale of residential units in January

BEVERLY HILLS, Calif.--(BUSINESS WIRE)--Dec. 18, 2012-- International real estate investment and services firm Kennedy Wilson (**NYSE: KW**) today announced that the company and its partners acquired The Ritz-Carlton, Lake Tahoe and The Ritz-Carlton Residences, Lake Tahoe from the property's lenders. Pacific Western Bank provided \$45 million of financing. The company invested \$18 million of equity in the transaction for a 50% ownership interest.

Constructed in 2009, the resort includes The Ritz-Carlton, Lake Tahoe and The Ritz-Carlton Residences. The hotel is the first Forbes Four-Star/AAA Five Diamond resort in the Lake Tahoe area and includes 170 guest rooms. The residential component encompasses the entire top floor of the hotel, and a private wing on the third floor includes 23 penthouse residences.

"The Ritz-Carlton, Lake Tahoe is the premier highlands resort west of the Rockies and we are pleased to be able to acquire the property at a significant discount to replacement cost," said Stuart Cramer, president of KW Residential Investment Group. "Along with the recent increase in investment and upgrading of properties in the area, The Ritz-Carlton, Lake Tahoe now establishes Lake Tahoe as a true world class destination."

Nestled mid-mountain on the Northstar California Resort, the Northern California contemporary mountain retreat features slope-side ski-in, ski-out access in winter and mountain concierge services for golf, mountain biking and hiking in the summer. The hotel's signature restaurant, Manzanita, features seasonal French-inspired California cuisine, while the resort's 17,000 square foot Highlands Spa provides treatments and therapies themed around water and the woods.

The company will begin marketing the 23 units at The Ritz-Carlton Residences, Lake Tahoe in January.

"We expect sales at the property to benefit from the booming Bay Area economy and housing market," commented Tori Long of Tahoe Exclusive Properties, the sales agent for the units. "Additionally, the penthouses will stand the test of time as the pinnacle of luxury ownership in all of Tahoe. Families will be pampered here, children will learn to ski and explore here, and they'll enjoy the wonder of the mountains coupled with a level of sophistication and service unrivaled anywhere."

Kennedy Wilson, together with its institutional partners, has acquired approximately \$7.1 billion of real estate and real estate related debt since the beginning of 2010.

## 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](http://www.kennedywilson.com).

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