

Kennedy Wilson Europe Real Estate Plc Acquires 180 Property Portfolio in United Kingdom for £503M (\$758M)

Acquisitions by Kennedy Wilson Europe Real Estate Plc since inception in February 2014 exceed £1.9 Billion (\$2.9 Billion)

BEVERLY HILLS, Calif.--(BUSINESS WIRE)--Feb. 2, 2015--Global real estate investment and services firm Kennedy Wilson (**NYSE: KW**) today announced that Kennedy Wilson Europe Real Estate Plc, a property company listed on the London Stock Exchange (**LSE: KWE**) and sponsored and managed by Kennedy Wilson, has acquired a mixed use property portfolio of 180 properties located in the United Kingdom from Aviva Commercial Real Estate Finance, a subsidiary of Aviva Plc, the UK's largest insurer, in a transaction totaling approximately £503 million (\$758 million). KWE has closed the acquisition of 163 of the 180 properties, with a value of approximately £444 million (\$669 million), and the remaining 17 properties in the portfolio are expected to close subject to certain conditions.

“The completion of this acquisition along with attractive and flexible vendor financing materially increases KWE’s stabilized cash flow,” said Mary Ricks, president and CEO of Kennedy Wilson Europe. “KWE continues to make good progress in deploying the capital raised in October 2014 from the follow-on offering.”

The acquisition is being funded from KWE’s cash resources and a new £352 million (\$530 million) secured loan facility with Aviva. The portfolio consists of approximately 3.5 million square feet of space, is currently 98% occupied and is expected to generate approximately £36 million (\$54 million) of net rental income. The portfolio is predominantly located in England, with 54%, by value, weighted towards London and the South East and 5% weighted towards Scotland and Wales. The primary sector use, by value, is retail, food and convenience, comprising 62% of the portfolio, with leisure, industrial, office and hotels making up the balance.

Real estate related acquisitions by KWE since its inception in February 2014, which total more than £1.9 billion (\$2.9 billion), currently generate approximately £130 million (\$196 million) of net rental income and consist of more than 10 million square feet. Kennedy Wilson currently owns approximately 14.9% of the total issued share capital of KWE and serves as its external manager.

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.

Source: Kennedy Wilson

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