

Kennedy Wilson Acquires Prime London Office for \$252 Million

Company recycles proceeds from recent asset sales

BEVERLY HILLS, Calif.--(BUSINESS WIRE)-- Global real estate investment company Kennedy Wilson (NYSE: KW) has acquired One Embassy Gardens for \$252 million, excluding closing costs, in an off-market transaction that is currently expected to add \$12 million in annual net operating income.

This press release features multimedia. View the full release here:

<https://www.businesswire.com/news/home/20210629005335/en/>



One Embassy Gardens (Photo: Business Wire)

Located in London's Nine Elms district, the 156,000-square-foot, recently developed, Grade A office building was designed to minimize energy and water consumption and was awarded BREEAM Excellent certification.

One Embassy Gardens is part of the wider Embassy Gardens estate, a new riverside district immediately adjacent to the U.S. Embassy and close to Apple's new 500,000-square-foot headquarters at Battersea Power Station. The asset is 82% occupied by publisher Penguin Random House, with 8.3 years of term on the lease and a two-year rental guarantee from the vendor on the vacant space.

"One Embassy Gardens represents an excellent opportunity to recycle proceeds following the recent opportunistic sale of our central London office asset, Friars Bridge Court, where we sold at a capital value of £1,600 per sq ft and a cap rate of 3.5%. We are now buying new modern stock at £1,140 per sq ft and cap rate of 4.5%, adding \$12 million of day-one NOI to Kennedy Wilson with ongoing growth prospects as the area becomes more established and rents converge to levels similar to other Central London submarkets," said Mike Pegler, Head of UK for Kennedy Wilson. "One Embassy Gardens is a high-quality, green-certified asset of scale with a secure income stream within one of the fastest-expanding submarkets of central London and it is set to further benefit from the 'tech-clustering' effect when Apple opens its HQ in 2022."

About Kennedy Wilson

Kennedy Wilson (NYSE:KW) is a leading global real estate investment company. We own, operate, and invest in real estate through our balance sheet and through our investment management platform. We focus on multifamily and office properties located in the Western U.S., U.K., and Ireland. For further information on Kennedy Wilson, please visit: www.kennedywilson.com.

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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. 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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