

Kennedy Wilson and Partner Acquire Multifamily Community in Seattle, WA for \$90M

Acquisition funded by recent disposition as capital recycling continues

BEVERLY HILLS, Calif.--(BUSINESS WIRE)-- Global real estate investment company Kennedy Wilson (NYSE: KW) today announced that the company and an equity partner acquired Equinox, a 204-unit multifamily community in Seattle, Washington, for \$90 million. The company and its equity partner invested \$38 million of equity (inclusive of closing costs), of which the company's share is 51%. The partnership also secured a 10-year loan of \$53 million through Freddie Mac at a rate of LIBOR + 2.11% with interest only for five years. The acquisition was primarily funded by the company and its equity partner with \$24 million of net proceeds from the sale of the Reserve, a multifamily community in Federal Way, Washington, completed in September 2016.

This Smart News Release features multimedia. View the full release here:

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Equinox (Photo: Business Wire)

“The acquisition of Equinox represents a unique investment opportunity to acquire a well-located asset designed with condo finishes and featuring large floorplans and panoramic lake and skyline views,” said Shem Streeter, Managing Director of Kennedy Wilson Multifamily Investments. “Both transactions in the greater Seattle area demonstrate our ability to recycle

capital from an asset where we realized significant value creation into a high-quality asset in a thriving submarket with future asset management potential.”

Equinox is a class-A apartment community located in Seattle, WA. The property was built in 2009 and consists of 204 apartments with stainless steel appliances, custom cabinetry, crown molding, and granite countertops. Equinox’s amenity package includes a rooftop deck with lake views, a large recreational game room with a kitchen, and a fitness center with a yoga studio. The property is one mile away from the South Lake Union submarket and within walking distance to employers such as Amazon’s headquarters, Facebook, the Fred Hutchinson Cancer Research Center, and a future 607,000 sq. ft. Google campus. Equinox is also walking distance to many shops and restaurants, and is conveniently located within one block of an I-5 exit, providing quick access to the SR-99 and downtown Seattle.

About Kennedy Wilson

Kennedy Wilson (NYSE:KW) is a global real estate investment company. We own, operate, and invest in real estate both on our own and through our investment management platform. We focus on multifamily and commercial properties located in the Western U.S., UK, Ireland, Spain, Italy and Japan. To complement our investment business, the Company also provides real estate services primarily to financial services clients. 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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