

Kennedy Wilson Acquires 188-Unit Boise, Idaho Apartment Community in Off-Market Transaction for \$24 Million

Company's portfolio now totals 1,184 units in rapidly growing Boise apartment market, with a short-term target of 2,000 units

BEVERLY HILLS, Calif.--(BUSINESS WIRE)-- Global real estate investment company Kennedy Wilson (NYSE:KW) has acquired Cottonwoods Apartments, a wholly-owned 188-unit apartment community in Boise, Idaho for \$24 million. Kennedy Wilson invested approximately \$11 million of equity (including closing costs) and secured a \$14 million loan from Freddie Mac at a fixed rate of 4.33% for 10 years. The off-market purchase reflects a continued focus on recycling capital into properties with value-add components in high growth markets.

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

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Reedhouse in Boise, Idaho (Photo: Business Wire)

“Boise has emerged as one of the fastest growing metro areas in the United States and one of the top-performing markets in our multifamily portfolio. New residents are drawn to Boise by the strong local education system, high-quality employment opportunities, relative housing affordability, lower taxes, job growth and lifestyle perks,” said Nick Bridges, Managing Director at Kennedy Wilson. “With Cottonwoods, we have the opportunity to take a very well-located property and add significant value through a top-to-bottom renovation program that will bring the property in line with the best multifamily properties in the area.”

Beginning immediately, Kennedy Wilson will initiate a large-scale renovation and rebranding of the property. More than \$6 million will be invested to upgrade the unit interiors, improve the clubhouse, fitness center and pool, and address deferred maintenance projects. This will be most significant reinvestment into the property since it was built in 1986 and upon completion the apartments will be renamed “Reedhouse” as a tribute to the rich history of the site.

The apartments are located in Southeast Boise between a private lake and the Boise River, providing most of the units with waterfront views. The property is just minutes from some of the best employers in Boise, including Albertsons Companies, Micron, and the JR Simplot Company, as well as Boise State University and Downtown. Residents have direct access to public transportation, lush parks and walking/biking paths, including the 25-mile Boise River Greenbelt that follows the river through the heart of the city.

“We are excited about the potential to find and create value within the Boise multifamily market and plan to continue exploring opportunities to expand our presence there,” added Bridges. “With nearly 1,200 units owned currently, we hope to grow to 2,000 units in the Boise area by the end of 2020 through new acquisitions and development.”

Over the next several years, Kennedy Wilson has plans to develop 166 multifamily units on seven acres of land directly adjacent to the properties in its Boise portfolio, as well as 278 units on a fully-entitled, 22-acre site on the Boise River greenbelt in the high-income submarket of Eagle, Idaho.

The acquisition of Cottonwoods is the fifth significant purchase for Kennedy Wilson in Boise since the company started investing in the region in 2014. Kennedy Wilson’s other assets include Whitewater Park Apartments with 324 units, Edgewater with 300 units, River Pointe with 204 units and Rosewood Apartments with 168 units. All of the Boise multifamily properties were secured through off-market transactions, acquired directly from private sellers.

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 office properties located in the Western U.S., UK, and Ireland.

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. 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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Investors

Daven Bhavsar, CFA
Director of Investor Relations
+1 (310) 887-3431
dbhavsar@kennedywilson.com

Media

Emily Heidt
Director of Public Relations
+1 (310) 887-3499
ehheidt@kennedywilson.com

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