Kennedy Wilson Acquires 750-Unit Multifamily Property, Seattle Metro's Second Largest Apartment Community

Company increases multifamily portfolio to 10,786 units in the U.S. and Japan, with an additional 492 units under contract

BEVERLY HILLS, Calif., Jan 14, 2011 (BUSINESS WIRE) --

International real estate investment and services firm Kennedy Wilson**(NYSE: KW)** today announced that the company and its partners have acquired Club Palisades, a 750-unit multifamily community in Federal Way, WA. The property is the second largest multifamily asset in the Seattle metro area and was purchased as an REO from a group of insurance companies.

Kennedy Wilson capitalized the transaction with its partners, Fairfax Financial, the LeFrak Organization and KW Property Fund III, along with new financing of $46,750,000 through Fannie Mae.

"We are very pleased with this acquisition," commented Robert Hart, president and CEO of KW Multifamily Management Group. "We were able to purchase it significantly below replacement cost, and the property is well positioned in the market. We believe that the Seattle metro area is poised for significant rebound in rental rates as the local job markets recover."

Kennedy Wilson plans to pursue a value-added rehab program and upgrade many of the units to position Club Palisades for growth in the market.

The acquisition brings Kennedy Wilson's Seattle portfolio to seven communities, comprised of 3,163 units. The company and its partners now own 10,786 multifamily units across the U.S. and Japan, with an additional 492 units currently under contract.

About Kennedy Wilson

Founded in 1977, Kennedy Wilson is an international real estate investment and services company headquartered in Beverly Hills, CA with 21 offices in the U.S. and Japan. The company offers a comprehensive array of real estate services including property and asset management, brokerage and auction services, and construction and trust management. Through its fund management and separate account businesses, Kennedy Wilson is a strategic investor and manager of real estate investments in the U.S. and Japan. For further information on Kennedy Wilson, please visit www.kennedywilson.com.

SOURCE: Kennedy Wilson

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