

Kennedy Wilson and Partners Acquire 544-Unit Multifamily Community in San Francisco Bay Area

Company announces acquisition of Waterford in Hayward, CA

BEVERLY HILLS, Calif.--(BUSINESS WIRE)--Jun. 8, 2012-- International real estate investment and services firm Kennedy Wilson (**NYSE: KW**) today announced the acquisition of Waterford, a 544-unit multifamily community in Hayward, CA. The company and its partners purchased the property for \$86.5 million, with \$68.1 million in financing from Freddie Mac at 3.69%, fixed for ten years. The company's multifamily portfolio currently consists of ownership interests in 14,114 units, including deals currently under contract.

"This acquisition is an excellent opportunity for us to employ our long term experience in repositioning and managing large multifamily communities," said Robert Hart, president of KW Multifamily Management Group. "Additionally, Waterford is in a strategic job centric infill location and situated in the East Bay near the entrance to the San Mateo Bridge, providing convenient access to residents commuting to the Silicon Valley, South Bay and San Francisco and making it a very attractive investment."

Waterford is comprised of 29 two and three-story residential buildings with a leasing center, fitness center, two swimming pools and spas and children's playground. The company plans to enhance the property's amenities and complete an aesthetic upgrade of the buildings with new paint and landscaping.

Kennedy Wilson, together with its institutional partners, has acquired approximately \$6.6 billion of real estate and real estate secured debt through joint venture and consolidated investments since the beginning of 2010, including deals under contract. As of March 31, 2012, the estimated value of the real estate assets under the company's management is \$11.8 billion.

About Kennedy Wilson

Founded in 1977, Kennedy Wilson is an international real estate investment and services company headquartered in Beverly Hills, CA with 23 offices in the U.S., Europe and Japan. The company offers a comprehensive array of real estate services including auction, conventional sales, property services, and research and investment management. Through its fund management and separate account businesses, Kennedy Wilson is a strategic investor of real

estate investments in the U.S., Europe and Japan. For further information on Kennedy Wilson, please visit www.kennedywilson.com.

Source: Kennedy Wilson

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