

Kennedy Wilson and Partners Acquire 612-Unit Apartment Community in Greater Sacramento for \$100 Million

Off-market transaction brings YTD multifamily acquisitions to 6,449 units and total global unit count to over 26,000 units

BEVERLY HILLS, Calif.--(BUSINESS WIRE)--Jul. 29, 2015-- Global real estate investment and services firm Kennedy Wilson (**NYSE: KW**) today announced that the company and its equity partners have, in an off-market transaction, acquired Slate Creek at Johnson Ranch, a 612-unit apartment community located in Roseville, California, for \$100 million. The company and its equity partners invested an aggregate of \$38.5 million of equity in the transaction (inclusive of closing costs), of which the company's initial share is approximately 12.5%. As part of the transaction, the company and its equity partners assumed \$63 million of debt.

"Slate Creek benefits from strong area incomes and a wide base of local employers, providing us the opportunity to execute a robust value-add plan on a low density property," said Kurt Zech, president of Kennedy Wilson Multifamily Investments. "The property is situated on a 39-acre site, which is nearly impossible to replicate in this submarket."

Slate Creek is located within an upscale residential neighborhood in Roseville, which has a median area home price of \$715,000. The property is in close proximity to downtown Sacramento, catering to employees of nearby companies such as Hewlett-Packard, Kaiser Permanente, Oracle, Intel and Sutter Health Systems.

Year to date, Kennedy Wilson has acquired interests in 6,449 multifamily units in the Western U.S. at an average cap rate of approximately 7.0%. With this acquisition, Kennedy Wilson's global multifamily portfolio totals over 26,000 units.

About Kennedy Wilson

Founded in 1977, Kennedy Wilson is a vertically integrated global real estate investment and services company headquartered in Beverly Hills, CA, with 25 offices in the U.S., U.K., Ireland, Spain, Jersey and Japan. The company, on its own or with partners, invests opportunistically in a variety of real estate related investments, including commercial, multifamily, loan purchases and originations, residential, and hotels. Kennedy Wilson offers a comprehensive array of real estate services including investment management, property services, auction, conventional sales,

brokerage and research. 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 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 rates of our properties at acquisition may not reflect future performance. 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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