

Kennedy Wilson Purchases 450-Unit Apartment Community in Salt Lake City

Company's investments in Greater Salt Lake City now total \$139 million, including 816 multifamily units and more than 325,000 sf of retail

BEVERLY HILLS, Calif.--(BUSINESS WIRE)--May. 1, 2013-- International real estate investment and services firm Kennedy Wilson (**NYSE: KW**) today announced the acquisition of Foothill Place, a 450-unit apartment community in Salt Lake City, Utah. The acquisition brings the company's total investment in the area to \$139 million, including 816 multifamily units and 325,832 square feet of retail properties.

William McMorrow, chairman and CEO of Kennedy Wilson, commented, "Salt Lake City is a great market for the company to invest in because it's one of the few metro areas in the country where employment is now exceeding pre-recession levels. Also, the area's population is increasing at about 1.7% per year, so we're confident in the opportunity for further growth there. In fact, average apartment rental rates have risen approximately 4% year over year while vacancy has dropped to about 5%."

The company purchased Foothill Place for \$61.8 million, investing \$15 million of equity in the transaction and financing the purchase with a \$49.7 million, 10-year Freddie Mac loan at 3.58%, fixed, through Berkeley Point.

"This asset is our second multifamily acquisition in the Salt Lake City area in the last six months, where we purchased Sandpiper Apartments in November of last year," said Bob Hart, president of KW Multifamily Management Group. "Foothill and Sandpiper are excellent examples of Kennedy Wilson's value-add repositioning strategy in markets that have stable job growth with high rental demand."

Foothill Place is located in East Valley, close to the University of Utah and to Park City. The property, built in 1974, consists of 10 two- and three-story buildings situated on 18 acres. Amenities include two swimming pools, a volleyball court, dog park, rock climbing boulder and a clubhouse/leasing center with fitness center. Kennedy Wilson plans to add washers and dryers in addition to renovating the majority of the units and adding selected upgrades to the property's common areas.

Kennedy Wilson, together with its institutional partners, has acquired \$1.1 billion of real estate and real estate related debt since the beginning of this year. This total includes 1,253 apartment units in the Western U.S., 1.1 million square feet of commercial assets in the Western U.S. and in the U.K. and \$770 million in unpaid principal balance of loans secured by real estate, primarily in the U.K. The company's multifamily portfolio in the U.S., Ireland and Japan now totals 15,402 units.

About Kennedy Wilson

Founded in 1977, Kennedy Wilson is an international real estate investment and services company headquartered in Beverly Hills, CA with 24 offices in the U.S., U.K., Ireland, Spain and Japan. The company offers a comprehensive array of real estate services including auction, conventional sales, property services, 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., U.K., Ireland and Japan. For further information on Kennedy Wilson, please visit www.kennedywilson.com.

Source: Kennedy Wilson

Kennedy Wilson
Christina Cha
VP of Corporate Communication
310-887-6294
ccha@kennedywilson.com
www.kennedywilson.com