

Kennedy Wilson Acquires 179-Unit Apartment Community in Portland for \$60 Million

Pacific Northwest presence grows to over 11,000 units as company recycles proceeds from sale of No. Cal investment

BEVERLY HILLS, Calif.--(BUSINESS WIRE)-- Global real estate investment company Kennedy Wilson (NYSE:KW) (“KW”) has acquired Savier Street Flats, a wholly-owned 179-unit apartment community in Portland’s Northwest neighborhood for \$60 million. KW invested \$27 million of equity, and assumed an eight-year loan of \$33 million at a fixed-rate of 3.5%. The purchase comes on the heels of several large KW apartment acquisitions in the Portland area and reflects a continued focus on recycling capital into high-quality properties located in high growth markets.

This press release features multimedia. View the full release here:
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Kennedy Wilson Acquires Savier Street Flats in Portland, Oregon (Photo: Business Wire)

“Portland has established itself as one of the fastest growing apartment markets in the United States, and we are pleased to expand Kennedy Wilson’s presence into a region that is forecasted to continue its upward trajectory,” said Shem Streeter, Managing Director at KW. “With its relatively low cost of doing business, high quality of living and highly educated population, Portland has become one of the country’s strongest economies anchored by high tech growth.

Like many of the major urban markets along the West Coast, all signs point to an increased need for well-located housing like what we are offering at Savier Street Flats.”

Savier Street Flats was the final acquisition utilizing the 1031 exchange proceeds generated from the recent sale of Summer House, a wholly owned 615-unit apartment community in Alameda, CA. Constructed in 2013, Savier Street Flats is 47 years newer than Summer House, provides walkable access to the city’s best dining and retailers as well as proximity to major local employers, and features modern amenities while also incorporating the historic character of the surrounding neighborhood.

The LEED Platinum-certified Savier Street Flats includes a mix of studio, one, and two-bedroom units ranging from 553 square feet to 1,062 square feet across two mid-rise buildings. The community includes a fitness center, indoor and outdoor resident lounges, a pet spa, a bike wash and repair station and controlled access parking for vehicles and bikes. On the ground floor, residents have access to two retailers - Abbey Bar and Bottleshop and ZoomCare, a prominent health services provider. Kennedy Wilson plans to invest up to \$2 million to further enhance the amenities and common areas on site, as well as the leasing office, property signage and branding.

The acquisition of Savier Street Flats is the third significant purchase for KW in the Portland region in recent months. KW secured Heatherwood Apartments in Gresham, Oregon, for \$51 million in October 2017 with plans to invest another \$5 million in the property over the next several years. In September 2017, the company acquired the Latitude apartments in Happy Valley, Oregon, for \$58 million.

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 commercial properties located in the Western U.S., UK, Ireland, Spain, Italy and Japan. To complement our investment business, the Company also provides real estate services primarily to financial services clients. 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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