KENNEDY WILSON

Kennedy Wilson and Partners Acquire 770 Apartment Units across Western U.S.

Company's multifamily purchases total $215 million and 1,820 units YTD

BEVERLY HILLS, Calif., Feb 16, 2011 (BUSINESS WIRE) -- International real estate investment and services firm Kennedy Wilson**(NYSE: KW)** today announced that the company, along with an affiliate of DRA Advisors and with Kennedy Wilson Property Fund III, acquired Enclave at Adobe Creek, a 492-unit multifamily community in Petaluma, CA. The company also joined forces with The LeFrak Organization to purchase a 100% equity interest in Indigo Springs, a 278-unit multifamily community in Kent, WA.

"We are pleased to complete our first new venture with DRA and expand our relationship with the LeFraks," commented Robert Hart, president and CEO of KW Multifamily Management Group. "The acquisitions of Enclave and Indigo are examples of Kennedy Wilson's successes in acquiring off market value-added opportunities in our core West Coast markets."

Kennedy Wilson and its partners purchased Enclave at Adobe Creek for $68 million, with $47.6 million in financing from Freddie Mac, in an off-market transaction. Prior ownership recently renovated the community, which includes five swimming pools, spa, clubhouse, fitness center, tennis and basketball courts, outdoor picnic areas, on-site laundry facilities, children's playground and reserved parking. Unit sizes average 939 square feet, and occupancy is currently at 97%.

Indigo Springs is the ninth multifamily community in the Kennedy Wilson-LeFrak portfolio, which now totals in excess of 4,000 units. The plan for the community is to complete the renovation of the property, already underway, and increase rents. Hart added that Kennedy Wilson "continues to pursue opportunities in the Seattle area, and this transaction is a reflection of our commitment to this particular market."

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.

About DRA Advisors LLC

DRA Advisors LLC is a New York-based registered investment advisor specializing in real estate investment management services for institutional and private investors, including pension funds, university endowments, foundations, and insurance companies. Founded in 1986, the firm currently manages $9 billion in assets. Additional information about DRA can be found on the company's website at www.draadvisors.com.

SOURCE: Kennedy Wilson

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