

Kennedy Wilson and Partners Complete \$2.9B of Acquisitions in 2012 for a Total of \$8.0B of Acquisitions Since 2010

Final 2012 purchases include three Los Angeles area office properties bought for \$78.5 million

Approximately two-thirds of UK loan pool acquired in December 2011 resolved

BEVERLY HILLS, Calif.--(BUSINESS WIRE)--Dec. 28, 2012-- International real estate investment and services firm Kennedy Wilson (**NYSE: KW**) today announced that the company and its partners acquired three office buildings in the Los Angeles area for a total of \$78.5 million. Kennedy Wilson invested \$6.5 million of equity in the transactions. These acquisitions bring the total purchases of real estate related assets by the company and its partners to \$8.0 billion since 2010, including \$2.9 billion in 2012.

Additionally, due to several significant year end payoffs, the UK loan pool representing \$2.1 billion in unpaid principal balance (at a purchase price of 80%) acquired in 2011 by the company and its partners has now been paid down to approximately \$0.8 billion (at an average resolution value in excess of 95%). Kennedy Wilson owns a 12.5% interest in the loan pool as well as a potential promoted interest in the profits of the partnership.

“The company’s acquisition activity over the last three years reflects remarkable teamwork and our ability to execute on significant opportunities globally,” said William McMorrow, chairman and CEO of Kennedy Wilson. “Additionally, we are also pleased to report great progress in implementing our business plan on the UK loan pool that we acquired at the end of last year. Resolutions are coming in faster and at better recovery rates than we originally anticipated.”

The company’s latest acquisitions include Marina View in Marina del Rey, Royal Beverly Glen in Los Angeles and Tri Center in the San Fernando Valley. Marina View is comprised of a six-story, 60,918 RSF office building, a single story 14,774 RSF retail building and two stories of structured parking. Royal Beverly Glen is a Class A, four-story, 77,749 square foot office building in the Century City submarket of Los Angeles, and Tri Center is a Class A, four-story, 143,256 square foot office building in the Van Nuys submarket.

“We are excited by the acquisition of these three office buildings, each at a significant discount to their respective replacement cost,” John Prabhu, president of KW Commercial Investment Group, stated. “Marina Del Rey, Century City and Van Nuys are all among Los Angeles’ most desirable submarkets, and these premier locations provide excellent inherent tenant demand stemming

from the technology, media, and entertainment industries. Demand from these industries has been very strong throughout 2012, contributing to Greater Los Angeles' 2012 net office absorption, more than tripling 2011's output."

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