



KKR Closes First Asia Real Estate Fund at US\$1.7 billion

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HONG KONG--(BUSINESS WIRE)-- KKR, a leading global investment firm, today announced the final close of KKR Asia Real Estate Partners (“AREP” or the “Fund”), a US\$1.7 billion fund focused on opportunistic real estate investments in Asia Pacific.

“AREP’s close marks the next chapter of growth for KKR in Asia Pacific as we continue to expand our position as a proven alternative capital provider across asset classes,” said Ming Lu, Head of KKR Asia Pacific. “Asia Pacific’s real estate sector needs sophisticated investment and innovative operational solutions to meet the high demand for modernized properties and developments that are required to stay ahead of the region’s rapid growth. Our experienced team is well-positioned to capture compelling opportunities and add value to our portfolio to generate attractive, yield-adjusted returns for our investors.”

KKR’s Asia Pacific real estate platform takes a flexible investment approach across assets and platforms, utilizing equity and debt in both emerging and developed markets. AREP will invest in opportunities where KKR can drive meaningful growth by leveraging the Firm’s highly experienced in-country investment teams, its global network of industry and operational experts, and long track record of value creation. The Fund, which builds on KKR’s standing as a partner of choice to leading real estate businesses and developers, will specifically focus on a range of sectors, including commercial, industrial and residential properties, and will opportunistically evaluate assets in emerging alternative sectors.

John Pattar, Head of Asia Pacific Real Estate at KKR, said, “The transformation of Asia Pacific’s real estate sector is creating a strong pipeline of new and exciting opportunities that are well-suited to KKR’s flexible investment approach, local expertise and deep operational experience. Increased domestic consumption, productivity and urbanization – combined with the acceleration of e-commerce and platform-based businesses and the evolution of the traditional office landscape – is fundamentally reshaping the region’s real estate sector. AREP will play an important role in bringing the necessary solutions to the region’s real estate industry during this exciting phase of growth.”

AREP, which is KKR’s inaugural pan-Asian real estate fund, received strong support from a diverse group of new and existing global investors, including public and corporate pensions, sovereign wealth funds, insurance companies, endowments, private banking platforms, family offices and high net worth individual investors. The Fund represents one of the largest inaugural pan-regional real estate funds to have been raised in Asia Pacific to date.

“Our ability to raise this Fund in the midst of a pandemic is a testament to the strength of KKR’s Asia Pacific franchise, proven real estate track record around the world, and the trust in our ability to create value,” said Jon Fiorello, Head of KKR’s Real Estate Strategies Team. “We appreciate the confidence that our global investors have placed in our strategy and team.”

In Asia Pacific, the Firm has deployed more than US\$1.5 billion of equity across approximately 20 real estate transactions since 2011, including investments in mixed use, commercial, industrial, hotel, office and retail properties. KKR has also provided debt financing to real estate developers and companies. Assets within KKR’s Asia Pacific real estate portfolio include, but are not limited to, Namsan Square, an office tower located in Seoul’s central business district.

Ralph Rosenberg, Global Head of KKR Real Estate, said, “AREP’s close is an exciting milestone for our global real estate platform. Asia Pacific is an integral and increasingly important part of our investment strategy given the attractive growth and demographic drivers shared by markets across the region. Looking ahead, we are well-positioned to build on our successes in Asia Pacific to create a diverse portfolio of investments capable of delivering attractive returns to our investors.”

KKR launched its dedicated real estate platform in 2011. The Firm has approximately US\$14 billion of real estate assets under management in the US, Europe and Asia Pacific, as of September 30, 2020, and a team of approximately 90 dedicated investment professionals across 11 offices and 8 countries.

About KKR

KKR is a leading global investment firm that manages multiple alternative asset classes, including private equity, credit and real assets, with strategic partners that manage hedge funds. KKR aims to generate attractive investment returns for its fund investors by following a patient and disciplined investment approach, employing world-class people, and driving growth and value creation with KKR portfolio companies. KKR invests its own capital alongside the capital it manages for fund investors and provides financing solutions and investment opportunities through its capital markets business. References to KKR’s investments may include the activities of its sponsored funds. For additional information about KKR & Co. Inc. (NYSE: KKR), please visit KKR’s website at www.kkr.com and on Twitter @KKR_Co.

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