



KKR acquires \$7.2 Billion Portfolio of Prime Recreational Vehicle Loans

December 15, 2023

NEW YORK--(BUSINESS WIRE)-- KKR, a leading global investment firm, today announced that funds and accounts managed by its credit business have led the purchase of a \$7.2 billion portfolio of super-prime recreational vehicle (RV) loans from BMO Bank National Association, part of BMO Financial Group ("BMO"). Concurrently with the sale, BMO purchased approximately \$6.4 billion of senior notes collateralized by the sold loans. BMO will remain the servicer of the loans and will continue to originate and manage RV loans, with no expected impact to dealers, borrowers, and employees.

This transaction aligns with KKR's Asset-Based Finance (ABF) strategy, which focuses on privately originated and negotiated credit investments that are backed by large and diversified pools of financial and hard assets, offering diversification to traditional corporate credit and attractive risk-adjusted returns. KKR has made 73 ABF investments globally since 2016 through a combination of portfolio acquisitions, platform investments and structured investments. The firm has approximately \$47 billion in ABF assets under management and a team of more than 50 professionals directly involved in the ABF effort globally.

"This investment directly highlights the strength and scale of our Asset-Based Finance business, which has experienced unprecedented growth alongside the rapid expansion of this market," said Dan Pietrzak, Global Head of Private Credit at KKR.

"We look forward to continuing to build on our 30-year history as a leading provider of consumer financing in the recreational market and strong network of dealer relationships across the United States," said Tami Farrow, Head U.S. Indirect Lending. "This transaction enables us to further optimize BMO's balance sheet to support future growth across the bank."

"We are proud to serve as a strategic partner to banks as they focus on optimizing their balance sheets" said Avi Korn and Chris Mellia, Co-Heads of U.S. Asset-Based Finance at KKR. "We believe this portfolio of high-quality, fixed rate assets is a strong fit for our long-term private capital and yet another example of the compelling opportunity set that we're seeing in Asset-Based Finance."

KKR's investment comes from its credit funds and accounts. Kennedy Lewis Investment Management LLC also participated in the transaction, alongside KKR and other investors.

About KKR

KKR is a leading global investment firm that offers alternative asset management as well as capital markets and insurance solutions. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and supporting growth in its portfolio companies and communities. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR's insurance subsidiaries offer retirement, life and reinsurance products under the management of Global Atlantic Financial Group. References to KKR's investments may include the activities of its sponsored funds and insurance subsidiaries. For additional information about KKR & Co. Inc. (NYSE: KKR), please visit KKR's website at www.kkr.com. For additional information about Global Atlantic Financial Group, please visit Global Atlantic Financial Group's website at www.globalatlantic.com.

About BMO Financial Group

BMO Financial Group is the eighth largest bank in North America by assets, with total assets of \$1.3 trillion as of October 31, 2023. Serving customers for 200 years and counting, BMO is a diverse team of highly engaged employees providing a broad range of personal and commercial banking, wealth management, global markets and investment banking products and services to 13 million customers across Canada, the United States, and in select markets globally. Driven by a single purpose, to Boldly Grow the Good *in business and life*, BMO is committed to driving positive change in the world, and making progress for a thriving economy, sustainable future, and inclusive society.

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Source: KKR