



KKR and Urban Exposure partner to provide development lending in the UK

July 27, 2018

London, 27 July 2018 - KKR, a leading global investment firm, and Urban Exposure, a leading UK residential development finance provider, today announce that they have launched a Joint Venture ("JV") to focus on financing mainstream housing throughout the UK, with an initial size of £165m.

The JV will leverage Urban Exposure's expertise in originating, executing and managing development loans in the residential market, focusing on the significant opportunity in mainstream housing throughout the UK. The JV will draw on this deep local market knowledge, which, combined with KKR's significant financial and operational expertise, will help drive continued growth and scale of the loan portfolio and build its position as a leading development finance provider.

The JV will take advantage of the attractive fundamentals of development finance, whilst meeting a clear need for housing development in the context of increasing mainstream housing supply in the UK.

Varun Khanna, Director at KKR Credit, said: "KKR is excited to partner with Urban Exposure, working closely with management to find opportunities to create value in an evolving UK residential property market. The strength of our platform, outstanding management team and favorable market fundamentals will enable us to support SME developers in building affordable housing for the benefit of the UK."

Sundeep Lakhtaria, Partner at Urban Exposure said: "We are thrilled to be working with KKR, a best-in-class private equity firm on this joint venture. Urban Exposure has considerable experience in managing third party funds through a long history of joint ventures and syndicated transactions. We aim to leverage this strength in the asset management business through strategic and collaborative relationships such as this joint venture with KKR."

Commenting, Randeesh Sandhu, Chief Executive of Urban Exposure said: "We are pleased to have closed this joint venture, which is a continuation of our strategy to grow our third-party asset management business whilst also continuing to deploy our balance sheet lending funds. The scale of the venture means we can offer further significant support to SME developers as they seek funding for mainstream housing projects across the UK. We believe the venture will demonstrate our ability to deliver shareholder value by combining our experience with KKR's significant financial and operational expertise."

KKR's investment is being made through its Credit funds, which currently have assets under management of \$60.7bn as of 30 June 2018.

About KKR

KKR is a leading global investment firm that manages multiple alternative asset classes, including private equity, energy, infrastructure, real estate and credit, with strategic manager partnerships 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.

About Urban Exposure

Urban Exposure plc is a specialist residential development finance and asset management company that has been formed to provide finance for UK real estate development loans. The Company focuses on two main revenue streams: interest and fees generated on principal lending from its own balance sheet; and asset management income generated from managing and servicing real estate development loans financed by third parties. For additional information please visit Urban Exposures website: www.urbanexposureuk.com/ and on twitter @UrbanExposureuk, LinkedIn: www.linkedin.com/company/urban-exposure/ and Facebook: www.facebook.com/UrbanExposureUK/

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