

## KKR Launches KREST to Offer Private Real Estate to Individual Investors

*Delivers access to income-oriented private real estate equity and debt investments managed by KKR*

*Innovative structure is open to all investors and allows for daily subscriptions via a ticker*

**NEW YORK – May 19, 2021** – KKR, a leading global investment firm, today announced the launch of KKR Real Estate Select Trust Inc. (“KREST” or the “Fund”), a continuously offered, registered closed-end fund. KREST intends to invest primarily in thematically-driven, income-generating commercial real estate, prime single tenant real estate and private real estate debt and preferred equity interests in the U.S., with a flexible mandate to invest globally, including developed markets in Europe and Asia.

"We are excited to offer individual investors access to income-producing private real estate investments with a new strategy and structure," said Ralph Rosenberg, Chairman of KREST and Global Head of KKR Real Estate. "KREST delivers KKR's differentiated global real estate capabilities across equity and debt investing in an attractive package, expanding the reach of our franchise with dedicated capital to pursue yielding stabilized real estate assets and mezzanine loans."

Since the launch of its dedicated real estate platform in 2011, KKR has grown its real estate assets under management to approximately \$28 billion across the U.S., Europe and Asia Pacific as of March 31, 2021. KKR's global real estate team consists of over 110 dedicated investment professionals, spanning both the equity and credit business, across 11 offices and eight countries.

"Commercial real estate investments offer attractive diversification and risk-adjusted returns in today's low interest rate environment," said Billy Butcher, Chief Executive Officer of KREST and Chief Operating Officer of KKR Global Real Estate. "KREST is focused on constructing a diversified portfolio of high-quality equity and debt exposures to deliver stable income and long term appreciation in the real estate asset class, which has traditionally been difficult to access for individual investors."

KREST qualifies for tax treatment as a real estate investment trust (REIT) while also being registered under the Investment Company Act of 1940, as amended (the "1940 Act"). KREST's innovative structure is open to all investors and is designed to address many of the pain points that have historically limited entry in private real estate. Compared to institutional funds, KKR has structured the Fund to be attractive to individual investors by providing increased transparency and accessibility. For example, KREST will offer daily reporting of net asset value (NAV), daily subscriptions via a ticker, anticipated quarterly tenders and monthly distributions and efficient REIT taxation with 1099 tax reporting.

"KREST is one of the first continuously offered, 1940 Act REITs to offer global reach in private real estate to individual investors," said Doug Krupa, Co-Head of KKR's Private Wealth Partners group. "We believe the diversification and attractive yield available through private real estate can be used in a wealth management portfolio to enhance income in a low interest rate environment and help investors to meet their long-term goals. We are excited to make KREST available to financial advisors by working with leading distribution platforms. This is an important milestone in our mission to deliver innovative products that expand investor access to KKR's investment platforms."

KKR has invested in excess of \$150 million from its own corporate balance sheet to seed KREST, creating strong alignment of interest and providing investors with a fully deployed, income-generating portfolio at launch. KKR also received first of its kind exemptive relief from the SEC to be able to receive its fees in shares of the Fund, which is designed to further align the incentives of KKR with Fund shareholders. KKR's incentive fees will be based only on distributable yield and not on mark-to-market gains.

Simpson Thacher & Bartlett LLP advised KKR on the formation of KREST.

## **About KKR**

KKR is a leading global investment firm that offers alternative asset management and 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 The 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](http://www.kkr.com) and on Twitter @KKR\_Co.

*Information related to KREST herein is qualified by reference to KREST's prospectus, which is accessible on the SEC's website at [www.sec.gov](http://www.sec.gov). This is neither an offer to sell nor a solicitation of an offer to buy securities of KREST.*

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