

KREST Completes Four New Investments Adding \$234M of Diversified Real Estate Debt Exposure

NEW YORK – May 10, 2022 – KKR, a leading global investment firm, today announced that KKR Real Estate Select Trust Inc. (“KREST” or the “Fund”) has completed four real estate debt investments with a combined value of \$234 million. The transactions grow the Fund’s portfolio allocation to income-focused real estate debt investments to approximately 28 percent as of March 31, 2022. The new debt investments are estimated to have a weighted average yield in the first year of ownership of approximately 8.6 percent.

The debt investments are primarily floating rate and backed by diversified high quality, stabilized commercial real estate. Underlying exposures include: The Old Post Office, a newly redeveloped landmark commercial office building in Chicago; the American Copper Buildings, a pair of luxury multifamily towers in New York City; and two large select service U.S. hotel portfolios with high quality sponsorship.

“We are pleased to grow KREST’s exposure to real estate debt with four new investments that are representative of KKR’s strategy of investing in loans backed by high quality real estate owned by institutional sponsors and aligned with our long-term thematic convictions,” said Matt Salem, KKR Partner and Head of Real Estate Credit. “We believe that Class A office space, lifestyle-oriented multifamily and room-only lodging catering to domestic travel are attractive and resilient categories positioned to benefit from long-term tailwinds.”

The Old Post Office is a well leased, 2.3 million square-foot, LEED Gold-certified office property designated as a Chicago historical landmark that completed a major redevelopment in 2021. American Copper Buildings are highly amenitized, Class A multifamily towers connected by a three-story sky bridge and private outdoor space, which finished construction in 2018.

“These investments demonstrate how KREST’s flexibility to invest across three distinct strategies enables us to pursue attractive opportunities that generate strong relative risk-adjusted returns in a range of market environments,” said Billy Butcher, Chief Executive Officer of KREST and Chief Operating Officer of KKR Global Real Estate. “Amid the current market volatility, we are able to leverage KKR’s real estate debt capabilities to increase KREST’s exposure to more senior positions in the capital structure in high quality assets that have downside protection, have an attractive current yield and are positioned to benefit from rising rates because of floating rate coupons.”

Real estate debt is one of KREST’s three primary investment strategies, alongside equity investments in stabilized real estate and prime single tenant properties. KREST targets private debt opportunities including real estate loans, preferred equity and commercial mortgage backed securities (“CMBS”) with a focus on attractive yield supported by underlying properties with consistent and defensive cash flow.

KKR’s real estate credit business manages strategies across senior loans, mezzanine debt and CMBS. KKR’s global real estate franchise owns or lends on over \$172 billion of real estate assets as of March 31, 2022.

About KREST



KKR Real Estate Select Trust Inc. ("KREST") is a continuously offered, registered closed-end fund that thematically invests in high quality, stabilized, income-oriented commercial real estate equity and debt. The fund is open to all investors with daily subscriptions and its primary investment objective is to provide attractive current income, with a secondary objective of long-term capital appreciation. KREST is managed by KKR Registered Advisor LLC, an affiliate of KKR & Co. Inc., and utilizes the experience and reach of KKR's global real estate team and the resources available through the KKR platform. For additional information about KREST, please visit its website at www.krest.reit.

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 and on Twitter @KKR_Co.

Media Contacts:

Miles Radcliffe-Trenner
+1 212-750-8300
media@kkr.com