

The Landing at Tradition – Port St. Lucie, FL MSA



Rampart Commons – Las Vegas, NV MSA



Eddy Street Commons at Notre Dame – South Bend, IN MSA

KITE®

INVESTOR UPDATE

Q1 2023

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KRG
LISTED
NYSE

KRG Overview

1960 / 2004 Founded / IPO	**KRG** NYSE	**$4.5B** Market Cap[1]	**$7.6B** Enterprise Value[1]

181 Operating Retail Properties	**29M** Total Owned Retail GLA (SF)	**94.8%** Retail Portfolio Percent Leased	**$20.04** Annualized Base Rent (ABR) per SF	**5.3x** Net Debt to Adjusted EBITDA

76% ABR from Assets with a Grocery Component[2]	**67%** ABR in Sun Belt Markets	**60%** ABR from Community and Neighborhood Centers	**BBB** Fitch Credit Rating



SOUTHLAKE TOWN SQUARE
Dallas / Fort Worth, TX MSA

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Note: Unless otherwise indicated, the source of all Company data is publicly available information that has been or will filed with the Securities and Exchange Commission for the period ending March 31, 2023.
1. As of April 28, 2023.
2. Assets with a grocery component include centers with a big box wine and spirits store.

KRG's Strategic Advantages

Best-in-Class Operating Platform

- ✓ Operating margins and metrics well above open-air retail sector averages
- ✓ Management team has deep experience operating open-air real estate

Flexible and Durable Balance Sheet

- ✓ Low leverage with manageable near-term maturities
- ✓ Over $1.0B of available liquidity and minimal near-term capital commitments

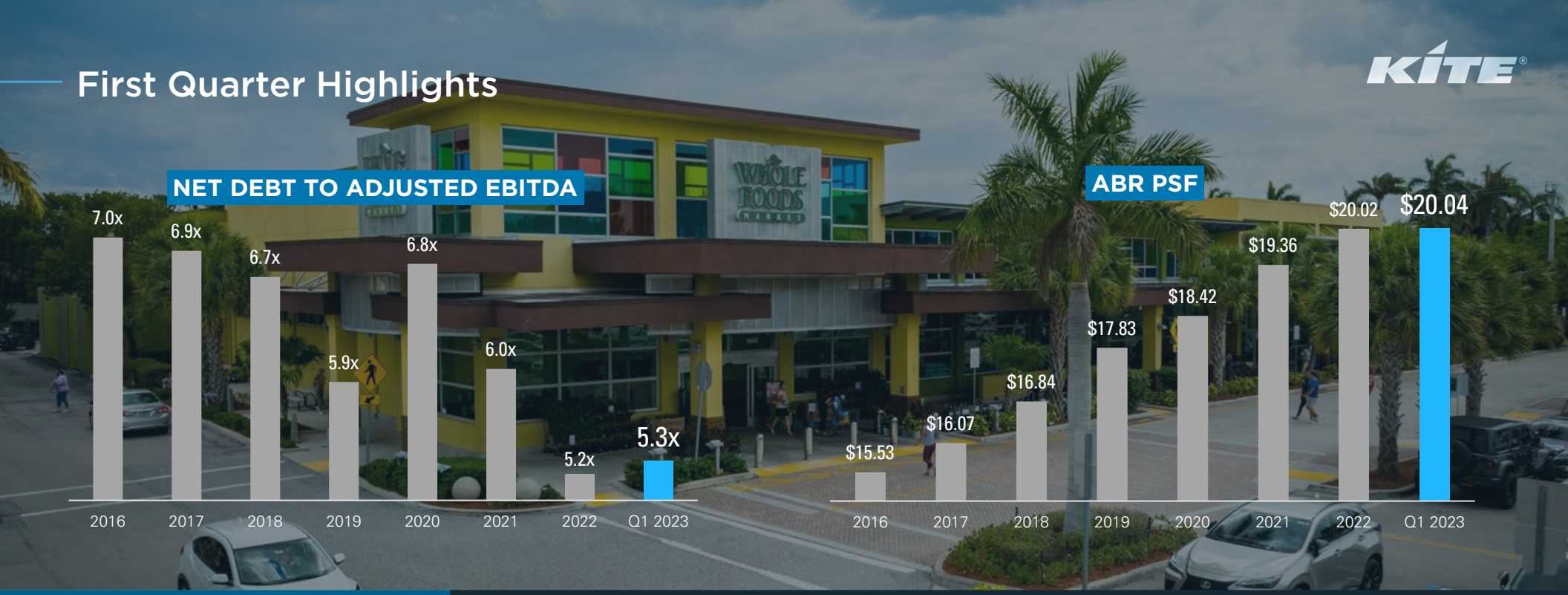
High-Quality Sun Belt Portfolio

- ✓ Primarily concentrated in Sun Belt markets with select strategic gateway market presence
- ✓ Predominantly focused on grocery-anchored neighborhood and community centers along with vibrant mixed-use and lifestyle assets



ONE LOUDOUN DOWNTOWN
Washington D.C., VA MSA

First Quarter Highlights



	Q1 2023	
NAREIT FFO	$0.51	Outperformed consensus[1] by $0.04 largely driven by lower than expected bad debt and higher levels of overage rent
Same Property NOI[2]	6.5%	Increased occupancy and overage rent drove outsized SSNOI growth
Total Leasing Volume	831K SF	Healthy leasing volume continues at extremely strong spreads
Anchor / Shop Leased %	97.4% / 89.8%	Leased percentages increased year-over-year by 130 bps for anchors and 130 bps for shops
Leased-to-Occupied Spread	270 bps	Spread represents $30M of NOI, of which ~79% will come online in 2023

1. Source data is from FactSet as of April 28, 2023.
2. Excludes significant prior period expense recoveries and adjustments, if any.

2023 Guidance

Key assumptions at the midpoint:

- Same property NOI growth range of 2.25% - 3.25%, which represents a 25-basis point increase at the midpoint
- Full-year bad debt assumption of 1.15% of total revenues, which represents a 10-basis point decrease at the midpoint
- Additional disruption related to Bed Bath & Beyond and Party City of 0.75% of total revenues ($0.03 of NAREIT FFO guidance at the midpoint), of which approximately 70 basis points is related to the balance of 2023 and assumes no additional revenue from Bed Bath & Beyond
- Transaction activity is expected to be earnings neutral
- Prior period collection impact will not be included as an adjustment to 2023 NAREIT FFO

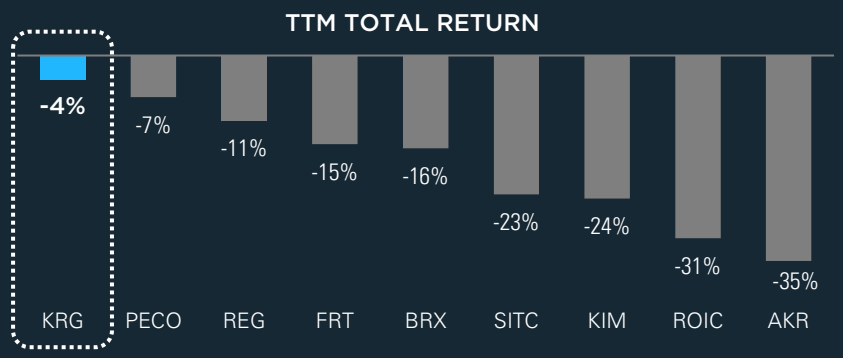
2023 NAREIT FFO GUIDANCE	LOW	HIGH
Net income	**$0.05**	**$0.11**
Depreciation and amortization	**$1.87**	**$1.87**
NAREIT FFO	**$1.92**	**$1.98**

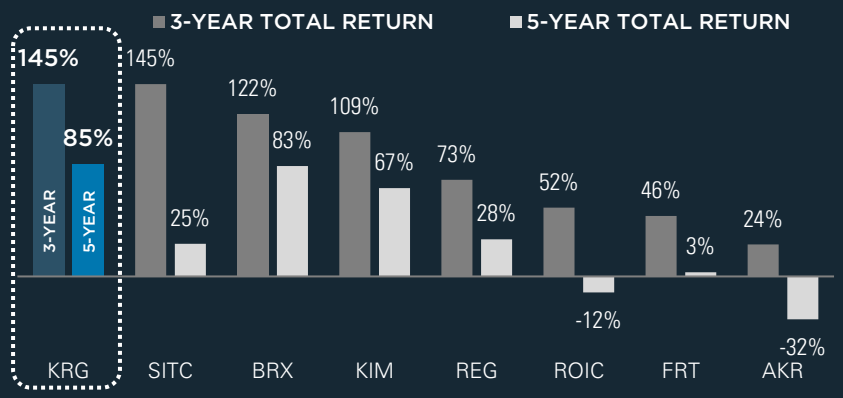
2023 FFO GUIDANCE BRIDGE AT THE MIDPOINT	MID
Original 2023 NAREIT FFO guidance midpoint	**$1.92**
Same property NOI growth	**$0.01**
Regal Theater Negotiation	**$0.01**
Non-cash rent	**$0.01**
2023 NAREIT FFO guidance midpoint	**$1.95**

More Room To Run At A Compelling Entry Point

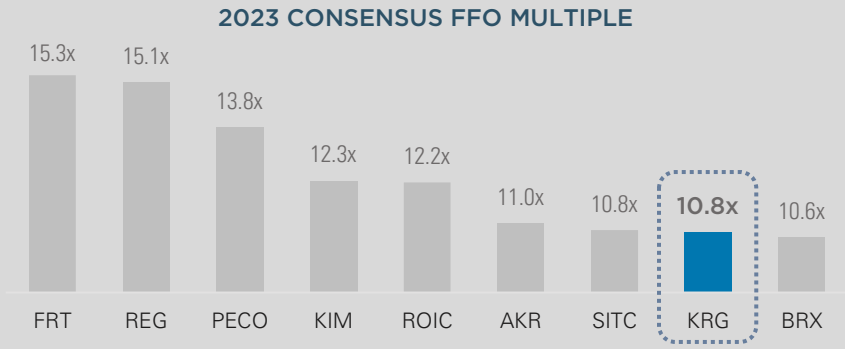
- KRG has outperformed the open-air retail peer group over the trailing 3 and 5 years
- Despite the relative outperformance, KRG's valuation represents a compelling entry point for shareholders with significant upside

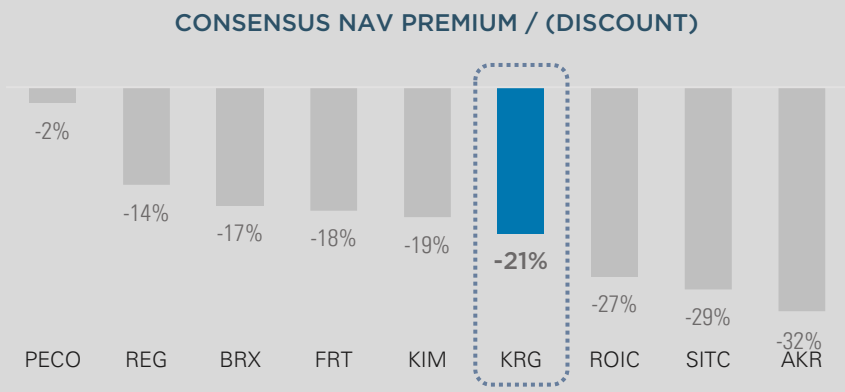
Strong Relative Performance...





...at a Compelling Entry Point





KRG LISTED NYSE

Note: Market data as of April 28, 2023, and source data is from FactSet.

Significant Upside Potential

- We believe the market is currently mispricing KRG, using the NAV components laid out on page 17 of KRG's 1Q'23 supplemental
- Potential NAV includes NOI and estimated leasing costs for the $30M signed-not-open (SNO) pipeline and assumes an 80% retention ratio on $36.8M of expiring ABR in 2023
- The **upside potential with a $30M SNO pipeline** is significant and current valuation levels are not giving KRG credit for future growth, even when excluding additional lease-up

Potential NAV

CAP RATE	5.75%	6.25%	6.75%
POTENTIAL NAV	$33.69	$29.84	$26.57
POTENTIAL PRICE RETURN[1]	63%	44%	28%

NAV COMPONENTS AS OF 1Q'23

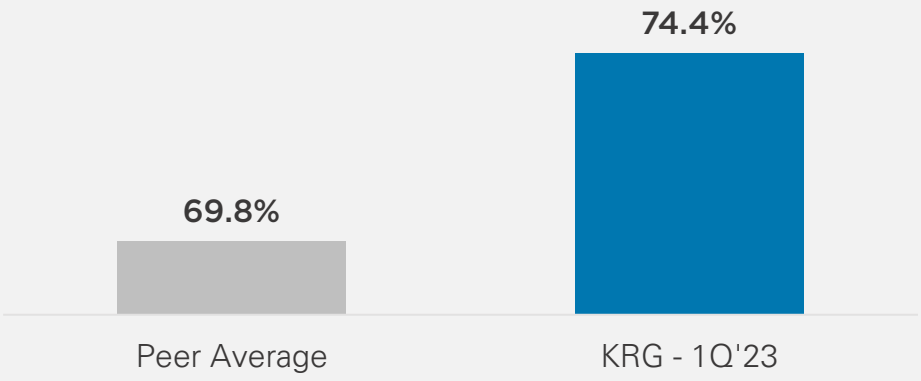
	In-Place NAV Components	Potential NAV Components
Annualized Portfolio Cash NOI	$592M	$614M
Other Assets Value	$226M	$226M
Midpoint Value of Entitled Land Bank[2]	$153M	$153M
Liabilities	($3,477M)	($3,574M)
Shares	222M	222M

Note: These are hypothetical NAV growth and cap rates. KRG is not representing it can achieve these results or that a third party would ascribe a similar cap rate to the portfolio.
1. Assumes a stock price of $20.72 as of April 28, 2023.
2. Includes the midpoint value of KRG's entitled land bank stated on page 22.

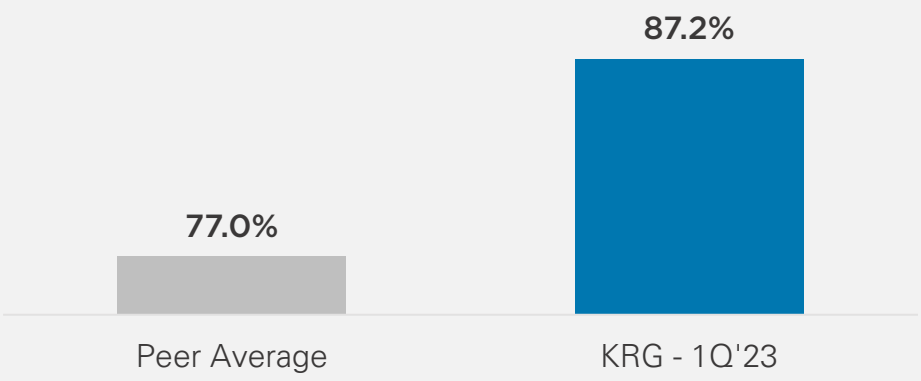
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Efficient Operators

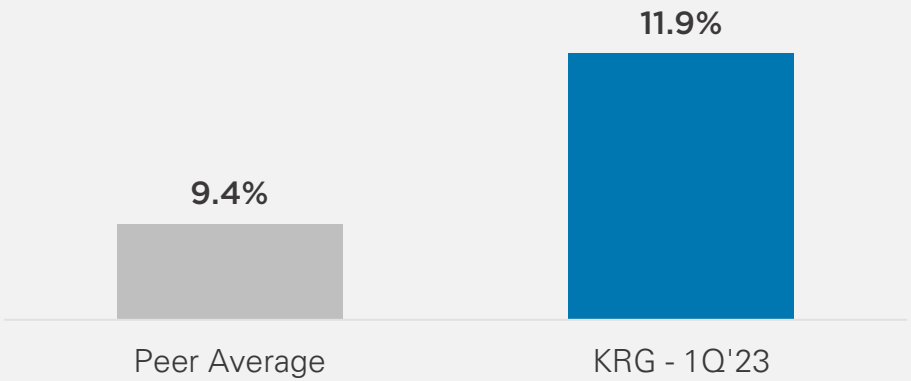
RETAIL NOI MARGIN



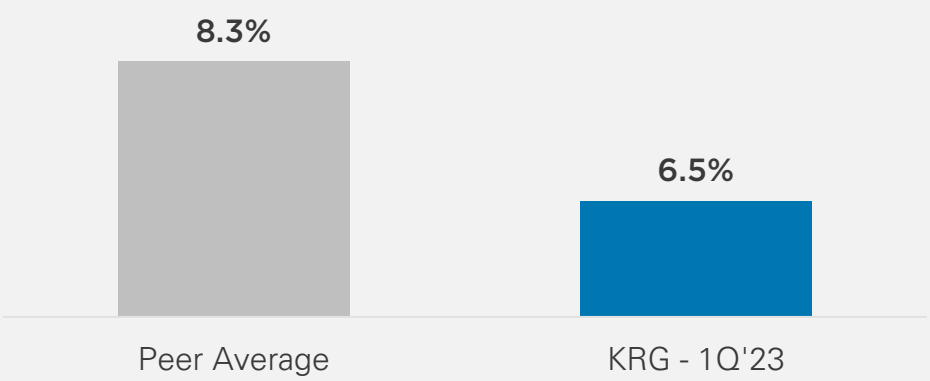
RETAIL RECOVERY RATIO[1]



BLENDED CASH SPREADS (TTM)



G&A AS A % OF TOTAL REVENUE



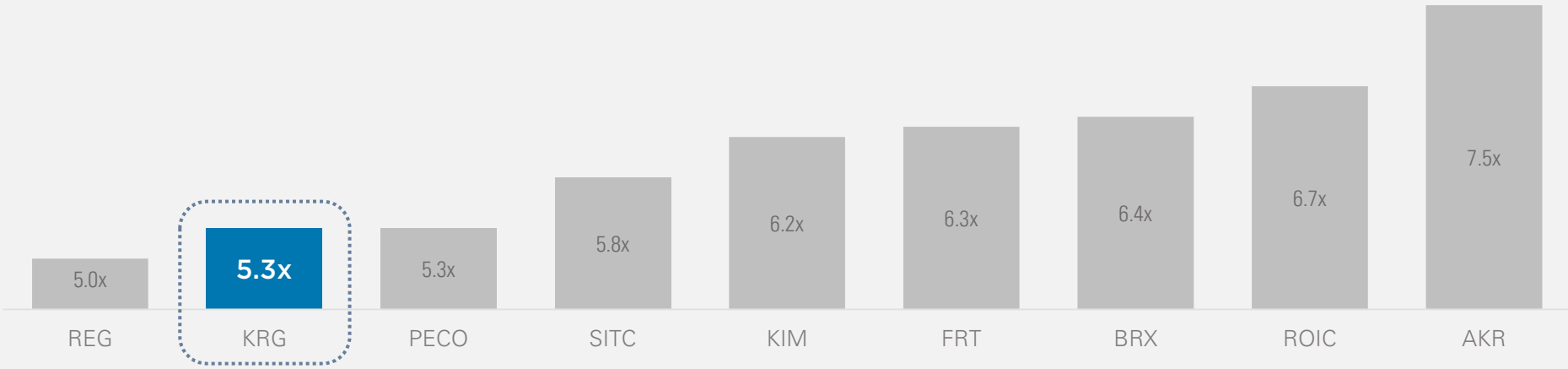
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Note: Peer group includes AKR, BRX, FRT, KIM, PECO, REG, ROIC and SITC. Source of all peer data is from 4Q 2022 supplemental disclosures, except KIM, ROIC and SITC data is from 1Q 2023 supplemental disclosures.
1, "Recovery Ratios" are computed by dividing tenant reimbursements by the sum of recoverable operating expense and real estate tax expense.

Balance Sheet Snapshot

5.3x Net Debt + Preferred / Adjusted EBITDA	**5.2x** Debt Service Coverage Ratio	**$1.0B** Liquidity
4.37% Weighted Average Interest Rate	**96%** Unencumbered NOI as a % of Total NOI	**89%** Fixed Rate Debt
BBB Fitch	**Baa3** Moody's	**BBB-** S&P

NET DEBT + PREFERRED / ADJUSTED EBITDA



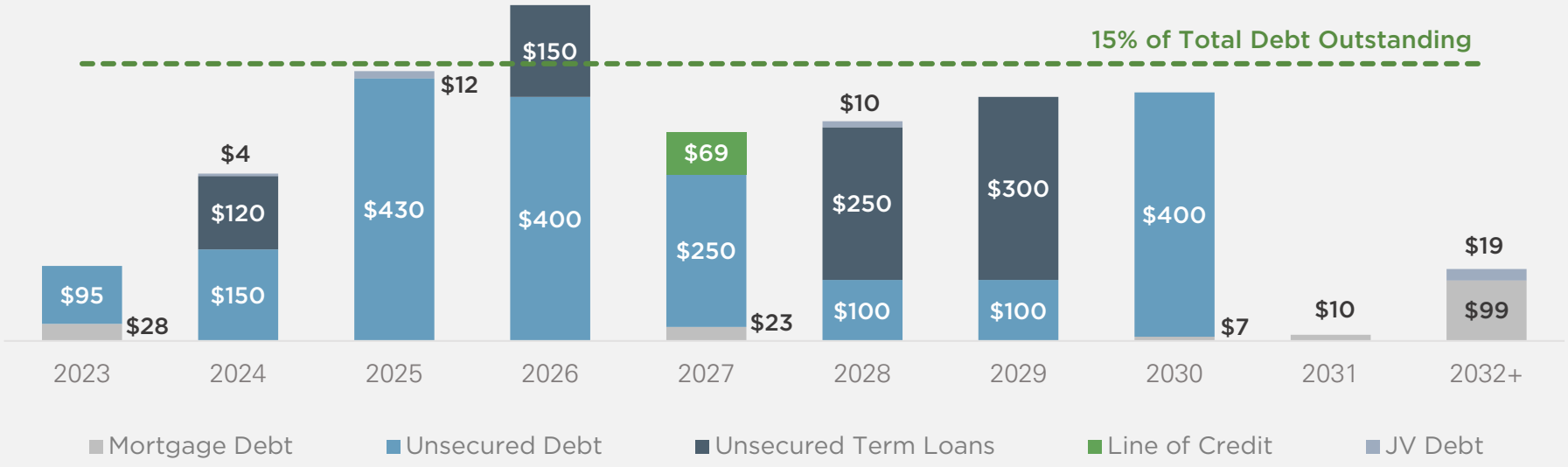
Notes: Source of all peer data is from 4Q 2022 supplemental disclosures, except KIM, ROIC and SITC data is from 1Q 2023 supplemental disclosures.

Well Staggered Maturity Ladder

- In the first quarter, repaid 5 mortgages with an aggregate principal balance of $161.5 million with proceeds from the revolving line of credit and cash on hand
- Subsequent to quarter end, closed a $95.1 million 10-year mortgage secured by the One Loudoun Residential joint venture project and used the proceeds to repay a portion of KRG's $1.1 billion revolving line of credit balance to $68.5 million

Debt Maturity Profile as of May 1, 2023

($ in M)



1. Fixed rate debt includes the portion of variable rate debt that has been hedged by interest rate swaps. As of March 31, 2023, $820 million in variable rate debt is hedged to a fixed rate for a weighted average of 2.4 years.
2. Variable rate debt includes the portion of fixed rate debt that has been hedged by interest rate swaps. As of March 31, 2023, $155 million in fixed rate debt is hedged to a variable rate for a weighted average of 2.4 years.

Further Strengthened Portfolio Has Significant Potential

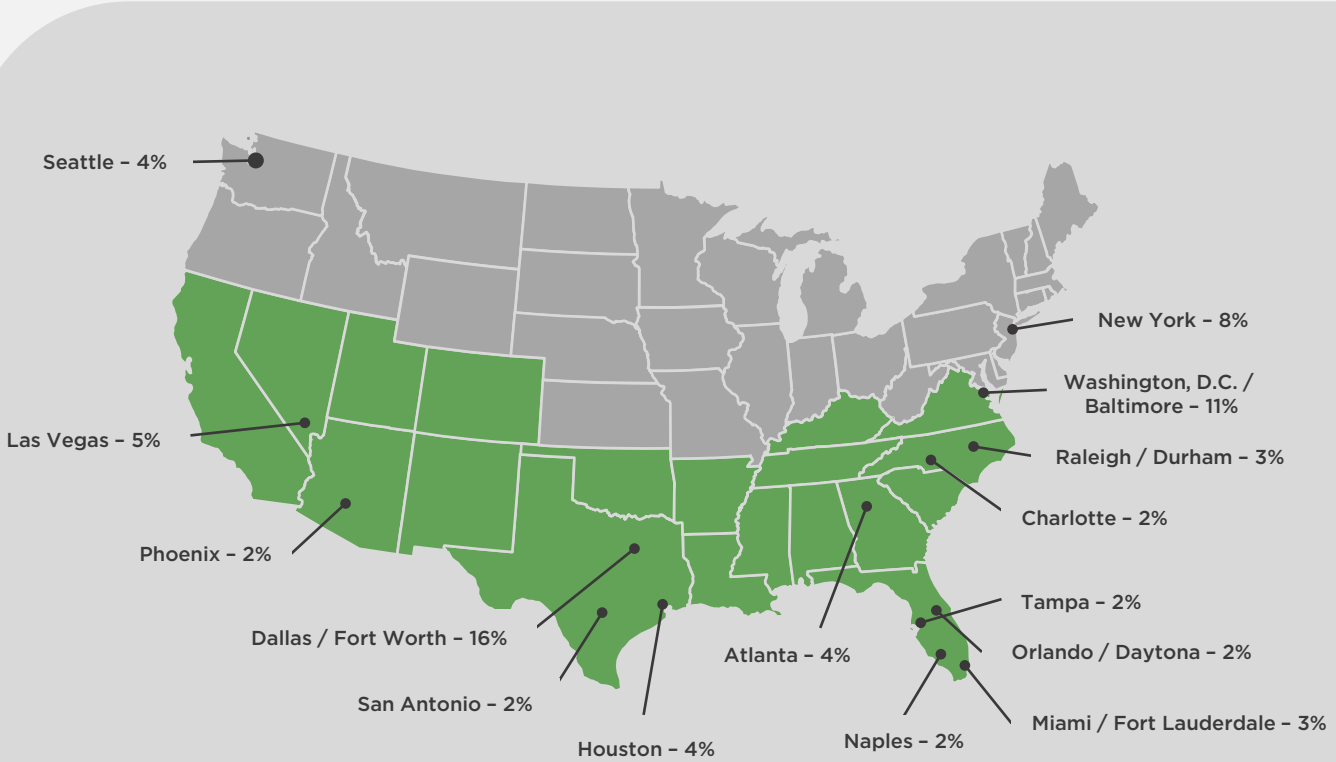


TRADITION VILLAGE CENTER
Port St. Lucie, FL MSA

Predominantly Sun Belt with Strategic Gateway Components

ABR Concentration	
67%	Sun Belt Markets[1]
23%	Strategic Gateway Markets (DC, Seattle and NYC)
35%	Highest Growth Markets[2] (since onset of pandemic)

TOP 5 STATES (ABR)	
Texas	26%
Florida	11%
Maryland	7%
New York	6%
North Carolina	6%



1. Sun Belt states include AL, AR, AZ, CA, CO, FL, GA, KY, LA, MS, NC, NM, NV, OK, SC, TN, TX, UT and VA.
2. LinkedIn Economic Data representing the biggest year-over-year gains in net new arrivals between February 2021 – January 2022 in the following markets: New York City, Miami / Fort Lauderdale, Jacksonville, Orlando, Tampa, San Diego, Austin, Nashville, Dallas / Fort Worth and San Antonio.

Diverse Portfolio of Durable Cash Flow



48%
Community Centers
Grocery Component 85%



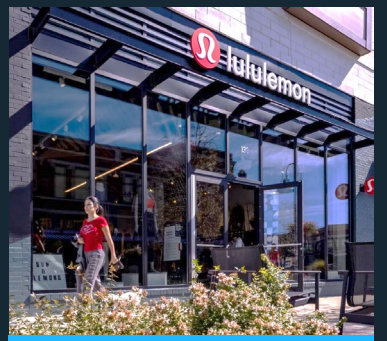
12%
Neighborhood Centers
Grocery Component 87%



12%
Mixed-Use Centers
Grocery Component 62%



19%
Power Centers
Grocery Component 66%



7%
Lifestyle Centers
Grocery Component 55%

- Expanding offerings to retailers through a more diverse property mix
- Tenants are becoming increasingly agnostic to center formats and more focused on the quality of the real estate
  - Three examples are Adidas, Kendra Scott and Sephora opening in power centers
- Majority of ABR generated by community and neighborhood centers
- Average asset size is 158k square feet
- Strong 3-mile demographics:

  Average Population: 103K Average Household Income: $117K

Note: 3-mile demographic statistics are weighted by 1Q 2023 ABR and sourced from PopStats. Remaining 2% of KRG's portfolio is unanchored or single-tenant assets.

Well-Balanced Portfolio Delivered Strong Results

- KRG is focused on achieving the highest risk-adjusted return on capital
- KRG has demonstrated a well-balanced portfolio can produce similar returns on capital and allows us to capitalize on increased tenant demand for diverse open-air formats

2022 – Q1 2023 COMPARABLE NEW LEASES				
	COUNT	NEW ABR PSF	CASH SPREAD	RETURN ON CAPITAL
Community / Neighborhood / Power Centers	80	$23.17	25.2%	34.9%
Lifestyle / Mixed-Use Centers	32	$40.08	67.0%	39.3%
TOTAL COMPARABLE NEW LEASES	112	$27.37	37.8%	36.3%

2022 – Q1 2023 COMPARABLE NON-OPTION RENEWALS				
	COUNT	NEW ABR PSF	CASH SPREAD	RETURN ON CAPITAL
Community / Neighborhood / Power Centers	266	$24.37	10.9%	1,008.1%
Lifestyle / Mixed-Use Centers	35	$33.89	13.2%	706.6%
TOTAL COMPARABLE NON-OPTION RENEWALS	301	$25.94	11.4%	920.6%

Anchor Inventory Update

- **Strong risk-adjusted returns provide opportunity for outsized organic NOI growth**
- **Additional value creation at properties due to new, stronger tenants**

	ANCHORS EXECUTED (YE 2020 – 1Q'23)	ANCHOR INVENTORY OPPORTUNITY[1]
Count	**58**	**20**
Square feet	**1,400,000**	**497,000**
Capital / SF	**$72**	**$100**
Total capital ($, M)	**$101**	**$50**
Previous tenants ABR	**$13.52[3]**	**$12.00**
Estimated New ABR[2]	**$16.01[3]**	**$14.47**
Cash lease spread	**18%[3]**	**21%[4]**
Return on capital	**20%**	**14%[5]**
New NOI incl. NNN ($, M)	**$28M**	**$10M[6]**
FFO / Share	**$0.13**	**$0.04**

1. Estimate of potential outcomes of remaining anchor vacancies.
2. New ABR is actual for executed and average in-place ABR for anchor tenants in the KRG portfolio as of 1Q'23.
3. Includes only comparable leases (29 of 58).
4. Represents the percentage increase of the Company's average in-place ABR as compared to previous tenants' ABR. These numbers are based on Management's estimates and assumptions, and there can be no assurance that such estimates and assumptions will be accurate or realized.
5. Represents the estimated total potential ABR divided by the cost of executing such leases. These numbers are based on Management's estimates and assumptions and there can be no assurance that such estimates and assumptions will be accurate or realized.
6. Assumes weighted average NNN revenue from previously occupied spaces.

KRG LISTED NYSE

KITE®

Solid Returns & Stronger Tenants

NEW OFFERINGS

ALDI, THE FRESH MARKET, Total Wine & More, DICK'S SPORTING GOODS, HomeGoods, popshelf, west elm, HOMESENSE, GOLF GALAXY, adidas, OLD NAVY, Burlington, PETSMART, NORDSTROM rack, five BELOW

FORMER OFFERINGS

Stein Mart, 24 HOUR FITNESS, Office DEPOT, Pier 1, Party City, BABIES R US, BED BATH & BEYOND, NYSC

Solid Leasing Activity

- KRG continues to see strong retailer demand for its well-positioned, open-air centers
- Leasing volumes remain strong and have the ability to continue driving rents

Strong Momentum Continues

	2022	1Q'23
# of Leases Signed	**782**	**144**
Leased SF Signed	**4.9M**	**0.8M**
Blended Cash Spread	**12.6%**	**13.0%**
Non-Option Renewal Spread	**10.9%**	**14.9%**

Recent Tenants Signed

GOLF GALAXY · popshelf · LIDL · ULTA BEAUTY · CLUB PILATES · NORDSTROM rack · planet fitness · Liquors · SOMA

TRADITIONAL MALL TENANTS

west elm · ARITZIA · MIZZEN+MAIN · SEPHORA · FAHERTY · ARHAUS · WARBY PARKER · ATHLETA

Diverse Tenant Base

	TOP 15 TENANTS BY ABR	STORE COUNT[1]	% OF WTD. ABR[2]
1	The TJX Companies, Inc.	45	2.5%
2	Best Buy Co., Inc.	16	1.9%
3	Ross Stores, Inc.	32	1.9%
4	PetSmart, Inc.	32	1.8%
5	Gap Inc.	34	1.5%
6	Michaels Stores, Inc.	28	1.4%
7	Dick's Sporting Goods, Inc.	13	1.4%
8	Bed Bath & Beyond Inc.	22	1.4%
9	Publix Super Markets, Inc.	14	1.2%
10	The Kroger Co.	10	1.0%
11	Lowe's Companies, Inc.	6	1.0%
12	Total Wine & More	14	1.0%
13	BJ's Wholesale Club, Inc.	3	0.9%
14	Ulta Beauty, Inc.	25	0.9%
15	Petco Health and Wellness Company, Inc.	20	0.9%
	TOTAL	314	20.7%

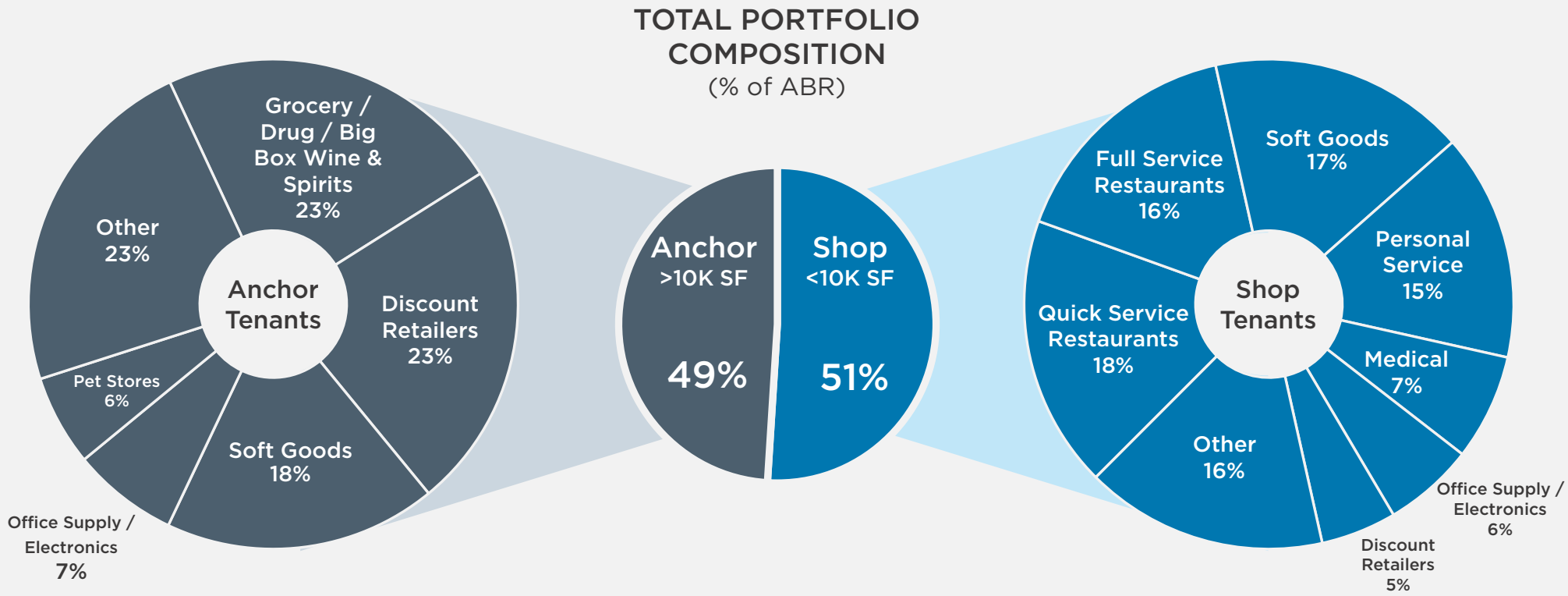
Strong Mix of Convenience and Experiential

	% of ABR
ESSENTIAL RETAIL	**31%**
Grocery / Drug / Big Box Wine and Spirits	13%
Office Supply / Electronics	6%
Medical	4%
Pet Stores	3%
Hardware / Auto	3%
Banks	2%
RESTAURANTS	**18%**
Quick Service Restaurants	9%
Full Service Restaurants	9%
OTHER RETAIL / SERVICES	**51%**
Soft Goods	18%
Discount Retailers	14%
Personal Service	8%
Fitness	4%
Sporting Goods	3%
Theatres / Entertainment	2%
Professional Service	2%
TOTAL	**100%**

1. Number of stores represents stores at consolidated and unconsolidated properties.
2. Percent of weighted ABR includes ground lease rent and represents the Company's share of the ABR at consolidated and unconsolidated properties.

Anchor and Shop Tenant Exposure

- Diverse and balanced tenant mix provides strong durability in KRG's cash flow
- Anchor revenue stream predominantly composed of grocers and discount retailers
- Shop composition includes a strong mix of restaurants, apparel and service tenants



Big Names. Small Spaces.

Top 50 Small Shop Tenants (< 10K Square Feet)	100% National Brands	830 Stores	30% Of Small Shop ABR	15% Of Portfolio ABR

Pairing Typical Small Shop Tenants With Newer Retail Concepts

KEY TOP 50 SHOP TENANTS (by ABR)

five BELOW · ULTA BEAUTY · CHIPOTLE MEXICAN GRILL · AT&T · verizon · T-Mobile · Bath & Body Works · SEPHORA · BANK OF AMERICA

KEY NEW SHOP TENANTS RECENTLY SIGNED

ATHLETA · aerie · ARITZIA · AspenDental · 5.11 · Brandy Melville · Buff City Soap · CLUB PILATES · crumbl cookies · Dave's Hot Chicken · EVEREVE · J.CREW · KENDRA SCOTT · LOVESAC · MADISONREED · MIZZEN+MAIN · Nothing Bundt Cakes · popshelf · Liquors · SHAKE SHACK · Snooze · SOMA · sweetgreen · TECOVAS · TIPSY COW · WARBY PARKER · YETI

Value Creation: Active Developments

- Total active developments are right-sized for the size of the company and is expected to provide strong NOI growth prospects
- Active development pipeline poised to deliver additional value creation in the future

($ in M; GLA in '000s)

PROJECT	MSA	OWNERSHIP %	PROJECTED COMPLETION DATE[1]	TOTAL COMMERCIAL GLA	MULTI FAMILY UNITS	TOTAL PROJECT COSTS - AT KRG's SHARE[2]	KRG EQUITY REQUIREMENT[2]	KRG REMAINING SPEND	ESTIMATED STABILIZED NOI TO KRG	ESTIMATED REMAINING NOI TO COME ONLINE[3]
The Landing at Tradition – Phase II	Port St. Lucie	100%	Q3 2023	40	0	$11.2	$11.2	$1.9	$1.1 – $1.2	$0.2 – $0.4
Carillon MOB	Washington, D.C. / Baltimore	100%	Q4 2024	126	0	59.7	59.7	36.0	3.5 – 4.0	1.7 – 2.2
The Corner – IN[4]	Indianapolis	50%	Q4 2024	24	285	31.9	0.0	0.0	1.7 – 1.9	1.7 – 1.9
TOTALS				**190**	**285**	**$102.8**	**$70.9**	**$37.9**	**$6.3 - $7.1**	**$3.6 - $4.5**

1. Projected completion date represents the earlier of one year after completion of the project construction or substantial occupancy of the property.
2. Total project costs and KRG equity requirement represent costs to KRG post-merger and exclude any costs spent to date prior to the merger.
3. Excludes in-place NOI and NOI related to tenants that have signed leases but have not yet commenced paying rent as of 3/31/2023.
4. KRG does not have any equity requirements related to this development. Total project cost are at KRG's share and are net of KRG's share of a $13.5M TIF.

The Corner



OVERVIEW

- 285 multifamily units and 24k square feet of ground floor retail on a land parcel through a 50/50 joint venture with a third party developer
- KRG's contribution was primarily fulfilled by selling the land to the venture and retaining a 50% interest

KEY METRICS

Total Project Cost at KRG's Share[1]	**$31.9M**
KRG Ownership %	**50%**
KRG Equity Requirement	**$0M**
Est. Project Cash Yield	**6.0% - 7.0%**
Est. Incremental NOI @ Share	**$1.7M - $1.9M**
Expected Stabilization Date	**Q4 2024**

Entitled Land – Development and/or Capital Source

- KRG is taking a fresh look at each piece of entitled land to determine the optimal real estate use and capital allocation decision
- KRG, while experienced developers, may or may not pursue all of the development opportunities
- At One Loudoun, KRG converted 2.9 million of commercial GLA into 1,745 multifamily units and 1.9 million of commercial GLA

An independent third party provided an opinion of value on the following key entitled land parcels:

PROPERTY NAME	MSA	POTENTIAL COMMERCIAL GLA	POTENTIAL MULTIFAMILY UNITS	ESTIMATED LAND VALUE ($,M)[1]
Carillon	Washington, D.C.	1,200,000	3,000	
One Loudoun	Washington, D.C.	1,900,000	1,745	
Hamilton Crossing Centre – Phase II	Indianapolis	173,000	400	
Main Street Promenade	Chicago	16,000		
Downtown Crown	Washington, D.C.	42,000		
TOTAL		**3,331,000**	**5,145**	**$125 - $180**

1. Based on external estimates and completed entitlements.

ESG Snapshot

Environmental

Direct Emissions Changes (metric tons, in Ms)

Emissions Scope	2020	2021	% Change
Scope 1	2,766	3,023	9.3%
Scope 2	29,512	27,697	(6.2%)
Total	**32,278**	**30,720**	**(4.8%)**

Key Stats

Energy usage reduction (year-over-year)	**5%**
Metric tons CO2e eliminated (tons)	**1,557**
Properties with water efficiency measures	**53**
Properties with LED lighting	**105**
Trees planted through Project Green	**23,000**
EV charging stations	**158**
Waste diversion rate	**31%**
Properties with IREM certifications	**53**

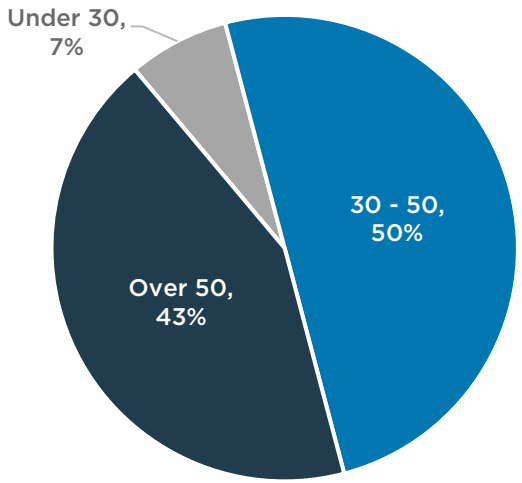
GRESB · Green Lease Leader Gold · IREM Certified Sustainable Property · GRI

Social

Key Stats

Invested in small business in the form of tenant allowance and landlord work	**$9M+**
Meals packaged through Kite Cares initiative	**30,000+**
Hours dedicated to KRG volunteer time off (VTO)	**4,000+**
KRG employee donation match program	**100%**
Community events held throughout the portfolio	**200+**

KRG Employee Demographics



Governance

What We Do

- ✓ 92% Independent Trustees
- ✓ Entirely independent committees
- ✓ Lead independent Trustee
- ✓ Majority voting for Trustees
- ✓ Share ownership guidelines
- ✓ Anti-hedging policy
- ✓ Shareholders' power to amend bylaws

What We Don't Do

- × No classified Board
- × No significant related party transactions
- × Opted out of Maryland anti-takeover statutes
- × No poison pill

Board Composition

3 Women
10 Men

31% Gender or Racially Diverse

Two of our Board members do not intend to stand for re-election at the 2024 annual meeting of shareholders, which would increase KRG's Board to be 36% gender or racially diverse

Note: The source of all Company data is publicly available on KRG's website in the 2021 Corporate Responsibility report.

ESG Core Responsibilities are Woven Throughout the Organization

BOARD OF DIRECTOR / EXECUTIVE OVERSIGHT

Leasing
- Execute green leases
- Foster tenant relationships to improve energy efficient initiatives
- Obtain consent from tenants for green projects

IT
- Cybersecurity
- Data governance
- Data implementation

Risk Management/Internal Audit/Insurance
- Manage rising insurance costs in key markets
- Model property level risks
- Analyze control environment

Legal
- Enhance ESG policy to align with industry standards
- Ensure compliance with KRG's code of ethics and best corporate governance practices
- Implement green lease language

Marketing
- Corporate Responsibility report
- Social media outreach and messaging
- Community engagement and events



Property Management
- Tenant relationships and satisfaction
- Vendor relationships and satisfaction
- Identify and execute energy efficient initiatives

Development / Construction
- Foster vendor relationships and satisfaction
- Implement energy efficient initiatives
- Explore building certifications for development projects

Employee Experience
- Kite Cares and charitable outreach
- Talent management including engagement, development and health and well-being
- Diversity, equity, inclusion and belonging

Accounting
- SEC reporting (10-K and Proxy)
- Emerging financial reporting for ESG disclosures
- Data governance and maximizing recovery lease language

Corporate Finance
- Model energy efficiency initiatives
- Message to the investment community
- Various reporting frameworks

Updated 5-Year ESG Goals (Established in 2021)

KRG recognizes the importance ESG initiatives play in our ability to generate long-term, sustainable returns, and setting goals signals our long-term ESG commitment

	5-YEAR GOALS (To be completed by 12/31/2026)	CURRENT STATUS (1Q'23)
	ENVIRONMENTAL	
▶	Install LED parking lot lighting at 80% of KRG-owned and managed properties	57%
	Install smart irrigation controls at 25% of KRG-owned and managed properties	9%
	Implement a policy to transition landscaping in all future redevelopment projects to drought-tolerant landscape where permitted by code	Complete
	Install electric vehicle charging stations at 20% of KRG-owned and managed properties	9%
	Achieve IREM certification for 75% of KRG-owned and managed properties	29%
+	Continue reducing Scope 1 and 2 GHG emissions and commit to the Science Based Targets initiative	4.8% in 2021
	SOCIAL	
▶	Employee annual voluntary turnover at or below 15%	15% in 2022
	Employee community volunteer participation of 75%	On Target
▶	Conduct employee pulse surveys at least bi-annually and full employee engagement surveys biennially to help maintain an average annual job satisfaction score of 80% or greater	On Target
+	Continue building pipelines to attract bright, ambitious, and diverse talent to the real estate industry and KRG through partnerships with the ICSC Foundation inaugural scholarship, in memory of Savannah Lee, and Providence Cristo Rey to foster mentorship for high school students	On Target
	GOVERNANCE	
	30% diverse representation on the Board of Trustees and at least one female-chaired committee	Currently 31%
▶	Annual Respectful Workplace and culture training to all employees	On Target
	75% or greater attendance by members of the Board of Directors at all Board and Committee meetings	98% in 2022

▶ Represents an update to an existing 5-year goal

\+ Represents a new 5-year goal

Thriving Open-Air Real Estate



DENTON CROSSING
Dallas / Ft. Worth, TX MSA

Retailers Depend on Brick & Mortar Footprint

"The biggest central competitive advantage of brick-and-mortar retail is your physical stores and your employees that work in those stores."
– Marvin Ellison Lowe's Chairman, President and CEO

		STORE COUNT[1]
TARGET	Approximately **95% of digital orders** are fulfilled with physical stores	37
petco THE HEALTH + WELLNESS CO.	**17 consecutive quarters** of comp sales growth	20
DICK'S SPORTING GOODS	**Physical stores represented over 90%** of total sales in 2022	13
Ahold Delhaize	Physical store sales **represented 90% of net sales**	4
Albertsons	**88%** of stores have "Drive Up & Go" capabilities	7

		STORE COUNT[1]
Walmart	Over the last two years, **store fulfilled delivery sales have nearly tripled**, reaching $1B each month	15
Burlington	Looking to **open 500 to 600 net new stores** over the next 5 years	9
TRADER JOE'S	**100% of sales** occur in physical stores	9
five BELOW	**Grew store base 12.6%** from end of Q4'21	29
SPROUTS FARMERS MARKET	In-store pick-up and delivery available to **all customers in all stores**	7

Source: Each respective company's most recent Annual Report on Form 10-K or Quarterly Report on Form 10-Q.
1. Store count includes stores owned by KRG and non-owned structures that are a part of the center.

Open-Air Centers: Convenient and Less Costly



- **Open-air assets are thriving due to their convenient and affordable nature for retailers and consumers**
- **Conveniently located and easily accessible parking lots that satisfy BOPIS / curbside pick-up methods**
- **Significantly lower operating costs equal much lower total costs to retailers**
  - Operating costs at other retail property types can range from $20 - $70 psf
  - KRG's open-air operating costs can range from $5 - $10 psf
- **Retailers typically reimburse real estate owners their share of operating costs**
  - Lower operating costs equate to retailer savings

CONFIDENTIAL RETAILER CASE STUDY

Clear Benefits

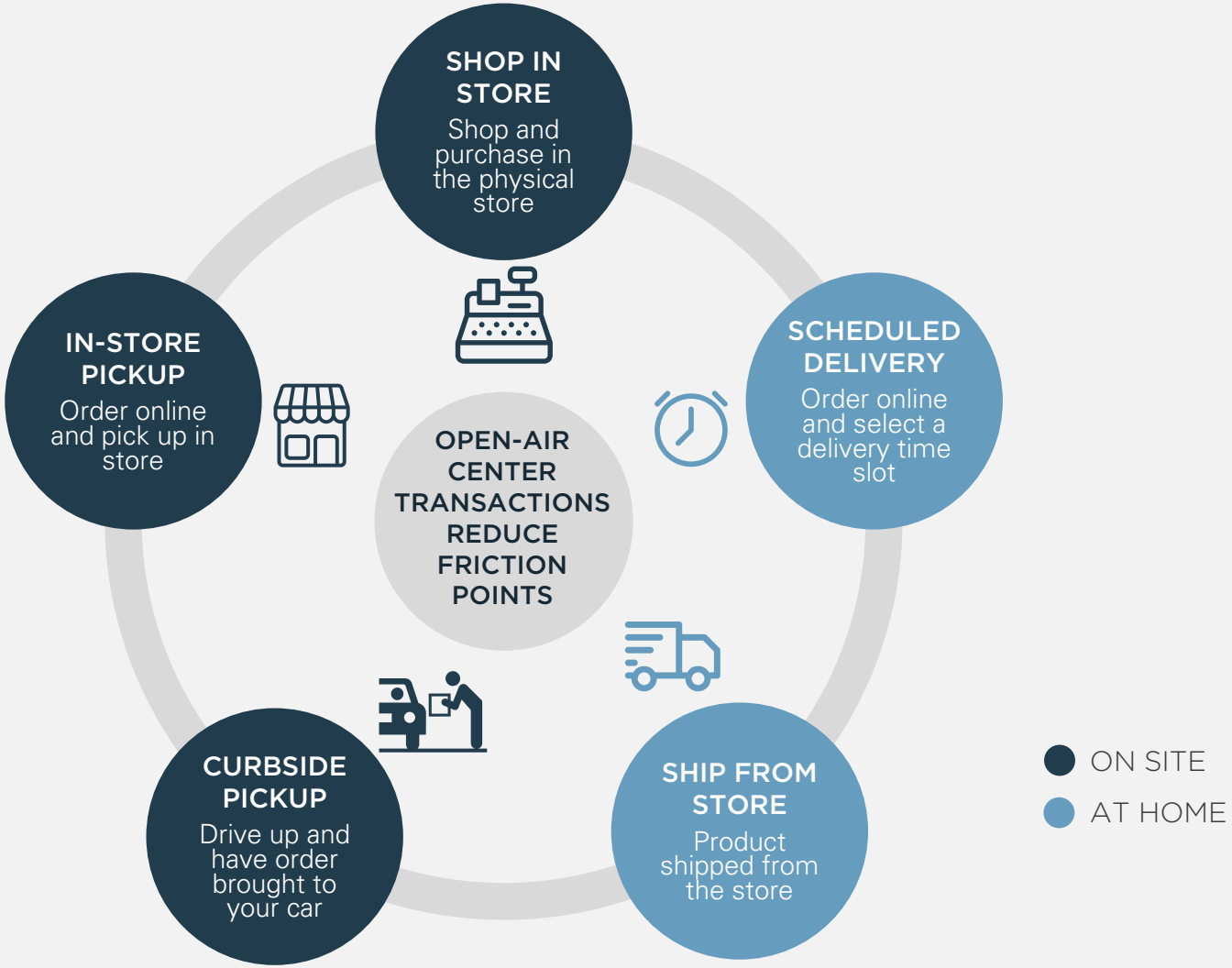
- 14 relocations to open-air centers
- All 14 locations tenants experienced lower costs
- 13 of 14 generated increased sales
- One relocation to KRG's portfolio
  - 30% lower gross rent charges
  - Expected sales increased to $1.27M from $977k in other location

All relocations occurred pre-COVID

Shifting Tenants To Open-Air:

lululemon · SEPHORA · LUSH · FABLETICS · WARBY PARKER · west elm · adidas · TORRID · YETI · Casper · vineyard vines · WILLIAMS SONOMA CALIFORNIA

Convenient Shopping Destinations and Last-Mile Fulfillment



Disclaimer

Forward-Looking Statements

This Investor Update, together with other statements and information publicly disseminated by us, contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934. Such statements are based on assumptions and expectations that may not be realized and are inherently subject to risks, uncertainties and other factors, many of which cannot be predicted with accuracy and some of which might not even be anticipated. Future events and actual results, performance, transactions or achievements, financial or otherwise, may differ materially from the results, performance, transactions or achievements, financial or otherwise, expressed or implied by the forward-looking statements. Risks, uncertainties and other factors that might cause such differences, some of which could be material, include but are not limited to:

- national and local economic, business, banking, real estate and other market conditions, particularly in connection with low or negative growth in the U.S. economy as well as economic uncertainty (including a potential economic slowdown or recession, rising interest rates, inflation, unemployment, or limited growth in consumer income or spending);
- the risk that our actual NOI from leases that have signed but not yet opened, from the development pipeline and from leasing up vacancies cause by the pandemic will not be consistent with expected NOI from those sources;
- financing risks, including the availability of, and costs associated with, sources of liquidity;
- the Company's ability to refinance, or extend the maturity dates of, the Company's indebtedness;
- the level and volatility of interest rates;
- the financial stability of tenants;
- the competitive environment in which the Company operates, including potential oversupplies of and reduction in demand for rental space; acquisition, disposition, development and joint venture risks;
- property ownership and management risks, including the relative illiquidity of real estate investments, and expenses, vacancies or the inability to rent space on favorable terms or at all;
- the Company's ability to maintain the Company's status as a real estate investment trust for U.S. federal income tax purposes;
- potential environmental and other liabilities; impairment in the value of real estate property the Company owns; the attractiveness of our properties to tenants, the actual and perceived impact of e-commerce on the value of shopping center assets and changing demographics and customer traffic patterns;
- business continuity disruptions and a deterioration in our tenant's ability to operate in affected areas or delays in the supply of products or services to us or our tenants from vendors that are needed to operate efficiently, causing costs to rise sharply and inventory to fall;
- risks related to our current geographical concentration of the Company's properties in Texas, Florida, Maryland, New York, and North Carolina;
- civil unrest, acts of violence, terrorism or war, acts of God, climate change, epidemics, pandemics (including COVID-19), natural disasters and severe weather conditions, including such events that may result in underinsured or uninsured losses or other increased costs and expenses;
- changes in laws and government regulations including governmental orders affecting the use of the Company's properties or the ability of its tenants to operate, and the costs of complying with such changed laws and government regulations;
- possible short-term or long-term changes in consumer behavior due to COVID-19 and the fear of future pandemics; our ability to satisfy environmental, social or governance standards set by various constituencies; insurance costs and coverage; risks associated with cybersecurity attacks and the loss of confidential information and other business disruptions;
- other factors affecting the real estate industry generally; and
- other risks identified in reports the Company files with the Securities and Exchange Commission ("the SEC") or in other documents that it publicly disseminates, including, in particular, the section titled "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022, and in the Company's quarterly reports on Form 10-Q.
- The Company undertakes no obligation to publicly update or revise these forward-looking statements, whether as a result of new information, future events or otherwise.

This Investor Update also includes certain forward-looking non-GAAP information. For certain definitions and reconciliation see pages 31 to 35.

Non GAAP Financial Measures

NET OPERATING INCOME AND SAME PROPERTY NET OPERATING INCOME

The Company uses property net operating income ("NOI") and cash NOI, which are non-GAAP financial measures, to evaluate the performance of our properties. The Company defines NOI and cash NOI as income from our real estate, including lease termination fees received from tenants, less our property operating expenses. NOI and cash NOI exclude amortization of capitalized tenant improvement costs and leasing commissions and certain corporate level expenses, including merger and acquisition costs. Cash NOI also excludes other property-related revenue as that activity is recurring but unpredictable in its occurrence, straight-line rent adjustments, and amortization of in-place lease liabilities, net. The Company believes that NOI and cash NOI are helpful to investors as measures of our operating performance because they exclude various items included in net income that do not relate to or are not indicative of our operating performance, such as depreciation and amortization, interest expense, and impairment, if any.

The Company also uses same property NOI ("Same Property NOI"), a non-GAAP financial measure, to evaluate the performance of our properties. Same Property NOI is net income excluding properties that have not been owned for the full periods presented. Same Property NOI also excludes (i) net gains from outlot sales, (ii) straight-line rent revenue, (iii) lease termination income in excess of lost rent, (iv) amortization of lease intangibles, and (v) significant prior period expense recoveries and adjustments, if any. When the Company receives payments in excess of any accounts receivable for terminating a lease, Same Property NOI will include such excess payments as monthly rent until the earlier of the expiration of 12 months or the start date of a replacement tenant.

The Company believes that Same Property NOI is helpful to investors as a measure of our operating performance because it includes only the NOI of properties that have been owned for the full periods presented. The Company believes such presentation eliminates disparities in net income due to the acquisition or disposition of properties during the particular periods presented and thus provides a more consistent metric for the comparison of our properties. Same Property NOI includes the results of properties that have been owned for the entire current and prior year reporting periods.

NOI and Same Property NOI should not, however, be considered as alternatives to net income (calculated in accordance with GAAP) as indicators of our financial performance. The Company's computation of NOI and Same Property NOI may differ from the methodology used by other REITs and, therefore, may not be comparable to such other REITs.

When evaluating the properties that are included in the same property pool, we have established specific criteria for determining the inclusion of properties acquired or those recently under development. An acquired property is included in the same property pool when there is a full quarter of operations in both years subsequent to the acquisition date. Development and redevelopment properties are included in the same property pool four full quarters after the properties have been transferred to the operating portfolio. A redevelopment property is first excluded from the same property pool when the execution of a redevelopment plan is likely and we (a) begin recapturing space from tenants or (b) the contemplated plan significantly impacts the operations of the property. For the three months ended March 31, 2023, the same property pool excludes the following: (i) properties acquired or placed in service during 2022 and 2023, (ii) the multifamily rental units and commercial portion at One Loudoun Downtown – Pads G & H, (iii) Shoppes at Quarterfield and Circle East, which were reclassified from active redevelopment into our operating portfolio in June 2022 and September 2022, respectively, (iv) three active development and redevelopment projects, (v) Edwards Multiplex – Ontario, which was reclassified from our operating portfolio into redevelopment in March 2023, (vi) properties sold or classified as held for sale during 2022 and 2023, and (vii) office properties

Non GAAP Financial Measures

EBITDA

The Company defines EBITDA, a non-GAAP financial measure, as net income before interest expense, income tax expense of the taxable REIT subsidiary, and depreciation and amortization. For informational purposes, the Company also provides Adjusted EBITDA, which it defines as EBITDA less (i) EBITDA from unconsolidated entities, (ii) gains on sales of operating properties or impairment charges, (iii) merger and acquisition costs, (iv) other income and expense, (v) noncontrolling interest EBITDA, and (vi) other non-recurring activity or items impacting comparability from period to period. Annualized Adjusted EBITDA is Adjusted EBITDA for the most recent quarter multiplied by four. Net Debt to Adjusted EBITDA is the Company's share of net debt divided by Annualized Adjusted EBITDA. EBITDA, Adjusted EBITDA, Annualized Adjusted EBITDA and Net Debt to Adjusted EBITDA, as calculated by the Company, are not comparable to EBITDA and EBITDA-related measures reported by other REITs that do not define EBITDA and EBITDA-related measures exactly as we do. EBITDA, Adjusted EBITDA and Annualized Adjusted EBITDA do not represent cash generated from operating activities in accordance with GAAP and should not be considered alternatives to net income as an indicator of performance or as alternatives to cash flows from operating activities as an indicator of liquidity.

Considering the nature of our business as a real estate owner and operator, the Company believes that EBITDA, Adjusted EBITDA and the ratio of Net Debt to Adjusted EBITDA are helpful to investors in measuring our operational performance because they exclude various items included in net income that do not relate to or are not indicative of our operating performance, such as gains or losses from sales of depreciated property and depreciation and amortization, which can make periodic and peer analyses of operating performance more difficult. For informational purposes, the Company also provides Annualized Adjusted EBITDA, adjusted as described above. The Company believes this supplemental information provides a meaningful measure of its operating performance. The Company believes presenting EBITDA and the related measures in this manner allows investors and other interested parties to form a more meaningful assessment of the Company's operating results.

FUNDS FROM OPERATIONS

Funds From Operations ("FFO") is a widely used performance measure for real estate companies and is provided here as a supplemental measure of operating performance. The Company calculates FFO, a non-GAAP financial measure, in accordance with the best practices described in the April 2002 National Policy Bulletin of the National Association of Real Estate Investment Trusts ("NAREIT"), as restated in 2018. The NAREIT white paper defines FFO as net income (calculated in accordance with GAAP), excluding (i) depreciation and amortization related to real estate, (ii) gains and losses from the sale of certain real estate assets, (iii) gains and losses from change in control, and (iv) impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity.

Considering the nature of our business as a real estate owner and operator, the Company believes that FFO is helpful to investors in measuring our operational performance because it excludes various items included in net income that do not relate to or are not indicative of our operating performance, such as gains or losses from sales of depreciated property and depreciation and amortization, which can make periodic and peer analyses of operating performance more difficult. FFO (a) should not be considered as an alternative to net income (calculated in accordance with GAAP) for the purpose of measuring our financial performance, (b) is not an alternative to cash flow from operating activities (calculated in accordance with GAAP) as a measure of our liquidity, and (c) is not indicative of funds available to satisfy our cash needs, including our ability to make distributions. The Company's computation of FFO may not be comparable to FFO reported by other REITs that do not define the term in accordance with the current NAREIT definition or that interpret the current NAREIT definition differently than we do. A reconciliation of net income (calculated in accordance with GAAP) to FFO is included elsewhere in this Financial Supplement.

From time to time, the Company may report or provide guidance with respect to "FFO, as adjusted," which removes the impact of certain non-recurring and non-operating transactions or other items the Company does not consider to be representative of its core operating results including, without limitation, (i) gains or losses associated with the early extinguishment of debt, (ii) gains or losses associated with litigation involving the Company that is not in the normal course of business, (iii) merger and acquisition costs, (iv) the impact on earnings from employee severance, (v) the excess of redemption value over carrying value of preferred stock redemption, and (vi) in 2022, the impact of prior period bad debt or the collection of accounts receivable previously written off ("prior period collection impact") due to the recovery from the COVID-19 pandemic, which are not otherwise adjusted in the Company's calculation of FFO.

Appendix: Reconciliation of Same Property NOI to Net Income

Kite Realty Group Trust
Same Property Net Operating Income ("NOI")
(dollars in thousands)
(unaudited)

	Three Months Ended March 31,		
	2023	2022	Change
Number of properties in same property pool for the period[1]	177	177	
Leased percentage at period end	94.9%	93.8%	
Economic occupancy percentage[2]	92.3%	90.4%	
Minimum rent	$ 146,279	$ 140,492	
Tenant recoveries	42,124	40,274	
Bad debt reserve	(1,699)	(1,607)	
Other income, net	2,425	1,193	
Total revenue	189,129	180,352	
Property operating	(23,699)	(22,684)	
Real estate taxes	(26,421)	(27,191)	
Total expenses	(50,120)	(49,875)	
Same Property NOI	**$ 139,009**	**$ 130,477**	**6.5%**
Reconciliation of Same Property NOI to most directly comparable GAAP measure:			
Net operating income – same properties	$ 139,009	$ 130,477	
Net operating income – non-same activity[3]	11,473	8,818	
Total property NOI	**150,482**	**139,295**	**8.0%**
Other income, net	1,959	1,963	
General, administrative and other	(13,384)	(13,309)	
Merger and acquisition costs	—	(925)	
Depreciation and amortization	(108,071)	(121,504)	
Interest expense	(25,425)	(25,514)	
Gain on sales of operating properties, net	—	3,168	
Net (income) loss attributable to noncontrolling interests	(170)	22	
Net income (loss) attributable to common shareholders	$ 5,391	$ (16,804)	

(1) Same Property NOI excludes the following: (i) properties acquired or placed in service during 2022 and 2023; (ii) the multifamily rental units and commercial portion at One Loudoun Downtown – Pads G & H; (iii) Shoppes at Quarterfield and Circle East, which were reclassified from active redevelopment into our operating portfolio in June 2022 and September 2022, respectively; (iv) three active development and redevelopment projects, (v) Edwards Multiplex – Ontario, which was reclassified from our operating portfolio into redevelopment in March 2023; (vi) properties sold or classified as held for sale during 2022 and 2023; and (vii) office properties.

(2) Excludes leases that are signed but for which tenants have not yet commenced the payment of cash rent. Calculated as a weighted average based on the timing of cash rent commencement and expiration during the period.

(3) Includes non-cash activity across the portfolio as well as NOI from properties not included in the same property pool, including properties sold during both periods.

Appendix: Funds from Operations

Kite Realty Group Trust
Funds From Operations ("FFO")[1][2]
(dollars in thousands, except per share amounts)
(unaudited)

	Three Months Ended March 31,	
	2023	2022
Net income (loss)	$ 5,561	$ (16,826)
Less: net income attributable to noncontrolling interests in properties	(104)	(144)
Less: gain on sales of operating properties, net	—	(3,168)
Add: depreciation and amortization of consolidated and unconsolidated entities, net of noncontrolling interests	108,309	121,847
FFO of the Operating Partnership[1]	113,766	101,709
Less: Limited Partners' interests in FFO	(1,507)	(1,118)
FFO attributable to common shareholders[1]	$ 112,259	$ 100,591
FFO, as defined by NAREIT, per share of the Operating Partnership – basic	$ 0.51	$ 0.46
FFO, as defined by NAREIT, per share of the Operating Partnership – diluted	$ 0.51	$ 0.46
FFO of the Operating Partnership[1]	$ 113,766	$ 101,709
Add: merger and acquisition costs	—	925
Less: prior period collection impact	—	(1,096)
FFO, as adjusted, of the Operating Partnership	$ 113,766	$ 101,538
FFO, as adjusted, per share of the Operating Partnership – basic	$ 0.51	$ 0.46
FFO, as adjusted, per share of the Operating Partnership – diluted	$ 0.51	$ 0.46
Weighted average common shares outstanding – basic	219,233,569	218,981,168
Weighted average common shares outstanding – diluted	219,965,061	220,202,896
Weighted average common shares and units outstanding – basic	222,186,023	221,428,198
Weighted average common shares and units outstanding – diluted	222,917,515	222,649,925
FFO, as defined by NAREIT, per diluted share/unit		
Net income (loss)	$ 0.02	$ (0.08)
Less: net income attributable to noncontrolling interests in properties	0.00	0.00
Less: gain on sales of operating properties, net	0.00	(0.01)
Add: depreciation and amortization of consolidated and unconsolidated entities, net of noncontrolling interests	0.49	0.55
FFO, as defined by NAREIT, of the Operating Partnership per diluted share/unit[1][2]	$ 0.51	$ 0.46
Add: merger and acquisition costs	0.00	0.00
Less: prior period collection impact	0.00	0.00
FFO, as adjusted, of the Operating Partnership per diluted share/unit[2]	$ 0.51	$ 0.46

(1) "FFO of the Operating Partnership" measures 100% of the operating performance of the Operating Partnership's real estate properties. "FFO attributable to common shareholders" reflects a reduction for the redeemable noncontrolling weighted average diluted interest in the Operating Partnership.

(2) Per share/unit amounts of components will not necessarily sum to the total due to rounding to the nearest cent.

Appendix: Reconciliation of EBITDA to Net Income

Kite Realty Group Trust

Earnings Before Interest, Tax, Depreciation, and Amortization ("EBITDA")

(dollars in thousands)

(unaudited)

	Three Months Ended March 31, 2023
Net income	$ 5,561
Depreciation and amortization	108,071
Interest expense	25,425
Income tax benefit of taxable REIT subsidiary	(29)
EBITDA	139,028
Unconsolidated EBITDA	450
Other income and expense, net	(159)
Noncontrolling interests	(104)
Adjusted EBITDA	$ 139,215
Annualized Adjusted EBITDA[1]	$ 556,860
Company share of Net Debt:	
Mortgage and other indebtedness, net	$ 2,972,567
Plus: Company share of unconsolidated joint venture debt	44,243
Less: Partner share of consolidated joint venture debt[2]	(562)
Less: cash, cash equivalents, and restricted cash	(54,953)
Less: debt discounts, premiums and issuance costs, net	(31,647)
Company share of Net Debt	$ 2,929,648
Net Debt to Adjusted EBITDA	**5.3x**

(1) Represents Adjusted EBITDA for the three months ended March 31, 2023 (as shown in the table above) multiplied by four.

(2) Partner share of consolidated joint venture debt is calculated based upon the partner's pro-rata ownership of the joint venture, multiplied by the related secured debt balance.