KITE REALTY GROUP

KITE HEADQUARTERS Indianapolis, IN



PRESENTED TO:

Investors and Analysts

3.2012

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DISCLAIMER

This presentation contains certain statements that are not historical fact and may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results of the Company to differ materially from historical results or from any results expressed or implied by such forward-looking statements, including, without limitation: national and local economic, business, real estate and other market conditions, particularly in light of the recent slowing of growth in the U.S. economy; 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, its indebtedness; the level and volatility of interest rates; the financial stability of tenants, including their ability to pay rent and the risk of tenant bankruptcies; the competitive environment in which the Company operates; acquisition, disposition, development and joint venture risks; property ownership and management risks; the Company's ability to maintain its status as a real estate investment trust ("REIT") for federal income tax purposes; potential environmental and other liabilities; impairment in the value of real estate property the Company owns; risks related to the geographical concentration of our properties in Indiana, Florida and Texas; assumptions underlying our anticipated growth sources; and other factors affecting the real estate industry generally. The Company refers you to the documents filed by the Company from time to time with the Securities and Exchange Commission, specifically the section titled "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2011, which discuss these and other factors that could adversely affect the Company's results. The Company undertakes no obligation to publicly update or revise these forward-looking statements (including the FFO and net income estimates), whether as a result of new information, future events or otherwise.

• Stable Operating Portfolio	• 54 Properties in the Retail Operating Portfolio; 93.3% leased • Diverse tenant base: Largest tenant represents only 2.9% of annualized base rent • 5 mile demographics: Population - 126,000; Average Household Income - $85,000
• Increased Leasing & Operating Productivity	• Over 840,000 square feet of leasing production in 2011 at aggregate rent spreads of 6.3% • 9 consecutive quarters of positive cash rent spreads • Same property net income for the fourth quarter of 2011 increased 5.7% over the prior year and 3.7% for the full year 2011 compared to 2010. • Average annualized retail operating portfolio rents per square foot grew 3.3% from the previous quarter. • Revenue from property operations increased 13.8% in the fourth quarter over the same period in the prior year.
• Development & Redevelopment Progress	• Commenced construction at Delray Marketplace in Delray Beach, Florida. • Transitioned Four Corner/Maple Valley in Seattle, Washington and New Hill Place Phase I near Raleigh, North Carolina to in-process developments. Construction is expected to commence in the first half of 2012. • Scheduled to open Whole Foods at Oleander Point in Wilmington, North Carolina in May 2012. • Commenced construction of a single-tenant property in Indianapolis, Indiana that is leased to Walgreens.
• Cash NOI Growth Potential	• $5.9 million of annualized cash NOI (see page 21).

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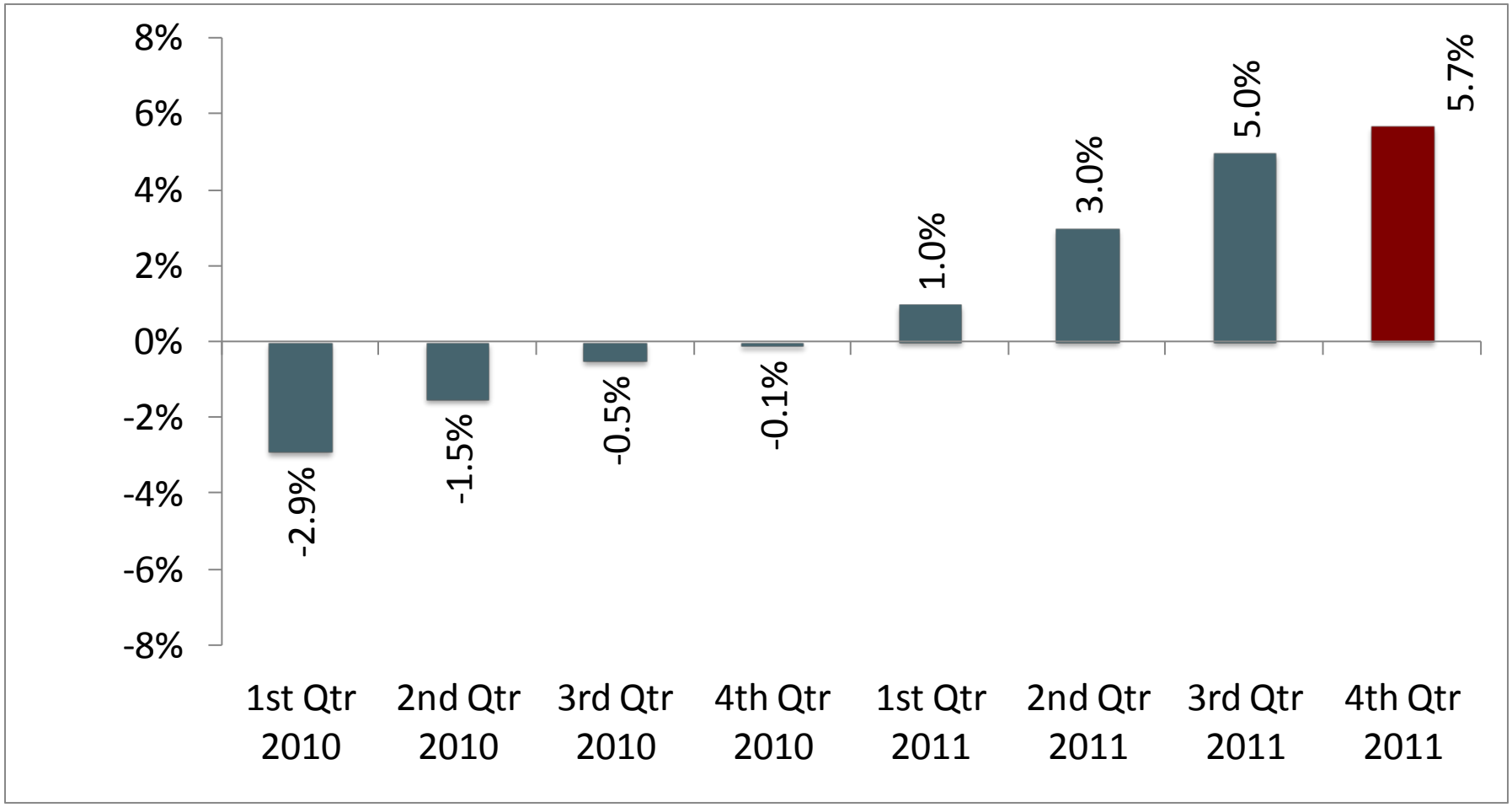
LEASING

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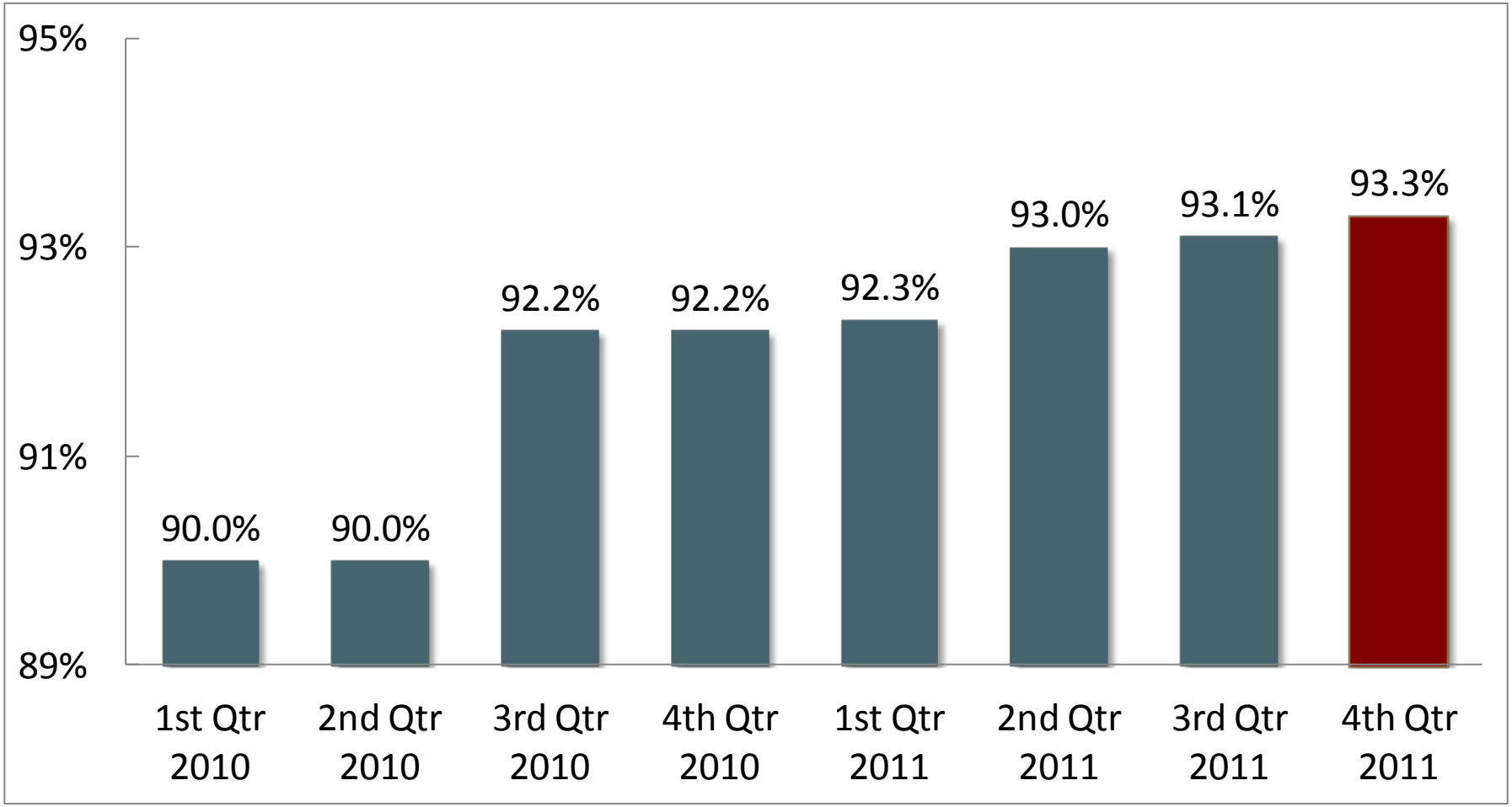
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PORTFOLIO SAME STORE NOI TRENDS



LEASED PERCENTAGES: RETAIL OPERATING PORTFOLIO



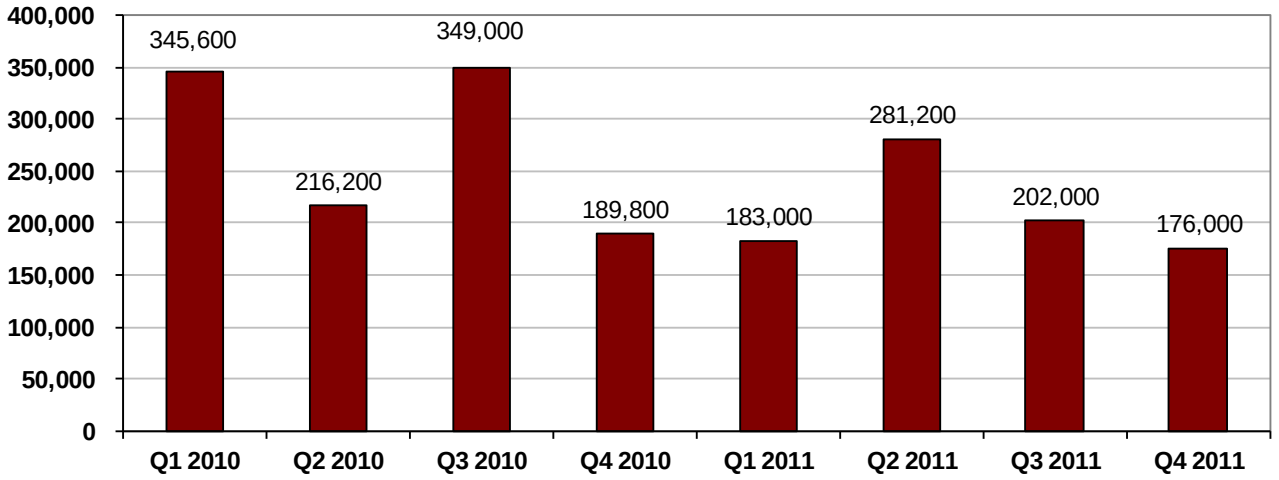
Cash Rent Spreads

	2011	2010	2009
New Leases	8.6%	9.8%	4.4%
Renewals	2.9%	<3.5%>	<0.8%>
Weighted Total	6.4%	5.1%	2.1%

- Nine consecutive quarters of positive aggregate rent spreads

- Company-wide focus on leasing the portfolio to high-credit tenants.
- Total annual production (square feet):
  - 2009 – 673,000
  - 2010 – 1,100,600
  - 2011 – 842,200

Total Leasing Production – New and Renewal Leases
By Quarter (square feet)



Recent Retail Relationships

- **National Retailers:** Nordstrom Rack / The Container Store / Arhaus Furniture / Whole Foods / Fresh Market / Advanced Auto / Babies "R" Us and Toys "R" Us / Ulta / Urban Outfitters / Vitamin Shoppe / buybuy Baby / Apricot Lane / Bobby Chan / Chico's / Dollar Tree / Goodwill / White House | Black Market / JoS. A. Bank

- **Restaurants:** BJ's Brewhouse / Buffalo Wild Wings / Corner Bakery / Jason's Deli / Pei Wei / Max's Grille / Shula Burger / Brother's Bar & Grill



Quality Retail Tenants

Top 10 Retail Tenants

	Tenant	Number Of Locations	% of Owned GLA	% of Portfolio Annualized Base Rent [1]	S&P Credit Rating [2]
1	Publix	6	4.8%	2.9%	n/a
2	Bed Bath & Beyond / buybuy Baby	7	3.2%	2.7%	BBB+
3	PetSmart	6	2.5%	2.6%	BB+
4	Ross Stores	6	2.9%	2.3%	BBB+
5	Toys "R" Us	3	2.3%	2.2%	B
6	Lowe's Home Improvement	2	2.2%	2.2%	A-
7	Marsh Supermarkets	2	2.1%	2.0%	n/a
8	Dick's Sporting Goods	3	2.9%	1.7%	n/a
9	Staples	4	1.5%	1.5%	BBB
10	HEB Grocery Company	1	1.8%	1.4%	n/a
	Total		**26.2%**	**21.5%**	

(1) Annualized base rent represents the monthly contractual rent for December 2011 for each applicable tenant multiplied by 12. Excludes tenant reimbursements.

(2) S&P credit ratings for parent company as of 1/20/2012.

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DEVELOPMENT/REDEVELOPMENT

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In-Process Development

- Including anchors Publix and Frank Theatres, we currently have 24 executed leases. The center is approximately 72% pre-leased or committed.
- Commenced construction in the 4th quarter of 2011.
- Closed on a $62 million construction loan in November 2011.
- The $93 million project is scheduled to open in November 2012.





In-Process Development

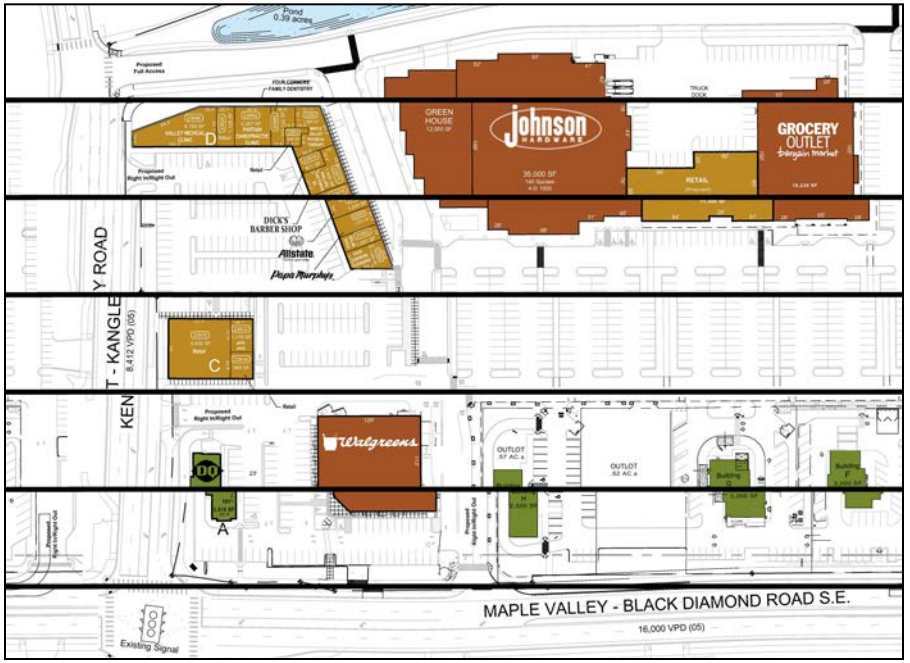
- Closed on the sale of land to, and entered into a site development agreement with, Target in February 2012.
- The $57 million development is approximately 73% pre-leased or committed including Dick's Sporting Goods, Marshall's, Michael's, and Petco.
- Phase I of New Hill Place is scheduled to commence construction in spring, 2012 after finalizing construction loan.
- Phase I of the development is scheduled to open in spring, 2013.





In-Process Development/Redevelopment

- Commenced construction at the end of February 2012.
- Three anchor leases for 80,000 square feet are fully executed with Grocery Outlet, Johnson's Home & Garden, and Walgreens.
- Construction loan to be finalized prior to construction commencement.
- The $24 million project is scheduled to partially open in late 2012.





In-Process Redevelopment

- KRG turned over the space to a newly constructed Whole Foods during the 4th quarter with an opening scheduled for May 2012.
- The project is 86% pre-leased or committed as of December 31, 2011.







Rivers Edge

- Successfully redeveloped and was 100% leased as of December 31, 2011.
- Anchored by Nordstrom Rack, The Container Store, buybuy Baby, Arhaus Furniture, and BGI Fitness.



Eddy Street Commons

- Successfully developed and was 96.8% leased as of December 31, 2011.
- Anchored by Urban Outfitters, Hammes Bookstore, and University of Notre Dame



Cobblestone Plaza

- Successfully developed and was 92.2% leased as of December 31, 2011.
- Anchored by Whole Foods, Party City, and All Pets Emporium.



South Elgin Commons

- Successfully developed and was 100% leased as of December 31, 2011.
- Anchored by LA Fitness, Toys “R” Us/Babies “R” Us, Ross Stores and a non-owned Super Target.



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BALANCE SHEET

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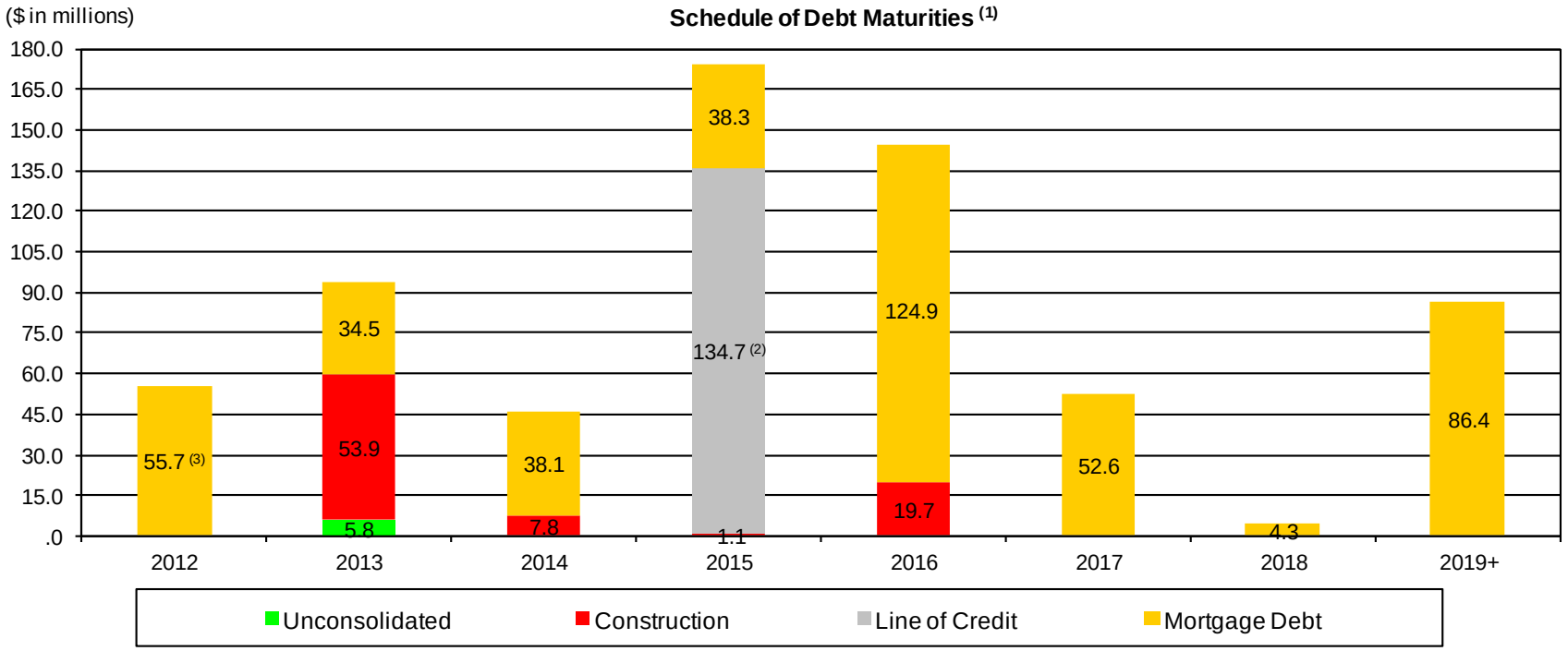
Primary Debt Capital Market Initiatives

- Manage fixed to floating ratio to a goal of 80%/20% (w/construction loan debt).
- Capitalize on low long-term interest rate environment.
- De-levering in process through NOI growth and non-core asset sales.

Significant 2012 Planned Debt Transactions

- Refinance Plaza at Cedar Hill and Fox Lake Crossing
- Secure long-term financing at Cobblestone Plaza and Rivers Edge
- Finalize construction loans for development at Four Corner Square/Maple Valley and New Hill Place – Phase I.

Extend duration of maturities while continuing to stagger debt maturities to mitigate risk.



(1) Chart excludes annual principal payments and net premiums on fixed rate debt.
(2) Assumes the Company exercises the one year extension option on unsecured line of credit.
(3) As of March 9, 2012, only $10.8 million remaining.

NOI GROWTH POTENTIAL THROUGH INCREMENTAL CASH NOI

Information as of December 31, 2011

- NOI growth potential through continued cash rent commencement from executed leases at operating properties and in-process development and redevelopment properties.
- Continue to improve our debt-to-EBITDA level as tenants who have executed leases take occupancy.

In-Process Development / Redevelopment Cash NOI	
Projected incremental cash NOI from In-Process Developments and Redevelopments at Stabilization (1)	$ 4,387,000
Projected quarter to reach stabilization: - Cobblestone Q4, 2011 - Oleander Q1, 2012 - Rivers Edge Q4, 2011 (Arhaus opening in the second half of 2012)	
The weighted average percentage leased of the three projects is 94.9% and the capital required to complete is approximately $9 million.	
Executed Leases over 5,000 Square Feet	
8 new signed leases in tenant improvement phase including four at Eddy Street and removes rent associated with lease expirations	$ 1,483,266
- Capital required to complete the tenant improvements is approximately $3.4 million	
Total incremental cash NOI contribution	**$ 5,870,266**
(1) Excludes annualized cash NOI recognized in the Q4, 2011	