KITE REALTY GROUP







Investor Presentation

As Of Q4 2014

KITE REALTY GROUP





City Center
White Plains, NY

COMPANY OVERVIEW

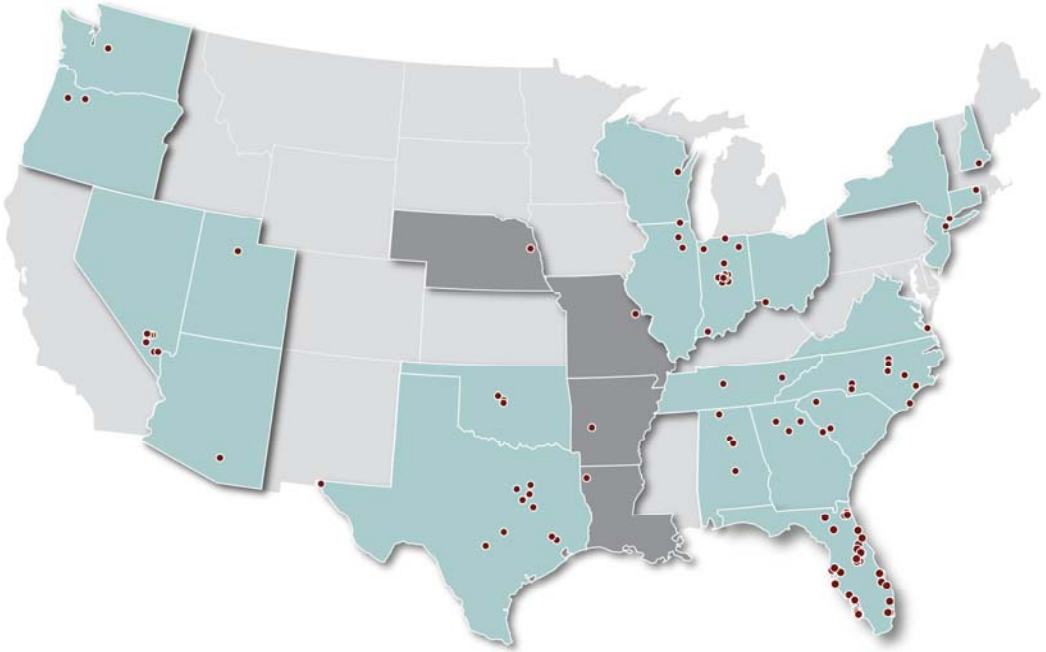
KRG
LISTED
NYSE

888.577.5600

kiterealty.com

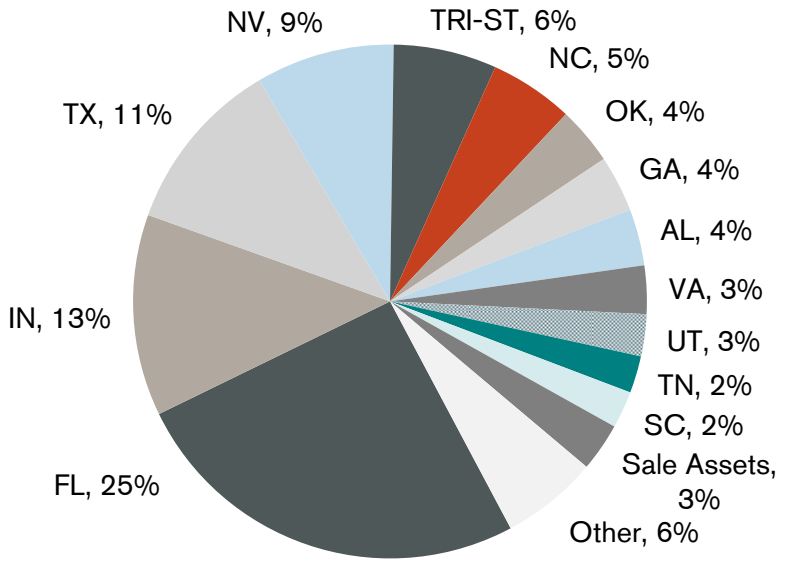
KITE REALTY GROUP TRUST

Number Of Properties	127
Headquarters	Indianapolis, IN
Number Of States	26
Total GLA (SF)	25.5mm
Owned GLA (SF)	17.6mm
Average Center Size (SF)	205,000



Note: Dark gray shading denotes states that will be exited, pending announced disposition.

ABR BY GEOGRAPHY (1)



MARKET DATA AS OF 12/31/14

NYSE Ticker	KRG
Share Price	$28.74
Market Capitalization	$2.6bn
Enterprise Value	$4.1bn
Dividend Yield (2)	3.7%
Total Return 2014-15 YTD (2)	17.2%

KRG LISTED NYSE

1. ABR excludes ground lease revenue attributable to parcels and outlots owned by the Company and ground leased to tenants. Note: All data as of December 31, 2014 unless otherwise noted. Sale assets include states that will be fully exited upon closing which is expected by the end of the first quarter.
2. Source: Bloomberg; as of 02/17/15. Total return assumes dividend reinvestment. Dividend yield is inclusive of the recent increase, announced in February.

CURRENT PORTFOLIO OVERVIEW

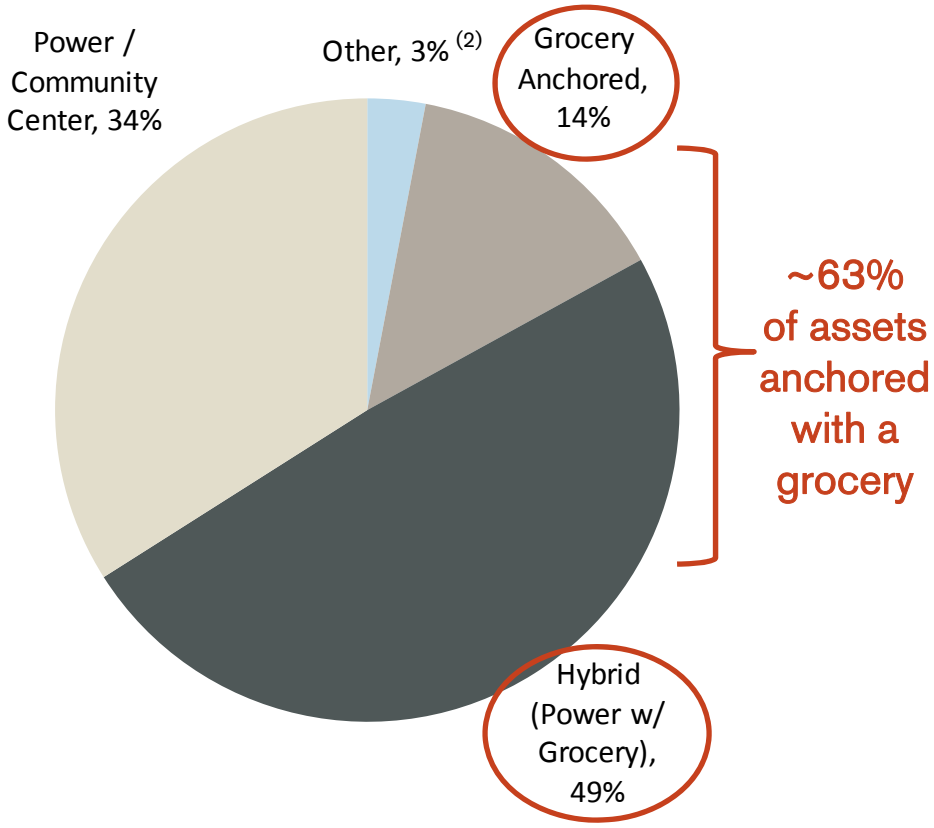
High-quality assets with 63% of properties having a grocery component, and the aggregate portfolio has an ABR over $15 per square foot

Summary Statistics (1)

Total Leased (Owned SF)	94.8%
Shop Leased (Owned SF)	85.7%
Annualized Base Rent per SF	$15.15
Ground Lease (ABR)	$17.9mm
3-Mile Portfolio Demographics (3)	
Population / Growth (2014-19)	~58,000 / ~6%
Average Household Income	~$81,000

Retail Diversification By ABR (1)

By Property Type



(1) As of Q4 2014.
(2) Other includes office, unanchored strip centers and single tenant assets.
(3) Pro forma for tranche II sale of announced disposition. Source: demographic data from AGS.

After the ~$300mm acquisition last November, the ~$2.1bn merger in July and the 15-asset disposition announced late in 2014, Kite has transformed in the recent past into Kite 2.0

	2010	Today
✓ Enhanced Scale	63 Properties 9 States	127 Properties 26 States
✓ Strong Leasing	78.0% Small Shops Leased	85.7% Small Shops Leased
✓ Quality Markets	$12.80 ABR per GLA	$15.15 ABR per GLA
✓ Geographically Diverse	41.1% % of ABR from IN	~13% % of ABR from IN
✓ Reduced Risk	15.5% CIP & LHD as a % of GAV	< 5% CIP & LHD as a % of GAV
✓ Conservative Balance Sheet	9.1x Net Debt / EBITDA	6.5x Net Debt / EBITDA S&P: BBB- Moody's: Baa3

Note: Financial information as of December 31, 2014.

KITE REALTY GROUP



Delray Marketplace
Delray, FL



Plaza at Cedar Hill
Dallas, TX

PORTFOLIO UPDATE

KRG LISTED NYSE

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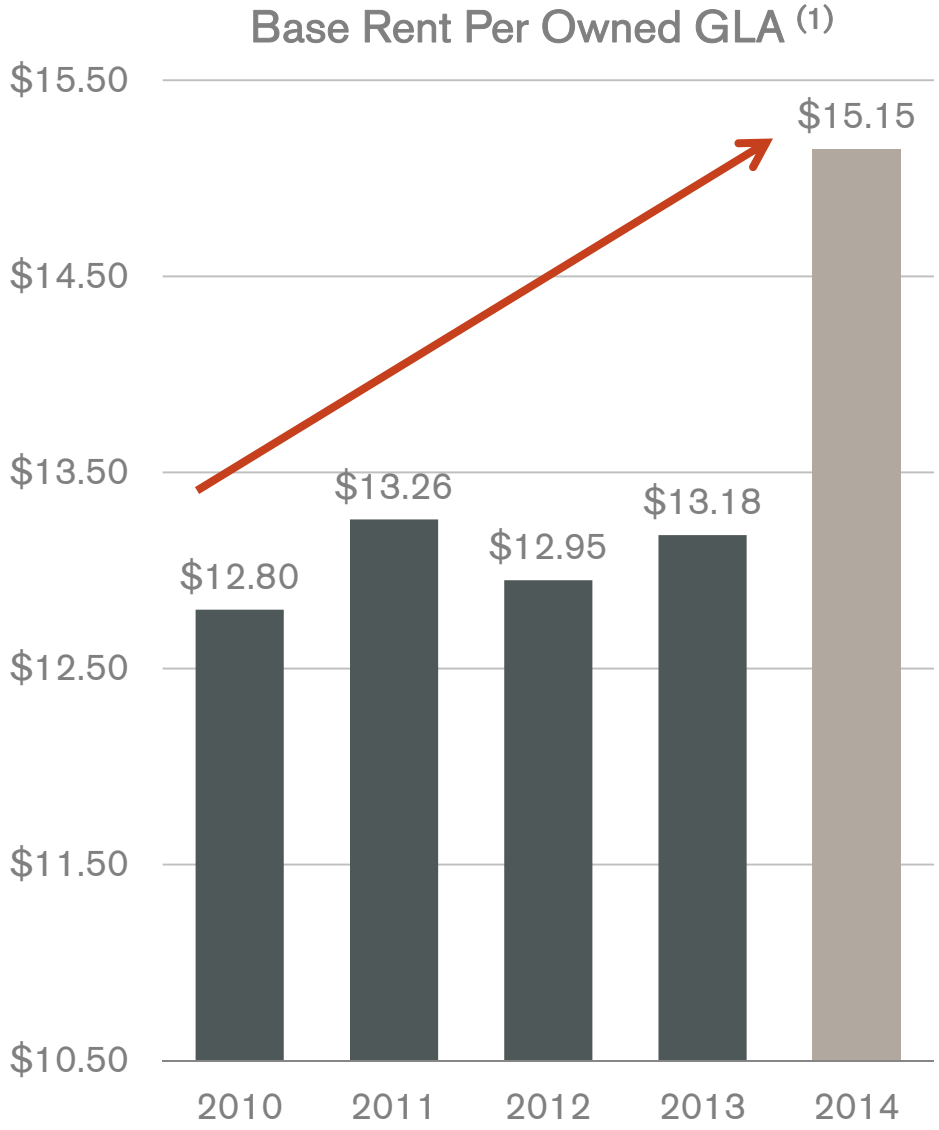
kiterealty.com

2014 OPERATIONAL RECAP

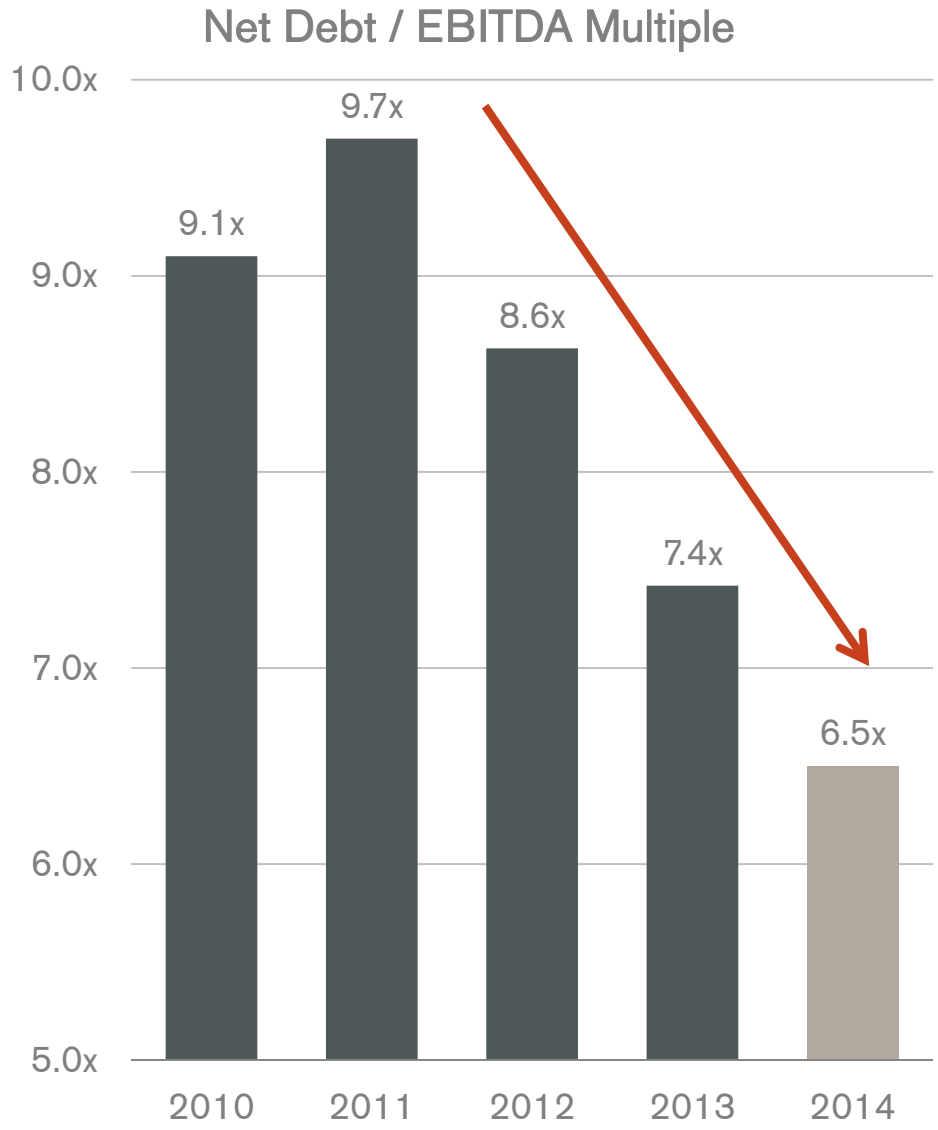
- ✓ FFO per share grew ~9% over the same period last year
- ✓ AFFO grew ~19% year-over-year
- ✓ Dividend growth of 13% over the last 12 months
- ✓ ABR per square foot grew 15% year-over-year
- ✓ Average center size increased over 12% year-over-year
- ✓ Executed 229 new and renewal leases for over 1.2 million SQFT

IMPROVING PORTFOLIO QUALITY WHILE DELEVERING

Growing ABR Through High-Quality Assets



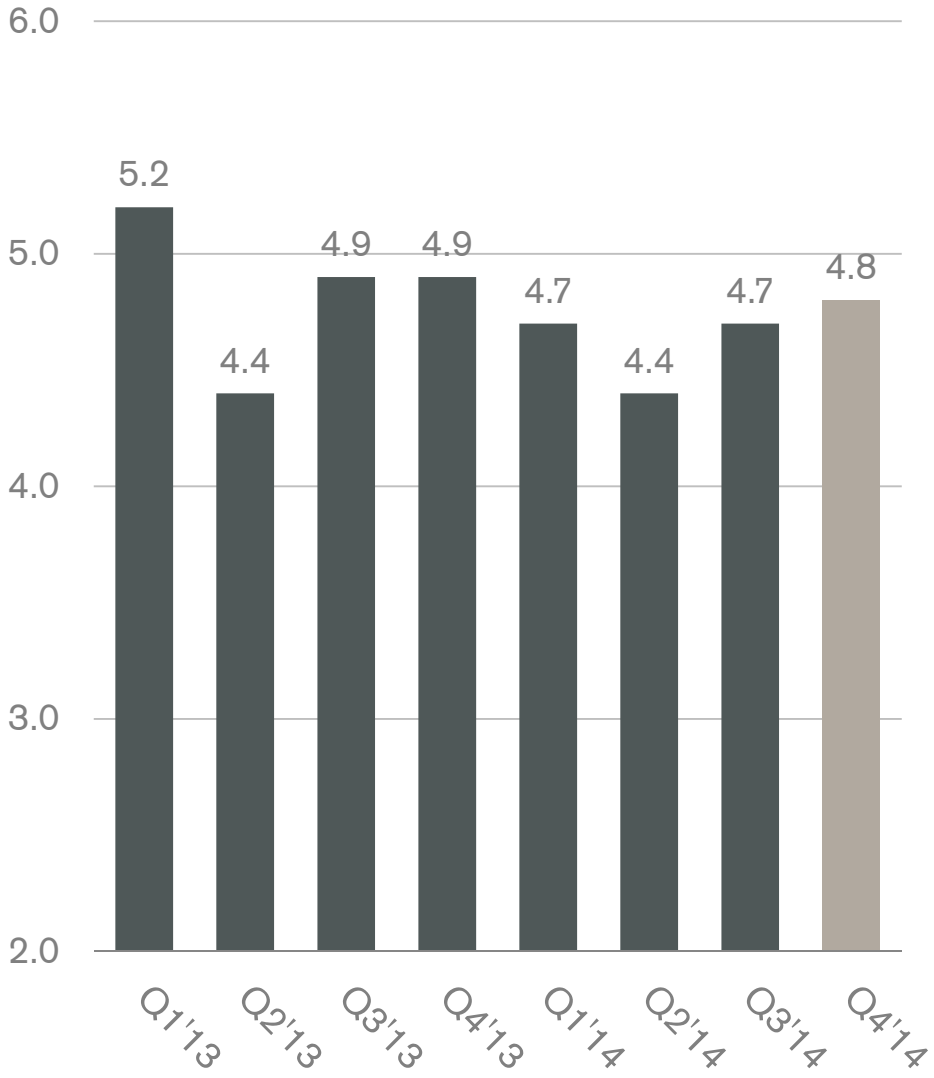
While Still Strengthening The Balance Sheet



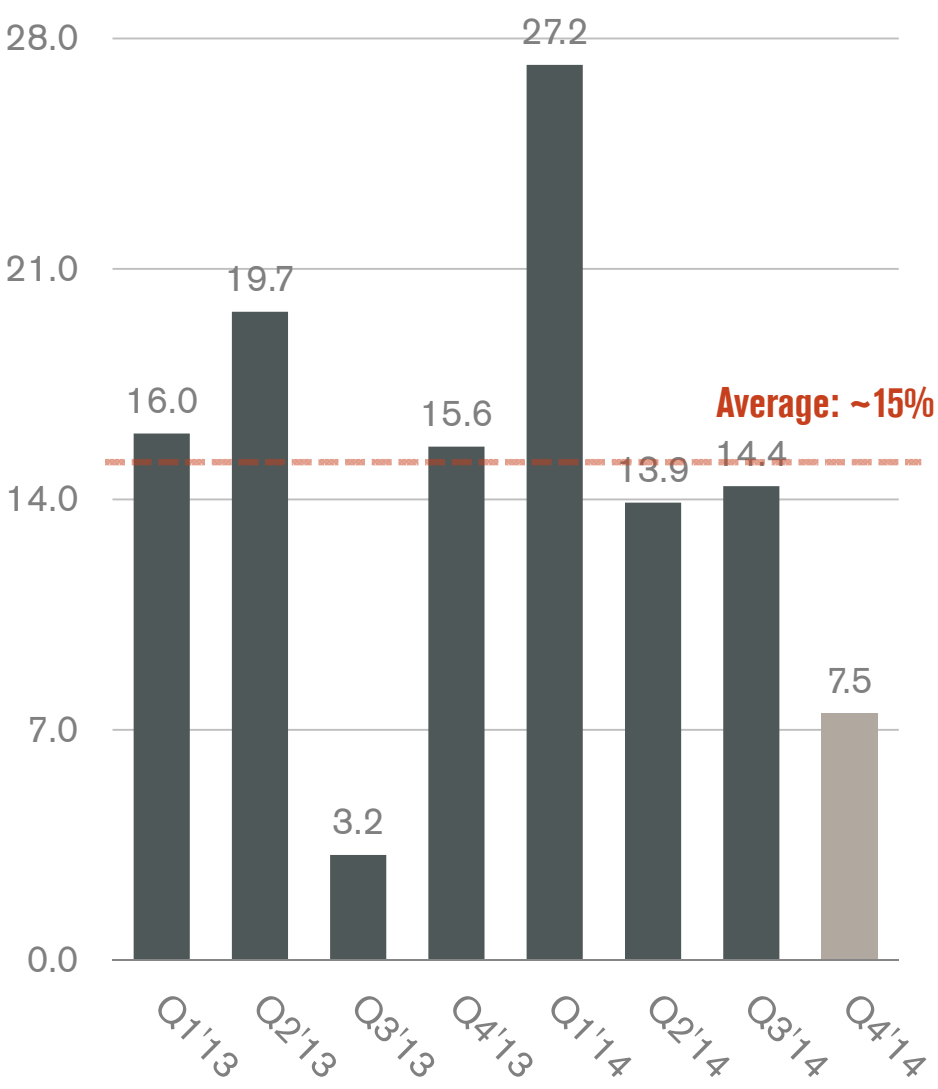
1. Base rent shown for retail operating properties at the end of each period. Source: Company filings.

CONSISTENT OPERATIONAL PERFORMANCE

Same-Property NOI Growth > 4% For 2 Years



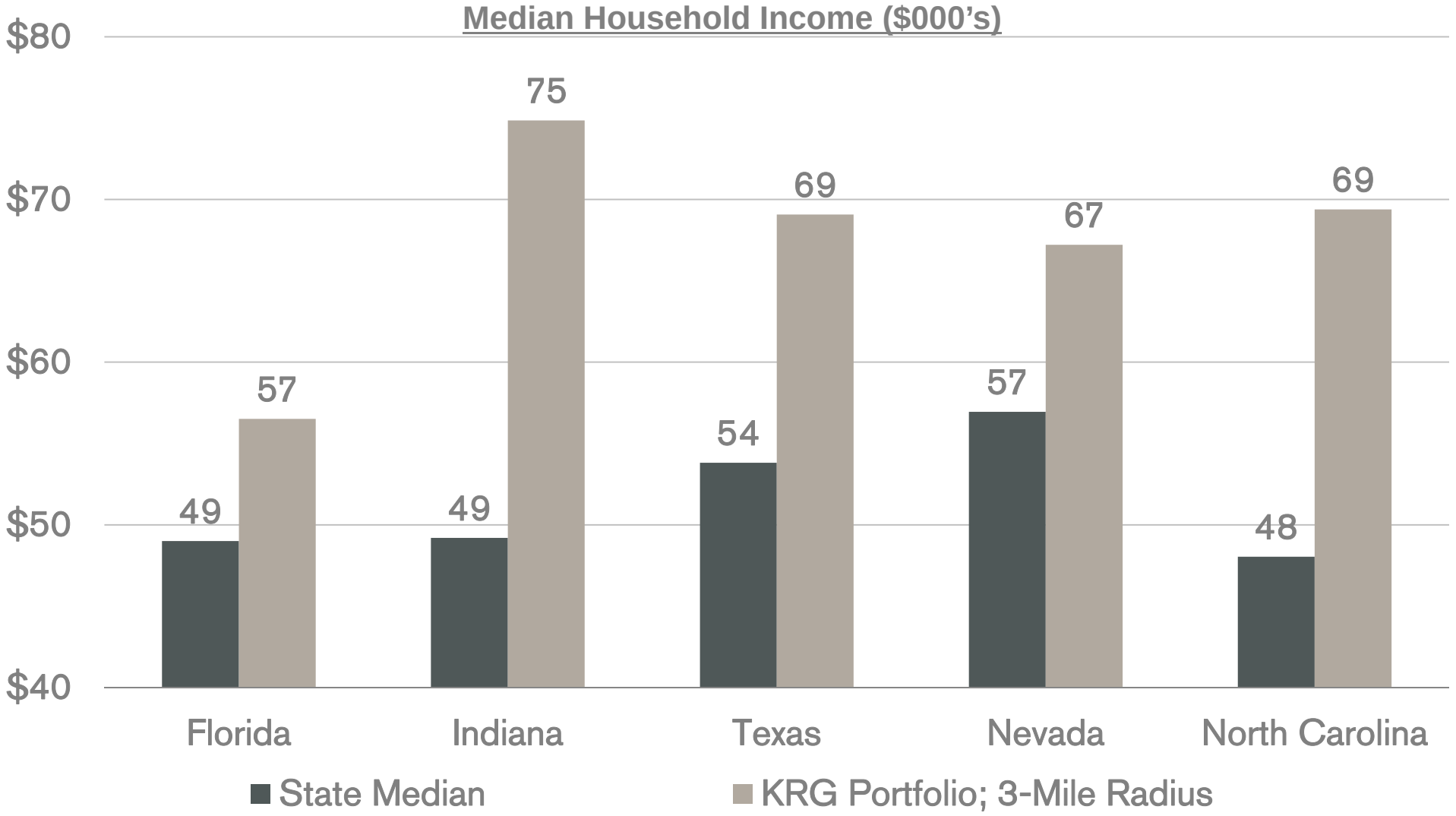
Average Cash Lease Spreads Of 15%



1. Base rent shown for retail operating properties at the end of each period. Source: Company filings.

KEY SUB-MARKETS DRIVE FUTURE GROWTH

Portfolio Quality Supported By Strongest Sub-Markets Within Top 5 States



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Source: demographic data from AGS; 3-mile radius shown.
Note: demographic data is pro forma for announced asset dispositions.

HIGH-QUALITY & DIVERSIFIED TENANTS REMAIN CORE TO KITE 2.0

Strong relationships represented by top tenants by ABR; healthy diversification persists with no single tenant contributing >3.5% of ABR

Top 10 Tenants By ABR (1)

Tenant	# Stores	% ABR
Publix	19	3.4%
PETSMART	21	2.5%
T.J.maxx	20	2.3%
DICK'S SPORTING GOODS	11	2.2%
Office DEPOT | Max	20	2.1%
LOWE'S	5	1.9%
ROSS DRESS FOR LESS	16	1.9%
BED BATH & BEYOND	15	1.7%
Michaels Where Creativity Happens™	14	1.5%
Walmart	6	1.4%
Total	147	20.9%

(1) As of Q4 2014, includes development and redevelopment projects. TJ Maxx includes TJ Maxx, Marshalls and HomeGoods.

Key Acquisition Highlights

- Summerlin-area of Las Vegas, Nevada
- ~81,000 SQFT shopping center; 100% leased
- Trade area estimated population: ~104,000
- Trade area avg. household income: ~$111,000
- Currently pursuing repositioning opportunities for the asset









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Beechwood Promenade
Athens, GA



Parkside Town Commons
Cary, NC

BALANCE SHEET

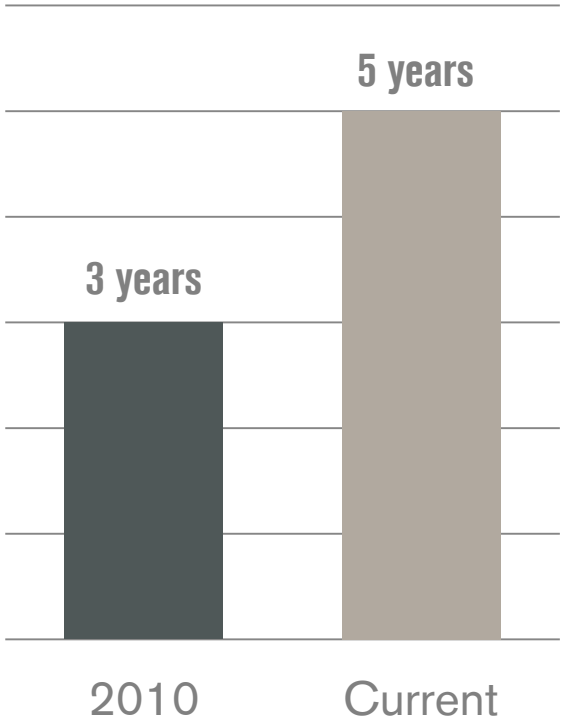
A BALANCED APPROACH TO CAPITAL MANAGEMENT

Achieved Investment Grade Credit Ratings of Baa3 / BBB- (Moody's / S&P)

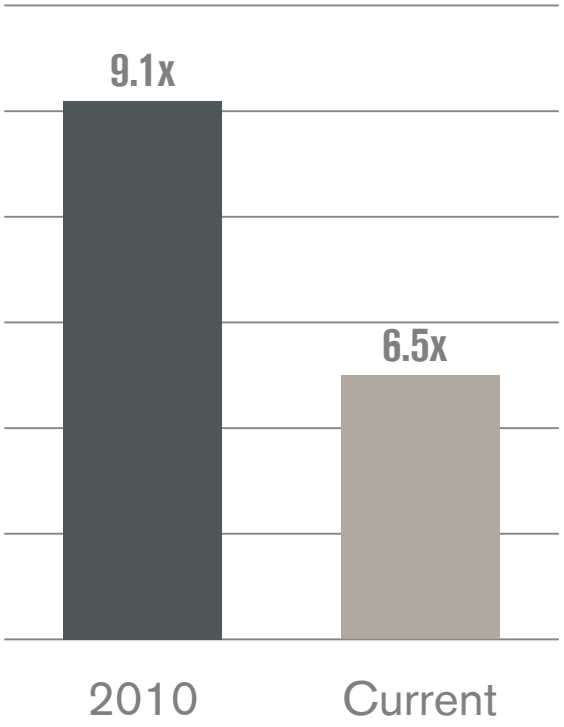
Committed To Investment Grade Ratings – Target Metrics To Achieve And Maintain:

- Further reduce net debt / EBITDA to ≤ 6.0x
- Increase unencumbered assets / GAV ≥ 50% in near-term and ≥ 65% over the next couple of years
- Maintain fixed charge coverage ≥ 2.5x

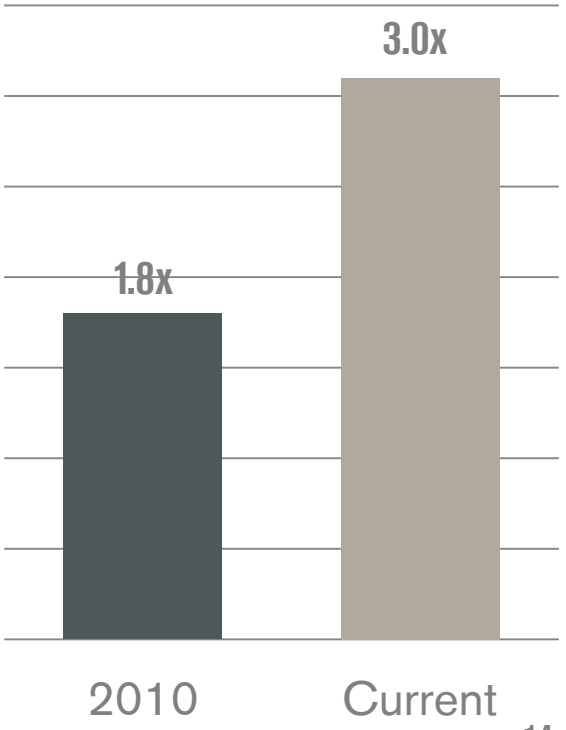
Extended Debt Maturities



Lower Net Debt/EBITDA

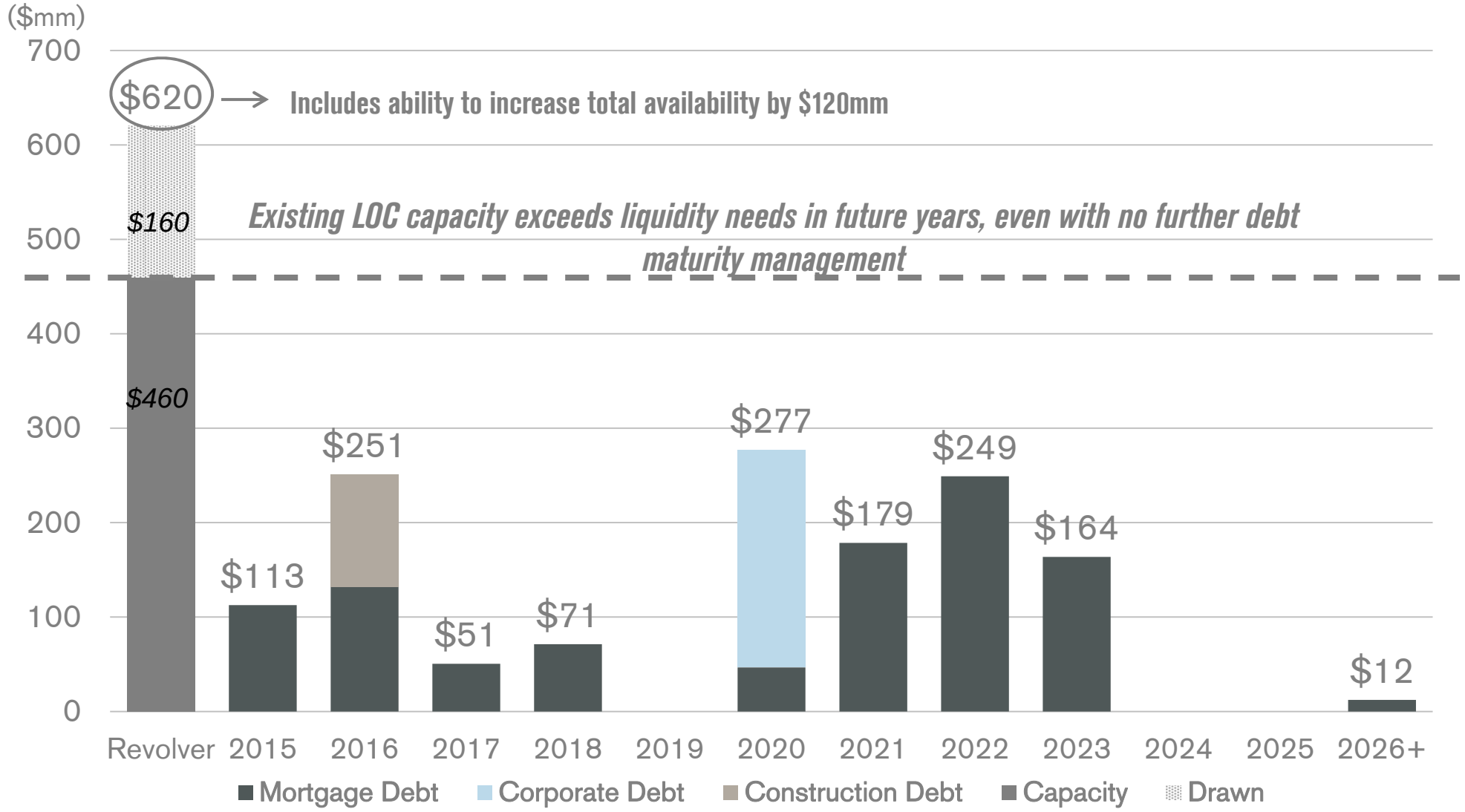


Fixed Charge Coverage



WELL-LADDERED MATURITY PROFILE

Staggered debt maturity profile is conservative and manageable today; investment grade ratings provide additional opportunities which would further increase our financial flexibility



(1) Chart excludes scheduled principal payments and net premiums. Term Loan is shown at final maturity after extension option exercised. Revolver scheduled to mature in 2019, after extension option exercised. Annual total amounts are pro forma for Tranche II asset sale. Revolver represents liquidity to the company.

KITE REALTY GROUP



Kingwood Commons
Houston, TX



Portofino Shopping Center
Houston, TX

FUTURE GROWTH INITIATIVES

NOI GROWTH COMPOSITION

Expect average annual NOI growth to stem from various sources over the next 24 months; additional growth to come from external factors

External Opportunities

- 2015 guidance assumes only the $80mm of identified acquisition opportunities
- Additional investments will grow NOI further

Operational Excellence

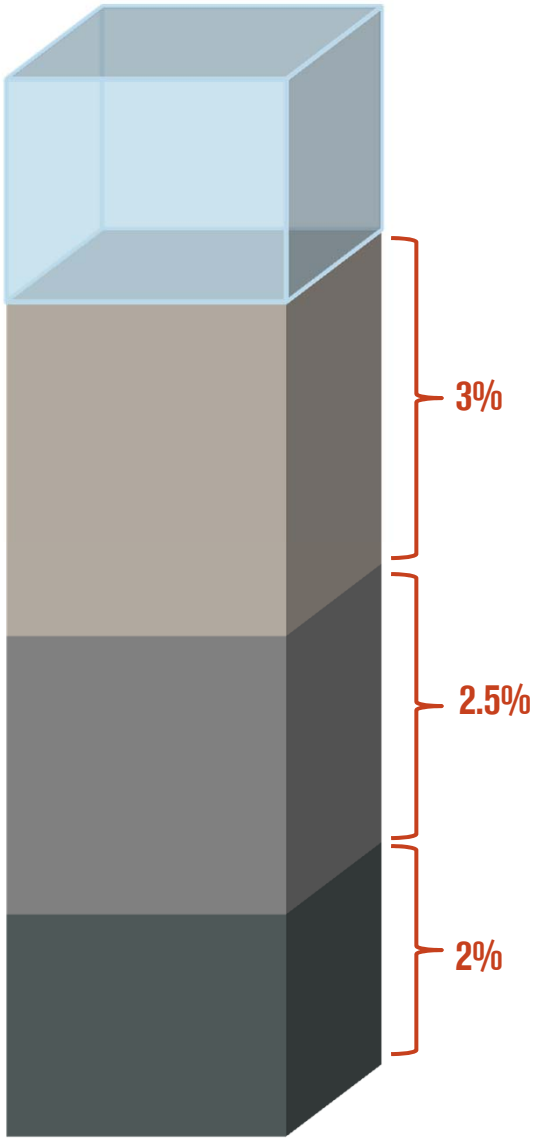
- Contractual rent bumps to add ~1.25% of NOI growth annually (2015-2016)
  - Target 3% annual rent bumps
- Lease-up opportunities
  - Increase shop occupancy to 90%; estimated NOI of ~$4.5mm
  - Maintain cash renewal spreads of 5-8%
- Operating expense control

Development

- Anticipate $12-13mm incremental NOI from existing developments
- Begin construction at Tamiami and Holly Springs Phase II

Redevelopment / Repositioning

- Target ~$100mm in redevelopment / repositioning opportunities over the next 18-24 months
- Begin construction at City Center in 2016



FUTURE REDEVELOPMENT: CITY CENTER

Proposed Redevelopment Highlights

- Located in White Plains, NY
- Recent JV buyout provides full flexibility
- Redevelopment to commence in 2016
- Significant repositioning of the asset to solidify its position within the market

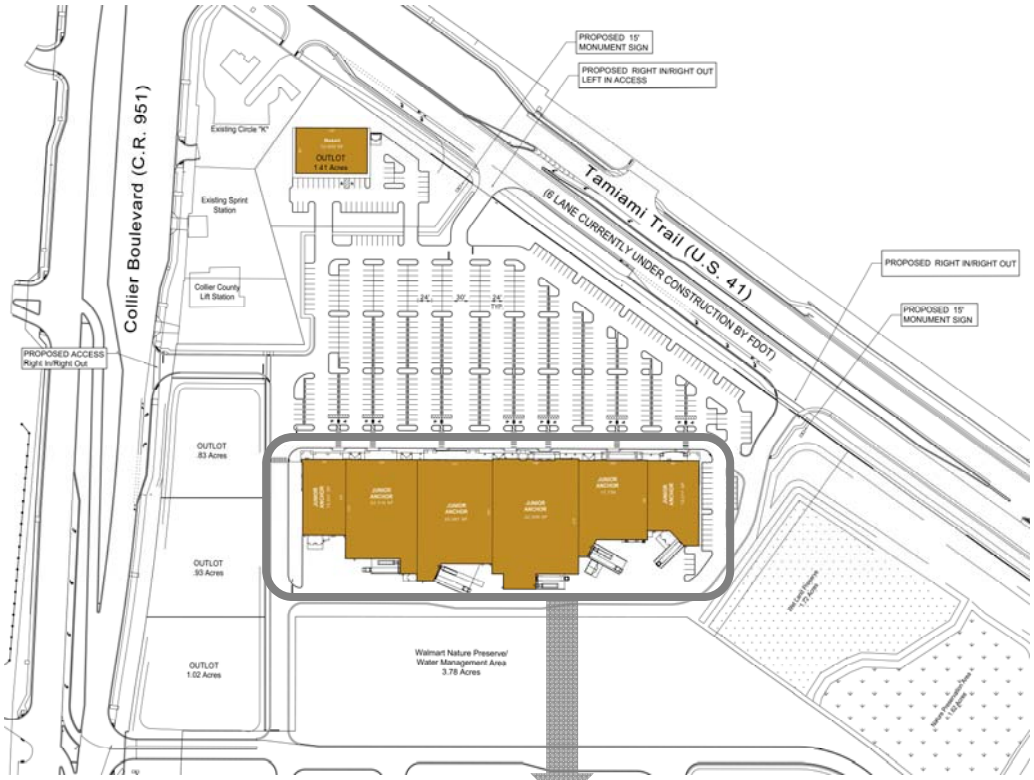




FUTURE DEVELOPMENT: TAMIAMI CROSSING

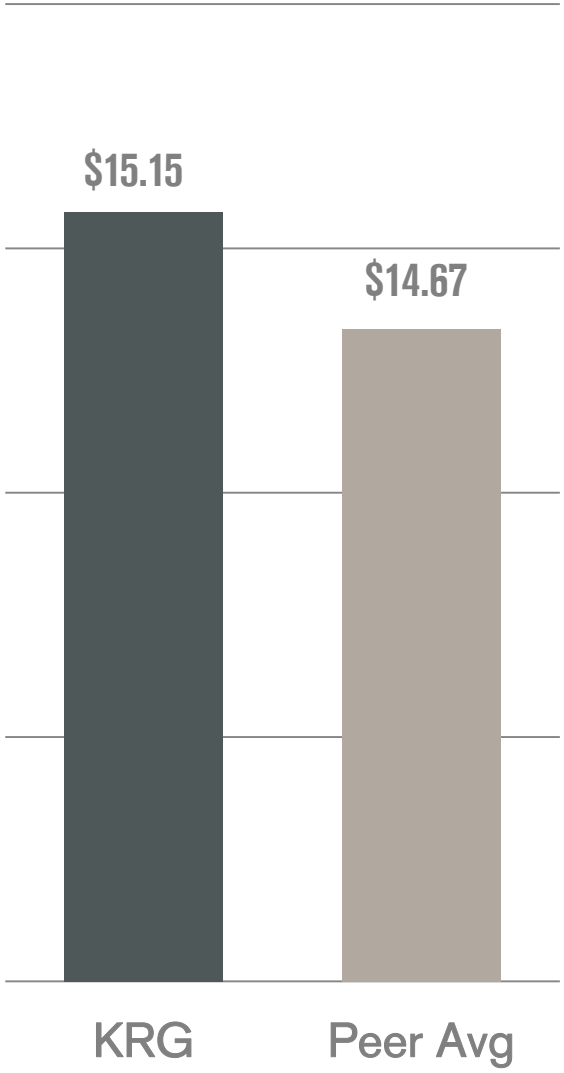
Development Highlights

- 25 acre lot located in Naples, FL
- Stein Mart will anchor the center, along with 5 junior anchors and an outlot space
- Expected GLA: 120,000
- Expected incremental return of ~7.5-8.0%
- Engaged in active negotiations with each junior anchor space
- Construction to commence in 2015 with the center opening in the middle of 2016
- Continued utilization of existing land bank



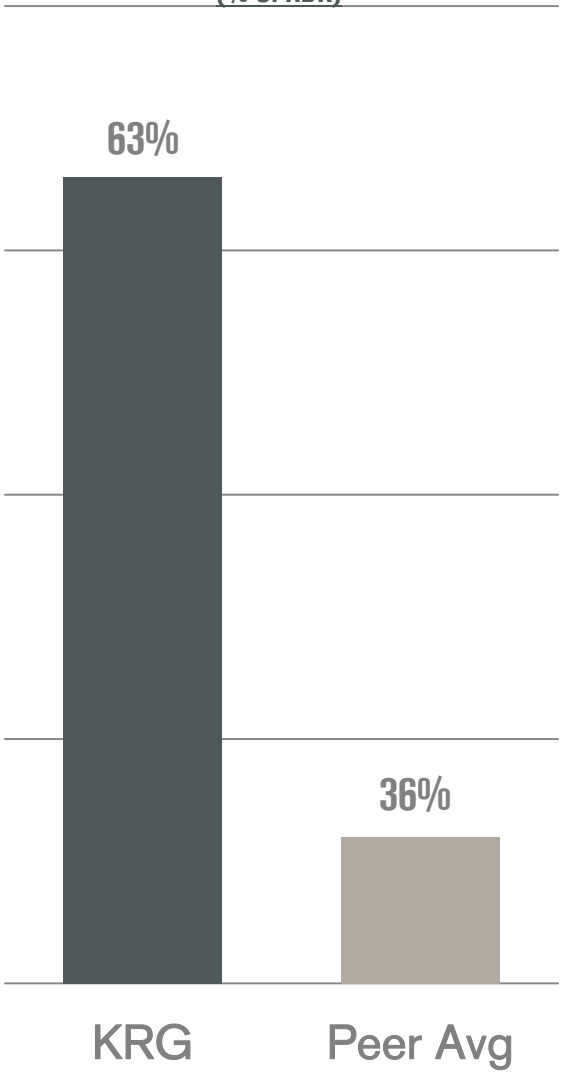
High-Quality Portfolio

ABR Per SQFT



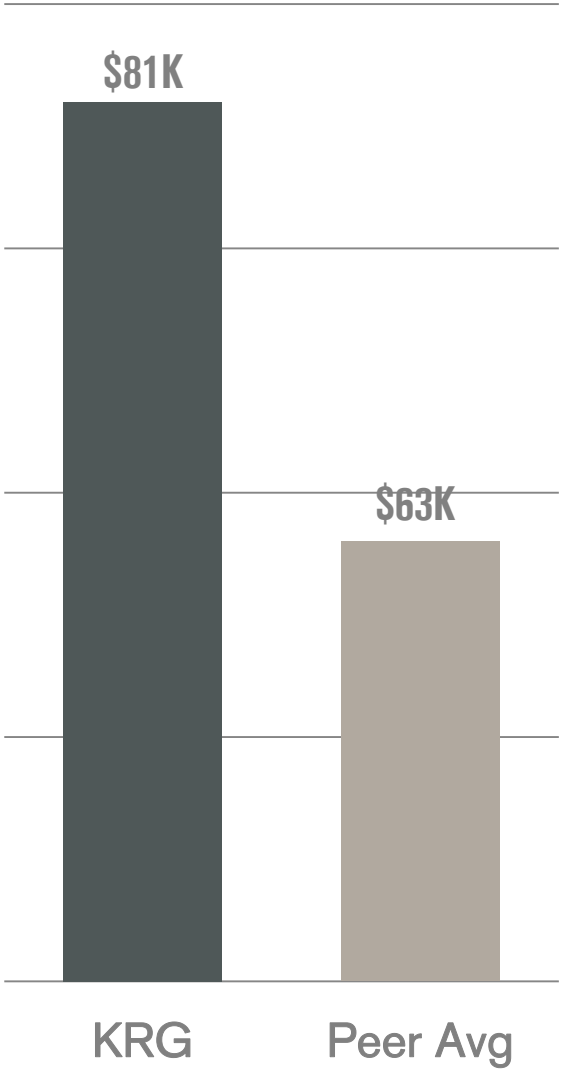
Well-Anchored Assets

Grocery-Anchored Centers
(% Of ABR)



Strong Demographics

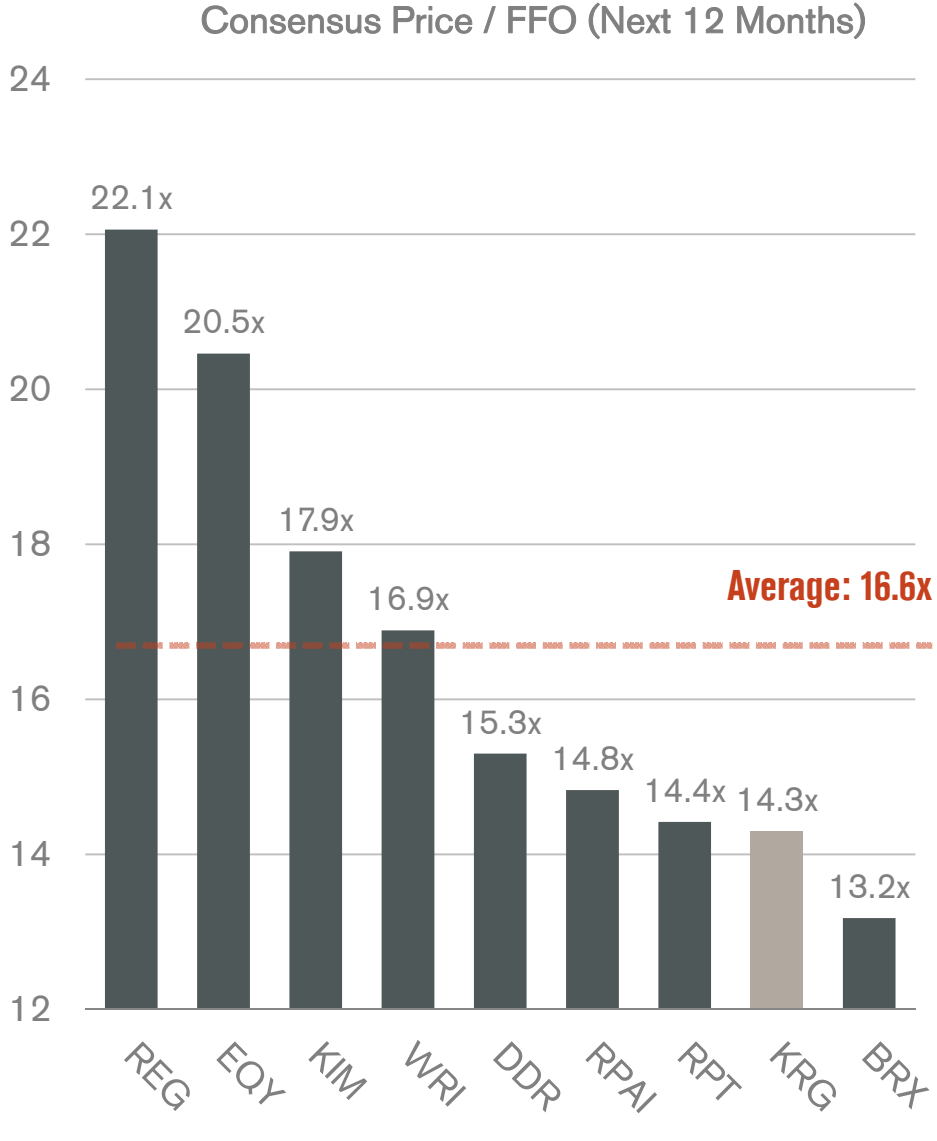
3-Mile Avg. HH Income



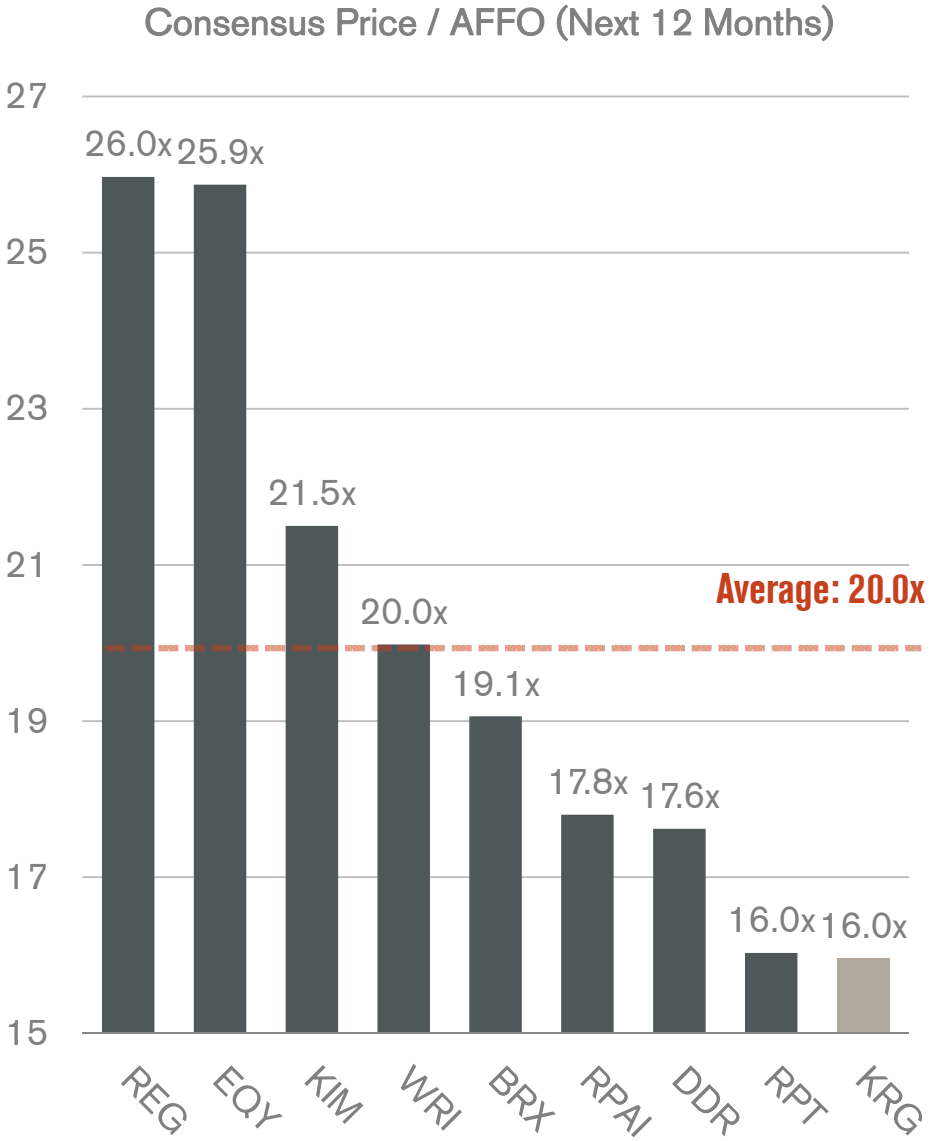
Source: Company filings; SNL Financial and third party research. Peers include BRX, DDR, EQY, KIM, REG, RPAI, RPT, WRI. KRG demographic data per AGS; pro forma for announced sale.

SIGNIFICANT VALUE OPPORTUNITY REMAINS

FFO Multiple Below Peer Average Of 16.6x



AFFO Multiple Below Peer Average Of 20.0x



Source: Bloomberg; consensus data per SNL Financial, FactSet. Data as of 02/19/15.

FORWARD – LOOKING STATEMENTS

Certain statements in this presentation that are not in the present or past tense or that discuss the Company's expectations (including any use of the words "anticipate," "assume," "believe," "estimate," "expect," "forecast," "guidance," "intend," "may," "might," "outlook," "project," "should," or similar expressions) are forward-looking statements within the meaning of the federal securities laws and as such are based upon current beliefs as to the outcome and timing of future events. These forward-looking statements, which are based on current expectations, estimates and projections about the industry and markets in which the Company operates and beliefs of and assumptions made by management, involve uncertainties that could significantly affect the financial results of the Company. There can be no assurance that actual future developments affecting the Company will be those anticipated by the Company. These forward-looking statements involve risks and uncertainties (some of which are beyond the control of the Company) and are subject to change based upon various factors including, but not limited to, the following risks and uncertainties: changes in the real estate industry and in performance of the financial markets and interest rates; the demand for and market acceptance of the Company's properties for rental purposes; the ability of the Company to enter into new leases or renewal leases on favorable terms; the amount and growth of the Company's expenses; tenant financial difficulties and general economic conditions, including interest rates, as well as economic conditions and competition in those areas where the Company owns properties; risks associated with joint venture partners; risks associated with the ownership and development of real property; the outcome of claims and litigation involving or affecting the Company; the ability to satisfy conditions necessary to close pending transactions and the ability to successfully integrate pending transactions; applicable regulatory changes; risks associated with acquisitions, including the integration of the Company's and Inland Diversified Real Estate Trust, Inc.'s businesses; risks associated with achieving expected revenue synergies or cost savings; and other risks and uncertainties detailed from time to time in the Company's filings with the Securities and Exchange Commission (the "SEC"). Should one or more of these risks or uncertainties occur, or should underlying assumptions prove incorrect, the business, financial condition, liquidity, cash flows and financial results of the Company could differ materially from those expressed in the forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made. New risks and uncertainties arise over time, and it is not possible for us to predict the occurrence of those matters or the manner in which they may affect us. The Company does not undertake to update forward-looking statements (including EBITDA and net debt to adjusted EBITDA estimates) except as may be required by law.