

Livingston Center (Livingston, NJ)


Chapel Hill (Dallas, TX)

KITE

INVESTOR UPDATE

September 2015

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KRG LISTED NYSE

THE LOOK AHEAD

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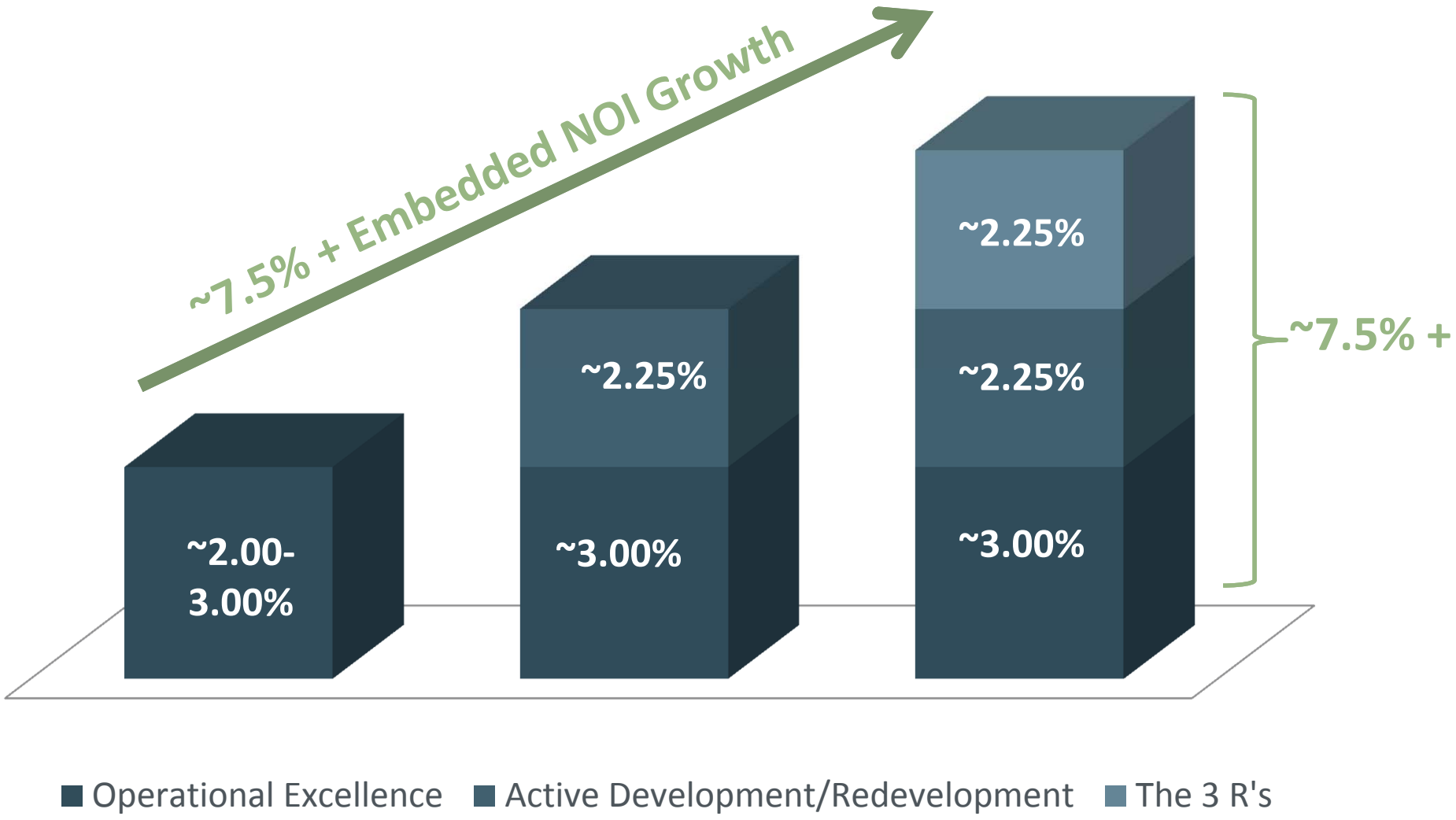
ORGANIC DRIVERS FOR NOI GROWTH

Embedded NOI Growth Of ~7.5+%

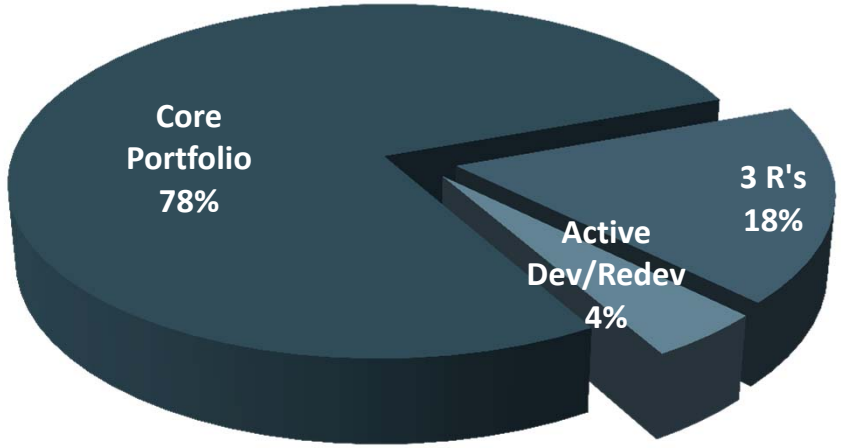


VARIOUS OUTLETS TO GROW NOI FURTHER

Breakdown Of NOI

Annual Portfolio GAAP NOI *LQA*	**~$250,000**
Pro Forma Adjustments (1)	**+ $7,000**
Total Portfolio GAAP NOI	**~$257,000**
Less: 3-R's Current NOI (2)	**(~$48,000)**
Core Portfolio GAAP NOI	**~$209,000**
Plus: Incremental Re/Development NOI	**~$11,700**

Sources Of NOI As Of Q2 2015



Market cycles and opportunities guide the appropriate capital allocation of development and redevelopment

~10% Average Returns

~2-3% Stable Annual Growth

~8-10% Incremental Returns

1. Includes acquisitions of Belle Isle, Livingston Station and Chapel Hill as well as anchor openings.
2. Represents Q2 2015 annualized NOI for the operating properties targeted for redevelopment, listed on page 29 of the supplemental.

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OPERATIONAL EXCELLENCE

The "Kite Way"

- Industry leading operating platform

Top efficiency margins in the sector

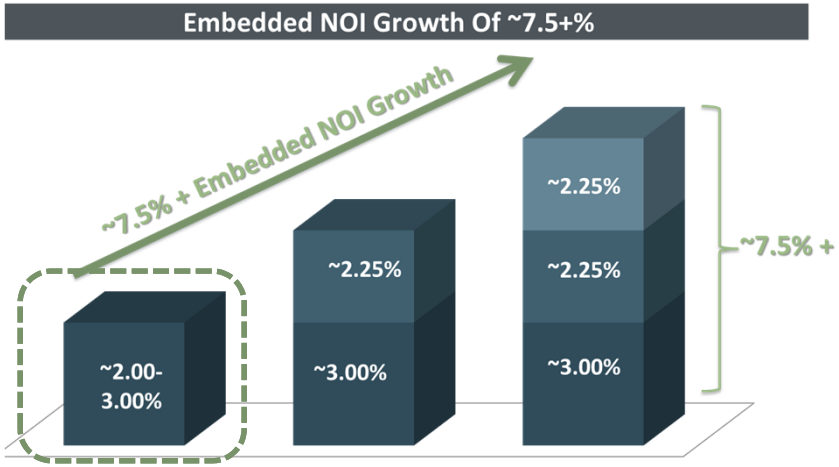
- Cash renewal spreads of 6-8% on shop leases

Achieved on >90% of expiring shop leases; most with 3% annual bumps

- 90+% retention rate and robust risk management process

Detailed underwriting & aggressive tenant management improve quality and consistency of cash flow

- Remerchandising strategy via 3 R's grows NAV



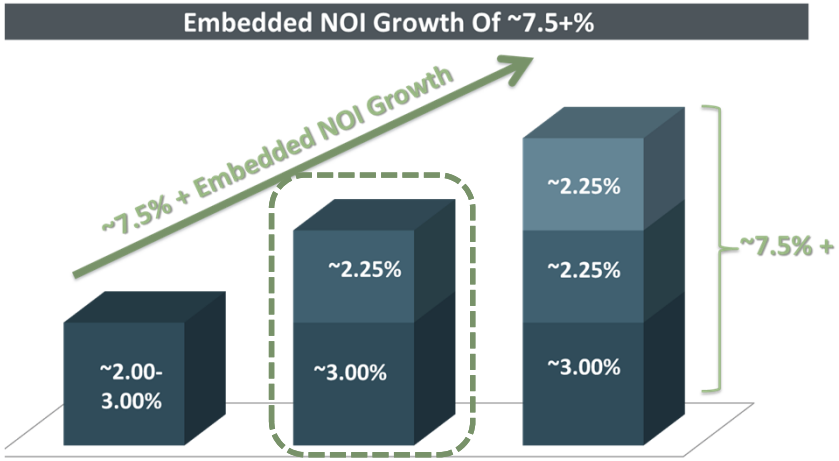


Portfolio operations to generate $50mm in free cash flow in 2015

ACTIVE DEVELOPMENT / REDEVELOPMENT

Development / Redevelopment Expertise

- Long history of experience in development
  Completed 1.7mm SF since 2008
- Measured approach to development
  < 5% development exposure (1)
- Nearing completion on existing developments
  75% funded; 83% leased / committed





Parkside Town Commons – Phase II (Raleigh, NC)



Tamiami Crossing (Naples, FL)



Holly Springs – Phase II (Raleigh, NC)

Portfolio NAV

Free Cash Flow

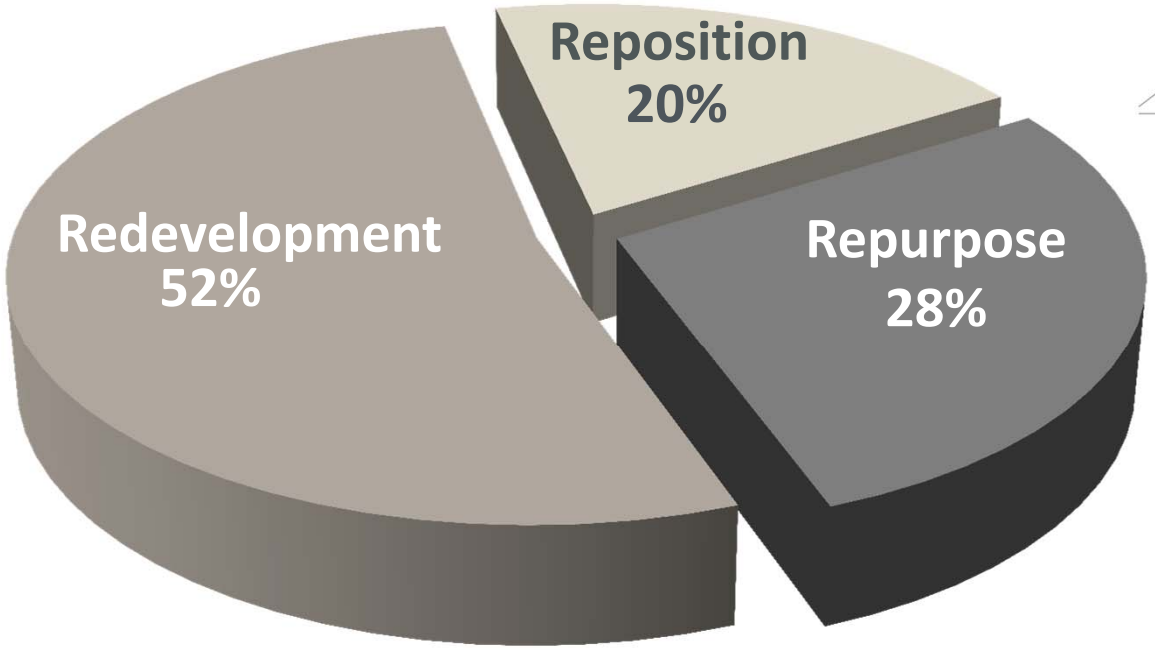
Embedded Rent Growth

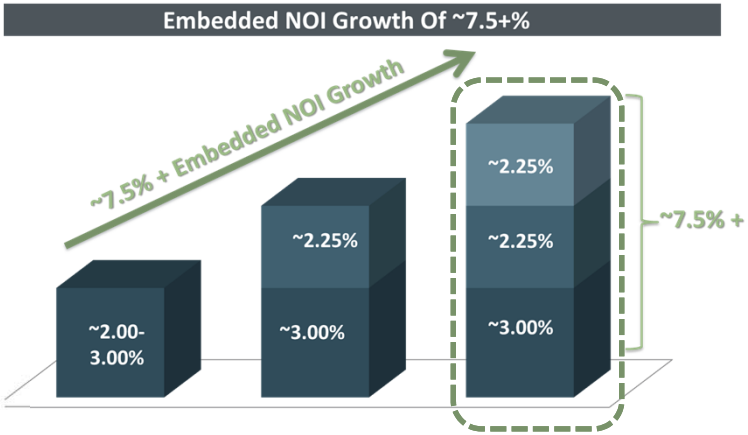
1. Calculated as the sum of land held for development and construction in process, divided by gross asset value.

THE 3 R's: REPURPOSE, REPOSITION, REDEVELOP

The 3 R's Pipeline Breakdown

$105-125mm in redevelopment projects, expected to commence over the next ~18 months

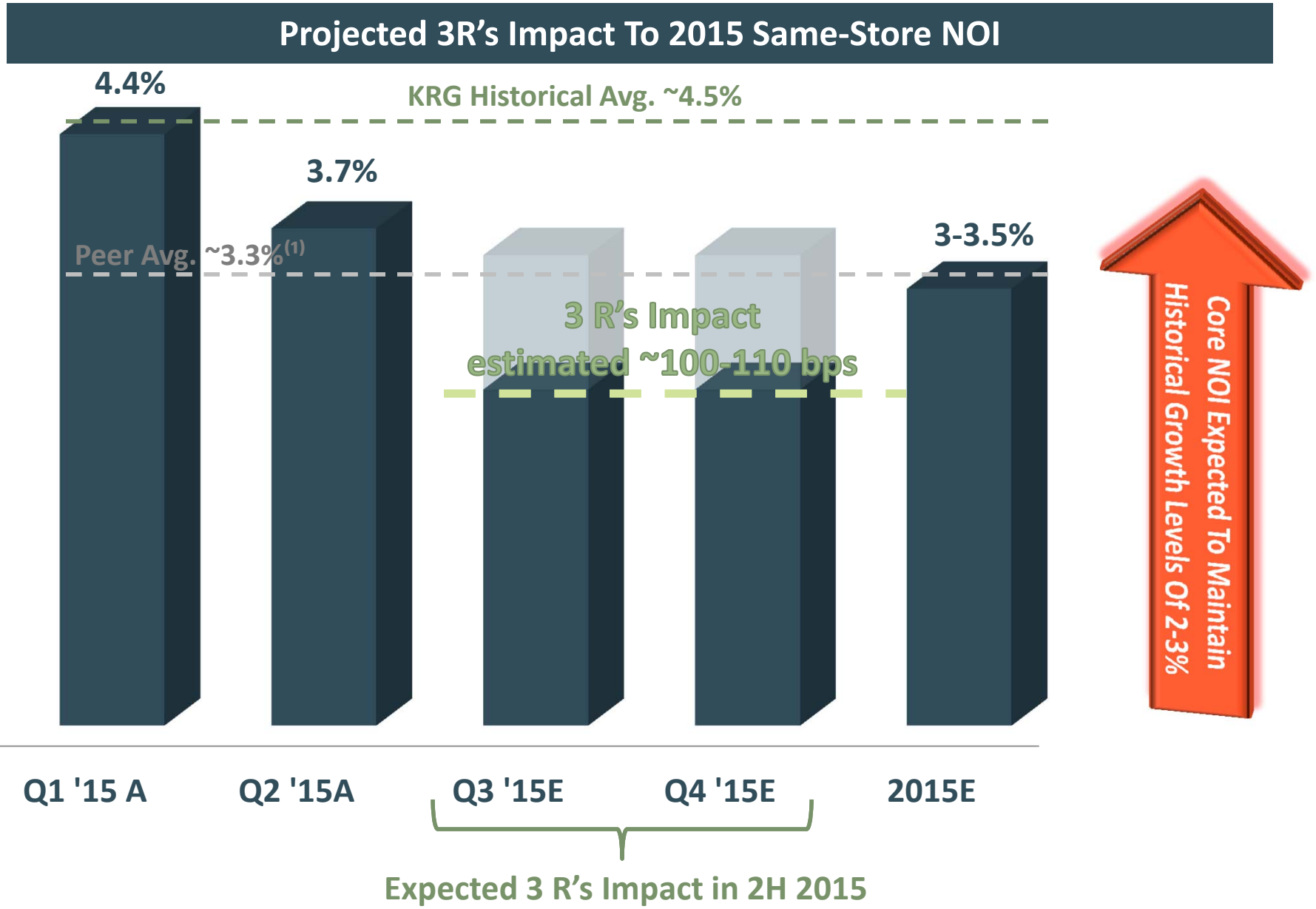




Expected Returns Summary

Redevelopment:	**8.0-9.0%**
Repurpose:	**9.5-10.5%**
Reposition:	**10.5-11.5%**

SHORT-TERM IMPACT; LONG-TERM NAV BENEFIT



1. Peers include AKR, BRX, CDR, DDR, EQY, FRT, KIM, REG, RPAI, RPT. All same store numbers exclude redevelopment. Historical KRG average over previous 9 quarters.

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EFFICIENT CAPITAL ALLOCATION TO BENEFIT NAV

Using free cash flow to fund redevelopment pipeline yields high return on capital and boosts portfolio NAV

$105-125mm of 3 R's; with ~10% average return ÷ **~$50mm in free cash flow for 2015FY** = ↑ **Portfolio NAV**



Lithia Crossing (FL)



Rivers Edge (IN)



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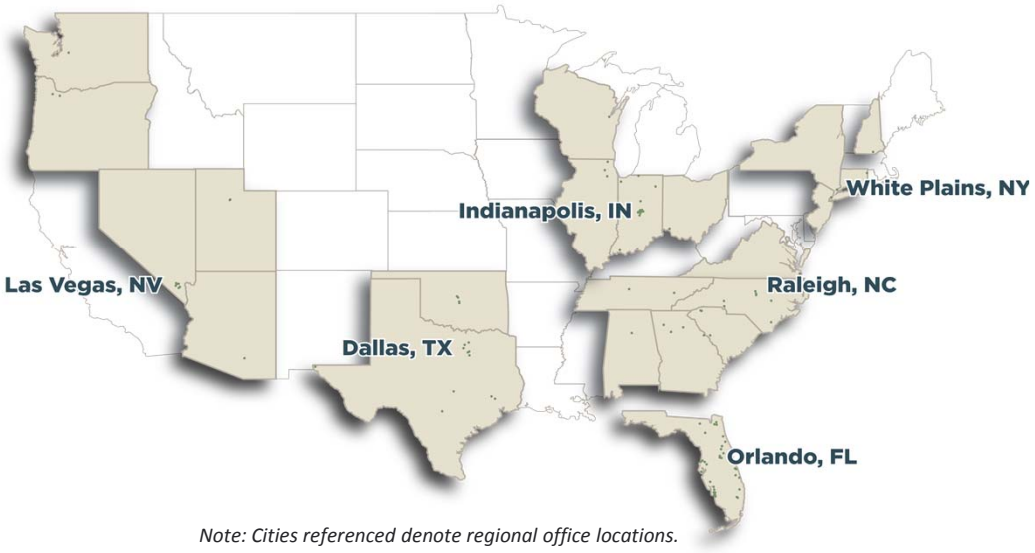
PORTFOLIO OVERVIEW

COMPANY SNAPSHOT

KITE REALTY GROUP TRUST	
Headquarters	Indianapolis
NYSE Ticker	KRG
Share Price	$24.47
Market Capitalization	$2.2bn
Enterprise Value	$3.7bn
Dividend Yield [2]	4.1%
Net Debt / EBITDA	6.5x
Moody's / S&P Rating	Baa3 / BBB-



Note: Cities referenced denote regional office locations.

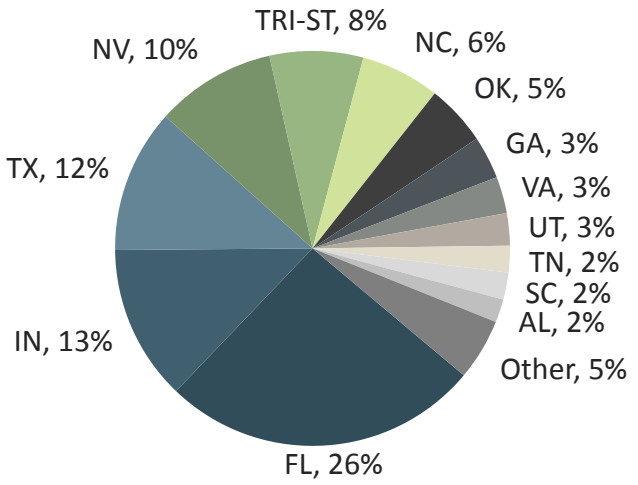


BEECHWOOD PROMENADE (GA)



DELRAY MARKETPLACE (FL)

ABR BY GEOGRAPHY [1]



Note: All data as of 06/30/15 unless otherwise noted.

1. ABR excludes ground lease revenue attributable to parcels and outlots owned by the Company and ground leased to tenants.
2. Source: Bloomberg; as of 07/31/15. Dividend yield calculated as "Indicated Yield" per Bloomberg definition.

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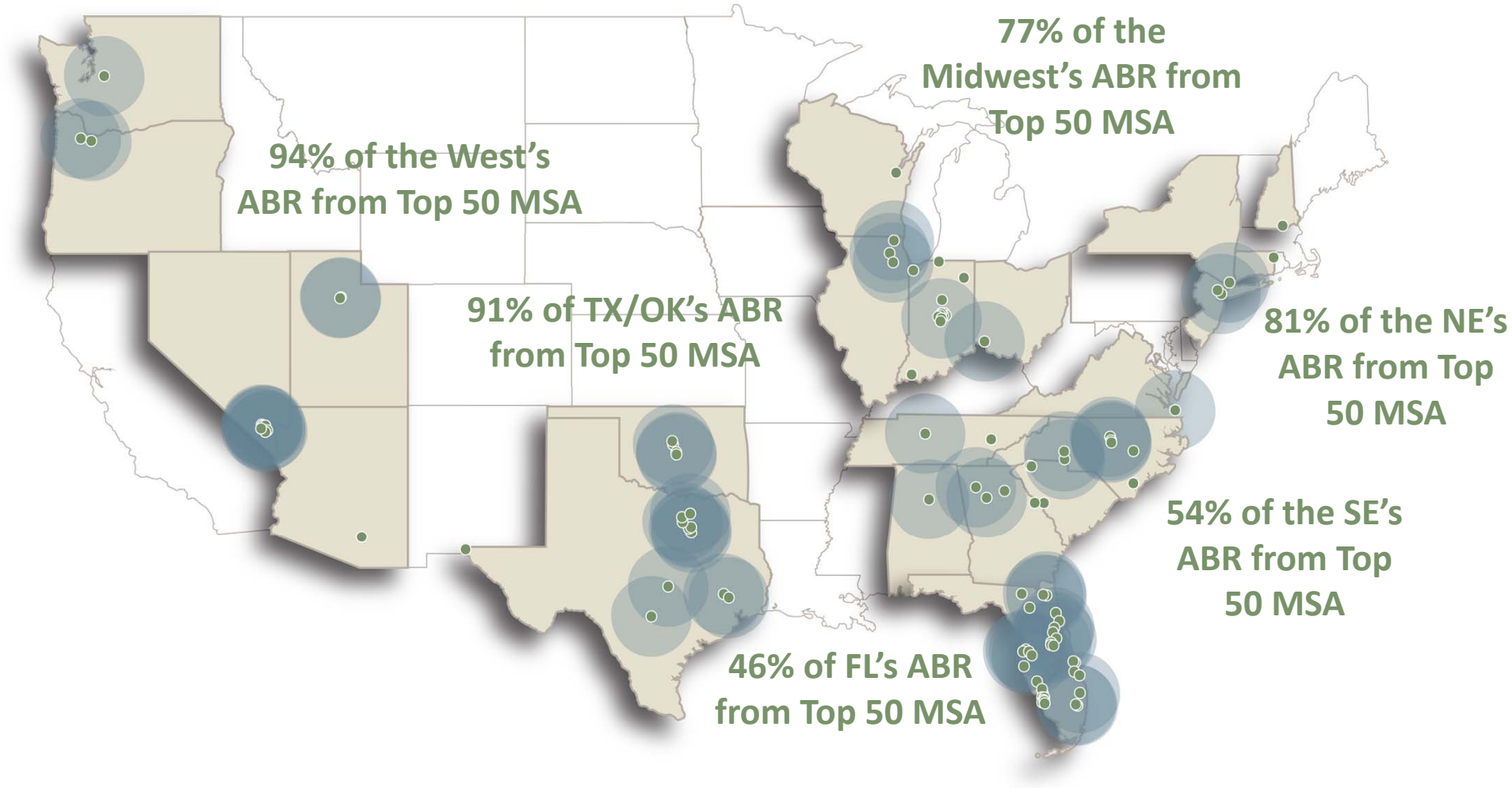
OVER 70% OF ABR FROM TOP 50 MSAs

Regional Approach Proves Impactful As Majority Of Portfolio Income From Top Markets



Source: Top 50 MSAs based on population counts from the U.S. Census.

WHAT DIFFERENTIATES KITE?

1. Long-standing and cohesive management team
2. Shareholder value creation via NAV-focused initiatives
3. Robust platform results in top tier operational efficiencies
4. Diverse, high-quality portfolio
5. Strong development/redevelopment portfolio
6. Flexible investment grade balance sheet

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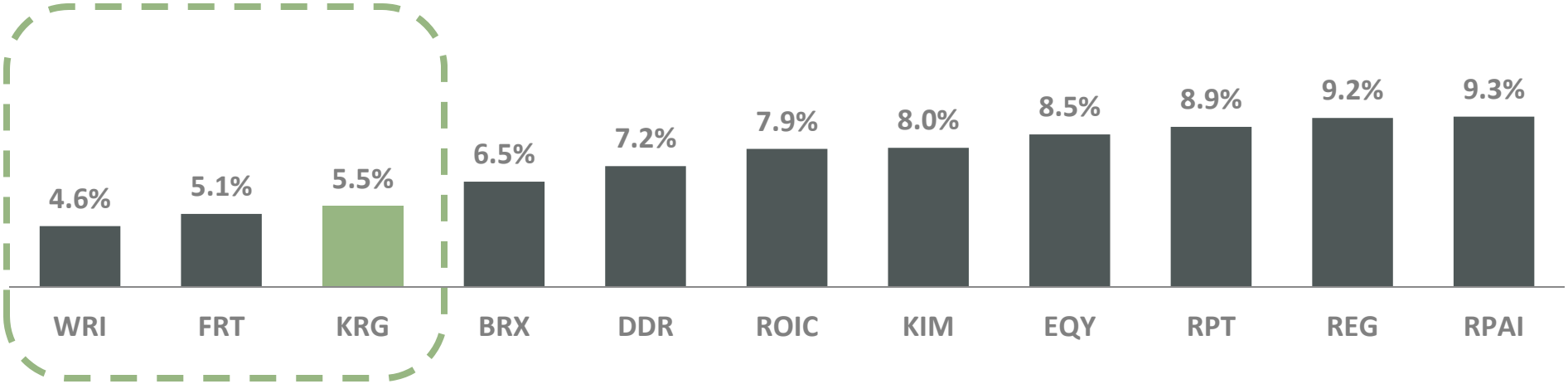
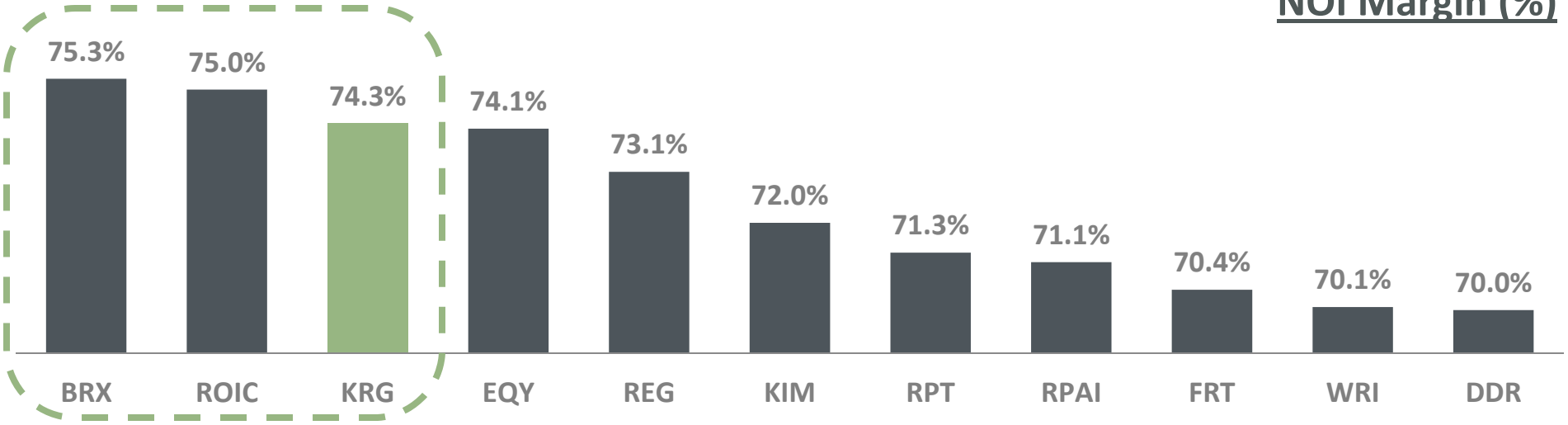
TOP TIER OPERATING EFFICIENCY

Kite efficiency metrics are among the best in the industry

G&A / Revenues (%)



NOI Margin (%)



Source: As of 06/30/15 per company financials. Reflects pro rata income statement figures.

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PORTFOLIO OVERVIEW

DRAMATICALLY TRANSFORMED HIGH-QUALITY PORTFOLIO

Top tier retail portfolio with an ABR of $15.25, is comprised mostly with grocery and hybrid / power centers

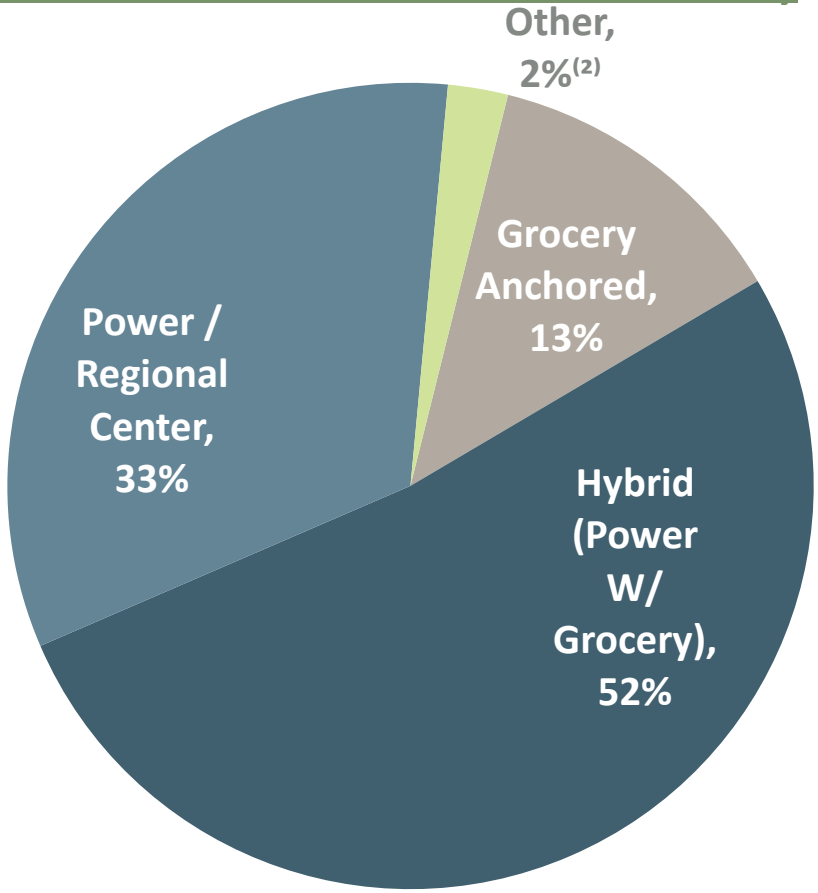
Summary Statistics (1)

Number of Properties	119
Number of States	22
Total GLA (SF)	24mm
Owned GLA (SF)	17mm
Total Leased (Owned SF)	94.8%
Shop Leased (Owned SF)	86.2%
Annualized Base Rent (Per SF)	$15.25
Ground Lease (ABR)	$18.1mm
Average Center Size (SF)	204,000
Portfolio Demographics (3)	
Average Household Income	$90,000
Population	> 161,000

Retail Diversification By ABR (1)

By Property Type

65% Of Assets Anchored With A Grocery



1. As of 06/30/15.
2. Other includes office, unanchored strip centers and single tenant assets.
3. Based on 5-mile radius. Source: demographic data from AGS.

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CREDIT STRENGTH OF PORTFOLIO

STRONG MIX OF TENANTS ACROSS OUR DIVERSIFIED PORTFOLIO

Continued support of strong tenants further enhances the quality and strength of our assets; limited exposure to any single tenant provides additional insulation from the retail industry cycles

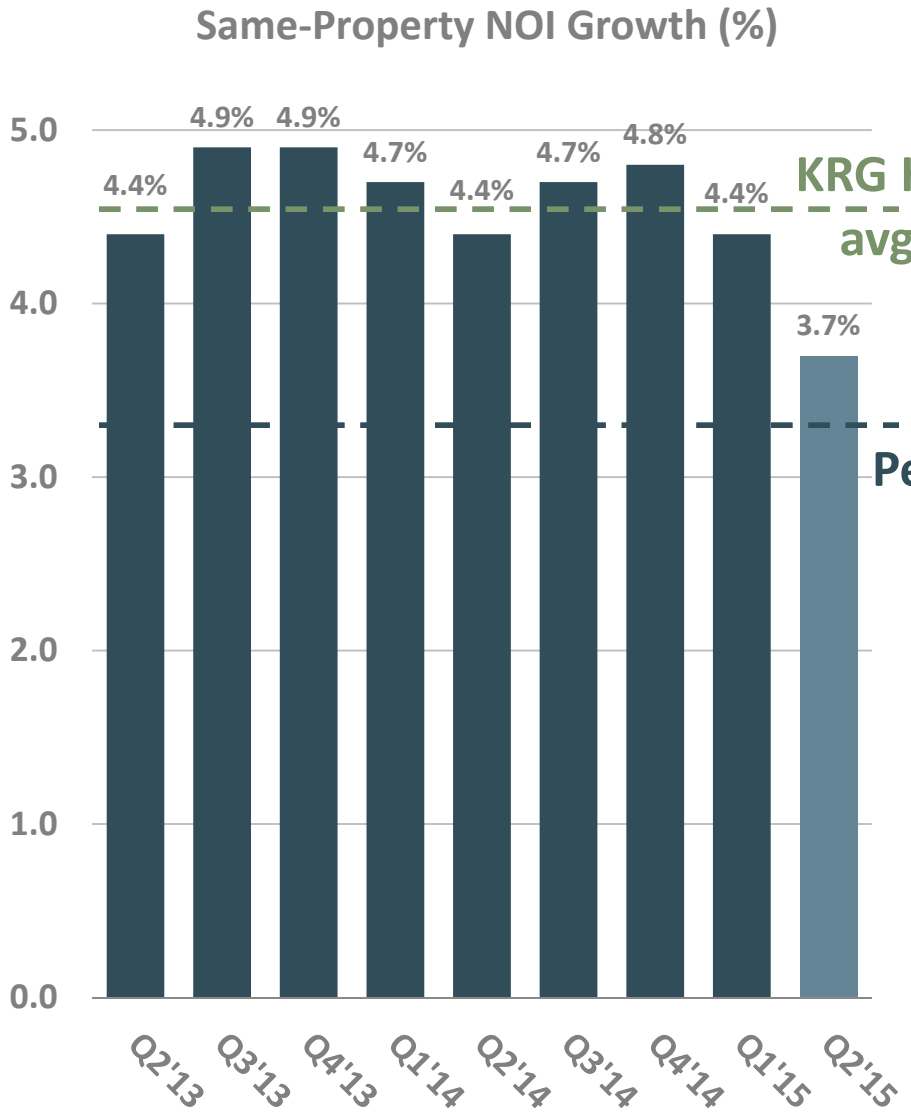
TOP 10 TENANTS BY ABR		
Tenant	# Stores	% ABR
Publix	18	3.3%
T.J.maxx	19	2.2%
PETSMART	18	2.1%
ROSS DRESS FOR LESS	17	2.0%
LOWE'S	5	2.0%
Office DEPOT Max	18	2.0%
DICK'S SPORTING GOODS	9	1.8%
BED BATH & BEYOND	14	1.6%
Michaels Where Creativity Happens	13	1.4%
Walmart	6	1.4%
Total	137	19.8%

INCREASING LEASES WITH KEY NATIONAL TENANTS

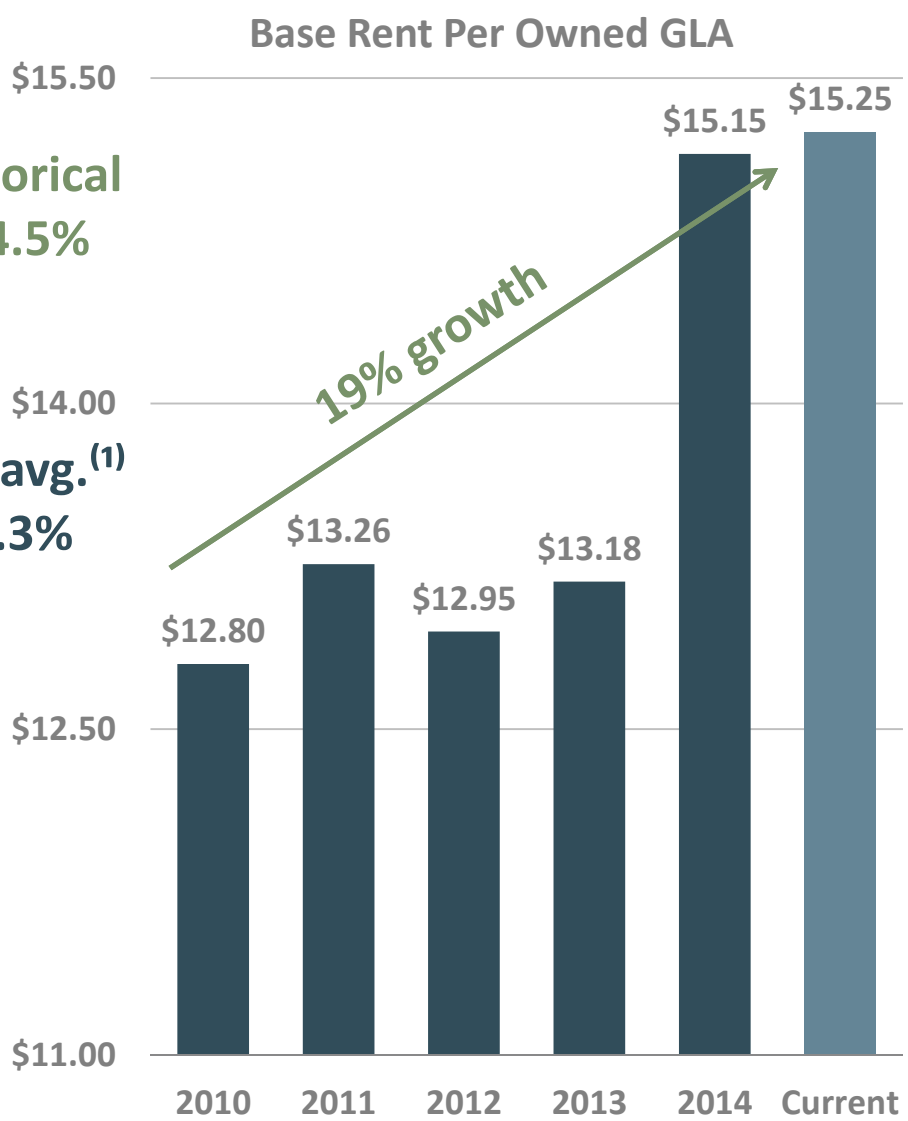
WHOLE FOODS MARKET
BED BATH & BEYOND
THE FRESH MARKET
T.J.maxx
NORDSTROM rack
SPROUTS FARMERS MARKET
DSW DESIGNER SHOE WAREHOUSE
ULTA BEAUTY
Total Wine & MORE

CONSISTENT OPERATORS OF QUALITY ASSETS

Superior Same-Property NOI Growth



Growing ABR Through High Quality Assets



1. Peers include AKR, BRX, CDR, DDR, EQY, FRT, KIM, REG, RPAI, RPT.

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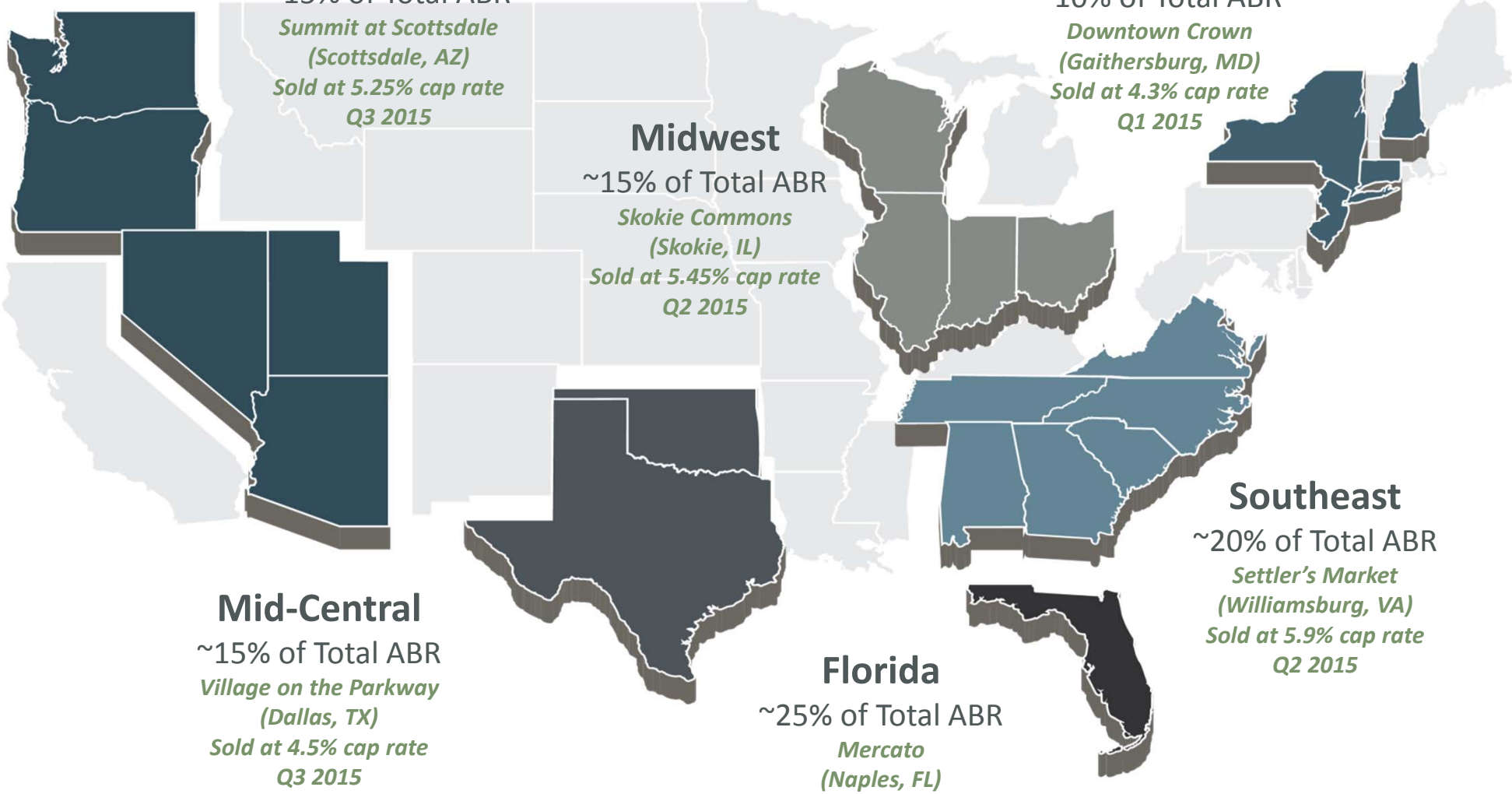
PORTFOLIO TRANSFORMATION

RECENT TRANSACTIONS SUPPORT CORE MARKETS



West
~15% of Total ABR
Summit at Scottsdale
(Scottsdale, AZ)
Sold at 5.25% cap rate
Q3 2015

Northeast
~10% of Total ABR
Downtown Crown
(Gaithersburg, MD)
Sold at 4.3% cap rate
Q1 2015

Midwest
~15% of Total ABR
Skokie Commons
(Skokie, IL)
Sold at 5.45% cap rate
Q2 2015

Southeast
~20% of Total ABR
Settler's Market
(Williamsburg, VA)
Sold at 5.9% cap rate
Q2 2015

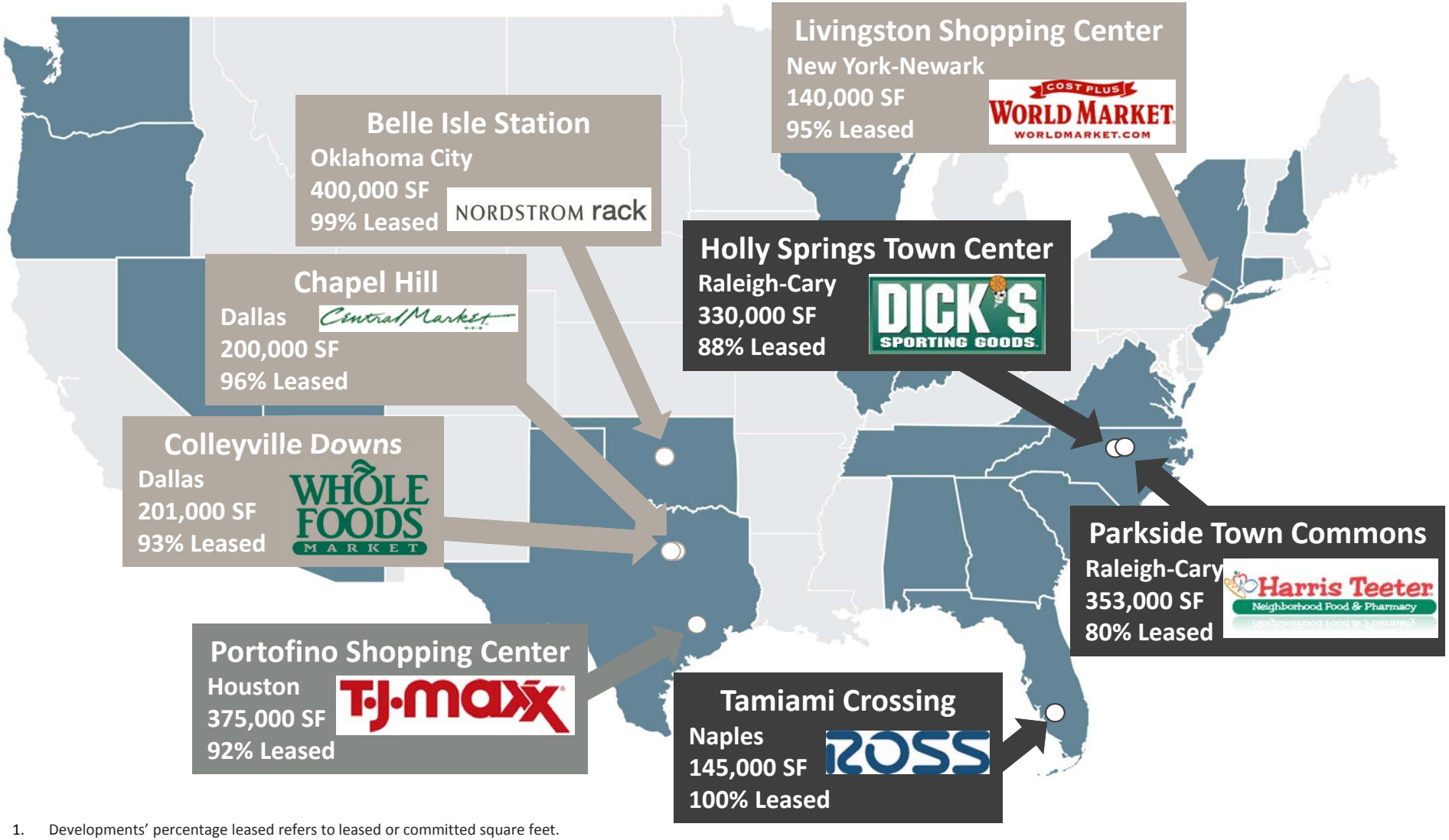
Mid-Central
~15% of Total ABR
Village on the Parkway
(Dallas, TX)
Sold at 4.5% cap rate
Q3 2015

Florida
~25% of Total ABR
Mercato
(Naples, FL)
Sold at 4.75% cap rate
Q2 2015

Source: As of 06/30/15.

GROWING THE PORTFOLIO

Developments[1] | **Redevelopments** | **Acquisitions**



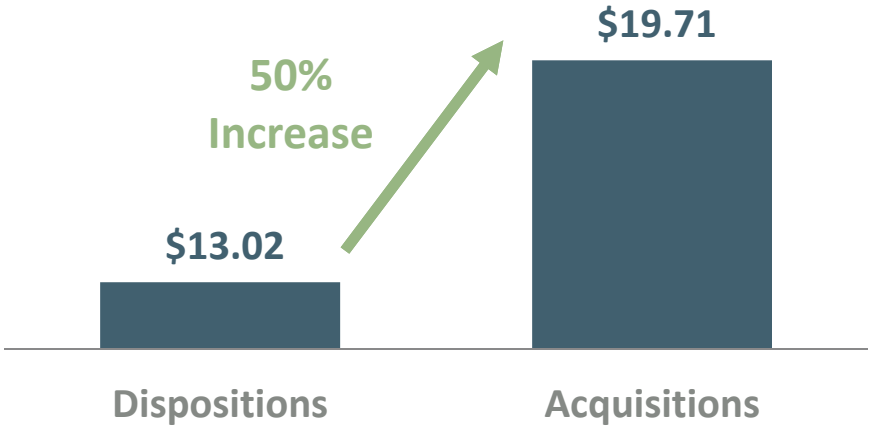
1. Developments' percentage leased refers to leased or committed square feet.

STRATEGICALLY RECYCLED SALE PROCEEDS

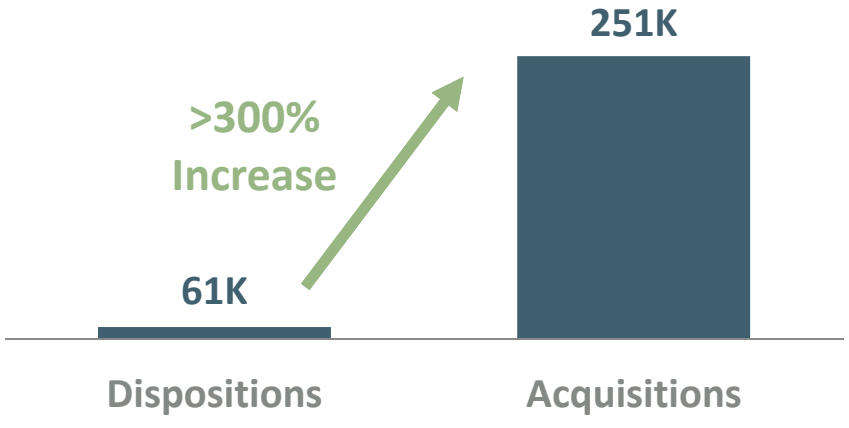
CONTINUED PORTFOLIO ENHANCEMENT USING DISPOSITION PROCEEDS

Replace low growth, non-core assets with high quality real estate, anchored by strong retailers and located in the Top 50 MSAs

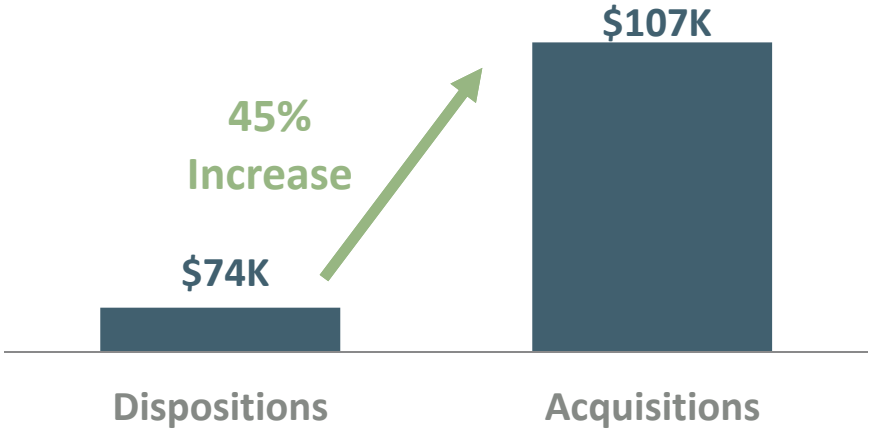
50% Improvement In ABR per SF



More Than 300% Growth In Population



45% Increase In Household Income



Dramatic Tenant Improvement

Dispositions: Office Depot / OfficeMax, JCPenney, BAM! Books • Toys • Tech • More, Sports Authority

Acquisitions: Nordstrom Rack, Williams-Sonoma, T.J.maxx, Whole Foods Market, Pottery Barn

Note: Dispositions include the 15- asset disposition which closed in Q4 2014 and Q1 2015. Acquisition assets include Livingston Shopping Center, Rampart Commons, Belle Isle, Colleyville Downs and Chapel Hill. Demographic data from AGS; population based on a 5-mile radius and household income based on a 3-mile radius.

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DRAMATICALLY UPGRADED PORTFOLIO

Dispositions





Acquisitions





Note: Demographic data from AGS and based on a 3-mile radius.

ACQUISITION: COLLEYVILLE DOWNS

Summary

MSA	Dallas
GLA	201,000 SF
% Leased	93%
Population	255,000
AHHI	$128,000





Property Highlights

- Ability to create additional value through lease-up and below-market rent from first generation leases completed before Whole Foods opened
- Potential to remerchandise and reconfigure specific tenant spaces to right size and enhance junior box layouts
- Sourced using regional footprint to execute off-market transaction

Note: Population based on a 5-mile radius and average household income based on a 3-mile radius.

ACQUISITION: BELLE ISLE STATION

Summary

MSA	Oklahoma City
GLA	400,000 SF
% Leased	99%
Population	197,000
Vehicle Traffic Daily	100,000





Property Highlights

- Adjacent to the highest sales producing mall in Oklahoma City
- Average home prices in the surrounding area in excess of $1.3 million
- Complimentary lifestyle tenant mix that plays well with Penn Square Mall
- Property constructed in 2000 – minimal capital expenses expected

Note: Population based on a 5-mile radius.

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ACQUISITION: LIVINGSTON SHOPPING CENTER

Summary

MSA	New York-Newark
GLA	140,000 SF
% Leased	95%
Population	150,000
AHHI	$168,000



NORDSTROM rack

ULTA BEAUTY

COST PLUS WORLD MARKET
WORLDMARKET.COM

T.J.maxx

DSW DESIGNER SHOE WAREHOUSE

buy buy BABY



Property Highlights

- Located in Western Essex County, one of the most affluent areas in the country
- Leveraged relationships to best position during the selectively marketed process
- Located near The Short Hills Mall, one of the top 10 sales grossing malls in the U.S.
- Upside potential via lease-up of newly constructed space

Note: Population based on a 5-mile radius and average household income based on a 3-mile radius.

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ACQUISITION: CHAPEL HILL

Summary

MSA	Dallas-Fort Worth
GLA	200,000 SF
% Leased	96%
Population	275,000

Property Highlights

- Showcases one of HEB's premier Central Market stores; one of 9 total and only one in the MSA
- Recent backfill of Borders bookstore with The Container Store
- Exceptional visibility and continuous retail frontage yield high sales; often, top performing centers for retailers
- Sourced using regional footprint to execute off-market transaction



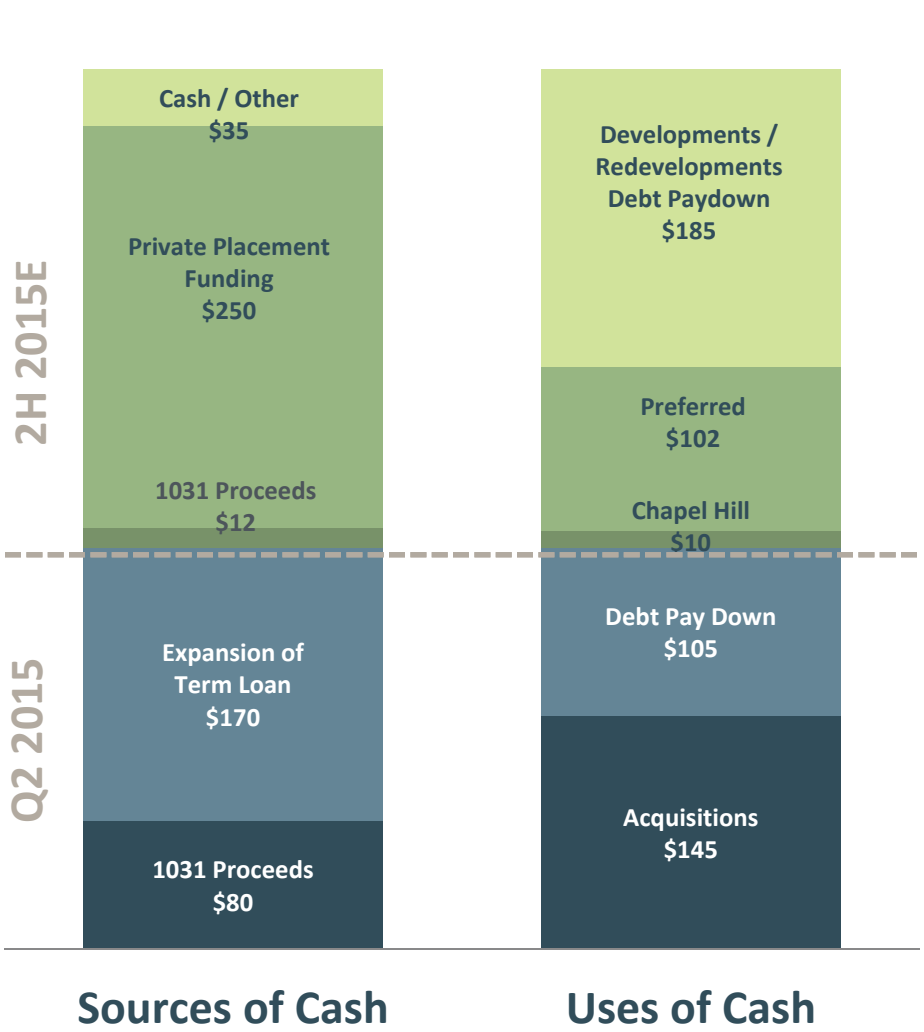
BALANCE SHEET

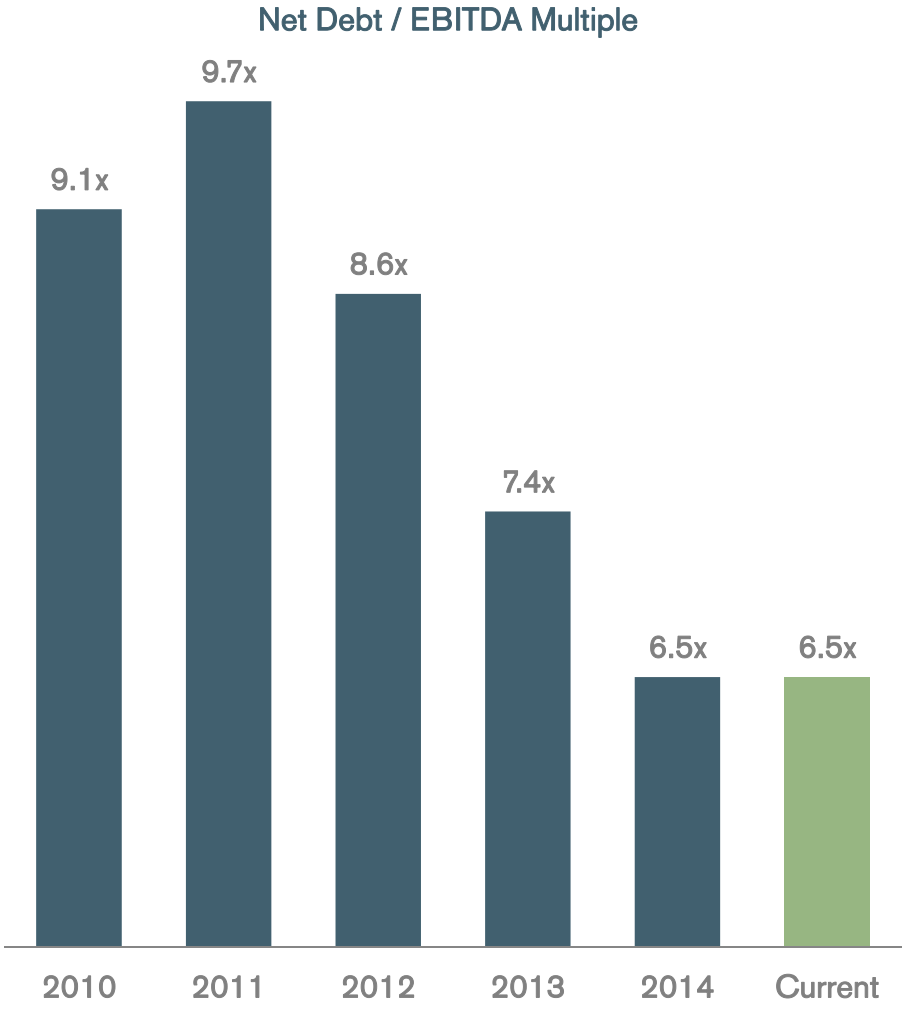
STRONG BALANCE SHEET & CAPITAL POSITION

RECENT FUNDING INITIATIVES BOLSTER STRONG BALANCE SHEET FURTHER

Unsecured private placement offering reduces floating rate exposure to ~10%

Current Balance Sheet Supports Future Initiatives (1)





1. Blue bars are the current sources and uses. The green bars are the future sources and uses. Note Chapel Hill funding use excludes asset-level debt amount.

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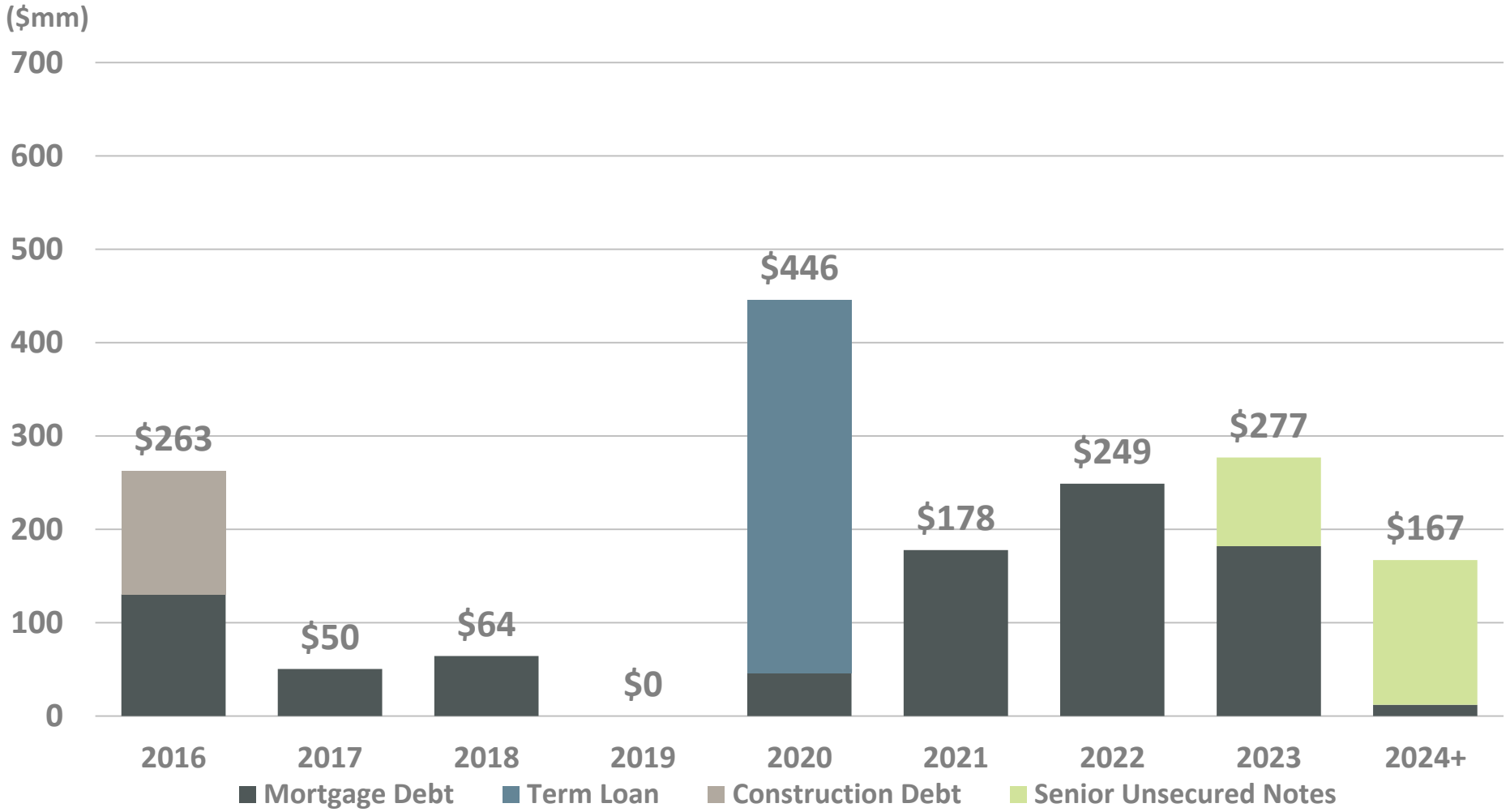
WELL-STAGGERED DEBT MATURITY PROFILE

Funding of the $250mm unsecured private placement offering in early September contributes to full paydown of KRG's line of credit

KRG's Debt Maturity Schedule (1)



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. As of 06/30/15, pro forma for senior unsecured debt deal, expected to fund September 2015.

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UNQUESTIONABLE VALUE PROPOSITION IN KRG

KEY NAV COMPONENTS PER Q2 2015 SUPPLEMENTAL

Cash Net Operating Income (NOI)		Supplemental Pg.
GAAP Property NOI (incl. Ground Lease Revenue)	62,179,042	Pg. 13
Below-market lease intangbiles, net	(758,587)	Pg. 10
Straight-line rent	(1,530,913)	Pg. 10
Other property related revenue	(1,857,441)	Pg. 13
Ground Lease ("GL") Revenue	(4,534,000)	Pg. 13, footnote 5
Consolidated Cash Property NOI (excl. GL)	**53,498,101**	
Annualized Consolidated Cash Property NOI (excl. GL)	***213,992,404***	
Adjustments To Normalize Annualized Cash NOI		
Active Development / Redevelopment NOI Currently Included	(3,818,000)	Pg. 27
Unconsolidated EBITDA	131,250	Pg. 11
Minority Interest EBITDA [1]	(120,100)	Pg. 14
Pro Forma Adjustments	1,930,405	Pg. 11
Management Fee Income Included In Property Expenses	1,400,000	Pg. 13
Total Adjustments	**(476,445)**	
Annualized Normalized Operating Cash NOI (excl. GL)	**213,515,959**	
Annualized Ground Lease NOI	**18,136,000**	
Total Annualized Operating Cash NOI	**231,651,959**	
Annualized Stabilized Development / Redevelopment Cash NOI	**15,489,000**	Pg. 27
Total Annualized Portfolio Cash NOI	**247,140,959**	

Other Assets		Supplemental Pg.
Cash and cash equivalents	70,120,217	Pg. 7
Tenant and other receivables (net of SLR)	22,986,251	Pg. 7
Restricted cash and escrow deposits	23,749,963	Pg. 7
Prepaid and other assets [2]	6,163,844	Pg. 7
Undeveloped land in operating portfolio	11,800,000	Pg. 10, footnote 3
Land held for development	34,975,149	Pg. 10
CIP Not In Active Development/Redevelopment [3]	39,408,000	Pg. 28
Total Other Asset Value	**209,203,424**	
Liabilities		
Mortgage and other indebtedness	(1,618,614,378)	Pg. 7
Accounts payable and accrued expenses	(79,760,005)	Pg. 7
Other liabilities [4]	(24,535,884)	Pg.7, Pg. 10
Debt premium on assumed debt	25,244,599	Pg. 11
Non-controlling redeemable JV interest	(40,791,617)	Pg. 14
Total Liabilities	**(1,738,457,285)**	
Total Preferred Stock	**(102,500,000)**	Pg. 7
Diluted shares and units outstanding	**85,243,602**	Pg. 11

Apply Portfolio Cap Rate "PCR"

Apply PCR Less ~75-100 bps

1. *Excludes Crossing at Killingly Commons and Territory Portfolio as they're included in non-controlling redeemable JV interest in liabilities.*
2. *Excludes $2,500,000 of the Company's unconsolidated joint venture investment.*
3. *Includes CIP amounts for Deerwood apartments, Holly Springs Town Center - Phase III and miscellaneous tenant improvements and small projects.*
4. *Deferred revenue and other liabilities (pg. 7) of $142,323,115 less mark-to-market lease amount (pg. 10) of $117,787,231.*

Buying opportunity vs. both public and private valuations

FORWARD-LOOKING STATEMENTS

This presentation, 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 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, real estate and other market conditions, particularly in light of low growth in the U.S. economy as well as uncertainty added to the economic forecast due to the sharp drop in oil and energy prices in late 2014; financing risks, including the availability of and costs associated with sources of liquidity; our ability to refinance, or extend the maturity dates of, our 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 we operate; acquisition, disposition, development and joint venture risks; property ownership and management risks; our ability to maintain our status as a real estate investment trust for federal income tax purposes; potential environmental and other liabilities; impairment in the value of real estate property we own; risks related to the geographical concentration of our properties in Florida, Indiana, and Texas; insurance costs and coverage; other factors affecting the real estate industry generally; and other uncertainties and factors identified in this presentation and, from time to time, in reports we file with the SEC or in other documents that we publicly disseminate, including, in particular, the section titled "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014. 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.



Rampart Commons, Las Vegas, NV

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