Livingston Center (Livingston, NJ)


Chapel Hill (Dallas, TX)

KITE

INVESTOR UPDATE

November 2015

888 577 5600 kiterealty.com

KRG LISTED NYSE

KITE REALTY'S STRATEGIC PRIORITIES

Operational Excellence | High-Quality Portfolio | Portfolio Upgrade | Financial Flexibility

OPERATIONAL EXCELLENCE

- Long-standing, experienced management team
- Industry-leading operating metrics
- ~4.4% same-store NOI growth over last 10 quarters

HIGH-QUALITY PORTFOLIO

- Over 70% ABR coming from top 50 MSAs
- Highly-trafficked centers; over 67% of assets include grocer
- Enhancing assets via the 3 R's; Redevelop, Reposition, Repurpose

PORTFOLIO UPGRADE

- Recent portfolio transformation
- Completed 15-asset sale and tax efficient / strategic redeployment
- Expected net seller again in 2016 of ~$100mm

FINANCIAL FLEXIBILITY

- Investment grade balance sheet
- $50mm in free cash flow annually
- Minimal debt maturities through 2020
- <10% floating rate debt exposure

STRATEGIC OBJECTIVES DRIVE FREE CASH FLOW, LONG-TERM VALUE AND SHAREHOLDER RETURN

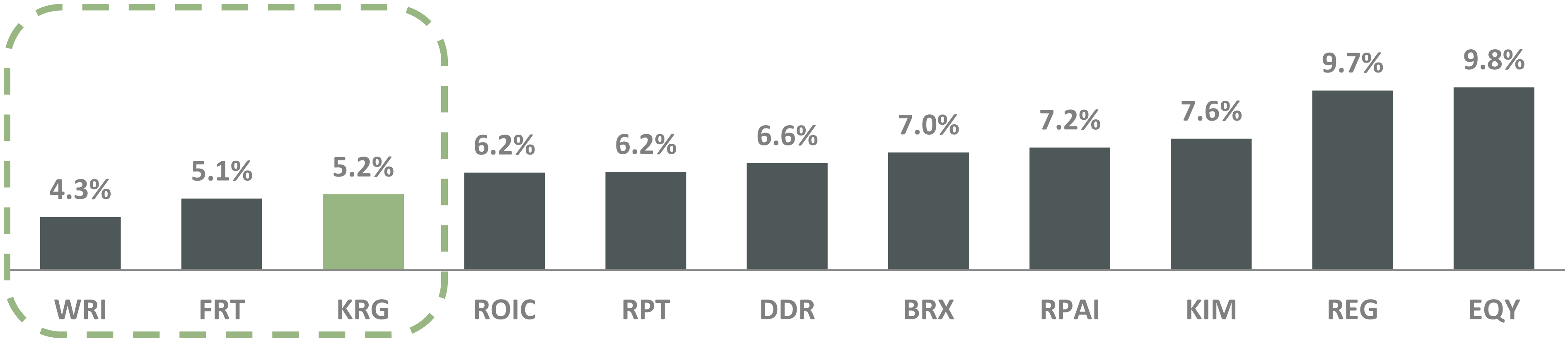
OPERATIONAL EXCELLENCE

TOP TIER OPERATING EFFICIENCY

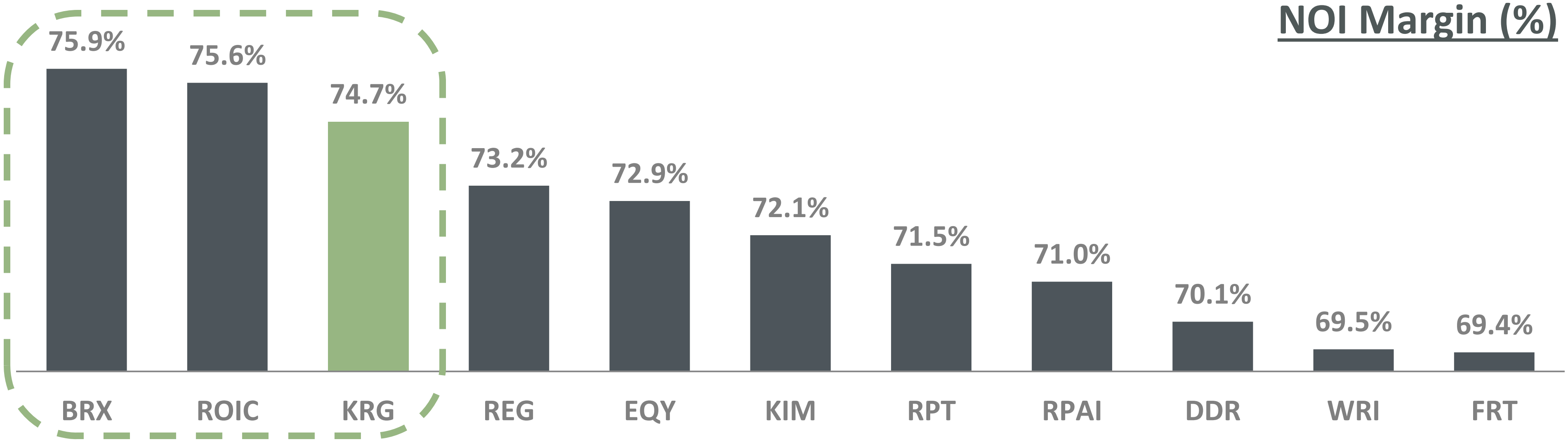
Operational Excellence | High-Quality Portfolio | Portfolio Upgrade | Financial Flexibility

Kite efficiency metrics are among the best in the industry

G&A / Revenues (%)



NOI Margin (%)



Source: As of 09/30/15 per company financials. Reflects pro rata income statement figures.

HISTORICAL NOI GROWTH OUTPERFORMS SECTOR

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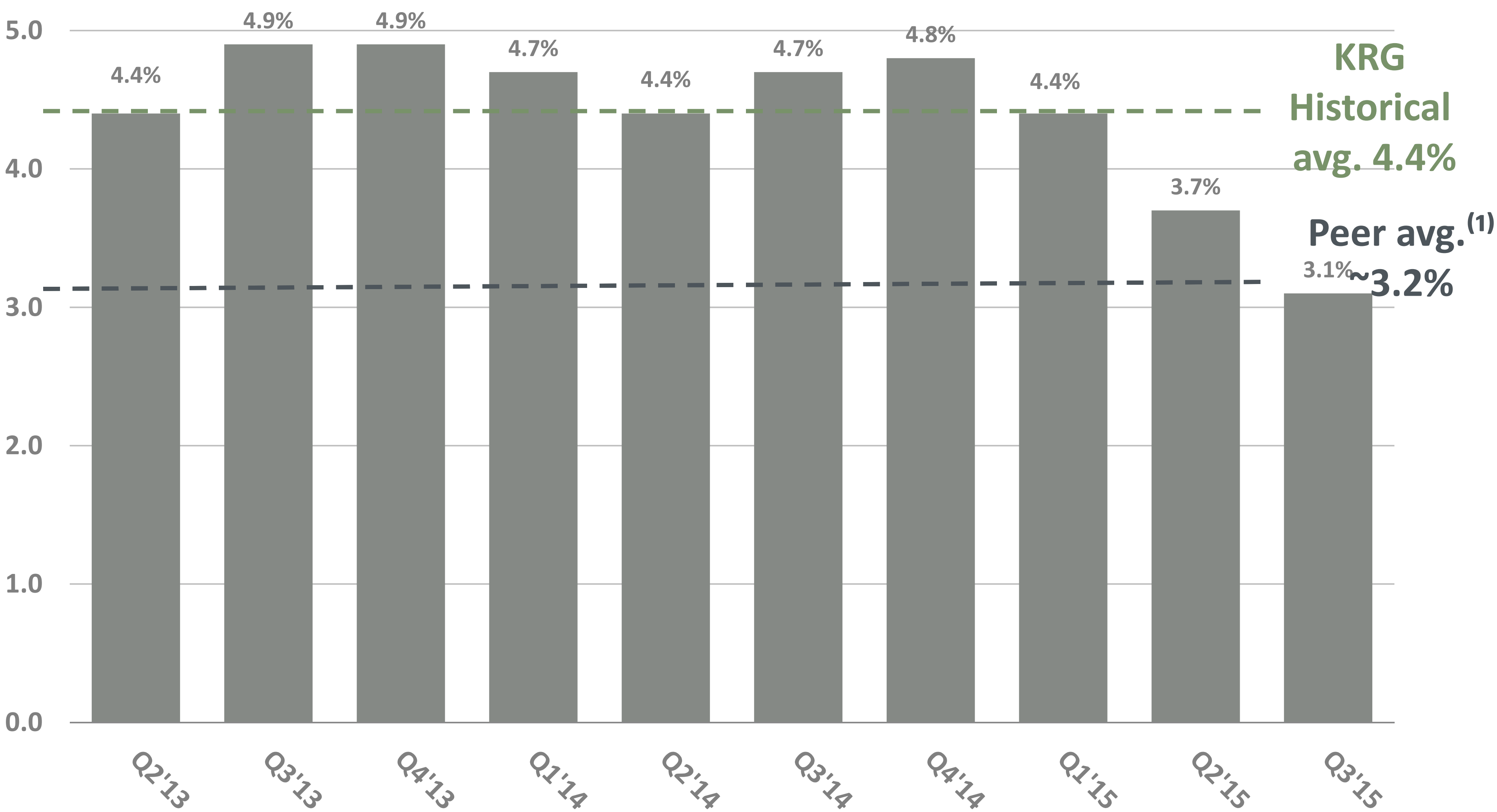
Same-Property NOI Growth (%)



1. Peers include AKR, BRX, CDR, DDR, EQY, FRT, KIM, REG, ROIC, RPAI, RPT, WRI. Same-store numbers exclude redevelopment.

HIGH-QUALITY PORTFOLIO

HIGH-QUALITY PORTFOLIO IMPROVES FURTHER

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Operational Excellence | High-Quality Portfolio | Portfolio Upgrade | Financial Flexibility

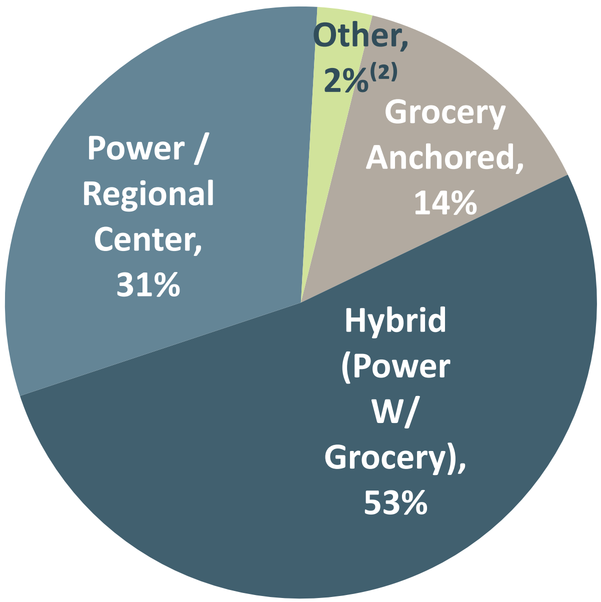
Summary Retail Property Statistics [1]

Number of Properties	113
Number of States	22
Total GLA (SF)	22mm
Owned GLA (SF)	15mm
Total Leased (Owned SF)	95.4%
Shop Leased (Owned SF)	87.5%
Annualized Base Rent ("ABR" Per SF)	$15.24
Ground Lease (ABR)	$18mm
Average Center Size (SF)	200,000
Portfolio Demographics [3]	
Average Household Income	$85,000
Population	165,000

Retail Diversification By ABR [1]

By Property Type

67% Of Assets Anchored With A Grocery



Continued portfolio pruning and asset enhancements drive shareholder value; Vs. 2010: assets are supported by 30% more population density resulting in 19% ABR growth

1. As of 09/30/15. Includes operating retail portfolio.
2. Other includes office, unanchored strip centers and single tenant assets.
3. Based on 5-mile radius. Source: demographic data from AGS.

OVER 70% OF ABR FROM TOP 50 MSAs

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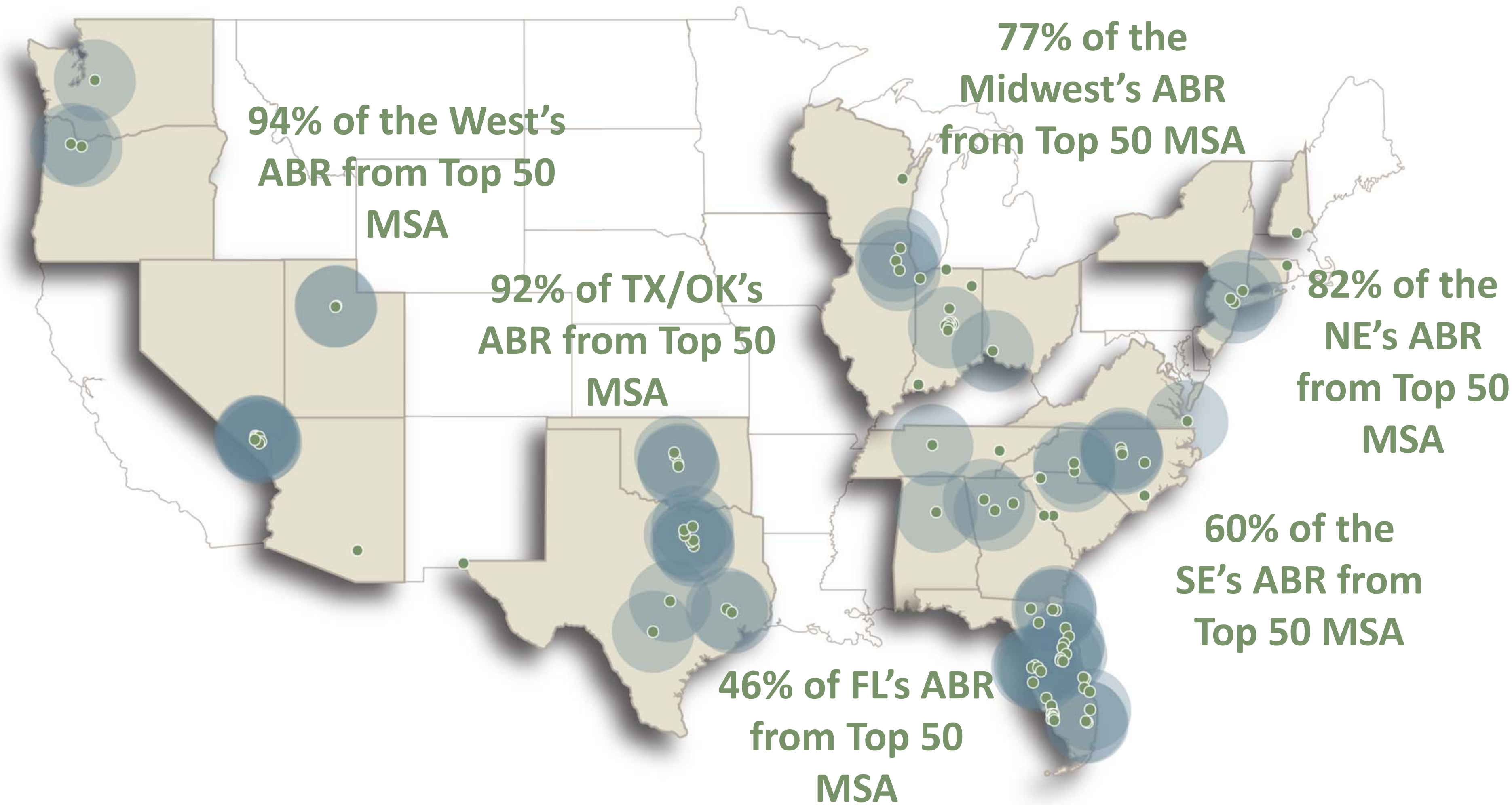
Regional Approach Proves Impactful As Majority Of Portfolio Income From Top Markets



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

DIVERSE, HIGH-QUALITY REVENUE STREAM

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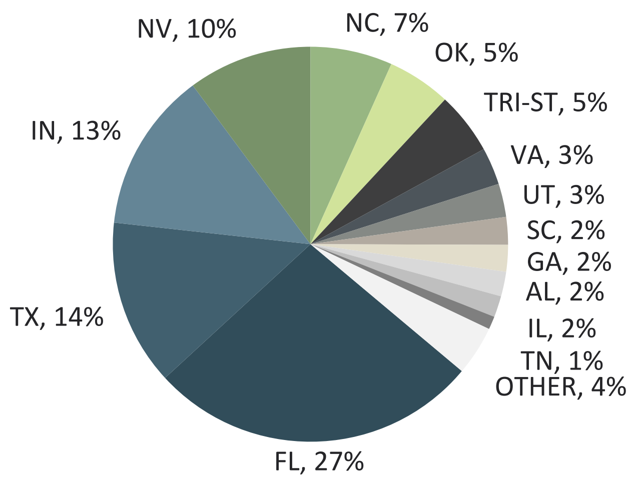
HIGH-QUALITY TENANT BASE

	Top Tenants By ABR	# Stores	% ABR
1	Publix	18	3.2%
2	TJ Maxx	21	2.4%
3	PetSmart	18	2.1%
4	Bed Bath & Beyond	17	2.0%
5	Ross Dress For Less	17	2.0%
6	Lowe's	5	1.9%
7	Office Depot / Max	18	1.9%
8	Dick's Sporting Goods	9	1.7%
9	Michaels	13	1.4%
10	Walmart	6	1.4%
	Total	142	20.0%

GEOGRAPHICALLY DIVERSE



INVESTMENT GRADE RATED TOP TENANTS

Q3 LEASE ACTIVITY EXAMPLES

First In Indiana: Cool Creek Commons (IN)

First In Florida: Gainesville Plaza (FL)

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IN-PROCESS PROJECTS & THE 3-R'S

Operational Excellence | High-Quality Portfolio | Portfolio Upgrade | Financial Flexibility

IN-PROCESS DEVELOPMENT / REDEVELOPMENT

- In-process projects of $188.8mm
- Over 70% funded
- Over 90% pre-leased or committed
- Generating ~$11mm in cash net operating income ("NOI"), yet to come online

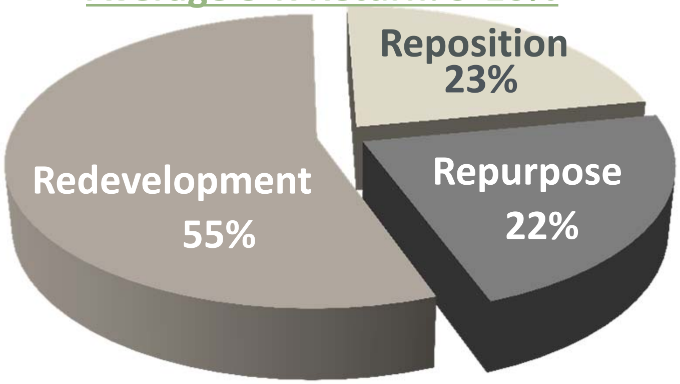

Tamiami Crossing (FL)

REDEVELOPMENT PIPELINE: THE 3 R'S

- **Redevelop:** substantial renovations; e.g. teardowns, remerchandising, exterior / interior improvements
- **Repurpose:** substantial alterations including changing the product-type
- **Reposition:** less substantial asset enhancements, generally $5mm or less

3-R's: $120mm Over 18 Months

Average 3-R Return: 9-10%



Expect To Maintain A Rolling ~$100mm Across The 3-R's

EFFICIENT CAPITAL ALLOCATION TO BENEFIT NAV

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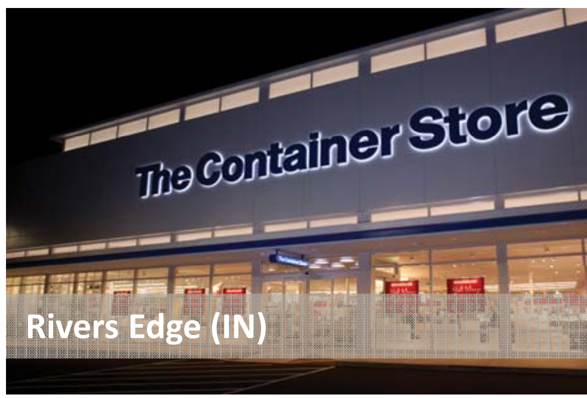
Operational Excellence	High-Quality Portfolio	Portfolio Upgrade	Financial Flexibility

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

~$120mm of 3 R's; with ~10% average return ÷ ~$50mm in free cash flow for 2015FY = ↑ Portfolio NAV

Lithia Crossing (FL)



Rivers Edge (IN)

PORTFOLIO UPGRADE

RECAP OF TRANSFORMATION AND 2016 OUTLOOK

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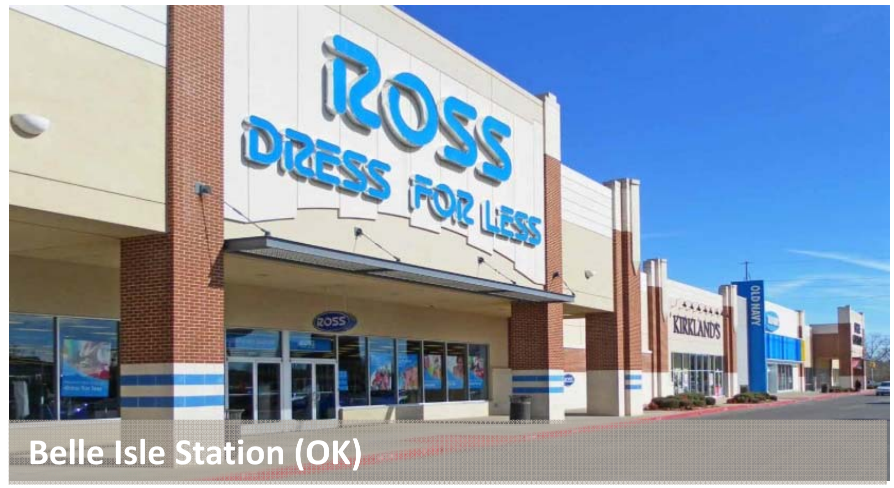
ACTIONS TAKEN TO-DATE

- Completed $320mm 15-asset disposition in December 2014 and March 2015
- Redeployed ~$185mm in a tax efficient way in 2015, acquiring 4 top-tier, premier assets in core markets
- Net seller of ~$100mm non-core assets

Livingston Shopping Center (NJ)

OBJECTIVES AND 2016 OUTLOOK

- Capitalize on market and cap rate environment
- Opportunistically sell ~$100mm in non-core assets

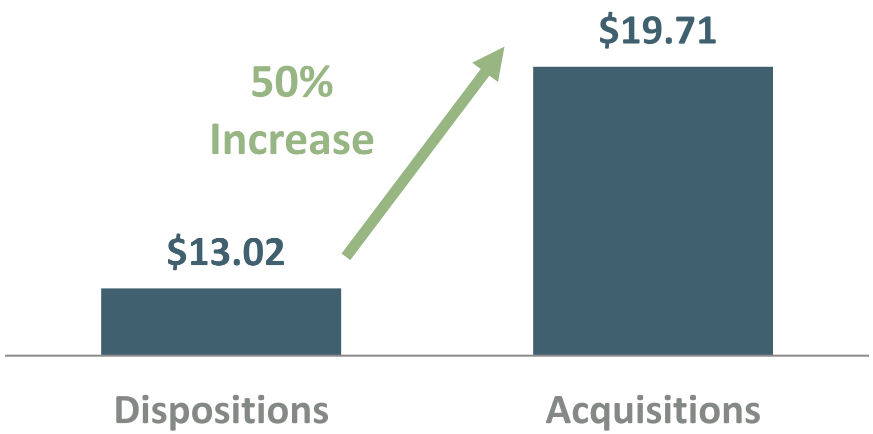


Belle Isle Station (OK)

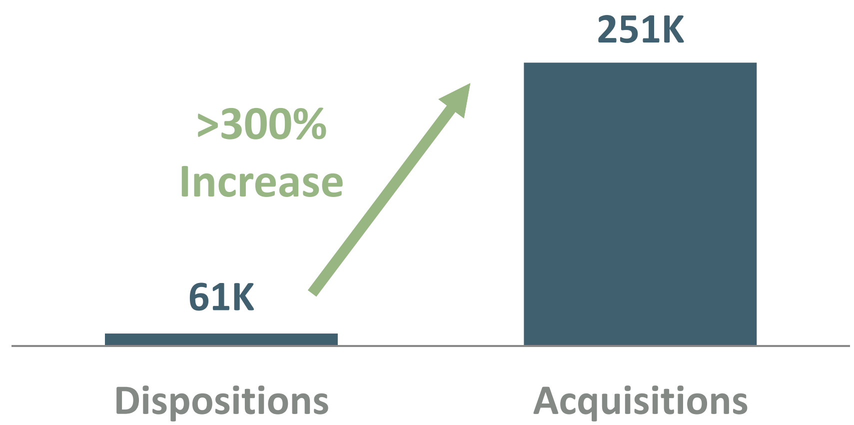
STRATEGIC INITIATIVE RESULTS

Operational Excellence | High-Quality Portfolio | **Portfolio Upgrade** | Financial Flexibility

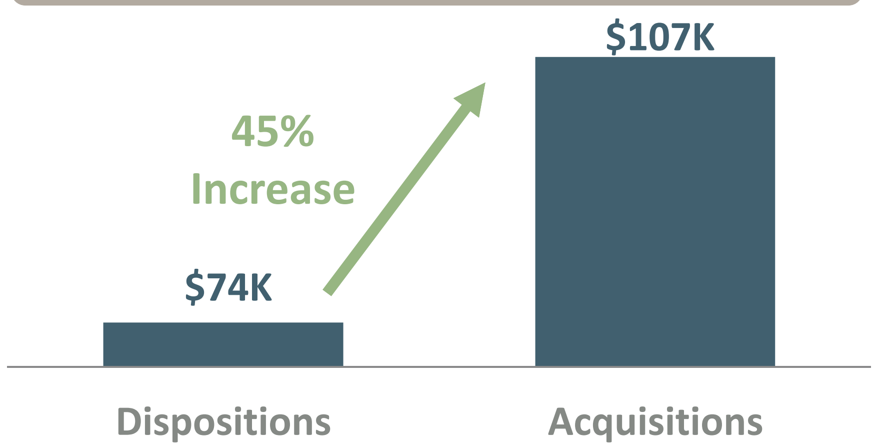
50% Improvement In ABR per SF



More Than 300% Growth In Population



45% Increase In Household Income



Dramatic Tenant Improvement

Office Depot
OfficeMax
JCPenney
BAM! Books • Toys • Tech • More
Sports Authority

Dispositions

Nordstrom rack
Williams-Sonoma
T.J.maxx
Whole Foods Market
Pottery Barn

Acquisitions

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.

BALANCE SHEET

STRONG BALANCE SHEET & CAPITAL POSITION

Operational Excellence | High-Quality Portfolio | Portfolio Upgrade | Financial Flexibility

BALANCE SHEET INITIATIVES

- **Maintain investment grade balance sheet with continued improvement**
  Floating rate debt exposure < 10%

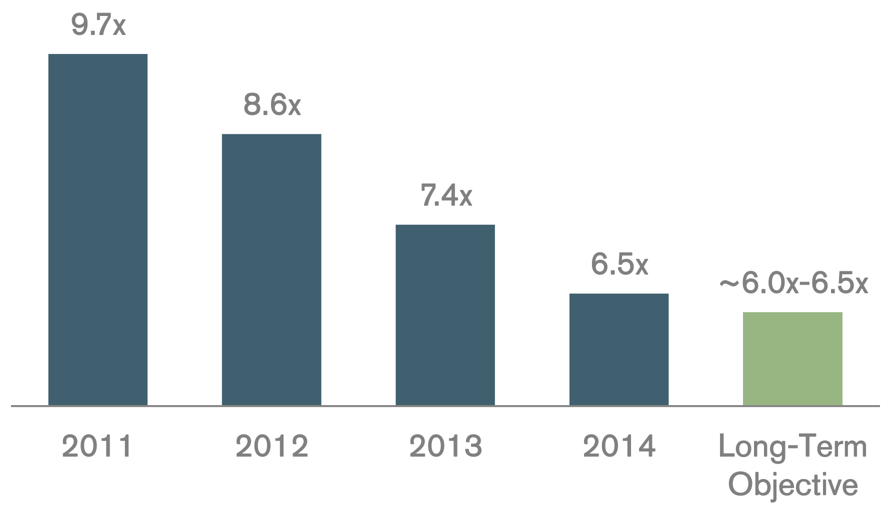
  Net debt / EBITDA mid 6x's

- **Redeem 8.25% preferred in Dec. '15**
  Issued notice to call in October

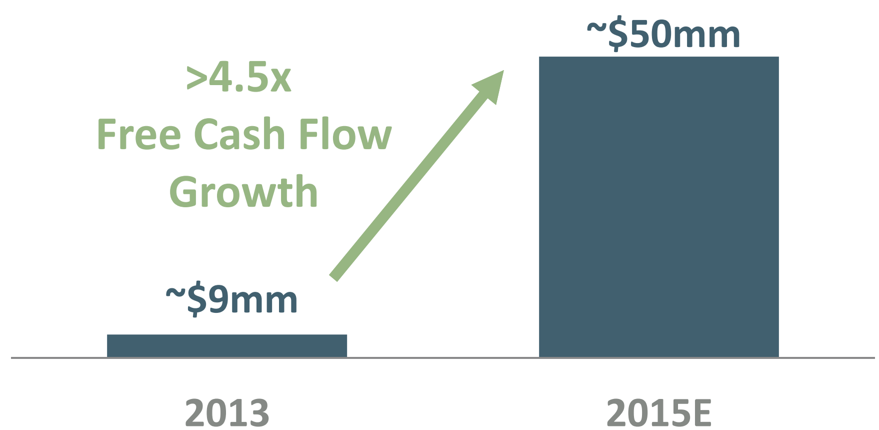
  Fund with remaining unsecured proceeds and other liquidity

- **Continue free cash flow growth**
  Expect $50mm in 2015;
  to grow ~10% in 2016 FY

NET DEBT + PREFERRED / EBITDA 3X LOWER

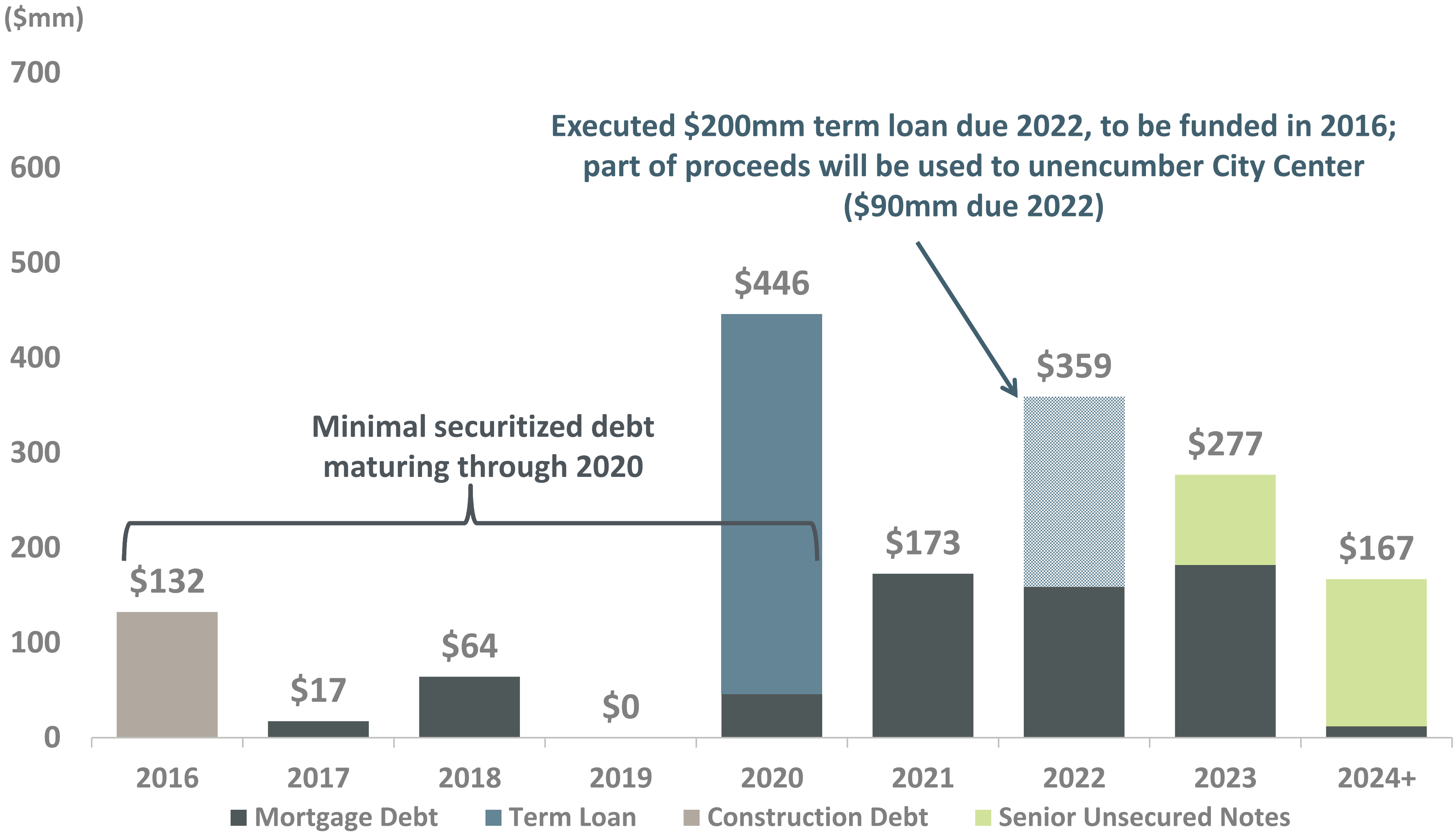


ANNUAL FREE CASH FLOW GROWTH



WELL-STAGGERED DEBT MATURITY PROFILE

KRG's Pro Forma Debt Maturity Schedule (1)(2)



1. Chart excludes scheduled principal payments and net premiums. Term Loan in 2020 shown at final maturity after extension options exercised.
2. As of 09/30/15, pro forma for unsecured term loan due 2022, to be funded in in Q4 '15 and 2016. Also, pro forma for 2016 securitized debt pay down and the pay down of City Center (originally due 2022).

KEY INVESTOR TAKEAWAYS FROM THE KITE TEAM

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Redeeming $102.5mm 8.25% Preferred On Dec. 7, 2015

- Lowers average debt cost by ~25 bps; improves financial flexibility

Free Cash Flow To Fund Redevelopments

- Highest-returning investment for our growing free cash flow

Ongoing Redevelopment Pipeline Of ~$100mm

- Future asset enhancements drive long-term shareholder value

Limited Debt Maturities For The Next ~5 Years

- Only ~$100mm in securitized debt maturing through 2020

Expect To Be Net Sellers Of ~$100mm In 2016

- Capitalize on market environment by selling non-core assets

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

