

FOUR

IN '24

KITE[®]

DALLAS, TX

Presentation and Agenda

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KRG
LISTED
NYSE

Dallas Schedule

Wednesday, May 15

6:30 PM – 9:00 PM

Cocktail Reception and Dinner –
Truluck's at The Shops at Legacy



The Shops at Legacy East

Thursday, May 16

9:30 AM – 10:30 AM

Tour Prestonwood Place



Prestonwood Place

10:30 AM – 12:00 PM

Tour Southlake Town Square



Southlake Town Square

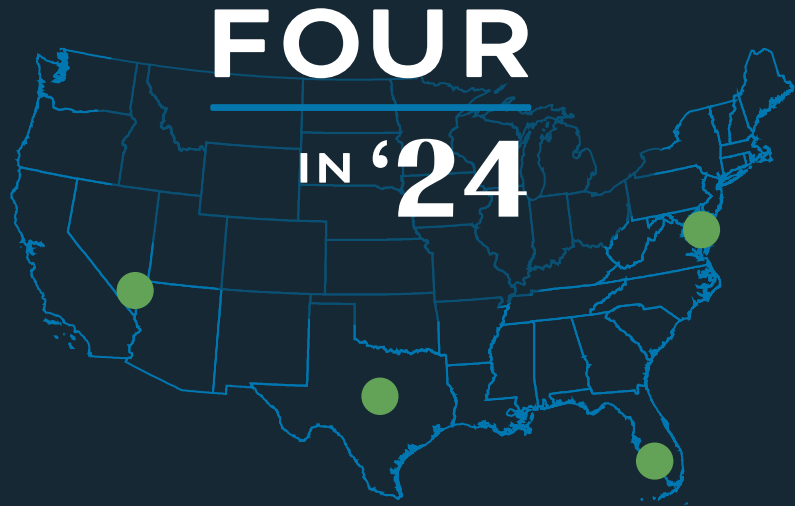
12:00 PM – 2:00 PM

Management Lunch and
Presentation

2:00 PM

Departures

Four in '24 Overview



Transforming the traditional investor day approach into 4 unique and interactive events

THEMES

CITIES

OPERATE

Naples, FL | February 21-22 ✓

LEASE

Dallas, TX | May 15-16

DEVELOP

Washington, D.C. | September 25-26

INVEST

Las Vegas, NV | November 18 (NAREIT)

KRG Vision, Purpose, & Four in '24 Takeaways

OUR VISION

To create communities, foster relationships, and enable positive human interaction



OUR PURPOSE

Serve as the most compelling, flexible, and effective link between retailers and consumers

Create meaningful experiences and long-term value for customers, colleagues, communities, and shareholders



Key Takeaways



REAL ESTATE

Gain a deeper understanding of KRG's presence in the Dallas market and the quality of our real estate



LEASING PLATFORM

See KRG's leasing platform and the entire team's focus on curating destinations that become staples of a community



INVESTMENT THESIS

KRG represents a compelling entry point for investors with potential future upside in growth

FOUR

IN '24

LEASE

FLOWER CHILD
HEALTHY FOOD FOR A HAPPY WORLD



Leasing Team

SVP



Gregg Poetz

SVP, Leasing
27 Years at KRG
35 Years in Real Estate

SOUTH



Jason Kasal

VP, Senior Leasing Director
18 Years at KRG
24 Years in Real Estate



Tom Peck

Regional Director
10 Years at KRG
23 Years in Real Estate



Gordon Atkinson

Leasing Manager
6 Years at KRG
17 Years in Real Estate

NORTHEAST



Greg Goldberg

VP, Leasing Director
12 Years at KRG
27 Years in Real Estate



Tricia Mangum

Leasing Representative
2 Years at KRG
25 Years in Real Estate

SOUTHEAST



Brian Hector

VP, Leasing Director
9 Years at KRG
19 Years in Real Estate



Ryan Joyce

Regional Director
15 Years at KRG
22 Years in Real Estate

MIDWEST / WEST



Karly Kilroy

VP, Leasing Director
10 Years at KRG
19 Years in Real Estate



Blake Beaver

Regional Director
15 Years at KRG
19 Years in Real Estate



Katie Beason

Leasing Manager
1 Year at KRG
7 Years in Real Estate

RENEWALS



Holiday Gates

Leasing Manager
9 Years at KRG
12 Years in Real Estate



JM Labellarte

Leasing Associate
1 Year at KRG
6 Years in Real Estate

Leasing VP Team Map by Region



KARLY KILROY

50 Properties, 8.0M of GLA,
28% of weighted ABR



GREG GOLDBERG

41 Properties, 6.7M of GLA,
28% of weighted ABR



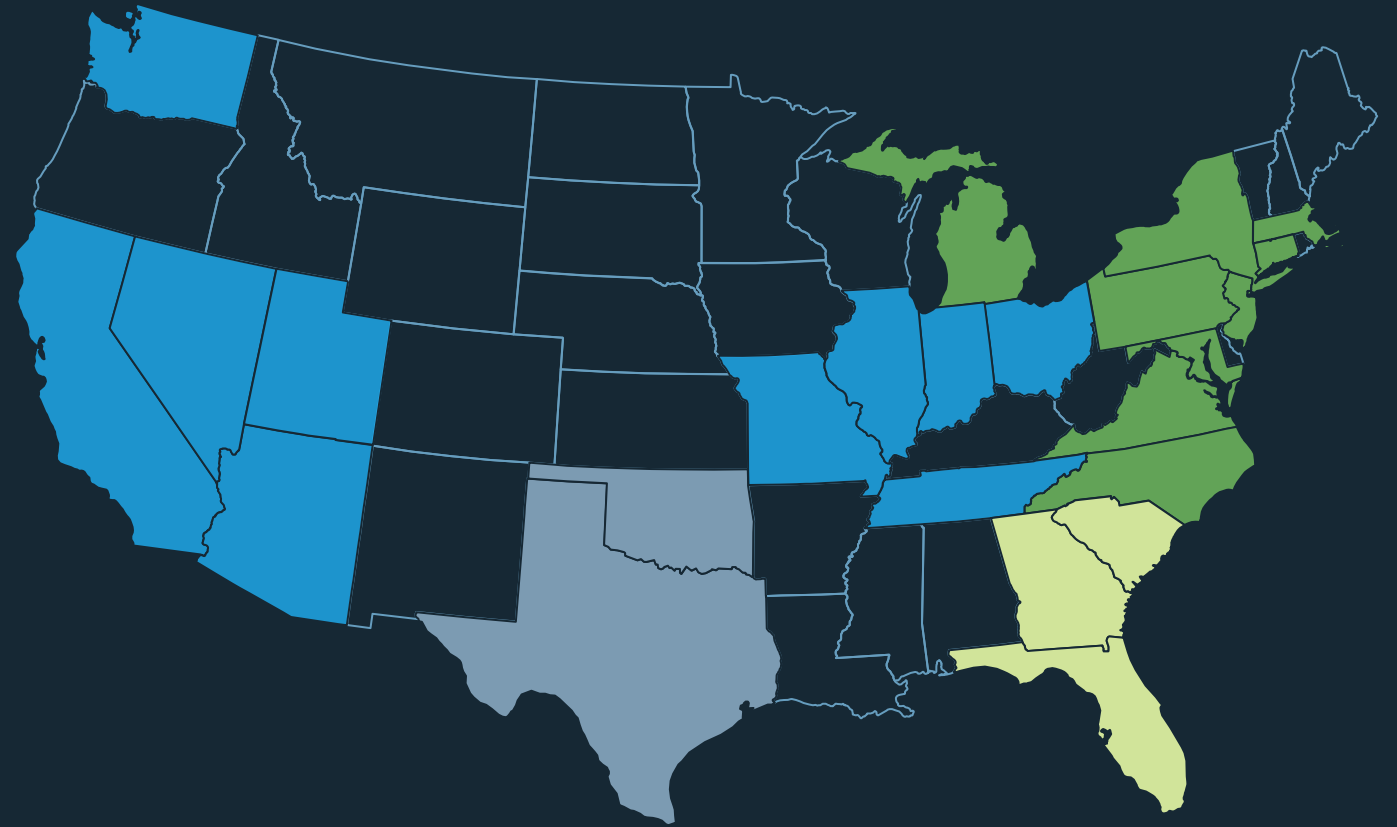
BRIAN HECTOR

43 Properties, 5.7M of GLA,
17% of weighted ABR



JASON KASAL

46 Properties, 7.7M of GLA,
27% of weighted ABR



KRG Leasing Themes: Growth-Focused Leasing Results

LEASING THEMES DRIVING STRENGTH IN OPEN-AIR RETAIL

- Limited new supply has driven higher occupancy in open-air retail
- Retailers have gained a re-appreciation for their brick-and-mortar footprint through adoption of curbside pick-up, buy online pick-up in-store (BOPIS), and fulfillment of online orders through their stores
- Tenants have rebalanced their capital spend such that brick and mortar is seeing significantly more investment as compared to pre-COVID levels
- Negligible new supply and rationalization of underperforming or oversized retail centers has allowed KRG to push higher embedded growth in our leases

AVERAGE ABR GROWTH – NEW LEASES AND NON-OPTION RENEWALS

	Q1 2024	2023	2022
Shops (< 10K Square Feet)	3.4%	3.0%	2.7%
Anchors (> 10K Square Feet)	1.0%	1.1%	0.9%
Total	2.8%	2.5%	2.2%

CONVERSION STATS – NEW LEASES AND NON-OPTION RENEWALS

	Q1 2024	2023	2022
Fixed Rent Bumps Greater Than or Equal to 3% (% of Lease Count)	84%	81%	68%
Fixed CAM (% of Lease Count)	87%	94%	89%

SMALL SHOP CONVERSION STATS – NEW LEASES AND NON-OPTION RENEWALS

FIXED RENT BUMPS (% OF LEASE COUNT)	Q1 2024	2023	2022
Greater Than or Equal to 3.0%	91%	87%	74%
Greater Than or Equal to 3.5%	80%	42%	5%
Greater Than or Equal to 4.0%	73%	35%	3%

KRG Leasing Themes: Accelerated Leasing Spreads Post-COVID

LEASING THEMES DRIVING STRENGTH IN OPEN-AIR RETAIL

- Tenants are becoming increasingly agnostic as to product format which plays well into KRG's balanced and diverse portfolio mix
- We believe non-option renewals are the best indicator of where market rents are trending and have significantly accelerated in the KRG portfolio in the past two years
- KRG has demonstrated its ability to drive strong spreads

COMPARABLE NEW CASH LEASING SPREADS

Property Type	2023	2022	2021	2020	2019	2018
Community / Neighborhood Centers	33.9%	22.8%	15.9%	5.4%	30.2%	6.4%
Power Centers	31.6%	79.4%	33.0%	(8.7%)	25.7%	49.4%
Lifestyle / Mixed-Use Centers	72.4%	58.3%	27.1%	6.5%	18.4%	18.4%
TOTAL	41.3%	37.8%	20.5%	3.7%	25.4%	15.0%

COMPARABLE NON-OPTION RENEWAL CASH LEASING SPREADS

Property Type	2023	2022	2021	2020	2019	2018
Community / Neighborhood Centers	12.6%	10.4%	4.2%	2.2%	2.1%	1.3%
Power Centers	11.7%	11.1%	0.9%	2.6%	0.4%	1.7%
Lifestyle / Mixed-Use Centers	15.4%	12.6%	2.8%	3.8%	6.1%	6.8%
TOTAL	13.1%	10.9%	3.4%	2.4%	2.7%	2.6%
BLENDED NEW AND NON-OPTION RENEWALS TOTAL	22.7%	18.1%	8.9%	2.8%	9.9%	5.7%
BLENDED TOTAL WITH OPTION RENEWALS	14.3%	12.6%	8.3%	4.3%	8.9%	6.4%

The Life of a Lease

TIMELINE



LEASE APPROVAL PROCESS

- Following negotiations with each tenant, the leasing team has two paths to submit deals for approval
- If a deal meets certain proprietary criteria, deals can bypass REC to expedite the approval process
- Deals that don't meet the bypass criteria are presented to REC to identify and discuss the sticking points with a particular tenant

REAL ESTATE COMMITTEE (REC)

- Leasing team utilizes an automated deal summary in Salesforce to outline each deal and present to REC
- KRG's REC analyzes leasing deals from a 360-degree point of view
- Each REC meeting involves various groups across the organization to support our leasing team through the leasing timeline

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DALLAS, TX

MOXIE'S

GRILL BAR

Texas Portfolio Overview



44 Properties
\$154M ABR
26% Total Wtd. ABR
7.5M SF of GLA



PORTOFINO SHOPPING CENTER - HOUSTON, TX MSA



PRESTONWOOD PLACE - DALLAS / FORT WORTH, TX MSA



PLAZA VOLENTE - AUSTIN, TX MSA



CHAPEL HILL SHOPPING CENTER - DALLAS / FORT WORTH, TX MSA



SOUTHLAKE TOWN SQUARE - DALLAS / FORT WORTH, TX MSA

Dallas / Fort Worth Portfolio Overview



SOUTHLAKE TOWN SQUARE



THE SHOPS AT LEGACY EAST



PRESTONWOOD PLACE



LINCOLN PARK



GATEWAY PLAZA



DENTON CROSSING

Dallas / Fort Worth Market Strengths

2023 Population Change Rankings by MSA

TOP 15 MSAs	POPULATION CHANGE	POPULATION % CHANGE	KRG % of ABR
Dallas / Fort Worth	152,598	1.9%	17.1%
Houston	139,789	1.9%	3.9%
Atlanta	68,585	1.1%	3.8%
Orlando	54,916	1.9%	1.8%
Tampa	51,622	1.5%	1.9%
Charlotte	50,458	1.8%	2.2%
Austin	50,105	2.0%	1.1%
Phoenix	49,240	1.0%	2.4%
San Antonio	48,071	1.8%	2.0%
Miami	43,387	0.7%	3.1%
Washington D.C.	39,084	0.6%	10.0%
Jacksonville	36,911	2.2%	0.1%
Nashville	31,554	1.5%	0.8%
Lakeland	29,948	3.7%	0.0%
Raleigh	29,151	1.9%	3.4%
TOTAL			52.8%

Growing Economic Powerhouse

- Centrally located in the U.S. and home to country's second largest airport in total operations with a robust interstate and railroad system
- 23 Fortune 500 companies are headquartered in Dallas / Fort Worth (DFW)
- Leads the U.S. in job creation since 2010 with 1.3 million new jobs
- "Texas Triangle" (San Antonio, DFW, Austin) combine for \$1.7 trillion of economic output which would rank as the world's 15th largest economy

Strong Consumer Environment

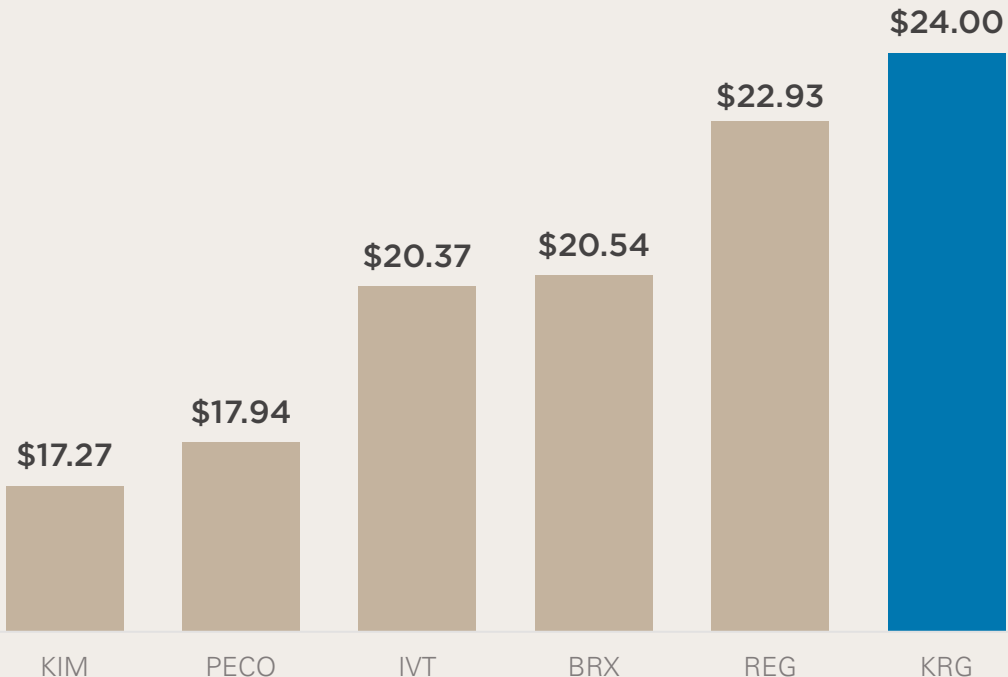
- DFW's real GDP grew 5.7% in 2022 while the U.S. average was 2.1%
- DFW employment growth has risen by 3.0% per year in each of the last 5 years while the U.S. average growth over the same period was 0.8%
- DFW retail sales per square foot have exceeded the U.S. average most years since 2006
- Retail occupancy reached a record high in DFW at 95.2% in 2023, an increase of 140 basis points from the end of 2022
- DFW housing costs are 81% less than New York, 54% less than Boston, 70% less than San Francisco, and 35% less than Chicago

Sources: US Census Bureau, Vintage 2023 Population Estimates, City of Dallas Economic Development, and CBRE Research.

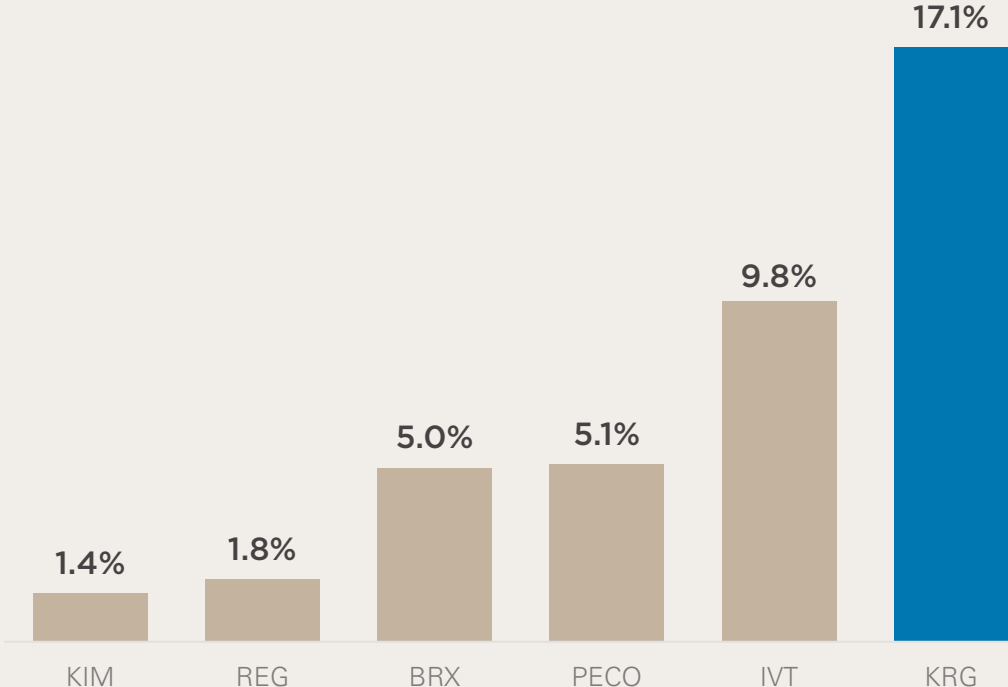
Dallas / Fort Worth Peer Comparison

- KRG holds a dominant open-air retail footprint in the Dallas MSA and the quality of our real estate is at the top of our sector
- Dallas has experienced significant growth over the past several years and our centers have benefitted from the migration trends

DALLAS / FORT WORTH ABR PSF



% OF TOTAL ABR



Note: Source of all peer data is from 1Q 2024 supplemental disclosures.

Southlake Town Square: A Portfolio Needle-Mover

- **5.7%** of KRG's Q1 2024 total portfolio NOI, which is the equivalent of **~9 of KRG's assets**
- **9.4%** of KRG's 2023 total same store NOI growth of 4.8% was driven by outsized growth at Southlake Town Square
- **20.7%** of KRG's 2023 total overage rent came from **22 tenants** at Southlake Town Square
- **9.2%** of KRG's specialty leasing income in 2023, primarily from sponsorships, community events, and short-term leasing
- **70%** of Southlake's retail ABR comes from national tenants, of which **35 tenants** are unique to Southlake in our portfolio
- **646K** square feet of retail and **258K** square feet of office, which is **94.3% leased**
- **7.3 Million** visitors in 2023, the 4th highest in the KRG portfolio
- **110** high-end residential units and **one 248-room** hotel
- **180+** retail and office tenants, creating significant jobs in the community

Benefits of Owning a Premier Lifestyle Center

- Leverage tenant relationships with lifestyle brands to grow in other parts of KRG's portfolio
- Outsized opportunities for growth via higher embedded escalators (Southlake ~70 basis points higher than portfolio average), spreads, occupancy, overage rent, and ancillary income

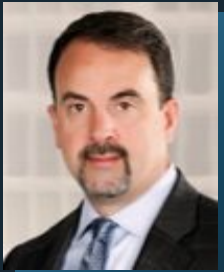


Southlake Town Square: Team

- Operating an asset at the scale of Southlake Town Square takes a dedicated and committed team across several departments to run effectively
- KRG's Southlake Town Square team has deep operating experience and covers each key area including leasing, property management, marketing, and facilities management



Jason Kasal
VP, Senior Leasing
Director



Daniel Upton
VP, Property
Management



David Ayer
General Manager II



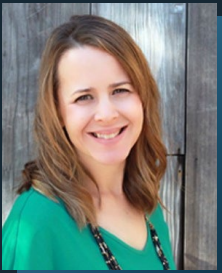
Michelle Theisen
Property Manager



Michelle Bridges
Property Financial
Coordinator



Kelsey Ishmael
Director, Property
Marketing and Business
Development



Meredith Liewehr
Property Marketing
Manager



Randy Lippies
Regional Facilities
Manager



Anthony Patton
Facilities Manager



Luis Cetina
Maintenance
Technician



Matthew Chaffin
Maintenance
Technician

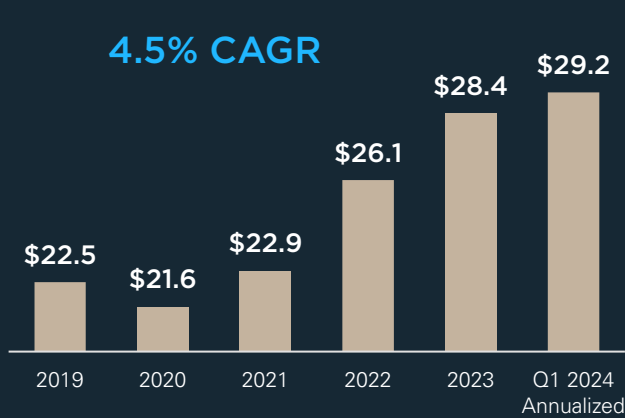


Justin Posey
Maintenance
Technician

Southlake Town Square: Growth

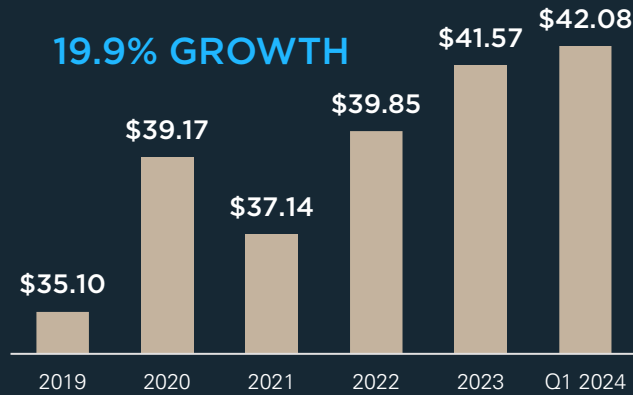
CASH NOI (\$, Ms)

4.5% CAGR



ABR PSF

19.9% GROWTH



NEW TENANTS SIGNED (2022 - Q1 2024)

ARITZIA

Mizzen+Main

VUOR1

YETI®

gorjana

johnnie-O

HEYDAY

FAHERTY

chubbies



TECOVAS
FINE BOOTMAKERS



Rowan

POSTINO

FOUNT

EVEREVE

aerie

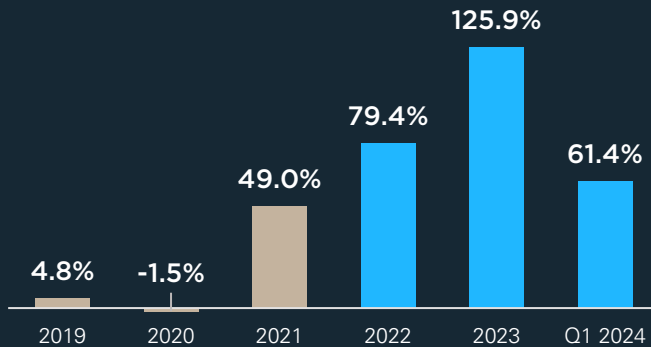


SWEET PARIS
crêperie & café

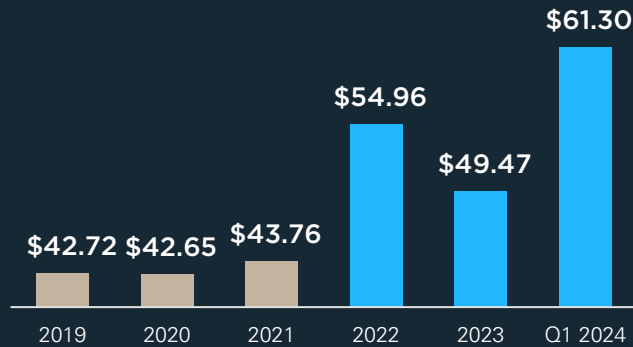
Brandy Melville

Splendid®

NEW LEASING SPREADS



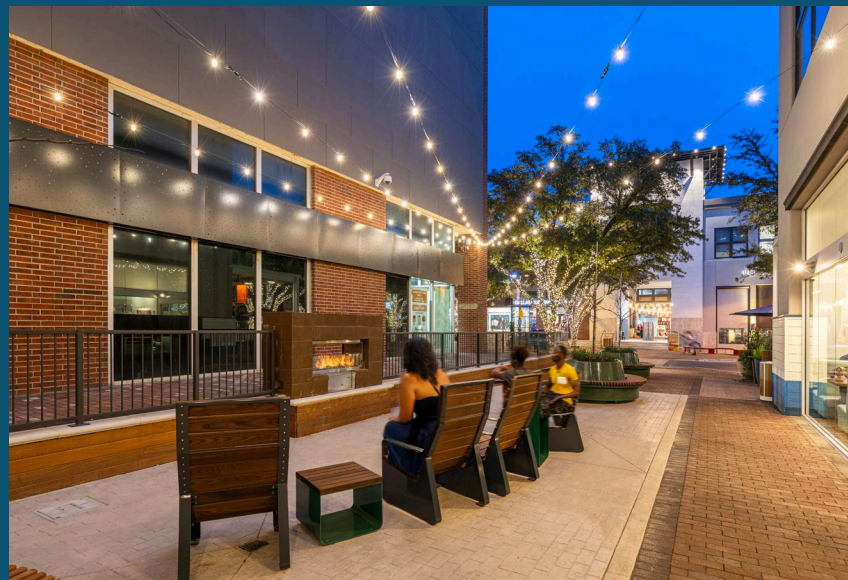
ABR PSF ON NEW LEASES



The Shops at Legacy East

REFRESH

- Completed refresh capex project to revamp architecture for several storefronts, widen sidewalks, and revitalize public spaces to enhance the customer experience
- Lower leased rate reflects an inflection point at the property to utilize the enhancements to drive leasing efforts



PROPERTY METRICS

Total Owned GLA (In SF)	393K
Total Leased %	84.8%
Total ABR psf	\$38.25
% of Total ABR	2.2%
3-Mile Population ¹	104K
3-Mile Avg. Household Income ¹	\$145K

Note: Retail and office metrics included the property metrics.
1. 3-mile demographics are sourced from Popstats.

Prestonwood Place

ENHANCE

- Acquired Prestonwood Place in September 2023 for \$81.0M at an attractive cap rate and underwrote a ~9.0% unlevered IRR
- Our leasing efforts will capitalize on the existing tenant base to create more destination centric retail and expand upon the high-quality restaurant uses

PROPERTY METRICS

Total Owned GLA (In SF)	157K
Total Leased %	97.6%
Total ABR psf	\$36.09
% of Total ABR	0.9%
3-Mile Population ¹	131K
3-Mile Avg. Household Income ¹	\$117K

Note: Retail and office metrics included the property metrics.
1. 3-mile demographics are sourced from Popstats.





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**INVESTMENT
THESIS**

Attractive Investment Opportunity

Growth Stock

FFO per share CAGR of 4.3% since 2019¹

Value Stock

Trades at 10.4x 2024 Consensus FFO, which is 2.8x below the open-air retail average²

Income Stock

Dividend Yield of 4.8%²



1. FFO per share CAGR includes reported FFO per share for 2019 – 2023 and 2024 FFO per share guidance midpoint.
2. Source: FactSet market data as of May 13, 2024 and includes AKR, BRX, FRT, IVT, KIM, PECO, REG, ROIC, and UE in the open-air retail average.

Significant Upside Potential

- We believe the upside potential in KRG's current share price is significant based on the NAV components laid out on page 17 of KRG's 1Q'24 supplemental
- Potential NAV includes NOI and estimated leasing costs for the \$32M signed-not-open (SNO) pipeline and assumes an 80% retention ratio on \$65M expiring ABR in the next twelve months
- The \$32M SNO pipeline provides significant upside potential and we believe current valuation levels do not give KRG credit for future growth
- Leasing the portfolio back to pre-COVID levels and KRG's entitled land bank could be potential sources of value creation in addition to the SNO pipeline

Potential NAV

CAP RATE	6.25%	6.50%	6.75%
POTENTIAL NAV PER SHARE	\$30.21	\$28.49	\$26.90
POTENTIAL PRICE RETURN ¹	44%	36%	28%

NAV Components as of 1Q'24

	IN-PLACE NAV COMPONENTS	POTENTIAL NAV COMPONENTS
Annualized portfolio cash NOI	\$604M	\$623M
Other assets value	\$545M	\$545M
Liabilities	\$3,655M	\$3,768M
Shares	223M	223M

KRG is taking a phased approach in preparing for every aspect of its business to be impacted by the Artificial Intelligence Revolution

STEP 1: Establish a company-wide AI policy

STEP 2: Acclimate the employee base and remove the stigma

- Creation of Kite Artificial Intelligence Assistant (KAIA)
- Security wrapper that allows employees to use the most popular AI technologies while protecting KRG information
- Creation of use case library to help guide employee uses
- Temperature control

STEP 3: Link KRG data into KAIA and test against various AI technologies

STEP 4: Effectively screen and filter the tsunami of vendors and AI solutions

- Empower an internal Technology Advisory Committee (TAC) including Tech Champions from business units charged with learning and finding solutions within their respective disciplines
- Engage outside consultants when appropriate
- Charge the TAC to rank vendors and solutions on feasibility and prioritize testing and adopting various solutions

STEP 5: Pilot and adopt the best-in-class solutions

- Early surveys suggest existing technology partners (Microsoft, Salesforce, MRI) will have the most viable solutions

STEP 6: Repeat steps 4 and 5

STEP 7: Never lose sight of the fact that at our core we are about positive human interactions

- Keep property level experience *Authentically Imaginative*

Solid Sector Fundamentals

- ✓ Open-air retail is resilient and has a favorable supply and demand balance

Strong Operating Fundamentals

- ✓ One of the most efficient and effective operators in the space
- ✓ Among the highest NOI margins and recovery ratios in the space

Proven Management Team

- ✓ “Real estate first” management team with 75+ years of collective experience in retail real estate

Well-Located Geographic Footprint

- ✓ Majority of KRG markets have benefitted from migration trends to the Sun Belt, while also maintaining a strategic gateway market presence

Prudent Balance Sheet Management

- ✓ One of the lowest net debt to adjusted EBITDA and highest debt service coverage ratios in the public retail real estate space

Growth Opportunity

- ✓ Poised for growth with a healthy signed-not-open pipeline, additional lease-up potential, and several development and redevelopment opportunities
- ✓ Opportunity for multiple expansion as KRG continues to execute on short and long-term objectives

Innovative Approach

- ✓ Preparing for every aspect of the Artificial Intelligence Revolution

Transparent Disclosure

- ✓ Awarded Gold at the 2023 NAREIT Investor CARE Awards (small cap REIT category) for effective and efficient communication

FOUR

IN '24

Q & A

ARITZIA

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:

- whether we can successfully capitalize on the existing tenant base to create more destination-centric retail and expand restaurant uses;
- whether we can successfully adopt best-in-class artificial intelligence solutions and policies, including whether artificial intelligence will lead to opportunities or improvements regarding our cybersecurity initiatives, lease abstraction, or financial reporting;
- whether there is upside potential in our current share price;
- whether our estimated leasing costs and retention ratios will prove to be accurate;
- whether our SNO pipeline will provide significant upside potential;
- whether our future growth will occur in a manner not reflected by current valuations;
- whether any value will be generated by leasing our portfolio back to pre-COVID levels, our entitled land bank, or our SNO pipeline;
- whether open-air retail proves to be resilient and continues to have favorable supply and demand balance;
- the impact of rent bumps, cash leasing spreads, converting tenants to fixed CAM, redevelopments, outparcel developments, asset recycling, occupancy and other growth levers on growth over the short and long term;
- 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);
- 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, and North Carolina; and the metropolitan statistical areas of New York, Atlanta, Seattle, Chicago, and Washington, D.C.;
- 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 our internal environmental, social, and governance goals on the anticipated timeline or at all;
- our ability to satisfy environmental, social or governance standards set by various constituencies;
- insurance costs and coverage, especially in Florida and Texas coastal areas;
- risks associated with cybersecurity attacks and the loss of confidential information and other business disruptions;
- whether the signed-not-open pipeline will perform as anticipated and whether the leased-to-occupied spread will be impacted as a result;
- whether our capital allocation strategy will be a competitive advantage in the ongoing macroeconomic uncertainty;
- 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, 2023, 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.

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, 2024, the same property pool excludes the following: (i) properties acquired or placed in service during 2023 and 2024; (ii) The Landing at Tradition – Phase II, which was reclassified from active redevelopment into our operating portfolio in June 2023; (iii) our active development and redevelopment projects at Carillon medical office building and The Corner – IN; (iv) Hamilton Crossing Centre and Edwards Multiplex – Ontario, which were reclassified from our operating portfolio into redevelopment in June 2014 and March 2023, respectively; (v) properties sold or classified as held for sale during 2023 and 2024; and (vi) office properties.

EBITDA

The Company defines EBITDA, a non-GAAP financial measure, as net income before interest expense, income tax expense of the taxable REIT subsidiaries, and depreciation and amortization. For informational purposes, the Company also provides Adjusted EBITDA, which it defines as EBITDA less (i) EBITDA from unconsolidated entities, as adjusted, (ii) gains on sales of operating properties or impairment charges, (iii) merger and acquisition costs, (iv) other income and expense, (v) noncontrolling interest Adjusted 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.

Non-GAAP Financial Measures

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 flows 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) 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: 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,	
	2024	2023
Net income	\$ 14,436	\$ 5,561
Less: net income attributable to noncontrolling interests in properties	(67)	(104)
Add: loss on sales of operating properties, net	236	—
Less: gain on sale of unconsolidated property, net	(2,325)	—
Add: depreciation and amortization of consolidated and unconsolidated entities, net of noncontrolling interests	100,560	108,309
FFO of the Operating Partnership⁽¹⁾	112,840	113,766
Less: Limited Partners' interests in FFO	(1,822)	(1,507)
FFO attributable to common shareholders⁽¹⁾	\$ 111,018	\$ 112,259
FFO, as defined by NAREIT, per share of the Operating Partnership – basic	\$ 0.51	\$ 0.51
FFO, as defined by NAREIT, per share of the Operating Partnership – diluted	\$ 0.50	\$ 0.51
Weighted average common shares outstanding – basic	219,501,114	219,233,569
Weighted average common shares outstanding – diluted	219,900,306	219,965,061
Weighted average common shares and units outstanding – basic	223,109,983	222,186,023
Weighted average common shares and units outstanding – diluted	223,509,175	222,917,515
FFO, as defined by NAREIT, per diluted share/unit		
Net income	\$ 0.06	\$ 0.02
Less: net income attributable to noncontrolling interests in properties	0.00	0.00
Add: loss on sales of operating properties, net	0.00	0.00
Less: gain on sale of unconsolidated property, net	(0.01)	0.00
Add: depreciation and amortization of consolidated and unconsolidated entities, net of noncontrolling interests	0.45	0.49
FFO, as defined by NAREIT, of the Operating Partnership per diluted share/unit⁽¹⁾⁽²⁾	\$ 0.50	\$ 0.51

(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, Taxes, Depreciation and Amortization ("EBITDA")
(dollars in thousands)
(unaudited)

	Three Months Ended March 31, 2024
Net income	\$ 14,436
Depreciation and amortization	100,379
Interest expense	30,364
Income tax expense of taxable REIT subsidiaries	158
EBITDA	145,337
Unconsolidated Adjusted EBITDA	369
Gain on sale of unconsolidated property, net	(2,325)
Loss on sales of operating properties, net	236
Other income and expense, net	(3,208)
Noncontrolling interests	(196)
Adjusted EBITDA	\$ 140,213
Annualized Adjusted EBITDA⁽¹⁾	\$ 560,852
Company share of Net Debt:	
Mortgage and other indebtedness, net	\$ 3,167,513
Plus: Company share of unconsolidated joint venture debt	54,573
Less: Partner share of consolidated joint venture debt ⁽²⁾	(9,837)
Less: debt discounts, premiums and issuance costs, net	(15,840)
Company's consolidated debt and share of unconsolidated debt	3,196,409
Less: cash, cash equivalents, restricted cash and short-term deposits	(356,712)
Company share of Net Debt	\$ 2,839,697
Net Debt to Adjusted EBITDA	5.1x

(1) Represents Adjusted EBITDA for the three months ended March 31, 2024 (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.