



**KITE REALTY GROUP TRUST
QUARTERLY FINANCIAL SUPPLEMENT**

June 30, 2007

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NYSE

kiterealty.com



SUPPLEMENTAL INFORMATION – JUNE 30, 2007

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CORPORATE PROFILE

General Description

Kite Realty Group Trust is a full-service, vertically integrated real estate company engaged primarily in the development, construction, acquisition, ownership and operation of high-quality neighborhood and community shopping centers in selected growth markets in the United States. We are organized as a real estate investment trust ("REIT") for federal income tax purposes. As of June 30, 2007, we owned interests in 53 operating properties totaling approximately 7.5 million square feet and an additional 2.2 million square feet in 12 properties currently under development or redevelopment.

Our strategy is to maximize the cash flow of our operating properties, successfully complete the construction and lease-up of our development portfolio and identify additional growth opportunities in the form of new developments and acquisitions. New investments are focused in the shopping center sector, although we may selectively pursue commercial development or acquisition opportunities in markets where we currently operate and where we believe we can leverage existing infrastructure and relationships to generate attractive risk-adjusted returns.

Company Highlights as of June 30, 2007

➤ Operating Retail Properties	48
➤ Operating Commercial Properties	5
➤ Total Properties Under Development/Redevelopment	12
➤ States	9
➤ Total GLA/NRA of Operating Properties	7,545,350
➤ Owned GLA/NRA of Operating Properties	5,164,529
➤ Total GLA of Properties Under Development/Redevelopment	2,227,810
➤ Percentage of Owned GLA Leased – Retail Operating	95.7%
➤ Percentage of Owned NRA Leased – Commercial Operating	92.5%
➤ Total Full-Time Employees	129

Stock Listing: New York Stock Exchange symbol: KRG

CONTACT INFORMATION

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IMPORTANT NOTES

Interim Information

This Quarterly Financial Supplement contains historical information of Kite Realty Group Trust (“the Company” or “KRG”) and is intended to supplement the Company’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2007, which should be read in conjunction with this supplement. The supplemental information is unaudited, although it reflects all adjustments which, in the opinion of management, are necessary for a fair presentation of operating results for the interim periods.

Forward-Looking Statements

This supplemental information package 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 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;
- the ability of tenants to pay rent;
- the competitive environment in which the Company operates;
- financing risks;
- property ownership and management risks;
- the level and volatility of interest rates;
- financial stability of tenants;
- the Company’s ability to maintain its status as a REIT for federal income tax purposes;
- acquisition, disposition, development and joint venture risks;
- potential environmental and other liabilities;
- 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 our Annual Report on Form 10-K for the fiscal year ended December 31, 2006, and in our 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.

Funds from Operations

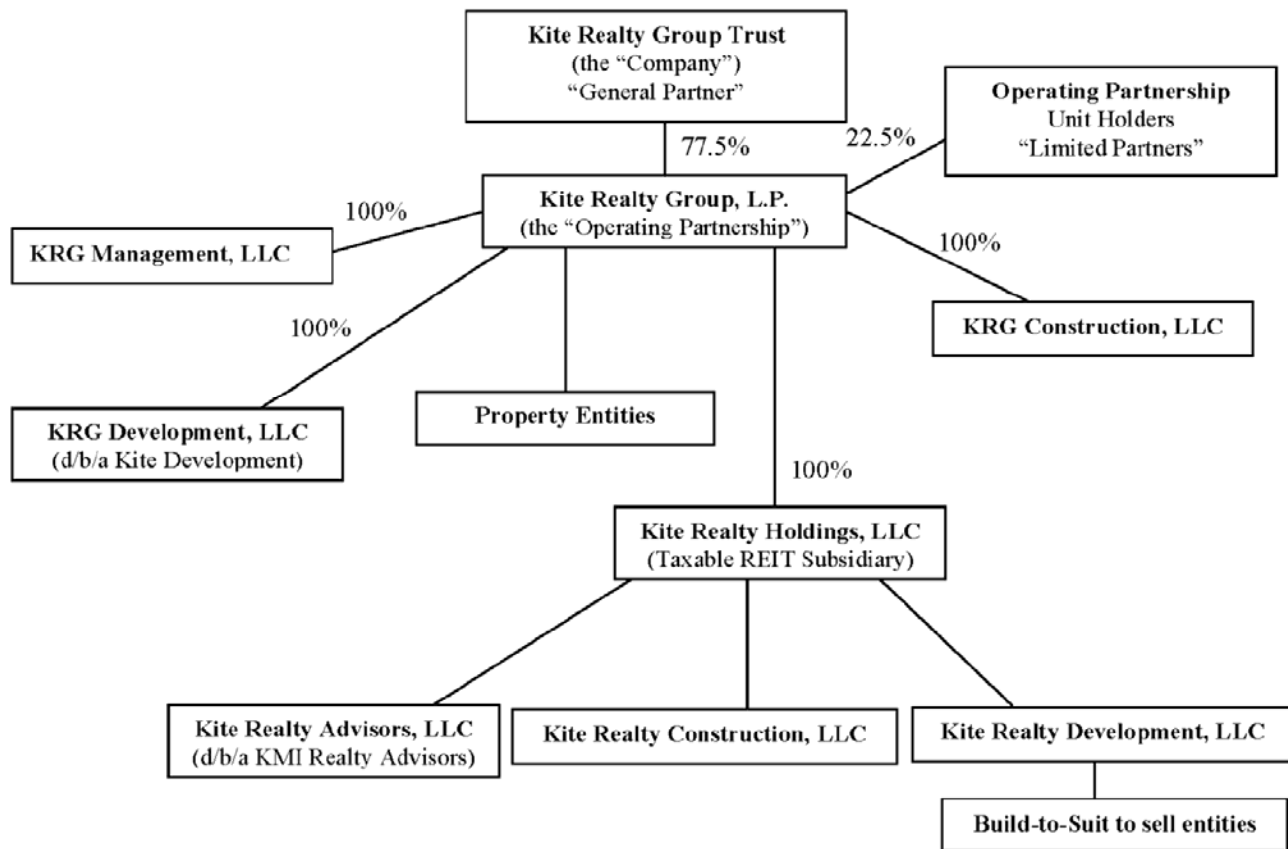
Funds from Operations (FFO) is a widely used performance measure for real estate companies and is provided here as a supplemental measure of operating performance. We calculate FFO in accordance with the best practices described in the April 2002 National Policy Bulletin of the National Association of Real Estate Investment Trusts (NAREIT), which we refer to as the White Paper. The White Paper defines FFO as net income (determined in accordance with generally accepted accounting principles (GAAP)), excluding gains (or losses) from sales of property, plus depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures.

Considering the nature of our business as a real estate owner and operator, we believe 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 property and depreciation and amortization, which can make periodic and peer analyses of operating performance more difficult. FFO should not be considered as an alternative to net income (determined in accordance with GAAP) as an indicator of our financial performance, is not an alternative to cash flow from operating activities (determined in accordance with GAAP) as a measure of our liquidity, and is not indicative of funds available to satisfy our cash needs, including our ability to make distributions. Our 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.

Net Operating Income

Net operating income (NOI) is provided here as a supplemental measure of operating performance. NOI is defined as property revenues less property operating expenses, excluding depreciation and amortization, interest expense and other items. We believe this presentation of NOI is helpful to investors as a measure of our operational performance because it is widely used in the real estate industry to measure the performance of real estate assets without regard to various items, included in net income, that do not relate to or are not indicative of operating performance, such as depreciation and amortization, which can vary depending upon accounting methods and book value of assets. We also believe NOI helps our investors to meaningfully compare the results of our operating performance from period to period by removing the impact of our capital structure (primarily interest expense on our outstanding indebtedness) and depreciation of the basis in our assets from our operating results. NOI should not, however, be considered as an alternative to net income (determined in accordance with GAAP) as an indicator of our financial performance.

CORPORATE STRUCTURE CHART – JUNE 30, 2007



CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	June 30, 2007	December 31, 2006
Assets:		
Investment properties, at cost:		
Land	\$ 197,050,926	\$ 190,886,884
Land held for development	28,014,081	21,687,309
Buildings and improvements	584,274,185	582,715,399
Furniture, equipment and other	4,363,542	5,492,726
Construction in progress	200,552,821	155,569,117
	1,014,255,555	956,351,435
Less: accumulated depreciation	(72,982,966)	(63,726,825)
	941,272,589	892,624,610
Cash and cash equivalents	14,363,844	23,952,594
Tenant receivables, including accrued straight-line rent of \$5,282,141 and \$4,774,063, respectively, net of allowance for uncollectible accounts	13,929,143	15,215,858
Other receivables	11,899,493	18,247,435
Investments in unconsolidated entities, at equity	1,120,907	1,174,371
Escrow deposits	10,207,454	8,604,580
Deferred costs, net	22,404,043	17,532,939
Prepaid and other assets	3,969,316	5,808,926
Total Assets	\$ 1,019,166,789	\$ 983,161,313
Liabilities and Shareholders' Equity:		
Mortgage and other indebtedness	\$ 608,156,441	\$ 566,975,980
Accounts payable and accrued expenses	35,021,871	33,007,119
Deferred revenue and other liabilities	30,700,111	30,156,299
Cash distributions and losses in excess of net investment in unconsolidated entities, at equity	134,660	—
Minority interest	4,421,944	4,295,723
Total Liabilities	678,435,027	634,435,121
Commitments and contingencies		
Limited Partners' interests in Operating Partnership	76,664,646	78,812,120
Shareholders' Equity:		
Preferred Shares, \$.01 par value, 40,000,000 shares authorized, no shares issued and outstanding	—	—
Common Shares, \$.01 par value, 200,000,000 shares authorized 28,913,205 shares and 28,842,831 shares issued and outstanding at June 30, 2007 and December 31, 2006, respectively	289,132	288,428
Additional paid in capital and other	292,131,998	291,159,647
Accumulated other comprehensive income	337,501	297,540
Accumulated deficit	(28,691,515)	(21,831,543)
Total Shareholders' Equity	264,067,116	269,914,072
Total Liabilities and Shareholders' Equity	\$ 1,019,166,789	\$ 983,161,313

CONSOLIDATED STATEMENTS OF OPERATIONS – THREE AND SIX MONTHS (UNAUDITED)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006	2007	2006
Revenue:				
Minimum rent	\$ 18,606,598	\$ 16,509,839	\$ 35,948,800	\$ 32,244,511
Tenant reimbursements	4,662,010	4,417,611	9,340,724	8,113,484
Other property related revenue	2,286,084	944,966	4,738,019	1,996,667
Construction and service fee revenue	10,176,315	9,036,996	16,046,868	16,933,932
Other income, net	90,052	31,312	199,595	85,188
Total revenue	<u>35,821,059</u>	<u>30,940,724</u>	<u>66,274,006</u>	<u>59,373,782</u>
Expenses:				
Property operating	3,519,356	3,274,984	7,609,579	6,309,158
Real estate taxes	3,077,480	3,122,720	5,715,545	5,629,634
Cost of construction and services	9,521,852	7,899,325	14,587,226	15,084,689
General, administrative, and other	1,628,848	1,601,176	3,055,924	2,944,713
Depreciation and amortization	8,133,718	7,842,914	16,882,921	15,365,149
Total expenses	<u>25,881,254</u>	<u>23,741,119</u>	<u>47,851,195</u>	<u>45,333,343</u>
Operating income	<u>9,939,805</u>	<u>7,199,605</u>	<u>18,422,811</u>	<u>14,040,439</u>
Interest expense	(6,229,359)	(4,615,175)	(12,412,677)	(9,185,167)
Loss on sale of asset	—	(764,008)	—	(764,008)
Income tax (expense) benefit of taxable REIT subsidiary	(7,991)	150,303	(262,606)	137,016
Minority interest in income of consolidated subsidiaries	(247,465)	(37,986)	(249,221)	(75,510)
Equity in earnings of unconsolidated entities	99,579	61,749	169,875	149,722
Limited Partners' interests in the Operating Partnership	(788,442)	(454,117)	(1,264,005)	(989,574)
Net income	<u>\$ 2,766,127</u>	<u>\$ 1,540,371</u>	<u>\$ 4,404,177</u>	<u>\$ 3,312,918</u>
Income per common share – basic	<u>\$ 0.10</u>	<u>\$ 0.05</u>	<u>\$ 0.15</u>	<u>\$ 0.12</u>
Income per common share – diluted	<u>\$ 0.09</u>	<u>\$ 0.05</u>	<u>\$ 0.15</u>	<u>\$ 0.12</u>
Weighted average Common Shares outstanding - basic	<u>28,892,920</u>	<u>28,690,680</u>	<u>28,876,135</u>	<u>28,631,389</u>
Weighted average Common Shares outstanding - diluted	<u>29,219,227</u>	<u>28,802,913</u>	<u>29,197,925</u>	<u>28,753,591</u>
Dividends declared per common share	<u>\$ 0.1950</u>	<u>\$ 0.1875</u>	<u>\$ 0.3900</u>	<u>\$ 0.3750</u>

FUNDS FROM OPERATIONS AND OTHER FINANCIAL INFORMATION – THREE AND SIX MONTHS

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006	2007	2006
Net income	\$ 2,766,127	\$ 1,540,371	\$ 4,404,177	\$ 3,312,918
Loss on sale of asset, net of tax	—	458,405	—	458,405
Add Limited Partners' interests in income	788,442	454,117	1,264,005	989,574
Add depreciation and amortization of consolidated entities, net of minority interest	8,011,344	7,750,309	16,647,218	15,179,002
Add depreciation and amortization of unconsolidated entities	100,762	99,651	201,964	201,670
Funds From Operations of the Kite Portfolio ¹	11,666,675	10,302,853	22,517,364	20,141,569
Deduct Limited Partners' interests in Funds From Operations	(2,590,819)	(2,351,423)	(5,021,372)	(4,623,375)
Funds From Operations allocable to the Company ¹	\$ 9,075,856	\$ 7,951,430	\$ 17,495,992	\$ 15,518,194
Basic FFO per share of the Kite Portfolio	\$ 0.31	\$ 0.28	\$ 0.60	\$ 0.54
Diluted FFO per share of the Kite Portfolio	\$ 0.31	\$ 0.28	\$ 0.60	\$ 0.54
Basic weighted average Common Shares outstanding	28,892,920	28,690,680	28,876,135	28,631,389
Diluted weighted average Common Shares outstanding	29,219,227	28,802,913	29,197,925	28,753,591
Basic weighted average Common Shares and Units outstanding	37,292,535	37,205,848	37,275,866	37,198,019
Diluted weighted average Common Shares and Units outstanding	37,618,842	37,318,081	37,597,656	37,320,221
Other Financial Information:				
Recurring capital expenditures ²				
Tenant improvements	\$ 310,856	\$ 62,115	\$ 402,771	\$ 1,171,615 ³
Leasing commissions	55,950	249,747	169,516	523,596 ⁴
Capital improvements	15,000	37,719	35,188	57,426
Scheduled debt principal payments	663,694	596,007	1,329,032	1,227,281
Straight line rent	256,573	536,219	508,078	958,522
Market rent amortization income from acquired leases	1,940,415	1,241,775	2,822,530	2,119,611
Market debt adjustment	107,714	107,714	215,429	215,428
Capitalized interest	3,372,416	2,346,271	6,275,203	3,741,917

- 1 "Funds from Operations of the Kite Portfolio" represents 100% of the operating performance of the Operating Partnership's real estate properties and construction and service subsidiaries in which the Company owns an interest. "Funds from Operations allocable to the Company" reflects a reduction for the Limited Partners' diluted weighted average interests in the Operating Partnership.
- 2 Excludes tenant improvements and leasing commissions relating to development projects and first-generation space.
- 3 Of the amount for the six months ended June 30, 2006, \$988,153 represents tenant improvements for Shoe Pavilion at Galleria Plaza and 24 Hour Fitness at Cedar Hill Village.
- 4 Of the amount for the six months ended June 30, 2006, \$198,404 represents leasing commissions for Shoe Pavilion at Galleria Plaza and 24 Hour Fitness at Cedar Hill Village.

MARKET CAPITALIZATION AS OF JUNE 30, 2007

	Percent of Total Equity	Total Market Capitalization	Percent of Total Market Capitalization
Equity Capitalization:			
Total Common Shares Outstanding	77.5%	28,913,205	
Operating Partnership ("OP") Units	22.5%	8,399,615	
Combined Common Shares and OP Units	<u>100.0%</u>	<u>37,312,820</u>	
Market Price of Common Shares at June 30, 2007		\$ 19.02	
Total Equity Capitalization		<u>\$ 709,689,836</u>	<u>53%</u>
Debt Capitalization:			
Company Outstanding Debt		\$ 608,156,441	
Pro-rata Share of Joint Venture Debt		25,161,056	
Total Debt Capitalization		<u>633,317,497</u>	<u>47%</u>
Total Market Capitalization		<u>\$ 1,343,007,333</u>	<u>100%</u>

SAME PROPERTY NET OPERATING INCOME (NOI)

	Three Months Ended June 30			Six Months Ended June 30		
	2007	2006	% Change	2007	2006	% Change
Number of properties at period end ¹	47	47		47	47	
Occupancy at period-end	95.4%	96.8%		95.4%	96.8%	
Minimum rent	\$ 14,767,981	\$ 14,725,074		\$ 28,969,339	\$ 28,940,584	
Tenant recoveries	3,900,069	3,972,805		7,472,644	7,254,382	
Other income	368,200	116,239		742,157	283,324	
Pro rata share of revenue – unconsolidated joint venture properties	489,089	459,261		957,927	931,432	
	<u>19,525,339</u>	<u>19,273,379</u>		<u>38,142,067</u>	<u>37,409,722</u>	
Property operating expenses	3,110,097	2,912,936		6,237,038	5,638,330	
Real estate taxes	2,650,847	2,838,538		4,838,926	5,123,083	
Pro rata share of expenses – unconsolidated joint venture properties	148,436	153,706		307,061	292,113	
	<u>5,909,380</u>	<u>5,905,180</u>		<u>11,383,025</u>	<u>11,053,526</u>	
Net operating income – same properties (47 properties)²	13,615,959	13,368,199	1.9%	26,759,042	26,356,196	1.5%
Net operating income – Redeveloped Properties ¹	232,918	388,332		554,804	1,193,620	
Net operating income – including Redeveloped Properties	\$ 13,848,877	\$ 13,756,331	0.7%	\$ 27,313,846	\$ 27,699,816	-1.4%
<i>Reconciliation to Most Directly Comparable GAAP Measure:</i>						
Net operating income – same properties	\$ 13,615,959	\$ 13,368,199		\$ 26,759,042	\$ 26,356,196	
Net operating income – non-same properties	3,838,711	1,977,023		6,754,784	4,222,108	
Less pro rata share of same property unconsolidated joint venture net operating income	(340,654)	(305,556)		(650,866)	(639,319)	
Net operating income – construction, service, general and administrative and other	(774,646)	(784,801)		(1,345,456)	(1,391,724)	
Total Company net operating income	16,339,370	14,254,865		31,517,504	28,547,261	
Total other income	1,474,513	811,417		1,492,889	861,866	
Total other expenses	(14,259,314)	(13,071,794)		(27,342,211)	(25,106,635)	
Limited Partners' interests in the continuing operations of the Operating Partnership	(788,442)	(454,117)		(1,264,005)	(989,574)	
Net income	\$ <u>2,766,127</u>	\$ <u>1,540,371</u>		\$ <u>4,404,177</u>	\$ <u>3,312,918</u>	

- 1 Same Property analysis excludes Glendale Mall and Shops at Eagle Creek as the Company pursues redevelopment of these properties.
- 2 Same Property analysis excludes net gains on outlot sales, write offs of straight-line rent and FAS #141 deferred revenue and significant prior year expense recoveries and adjustments, if any.

The Company believes that Net Operating Income is helpful to investors as a measure of its operating performance because it excludes various items included in net income that do not relate to or are not indicative of its operating performance, such as depreciation and amortization and interest expense. The Company believes that Same Property NOI is helpful to investors as a measure of its operating performance because it includes only the NOI of properties that have been owned for the full period presented, which eliminates disparities in net income due to the redevelopment, acquisition or disposition of properties during the particular period presented, and thus provides a more consistent metric for the comparison of the Company's properties. NOI and Same Property NOI should not, however, be considered as alternatives to net income (calculated in accordance with GAAP) as indicators of the Company's financial performance.

NET OPERATING INCOME BY QUARTER

	Three Months Ended				
	June 30, 2007	March 31, 2007	December 31, 2006	September 30, 2006	June 30, 2006
Revenue:					
Minimum rent	\$ 18,606,598	\$ 17,342,202	\$ 17,639,197	\$ 17,262,427	\$ 16,509,839
Tenant reimbursements	4,662,010	4,678,714	4,730,484	3,787,767	4,417,611
Other property related revenue ¹	2,286,084	2,451,935	2,795,632	1,565,787	944,966
Other income, net	90,052	109,543	100,717	158,632	31,312
	<u>25,644,744</u>	<u>24,582,394</u>	<u>25,266,030</u>	<u>22,774,613</u>	<u>21,903,728</u>
Expenses:					
Property operating	3,519,356	4,090,223	3,828,780	3,439,853	3,274,984
Real estate taxes	3,077,480	2,638,065	3,306,361	2,323,799	3,122,720
	<u>6,596,836</u>	<u>6,728,288</u>	<u>7,135,141</u>	<u>5,763,652</u>	<u>6,397,704</u>
Net Operating Income – Properties	19,047,908	17,854,106	18,130,889	17,010,961	15,506,024
Other Income (Expense):					
Construction and service fee revenue	10,176,315	5,870,553	14,219,610	10,293,822	9,036,996
Cost of construction and services	(9,521,852)	(5,065,374)	(13,021,605)	(7,795,070)	(7,899,325)
General, administrative, and other	(1,628,848)	(1,427,076)	(1,072,282)	(1,305,599)	(1,601,176)
Depreciation and amortization	(8,133,718)	(8,749,203)	(7,091,643)	(7,209,586)	(7,842,914)
	<u>(9,108,103)</u>	<u>(9,371,100)</u>	<u>(6,965,920)</u>	<u>(6,016,433)</u>	<u>(8,306,419)</u>
Earnings Before Interest and Taxes	9,939,805	8,483,006	11,164,969	10,994,528	7,199,605
Interest expense	(6,229,359)	(6,183,318)	(6,145,435)	(6,139,761)	(4,615,175)
Loss on sale of asset ²	—	—	—	—	(764,008)
Income tax (expense) benefit of taxable REIT subsidiary	(7,991)	(254,615)	(324,948)	(777,600)	150,303
Minority interest in income of consolidated subsidiaries	(247,465)	(1,756)	(38,966)	(2,993)	(37,986)
Equity in earnings of unconsolidated entities	99,579	70,296	64,469	72,261	61,749
Limited partners' interests in the continuing operations of the Operating Partnership	(788,442)	(475,563)	(1,063,010)	(936,782)	(454,117)
Net Income	\$ 2,766,127	\$ 1,638,050	\$ 3,657,079	\$ 3,209,653	\$ 1,540,371
NOI/Revenue - Properties	74.3%	72.6%	71.8%	74.7%	70.8%
Recovery Ratio - Properties ³	70.7%	69.5%	66.3%	65.7%	69.0%

1 Other property related revenue for the three months ended June 30, 2007 includes gains on land sales of \$1,232,538 (\$1,000,788, net of minority interest) and lease termination fees of \$902,500.

2 In June 2006, the Company sold Marsh Supermarkets in Naperville, Illinois.

3 "Recovery Ratio" is computed by dividing property operating and real estate tax expenses into tenant reimbursements.

SUMMARY OF OUTSTANDING DEBT AS OF JUNE 30, 2007

TOTAL OUTSTANDING DEBT

	Outstanding Amount	Ratio	Weighted Average Interest Rate	Weighted Average Maturity (in years)
Fixed Rate Debt:				
Consolidated	\$342,853,725	54%	5.98%	7.4
Unconsolidated	8,284,204	2%	6.60%	5.0
Floating Rate Debt (Hedged) ¹	75,000,000	12%	5.70%	1.3
Total Fixed Rate Debt	426,137,929	68%	5.94%	6.3
Variable Rate Debt:²				
Construction Loans	115,574,241	18%	6.84%	1.0
Other Variable	147,673,560	23%	6.58%	3.6
Floating Rate Debt (Hedged) ¹	(75,000,000)	-12%	-6.57%	-1.3
Unconsolidated	16,876,852	3%	6.17%	1.2
Total Variable Rate Debt	205,124,653	32%	6.69%	2.8
Net Premiums on Fixed Rate Debt	2,054,915	N/A	N/A	N/A
Total	\$633,317,497	100%	6.19%	5.1

SCHEDULE OF MATURITIES BY YEAR

	Mortgage Debt		Secured Line of Credit	Construction Loans	Total Consolidated Outstanding Debt	KRG Share of Unconsolidated Mortgage Debt	Total Consolidated and Unconsolidated Debt
	Annual Maturity	Term Maturities					
2007	\$1,367,743	\$0	\$0	\$20,346,910	\$21,714,653	\$103,100	\$21,817,753
2008	2,652,330	8,298,266	0	81,119,981	92,070,577	17,093,877	109,164,454
2009	2,919,556	27,451,887	0	14,107,350	44,478,793	2,223,431	46,702,224
2010	3,030,222	0	0	0	3,030,222	96,813	3,127,035
2011	3,183,353	19,655,380	142,974,024	0	165,812,757	103,335	165,916,092
2012	3,632,668	35,355,396	0	0	38,988,064	109,258	39,097,322
2013	3,645,711	4,027,491	0	0	7,673,202	5,431,242	13,104,444
2014	3,341,759	27,566,202	0	0	30,907,961	0	30,907,961
2015	2,962,519	38,301,942	0	0	41,264,461	0	41,264,461
2016 and beyond	4,814,868	155,345,968	0	0	160,160,836	0	160,160,836
Net Premiums on Fixed Rate Debt	0	0	0	0	2,054,915	0	2,054,915
Total	\$31,550,729	\$316,002,532	\$142,974,024	\$115,574,241	\$608,156,441	\$25,161,056	\$633,317,497

1 These debt obligations are hedged by interest rate swap agreements

2 Variable rate debt, net of interest rate swap transactions:

- Construction	\$115,574,241	18%
- Other Variable	72,673,560	11% (includes debt on acquisition land held for development)
- Unconsolidated	16,876,852	3% (includes debt on acquisition land held for development)
	<u>\$205,124,653</u>	<u>32%</u>

SCHEDULE OF OUTSTANDING DEBT AS OF JUNE 30, 2007

CONSOLIDATED DEBT

Fixed Rate Debt	Lender/Service	Interest Rate	Maturity Date	Balance as of June 30, 2007	Monthly Debt Service as of June 30, 2007
176th & Meridian	Wachovia Bank	5.67%	11/11/14	\$ 4,127,785	\$ 24,702
50th & 12th	Wachovia Bank	5.67%	11/11/14	4,543,464	27,190
Boulevard Crossing	Wachovia Bank	5.11%	12/11/09	12,206,695	68,815
Centre at Panola, Phase I	JP Morgan Chase	6.78%	1/1/22	4,086,648	36,583
Cool Creek Commons	Lehman Brothers Bank	5.88%	4/11/16	18,000,000	91,140
Corner Shops, The	Sun Life Assurance Co.	7.65%	7/1/11	1,767,009	17,111
Fox Lake Crossing	Wachovia Bank	5.16%	7/1/12	11,830,445	68,604
Geist Pavilion	KeyBank	5.58%	1/1/17	11,125,000	53,456
Indian River Square	Wachovia Bank	5.42%	6/11/15	13,300,000	62,074
Indiana State Motor Pool	Old National Bank	5.38%	3/24/08	4,031,341	32,829
International Speedway Square	Lehman Brothers Bank	7.17%	3/11/11	19,316,017	139,142
Kedron Village	Wachovia Bank	5.56%	1/11/17	29,700,000	142,197
Pine Ridge Crossing	Lehman Brothers Bank	6.34%	10/11/16	17,500,000	95,601
Plaza at Cedar Hill	GECC	7.38%	2/1/12	26,513,376	193,484
Plaza Volente	Wachovia Bank	5.42%	6/11/15	28,680,000	133,856
Preston Commons	Wachovia Bank	5.90%	3/11/13	4,491,438	28,174
Ridge Plaza	Wachovia Bank	5.15%	10/11/09	16,353,400	92,824
Riverchase	Lehman Brothers Bank	6.34%	10/11/16	10,500,000	57,360
Sunland Towne Centre	KeyBank	6.01%	7/1/16	25,000,000	129,382
Thirty South	CS First Boston	6.09%	1/11/14	22,528,614	142,257
Traders Point	Wachovia Bank	5.86%	10/11/16	48,000,000	242,213
Whitehall Pike	Banc One Capital Funding	6.71%	7/5/18	9,252,493	77,436
Subtotal				\$ 342,853,725	\$ 1,956,430

Floating Rate Debt (Hedged)	Lender/Service	Interest Rate	Maturity Date	Balance as of June 30, 2007	Monthly Debt Service as of June 30, 2007
Collateral Pool Properties ^{1,2}	KeyBank	5.55%	8/1/07	\$ 35,000,000	\$ 161,948
Collateral Pool Properties ^{1,2}	KeyBank	5.28%	8/1/07	15,000,000	65,938
Collateral Pool Properties ¹	KeyBank	6.17%	2/18/11	25,000,000	128,437
Subtotal				\$ 75,000,000	\$ 356,323
TOTAL CONSOLIDATED FIXED RATE DEBT				\$ 417,853,725	\$ 2,312,753
TOTAL NET PREMIUMS				\$ 2,054,915	

Variable Rate Debt: Mortgages	Lender/Service	Interest Rate³	Maturity Date	Balance as of June 30, 2007
Fishers Station ⁴	National City Bank	LIBOR +150	9/1/08	\$ 4,699,536
Subtotal				\$ 4,699,536

- 1 The Company entered into a fixed rate swap agreement, which is designated as a hedge against the revolving credit facility.
- 2 On August 1, the Company entered into a new swap agreement with a notional amount of \$50 million and a fixed rate of 6.322%, expiring on February 20, 2011.
- 3 At June 30, 2007, the one-month LIBOR interest rate was 5.32%.
- 4 The Company has a 25% interest in this property. This loan is guaranteed by Kite Realty Group, LP.

SCHEDULE OF OUTSTANDING DEBT AS OF JUNE 30, 2007 (CONTINUED)

Variable Rate Debt:		Interest	Maturity	Total	Balance as of
Construction Loans	Lender/Service	Rate¹	Date	Commitment	June 30, 2007
Bayport Commons ²	Bank of America	LIBOR + 125	12/27/08	\$ 23,100,000	\$ 8,783,500
Beacon Hill Shopping Center ³	Fifth Third Bank	LIBOR + 150	9/30/07	34,800,000	9,478,082
Bridgewater Marketplace	Home Federal Bank	LIBOR + 160	6/29/08	12,000,000	8,852,857
Cobblestone Plaza ⁴	Wachovia Bank	LIBOR + 160	6/29/09	44,500,000	14,107,350
Estero Town Center ⁵	Wachovia Bank	LIBOR + 165	3/30/08	18,760,000	16,800,598
Gateway Shopping Center ⁶	Union Bank of California	LIBOR + 150	12/15/07	22,268,000	10,868,828
Naperville Marketplace	LaSalle Bank	LIBOR + 130	12/30/08	14,400,000	10,218,399
Red Bank Commons	Huntington Bank	LIBOR + 115	3/31/08	4,960,000	4,798,797
Sandifur Plaza ⁷	LaSalle Bank	LIBOR + 165	2/28/08	5,500,000	4,007,666
Tarpon Springs Plaza	Wachovia Bank	LIBOR + 175	3/30/08	20,000,000	20,000,000
Traders Point II	Huntington Bank	LIBOR + 115	12/31/08	9,587,000	7,658,164
Subtotal				\$ 209,875,000	\$ 115,574,241

Line of Credit	Lender/Service	Interest	Maturity	Total	Balance as of
		Rate¹	Date	Available as of	June 30, 2007
Collateral Pool Properties ^{8,9,10,11}	KeyBank	LIBOR + 125	2/20/11	\$ 199,722,756	\$ 142,974,024

Floating Rate Debt (Hedged)	Lender/Service	Interest	Maturity	Balance as of
		Rate¹	Date	June 30, 2007
Collateral Pool Properties ^{9,10}	KeyBank	LIBOR + 125	8/1/07	\$ (35,000,000)
Collateral Pool Properties ^{9,10}	KeyBank	LIBOR + 125	8/1/07	(15,000,000)
Collateral Pool Properties ⁹	KeyBank	LIBOR + 125	2/18/11	(25,000,000)
Subtotal				\$ (75,000,000)
TOTAL CONSOLIDATED VARIABLE RATE DEBT				\$ 188,247,801
TOTAL DEBT PER CONSOLIDATED BALANCE SHEET				\$ 608,156,441

1 At June 30, 2007, the one-month LIBOR interest rate was 5.32%.

2 The Company has a preferred return, then a 60% interest. This loan is guaranteed by Kite Realty Group, LP.

3 The Company has a preferred return, then a 50% interest. This loan is guaranteed by Kite Realty Group, LP.

4 The Company has a preferred return, then a 50% interest. This loan is guaranteed by Kite Realty Group, LP.

5 The Company has a preferred return, then a 40% interest. This loan is guaranteed by Kite Realty Group, LP.

6 The Company has a preferred return, then a 50% interest. This loan is guaranteed by Kite Realty Group, LP.

7 The Company has an 80% interest in the Walgreens and a 95% interest in the shops. This loan is guaranteed by Kite Realty Group, LP.

8 There are currently 48 unencumbered assets; 45 of which are wholly owned and used as collateral under the unsecured credit facility and three of which are joint venture assets. The major unencumbered assets include: 50 S. Morton, Peakway at 55, Bolton Plaza, Centre at Panola Phase II, Circuit City Plaza, Cornelius Gateway Shops, Delray Marketplace, Fishers Station Marsh, Frisco Bridges, Greyhound Commons, Martinsville Shops, Noblesville Partners, Pipeline Pointe, Shops at Otty, Sunland II, Weston Park, and Zionsville Place.

9 The Company entered into a fixed rate swap agreement which is designated as a hedge against the revolving credit facility.

10 On August 1, 2007, the Company entered into a new swap agreement with a notional amount of \$50 million and a fixed rate of 6.322%, expiring on February 20, 2011.

11 The total amount available for borrowing under the revolving credit facility is \$199,722,756 of which \$142,974,024 was outstanding as of June 30, 2007.

SCHEDULE OF OUTSTANDING DEBT AS OF JUNE 30, 2007 (CONTINUED)

UNCONSOLIDATED DEBT

Fixed Rate Debt	Lender/ Servicer	Interest Rate	Maturity Date	Balance as of June 30, 2007	Monthly Debt Service as of June 30, 2007
The Centre ¹	Sun Life	6.99%	6/1/09	\$ 3,881,603	\$ 39,897
Spring Mill Medical ¹	LaSalle Bank	6.45%	9/1/13	11,910,484	78,204
TOTAL UNCONSOLIDATED FIXED RATE DEBT				\$ 15,792,087	\$ 118,101
JOINT VENTURE PARTNERS' SHARE				(7,507,883)	
KRG SHARE				\$ 8,284,204	
Variable Rate Debt - Construction Loan	Lender/ Servicer	Interest Rate³	Maturity Date	Total Commitment	Balance as of June 30, 2007
Parkside Town Commons ²	LaSalle Bank	LIBOR + 85	8/28/08	\$ 55,000,000	\$ 42,192,129
JOINT VENTURE PARTNERS' SHARE					(25,315,277)
KRG SHARE				\$ 16,876,852	
TOTAL KRG UNCONSOLIDATED DEBT				\$ 25,161,056	
TOTAL KRG CONSOLIDATED DEBT				608,156,441	
TOTAL KRG DEBT				\$ 633,317,497	

1 The Company owns a 50% interest in Spring Mill Medical and a 60% interest in The Centre.

2 The Company owns a 40% interest in Parkside Town Commons which will change to a 20% ownership upon the commencement of construction.

3 At June 30, 2007, the one-month LIBOR interest rate was 5.32%.

JOINT VENTURE SUMMARY – UNCONSOLIDATED PROPERTIES

The Company owns the following three unconsolidated properties with joint venture partners:

Property	Percentage Owned by the Company
The Centre – Operating Property	60%
Spring Mill Medical – Operating Property	50%
Parkside Town Commons - Development Property ¹	40%

1 The Company's 40% interest in Parkside Town Commons will change to a 20% ownership upon the commencement of construction.

CONDENSED COMBINED BALANCE SHEETS OF UNCONSOLIDATED PROPERTIES

(The Centre, Spring Mill Medical, and Parkside Town Commons)
(Unaudited)

	June 30, 2007	December 31, 2006
Assets:		
Investment properties, at cost:		
Land	\$ 2,552,075	\$ 2,404,211
Buildings and improvements	14,613,333	14,761,198
Furniture, equipment and other	10,581	10,581
Construction in progress	42,561,350	38,903,133
	<u>59,737,339</u>	<u>56,079,123</u>
Less: accumulated depreciation	(3,487,108)	(3,254,677)
	56,250,231	52,824,446
Cash and cash equivalents	713,303	804,391
Tenant receivables, including accrued straight-line rent	131,079	113,209
Escrow deposits	331,262	244,241
Deferred costs, net	606,108	622,778
Prepaid and other assets	675	600
Total Assets	<u>\$ 58,032,658</u>	<u>\$ 54,609,665</u>
Liabilities and Shareholders' Equity:		
Mortgage and other indebtedness	\$ 57,984,216	\$ 51,895,229
Accounts payable and accrued expenses	1,122,218	3,514,759
Intercompany payable	4,314	4,282
Total Liabilities	<u>59,110,748</u>	<u>55,414,270</u>
Accumulated deficit	(1,078,090)	(804,605)
Total Liabilities and Accumulated Deficit	<u>\$ 58,032,658</u>	<u>\$ 54,609,665</u>

CONDENSED COMBINED STATEMENTS OF OPERATIONS OF UNCONSOLIDATED PROPERTIES

(The Centre, Spring Mill Medical, and Parkside Town Commons)
(Unaudited)

	<u>Three Months Ended June 30</u>		<u>Six Months Ended June 30</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Revenue:				
Minimum rent	\$ 617,053	\$ 596,222	\$ 1,227,099	\$ 1,192,979
Tenant reimbursements	254,626	235,383	512,669	496,555
Other property related revenue	34,791	25,145	39,288	45,724
Total revenue	<u>906,470</u>	<u>856,750</u>	<u>1,779,056</u>	<u>1,735,258</u>
Expenses:				
Property operating	206,547	217,478	443,075	418,762
Real estate taxes	74,104	68,569	136,097	129,888
Depreciation and amortization	131,231	129,310	263,195	262,550
Total expenses	<u>411,882</u>	<u>415,357</u>	<u>842,367</u>	<u>811,200</u>
Operating income	494,588	441,393	936,689	924,058
Interest expense	(266,724)	(273,602)	(530,073)	(546,494)
Net income	<u>\$ 227,864</u>	<u>\$ 167,791</u>	<u>\$ 406,616</u>	<u>\$ 377,564</u>

TOP 10 RETAIL TENANTS BY GROSS LEASABLE AREA (GLA)

As of June 30, 2007

This table includes the following:

- Operating retail properties;
- Operating commercial properties; and
- Development property tenants open for business or ground lease tenants who commenced paying rent as of June 30, 2007

Tenant	Number of Locations	Total GLA	Number of Leases	Company Owned GLA ²	Number of Anchor Owned Locations	Anchor Owned GLA ³
Lowe's Home Improvement ¹	9	1,247,630	3	128,997	6	1,118,633
Wal-Mart	5	749,649	2	234,649	3	515,000
Target	3	341,632	—	—	3	341,632
Federated Department Stores	1	237,455	1	237,455	—	—
Publix	5	234,246	5	234,246	—	—
Home Depot	1	140,000	—	—	1	140,000
Circuit City	4	132,347	4	132,347	—	—
Dick's Sporting Goods	2	126,672	2	126,672	—	—
Marsh Supermarkets	2	124,902	2	124,902	—	—
Ross Stores	4	118,374	4	118,374	—	—
Total	36	3,452,907	23	1,337,642	13	2,115,265

- 1 A ground lease with Lowe's was entered into during the first quarter of 2006. An estimated 165,000 square feet is included in Anchor Owned GLA to account for this property. Another ground lease with Lowe's was entered into during the second quarter of 2006. An estimated 163,000 square feet is included in Anchor Owned GLA to account for this property.
- 2 Excludes the estimated size of the structures located on land owned by the Company and ground leased to tenants.
- 3 Includes the estimated size of the structures located on land owned by the Company and ground leased to tenants.

TOP 25 TENANTS BY ANNUALIZED BASE RENT^{1,2}

As of June 30, 2007

This table includes the following:

- Operating retail properties;
- Operating commercial properties; and
- Development property tenants open for business or ground lease tenants who commenced paying rent as of June 30, 2007

Tenant	Type of Property	Number of Locations	Leased GLA/NRA ⁵	% of Owned GLA/NRA of the Portfolio	Annualized Base Rent ^{1,2}	Annualized Base Rent per Sq. Ft.	% of Total Portfolio Annualized Base Rent
Lowe's Home Improvement ⁴	Retail	3	128,997	2.3%	\$2,564,000	\$5.61	3.7%
Circuit City	Retail	4	132,347	2.4%	\$1,930,190	\$14.58	2.8%
Publix	Retail	5	234,246	4.2%	\$1,837,588	\$7.84	2.6%
State of Indiana	Commercial	3	210,393	3.7%	\$1,663,733	\$7.91	2.4%
Marsh Supermarkets	Retail	2	124,902	2.2%	\$1,633,958	\$13.08	2.4%
Bed Bath & Beyond	Retail	4	109,296	1.9%	\$1,356,866	\$12.41	2.0%
Dick's Sporting Goods	Retail	2	126,672	2.3%	\$1,220,004	\$9.63	1.8%
Ross Stores	Retail	4	118,374	2.1%	\$1,210,784	\$10.23	1.7%
Eli Lilly and Company ⁶	Commercial	1	70,402	1.3%	\$1,161,633	\$16.50	1.7%
HEB Grocery Company	Retail	1	105,000	1.9%	\$1,155,000	\$11.00	1.7%
Office Depot	Retail	4	103,294	1.8%	\$1,058,350	\$10.25	1.5%
Walgreens	Retail	3	39,070	0.7%	\$1,031,023	\$26.39	1.5%
Petsmart	Retail	3	77,956	1.4%	\$975,840	\$12.52	1.4%
Wal-Mart	Retail	2	234,649	4.2%	\$930,927	\$3.97	1.3%
Kmart	Retail	1	110,875	2.0%	\$850,379	\$7.67	1.2%
UMDA ³	Commercial	1	32,256	0.6%	\$844,402	\$26.18	1.2%
TJX Companies	Retail	3	88,550	1.6%	\$805,312	\$9.09	1.2%
Kerasotes Theaters ⁴	Retail	2	43,050	0.8%	\$776,496	\$8.92	1.1%
Dominick's	Retail	1	65,977	1.2%	\$775,230	\$11.75	1.1%
A & P Grocery	Retail	1	58,732	1.0%	\$763,516	\$13.00	1.1%
Old Navy	Retail	3	64,868	1.2%	\$748,693	\$11.54	1.1%
Shoe Pavilion Corporation	Retail	1	31,396	0.6%	\$722,108	\$23.00	1.0%
City Securities Corporation	Commercial	1	34,949	0.6%	\$694,900	\$19.88	1.0%
Caputo's Fresh Markets	Retail	1	65,636	1.2%	\$669,492	\$10.20	1.0%
Indiana University Health Care Assoc. ³	Commercial	1	31,175	0.6%	\$622,202	\$19.96	0.9%
TOTAL			2,443,062	43.5%	\$28,002,626	\$9.95	40.3%

1 Annualized base rent represents the monthly contractual rent for June 2007 for each applicable tenant multiplied by 12.

2 Excludes tenants at development properties that are Build-to-Suits for sale.

3 Property held in unconsolidated joint venture. Annualized base rent is reflected at 100 percent.

4 Annualized Base Rent per Sq. Ft. is adjusted to account for the estimated square footage attributed to structures on land owned by the Company and ground leased to tenants.

5 Excludes the estimated size of the structures located on land owned by the Company and ground leased to tenants.

6 On December 1, 2006, the Company entered into an agreement to terminate its lease with Eli Lilly & Company effective December 31, 2006 as to 29,140 square feet and effective October 1, 2007 as to 70,402 square feet.

LEASE EXPIRATIONS – OPERATING PORTFOLIO¹

As of June 30 2007

This table includes the following:

- Operating retail properties;
- Operating commercial properties; and
- Development property tenants open for business or ground lease tenants who commenced paying rent as of June 30, 2007

	Number of Expiring Leases ²	Expiring GLA/NRA ³	% of Total GLA/NRA Expiring	Expiring Annualized Base Rent ⁴	% of Total Annualized Base Rent	Expiring Annualized Base Rent per Sq. Ft.	Expiring Ground Lease Revenue
2007 ⁵	54	226,323	4.3%	\$3,082,723	4.7%	\$13.62	\$800,000
2008	48	235,746	4.5%	\$2,642,292	4.1%	\$11.21	\$0
2009	79	228,358	4.3%	\$4,020,931	6.2%	\$17.61	\$0
2010	84	465,308	8.9%	\$5,950,309	9.2%	\$12.79	\$0
2011	86	633,673	12.1%	\$6,021,453	9.3%	\$9.50	\$0
2012	87	417,146	7.9%	\$6,439,068	9.9%	\$15.44	\$85,000
2013	29	421,009	8.0%	\$3,994,877	6.2%	\$9.49	\$0
2014	34	442,527	8.4%	\$5,158,360	7.9%	\$11.66	\$427,900
2015	42	548,201	10.4%	\$6,706,513	10.3%	\$12.23	\$181,504
2016	30	311,763	5.9%	\$4,247,273	6.5%	\$13.62	\$93,500
Beyond	45	1,329,346	25.3%	\$16,726,042	25.7%	\$12.58	\$2,287,509
TOTAL	618	5,259,400	100.0%	\$64,989,839	100.0%	\$12.36	\$3,875,413

1 Excludes tenants at development properties that are Build-to-Suits for sale.

2 Lease expiration table reflects rents in place as of June 30, 2007, and does not include option periods; 2007 expirations include 17 month-to-month tenants. This column also excludes ground leases.

3 Expiring GLA excludes estimated square footage attributable to non-owned structures on land owned by the Company and ground leased to tenants.

4 Annualized base rent represents the monthly contractual rent for June 2007 for each applicable tenant multiplied by 12. Excludes ground lease revenue.

5 On December 1, 2006, the Company entered into an agreement to terminate its lease with Eli Lilly & Company effective December 31, 2006 as to 29,140 square feet and effective October 1, 2007 as to 70,402 square feet.

LEASE EXPIRATIONS – RETAIL ANCHOR TENANTS¹

As of June 30, 2007

This table includes the following:

- Operating retail properties; and
- Development property tenants open for business or ground lease tenants who commenced paying rent as of June 30, 2007

	Number of Expiring Leases ²	Expiring GLA/NRA ³	% of Total GLA/NRA Expiring	Expiring Annualized Base Rent ⁴	% of Total Annualized Base Rent	Expiring Annualized Base Rent per Sq. Ft.	Expiring Ground Lease Revenue
2007	5	65,287	1.2%	\$548,285	0.8%	\$8.40	\$800,000
2008	1	131,488	2.5%	\$621,444	1.0%	\$4.73	\$0
2009	2	46,510	0.9%	\$440,598	0.7%	\$9.47	\$0
2010	12	295,189	5.6%	\$2,688,985	4.1%	\$9.11	\$0
2011	8	455,904	8.7%	\$2,503,283	3.9%	\$5.49	\$0
2012	7	169,119	3.2%	\$1,513,226	2.3%	\$8.95	\$0
2013	3	222,521	4.2%	\$993,053	1.5%	\$4.46	\$0
2014	9	235,634	4.5%	\$2,389,267	3.7%	\$10.14	\$0
2015	12	410,263	7.8%	\$3,949,239	6.1%	\$9.63	\$0
2016	7	220,312	4.2%	\$2,394,510	3.7%	\$10.87	\$0
Beyond	30	1,219,570	23.2%	\$14,192,507	21.8%	\$11.64	\$990,000
TOTAL	96	3,471,797	66.0%	\$32,234,396	49.6%	\$9.28	\$1,790,000

1 Retail anchor tenants are defined as tenants that occupy 10,000 square feet or more. Excludes tenants at development properties that are Build-to-Suits for sale.

2 Lease expiration table reflects rents in place as of June 30, 2007, and does not include option periods; 2007 expirations includes one month-to-month tenant. This column also excludes ground leases.

3 Expiring GLA excludes square footage for non-owned ground lease structures on land we own and ground leased to tenants.

4 Annualized base rent represents the monthly contractual rent for June 2007 for each applicable property multiplied by 12. Excludes ground lease revenue.

LEASE EXPIRATIONS – RETAIL SHOPS

As of June 30, 2007

This table includes the following:

- Operating retail properties; and
- Development property tenants open for business as of June 30, 2007

	Number of Expiring Leases ¹	Expiring GLA/NRA ^{1,2}	% of Total GLA/NRA Expiring	Expiring Annualized Base Rent ³	% of Total Annualized Base Rent	Expiring Annualized Base Rent per Sq. Ft.	Expiring Ground Lease Revenue
2007	45	86,679	1.7%	\$1,295,445	2.0%	\$14.95	\$0
2008	46	96,293	1.8%	\$1,860,910	2.9%	\$19.33	\$0
2009	77	181,848	3.5%	\$3,580,332	5.5%	\$19.69	\$0
2010	71	161,241	3.1%	\$3,081,545	4.7%	\$19.11	\$0
2011	78	177,769	3.4%	\$3,518,170	5.4%	\$19.79	\$0
2012	77	205,838	3.9%	\$4,246,522	6.5%	\$20.63	\$85,000
2013	22	70,134	1.3%	\$1,408,009	2.2%	\$20.08	\$0
2014	23	56,944	1.1%	\$1,380,742	2.1%	\$24.25	\$427,900
2015	28	92,831	1.8%	\$2,028,747	3.1%	\$21.85	\$181,504
2016	23	91,451	1.7%	\$1,852,763	2.9%	\$20.26	\$93,500
Beyond	13	46,345	0.9%	\$1,066,932	1.6%	\$23.02	\$1,297,509
TOTAL	503	1,267,373	24.1%	\$25,320,117	38.9%	\$19.98	\$2,085,413

1 Lease expiration table reflects rents in place as of June 30, 2007, and does not include option periods; 2007 expirations include 16 month-to-month tenants. This column also excludes ground leases.

2 Expiring GLA excludes estimated square footage to non-owned structures on land we own and ground leased to tenants.

3 Annualized base rent represents the monthly contractual rent for June 2007 for each applicable property multiplied by 12. Excludes ground lease revenue.

LEASE EXPIRATIONS – COMMERCIAL TENANTS

As of June 30, 2007

This table includes the following:

- Operating commercial properties

	Number of Expiring Leases ¹	Expiring NLA ¹	% of Total NRA Expiring	Expiring Annualized Base Rent ^{2,3}	% of Total Annualized Base Rent	Expiring Annualized Base Rent per Sq. Ft.
2007 ³	4	74,357	1.4%	\$1,238,993	1.9%	\$16.66
2008	1	7,965	0.2%	\$159,938	0.3%	\$20.08
2009	0	0	0.0%	\$0	0.0%	\$0.00
2010	1	8,878	0.2%	\$179,780	0.3%	\$20.25
2011	0	0	0.0%	\$0	0.0%	\$0.00
2012	3	42,189	0.8%	\$679,321	1.1%	\$16.10
2013	4	128,354	2.4%	\$1,593,814	2.5%	\$12.42
2014	2	149,949	2.9%	\$1,388,350	2.1%	\$9.26
2015	2	45,107	0.9%	\$728,527	1.1%	\$16.15
2016	0	0	0.0%	\$0	0.0%	\$0.00
Beyond	2	63,431	1.2%	\$1,466,603	2.3%	\$23.12
TOTAL	19	520,230	9.9%	\$7,435,326	11.5%	\$14.29

1 Lease expiration table reflects rents in place as of June 30, 2007, and does not include option periods. This column also excludes ground leases.

2 Annualized base rent represents the monthly contractual rent for June 2007 for each applicable property multiplied by 12.

3 On December 1, 2006, the Company entered into an agreement to terminate its lease with Eli Lilly & Company effective December 31, 2006 as to 29,140 square feet and effective October 1, 2007 as to 70,402 square feet.

SUMMARY RETAIL PORTFOLIO STATISTICS

(Includes Joint Venture properties)

	June 30, 2007	March 31, 2007	December 31, 2006	September 30, 2006	June 30, 2006
Company Owned GLA – Operating Retail ¹	4,601,877	4,652,221	5,231,434	4,989,635	4,595,183
Total GLA – Operating Retail ¹	6,982,698	6,852,042	7,576,100	7,209,584	6,698,265
Projected Company Owned GLA Under Development or Redevelopment ²	1,122,990	1,073,646	668,646	587,750	581,281
Projected Total GLA Under Development or Redevelopment ²	2,227,810	2,358,466	1,673,466	1,598,470	1,535,081
Number of Operating Retail Properties	48	48	49	46	43
Number of Retail Properties Under Development or Redevelopment	12	12	11	11	11
Percentage Leased – Operating Retail	95.7%	95.2%	93.4%	93.6%	93.0%
Annualized Base Rent & Ground Lease Revenue – Retail Properties ³	\$59,569,596	\$58,572,786	\$60,819,603	\$56,724,615	\$51,664,411

- 1 Company Owned GLA represents gross leasable area owned by the Company. Total GLA includes Company Owned GLA, plus square footage attributable to non-owned outlot structures on land owned by the Company and ground leased to tenants, and non-owned anchor space.
- 2 Projected Company Owned GLA Under Development represents gross leasable area under development that is projected to be owned by the Company. Projected Total GLA includes Projected Company Owned GLA, plus projected square footage attributable to non-owned outlot structures on land owned by the Company and ground leased to tenants, and non-owned anchor space that is existing or under construction.
- 3 Annualized Base Rent represents the monthly contractual rent for March 2007, multiplied by 12.

SUMMARY COMMERCIAL PORTFOLIO STATISTICS

(Includes Joint Venture properties)

Retail Portfolio	June 30, 2007	March 31, 2007	December 31, 2006	September 30, 2006	June 30, 2006
Company Owned Net Rentable Area (NRA) ¹	562,652	562,652	562,652	562,652	562,652
Number of Operating Commercial Properties	5	5	5	5	5
Percentage Leased – Operating Commercial Properties	92.5%	91.5%	91.7%	96.9%	96.9%
Annualized Base Rent – Commercial Properties ^{2,3}	\$7,435,326	\$7,346,713	\$7,346,962	\$7,894,595	\$7,874,683

- 1 Company Owned NRA does not include square footage of Union Station Parking Garage, a detached parking garage supporting the Thirty South property that includes approximately 850 parking spaces. It is operated by Denison Parking, a third party, pursuant to a lease of the entire property.
- 2 Annualized Base Rent does not include approximately \$500,000 in annualized income attributable to the Union Station Parking Garage.
- 3 Annualized Base Rent includes \$728,527 from KRG and subsidiaries as of June 30, 2007.

CURRENT DEVELOPMENT/REDEVELOPMENT PIPELINE

Current Development Projects	Company Ownership % ⁶	MSA	Actual/Projected Opening Date ¹	Projected Owned GLA ²	Projected Total GLA ³	Percent of Owned GLA Occupied ⁷	Percent of Owned GLA Pre-Leased/Committed ⁵	Total Estimated Project Cost ⁴	Cost Incurred as of June 30, 2007 ⁴	Major Tenants and Non-owned Anchors
Tarpon Springs Plaza, FL	100%	Naples	Q3 2007	92,546	276,346	0.0%	89.2%	\$28,000	\$25,830	Target (non-owned), Staples, Cost Plus, AC Moore
Bayport Commons, FL	60%	Tampa	Q4 2007	92,300	281,100	0.0%	58.7%	\$25,000	\$18,378	Michaels, PetSmart, Target (non-owned)
Cobblestone Plaza, FL	50%	Ft. Lauderdale	Q2 2008	147,800	157,800	0.0%	72.6%	\$47,000	\$21,413	Whole Foods, Staples
Beacon Hill Shopping Center, IN	50%	Crown Point	Q4 2006	57,200	162,700	36.9%	66.1%	\$17,000	\$15,316	Strack & VanTill's (non-owned), Walgreens (non-owned)
Bridgewater Marketplace I, IN	100%	Indianapolis	Q3 2006	26,000	50,820	17.3%	17.3%	\$11,300	\$11,000	Walgreens (non-owned)
54th & College, IN	100%	Indianapolis	Q4 2007	N/A	20,100	0.0%	100.0%	\$2,500	\$2,424	Fresh Market
Naperville Marketplace, IL	100%	Chicago	Q4 2006	99,600	169,600	33.1%	65.8%	\$16,500	\$12,382	Caputo's Fresh Market (non-owned), TJ Maxx
Cornelius Gateway, WA	80%	Portland	Q2 2006	21,000	35,800	6.0%	31.7%	\$5,400	\$4,440	Walgreens (non-owned)
Sandifur Plaza, OR	80%/95%	Tri-Cities	Q4 2006	27,400	27,400	0.0%	80.4%	\$6,400	\$5,440	Walgreens (built-to-suit for sale)
Gateway Shopping Center, WA	50%	Seattle	Q1 2007	79,200	285,200	0.0%	79.0%	\$24,000	\$16,458	Ross, PetSmart, Kohl's (non-owned), Winco
Subtotal – Current Development Projects				643,046	1,466,866	9.3%	68.9%	\$183,100	\$133,081	Foods (non-owned)
Redevelopment Projects		MSA	Existing Owned GLA	Projected Owned GLA²	Projected Total GLA³	Existing Owned GLA Leased	Projected Owned GLA Leased	Total Estimated Project Cost⁴		Major Tenants and Non-owned Anchors
Shops at Eagle Creek, FL ^{8,9}		Naples	75,944	75,944	75,944	55.9%	55.9%	\$3,500		Staples
Glendale Town Center, IN ^{8,10}		Indianapolis	341,696	404,000	685,000	96.8%	82.9%	\$15,000		Target/Macy's/Lowe's
Subtotal – Redevelopment Projects			417,640	479,944	760,944			\$18,500		
Total Current Development/Redevelopment Projects				1,122,990	2,227,810			\$201,600		

- Opening Date is defined as the first date a tenant is open for business or a ground lease payment is made. Stabilization (i.e., 85% occupied) typically occurs within six to twelve months after the opening date.
- Projected Owned GLA represents gross leasable area we project we will own. It excludes square footage that we project will be attributable to non-owned outlot structures on land owned by us and expected to be ground leased to tenants. It also excludes non-owned anchor space.
- Projected Total GLA includes Projected Owned GLA, projected square footage attributable to non-owned outlot structures on land that we own, and non-owned anchor space that currently exists or is under construction.
- Dollars in thousands. Reflects both the Company's and partners' share of costs.
- Excludes outlot land parcels owned by the Company and ground leased to tenants. Includes leases under negotiation for approximately 59,983 square feet for which the Company has signed non-binding letters of intent.
- The Company owns the following development properties through joint ventures: Cornelius Gateway (80%); Sandifur Plaza (Walgreens 80%; small shops 95%); Beacon Hill (preferred return, then 50%); Gateway Shopping Center (preferred return, then 50% until internal rate of return threshold is reached and then 25%); Estero Town Commons (preferred return, then 40%) and Bayport Commons (preferred return, then 60%).
- Includes tenants that have taken possession of their space or have begun paying rent.
- This property has been removed from the operating portfolio statistics during its redevelopment.
- The Company is in the process of re-tenanting the anchor space formerly occupied by Winn-Dixie with two junior box users. The Company has an executed lease with Staples for approximately one-half of the former grocery space.
- Target Corporation acquired 10.5 acres in April 2007 and will anchor the redevelopment. The Company will construct approximately 62,000 square feet of new b-shop/professional office space and leasing activities have commenced. Existing tenants that will remain throughout the redevelopment process include Macy's, Kerasotes Theaters, Staples, Indianapolis-Marion Co. Public Library, OASIS, Lenscrafters, Taco Bell, and O'Charley's.

VISIBLE SHADOW PIPELINE

Project	MSA	KRG Ownership % ²	Estimated Start Date	Estimated Total GLA ¹	Total Estimated Cost ^{1,5}	Cost Incurred as of June 30, 2007 ⁵	Executed Leases and Potential Tenancy
Parkside Town Commons ³	Raleigh, NC	40%	TBD	1,500,000	\$134,000	\$42,561	TBD
Delray Marketplace	Delray Beach, FL	50%	TBD	318,000	\$90,000	\$32,767	Grocery, Theater, Jr. Boxes, Shops, Restaurants
Maple Valley ⁴	Seattle, WA	100%	TBD	156,000	\$36,000	\$7,293	Grocery, Hardware Store, Shops, Restaurants
Peakway @ 55	Raleigh, NC	100%	TBD	345,000	\$25,600	\$15,845	TBD
Total Visible Shadow Pipeline				2,319,000	\$285,600	\$98,466	
Grand Total – All Development Activity⁶					\$487,200		

1 Total Estimated Cost and Estimated Total GLA based on preliminary site plans.

2 The Company owns the following development properties through joint ventures: Delray Marketplace (preferred return, then 50%) and Cobblestone Plaza (preferred return, then 50%).

3 In December 2006, Parkside Town Commons was acquired in a joint venture with Prudential Real Estate Investors. The Company's interest in the joint venture is 40% as of March 31, 2007 and will be reduced to 20% upon the commencement of construction.

4 "Total Estimated Cost" includes the acquisition cost of the Four Corner Square shopping center which is a component of the Maple Valley redevelopment.

5 Dollars in thousands. Reflects both the Company's and partners' share of costs.

6 Includes the Current Development Pipeline, Redevelopment Projects and the Visible Shadow Pipeline.

GEOGRAPHIC DIVERSIFICATION – OPERATING PORTFOLIO

As of June 30, 2007

	Number of Operating Properties ¹	Owned GLA/NRA ²	Percent of Owned GLA/NRA	Total Number of Leases	Annualized Base Rent ³	Percent of Annualized Base Rent	Annualized Base Rent per Leased Sq. Ft.
Indiana	22	1,755,434	34.0%	202	\$22,953,111	36.2%	\$13.58
• Retail	17	1,192,782	23.1%	182	\$15,517,785	24.5%	\$13.26
• Commercial	5	562,652	10.9%	20	\$7,435,326	11.7%	\$14.29
Florida	12	1,269,584	24.6%	173	\$13,497,066	21.3%	\$8.60
Texas	8	1,144,286	22.2%	93	\$13,675,176	21.6%	\$12.22
Illinois	2	231,788	4.5%	34	\$3,044,598	4.8%	\$14.23
New Jersey	1	115,088	2.2%	18	\$1,805,314	2.9%	\$15.90
Georgia	3	300,115	5.8%	58	\$4,031,050	6.4%	\$14.54
Washington	3	102,159	2.0%	26	\$1,691,258	2.7%	\$18.20
Ohio	1	236,230	4.6%	7	\$2,366,522	3.7%	\$10.02
Oregon	1	9,845	0.2%	7	\$279,418	0.4%	\$28.38
TOTAL	53	5,164,529	100.0%	618	\$63,343,514	100.0%	\$11.90

- 1 Excludes tenants at development properties which are Build-to-Suits for sale.
- 2 Owned GLA/NRA represents gross leasable area or net leasable area owned by the Company. It does not include 23 parcels or outlots owned by the Company and ground leased to tenants, which contain 23 non-owned structures totaling approximately 480,019 square feet. It also excludes the square footage of Union Station Parking Garage.
- 3 Annualized Base Rent excludes \$3,661,409 in annualized ground lease revenue attributable to parcels and outlots owned by the Company and ground leased to tenants. It also excludes approximately \$500,000 in 2007 annualized minimum rent attributed to Union Station Parking Garage as well as the leases on development properties.

OPERATING RETAIL PROPERTIES – TABLE I

As of June 30, 2007

Property ^{1,2}	State	MSA	Year Built/Renovated	Year Added to Operating Portfolio	Acquired, Redeveloped, or Developed	Total GLA ²	Owned GLA ²	Percentage of Owned GLA Leased ³
Estero Town Commons	FL	Naples	2006	2007	Developed	206,600	25,600	72.2%
International Speedway Square	FL	Daytona	1999	1999	Developed	233,901	220,901	98.2%
King's Lake Square	FL	Naples	1986	2003	Acquired	85,497	85,497	98.7%
Wal-Mart Plaza	FL	Gainesville	1970	2004	Acquired	177,826	177,826	100.0%
Waterford Lakes	FL	Orlando	1997	2004	Acquired	77,948	77,948	100.0%
Eagle Creek Lowe's	FL	Naples	2006	2006	Developed	165,000	-	*
Pine Ridge Crossing	FL	Naples	1993	2006	Acquired	258,874	105,515	100.0%
Riverchase	FL	Naples	1991	2006	Acquired	78,340	78,340	100.0%
Courthouse Shadows	FL	Naples	1987	2006	Acquired	134,867	134,867	98.7%
Circuit City Plaza	FL	Ft. Lauderdale	2004	2004	Developed	405,906	45,906	91.5%
Indian River Square	FL	Vero Beach	1997/2004	2005	Acquired	379,246	144,246	100.0%
Bolton Plaza ⁴	FL	Jacksonville	1986	2005	Acquired	172,938	172,938	94.1%
Centre at Panola	GA	Atlanta	2001	2004	Acquired	73,079	73,079	100.0%
Publix at Acworth	GA	Atlanta	1996	2004	Acquired	69,628	69,628	98.0%
Kedron Village	GA	Atlanta	2006	2006	Acquired	282,125	157,408	86.4%
Silver Glen Crossing	IL	Chicago	2002	2004	Acquired	138,265	132,716	89.2%
Fox Lake Crossing	IL	Chicago	2002	2005	Acquired	99,072	99,072	90.9%
Cool Creek Commons	IN	Indianapolis	2005	2005	Developed	133,207	120,678	100.0%
Boulevard Crossing	IN	Kokomo	2004	2004	Developed	213,696	123,696	97.5%
Traders Point	IN	Indianapolis	2005	2005	Developed	348,835	279,558	94.9%
Traders Point II	IN	Indianapolis	2005	2005	Developed	46,600	46,600	57.1%
Hamilton Crossing	IN	Indianapolis	1999	2004	Acquired	87,424	82,424	100.0%
Fishers Station ⁵	IN	Indianapolis	1989	2004	Acquired	114,457	114,457	83.0%
Whitehall Pike	IN	Bloomington	1999	1999	Developed	128,997	128,997	100.0%
The Centre ⁶	IN	Indianapolis	1986	1986	Developed	80,689	80,689	93.0%
The Corner Shops	IN	Indianapolis	1984/2003	1984	Developed	42,545	42,545	97.1%
Stoney Creek Commons	IN	Indianapolis	2006	2006	Developed	189,527	49,330	100.0%
Greyhound Commons	IN	Indianapolis	2005	2005	Developed	153,187	-	*
Weston Park Phase I	IN	Indianapolis	2005	2005	Developed	12,200	-	*
Geist Pavilion	IN	Indianapolis	2006	2006	Developed	64,114	64,114	94.4%
Zionsville Place	IN	Indianapolis	2006	2006	Developed	12,400	12,400	90.3%
Red Bank Commons	IN	Evansville	2005	2006	Developed	324,308	34,308	66.3%
Martinsville Shops	IN	Martinsville	2005	2005	Developed	10,986	10,986	100.0%

* Property consists of ground leases only, no Owned GLA. As of June 30, 2007, the following were leased: Eagle Creek Lowe's – single ground lease property; Greyhound Commons – two of four outlots leased; and Weston Park Phase I – one of two outlots leased.

- 1 All properties are wholly owned, except as indicated. Unless otherwise noted, each property is owned in fee simple by the Company.
- 2 Owned GLA represents gross leasable area that is owned by the Company. Total GLA includes Owned GLA, square footage attributable to non-owned anchor space, and non-owned structures on ground leases.
- 3 Percentage of Owned GLA Leased reflects Owned GLA/NRA leased as of June 30, 2007, except for Greyhound Commons, Weston Park Phase I and Eagle Creek Lowe's (see *).
- 4 The Company acquired a 99.9% interest in this property through a joint venture with a third party that manages the property. At the current time, the Company receives 85% of the cash flow from the property, a percentage that may decrease under certain circumstances.
- 5 This property is divided into two parcels: a grocery store and small shops. The Company owns a 25% interest in the small shops parcel through a joint venture and a 100% interest in the grocery store. The joint venture partner is entitled to an annual preferred payment of \$96,000. All remaining cash flow is distributed to the Company.
- 6 The Company owns a 60% interest in this property through a joint venture with a third party that manages the property.
- 7 The Company does not own the land at this property. It has leased the land pursuant to two ground leases that expire in 2017. The Company has six five-year options to renew this lease.
- 8 The Company does not own the land at this property. It has leased the land pursuant to a ground lease that expires in 2027. The Company has five five-year renewal options.
- 9 The Company does not own the land at this property. It has leased the land pursuant to a ground lease that expires in 2012. The Company has six five-year renewal options and a right of first refusal to purchase the land.

OPERATING RETAIL PROPERTIES – TABLE I (CONTINUED)

Property ^{1,2}	State	MSA	Year Built/Renovated	Year Added to Operating Portfolio	Acquired, Redeveloped, or Developed	Total GLA ²	Owned GLA ²	Percentage of Owned GLA Leased ³
50 South Morton	IN	Indianapolis	1999	1999	Developed	2,000	2,000	100.0%
Ridge Plaza	NJ	Oak Ridge	2002	2003	Acquired	115,088	115,088	98.6%
Eastgate Pavilion	OH	Cincinnati	1995	2004	Acquired	236,230	236,230	100.0%
Shops at Otty ⁷	OR	Portland	2004	2004	Developed	154,845	9,845	100.0%
Plaza at Cedar Hill	TX	Dallas	2000	2004	Acquired	299,847	299,847	99.3%
Sunland Towne Centre	TX	El Paso	1996	2004	Acquired	312,450	307,474	92.1%
Galleria Plaza ⁸	TX	Dallas	2002	2004	Acquired	44,306	44,306	100.0%
Cedar Hill Village	TX	Dallas	2002	2004	Acquired	139,092	44,262	94.2%
Preston Commons	TX	Dallas	2002	2002	Developed	142,539	27,539	92.5%
Burlington Coat Factory ⁹	TX	San Antonio	1992/2000	2000	Redeveloped	107,400	107,400	100.0%
Plaza Volente	TX	Austin	2004	2005	Acquired	160,333	156,333	98.1%
Market Street Village	TX	Hurst	2004	2005	Acquired	164,125	157,125	100.0%
50th & 12 th	WA	Seattle	2004	2004	Developed	14,500	14,500	100.0%
176th & Meridian	WA	Seattle	2004	2004	Developed	14,560	14,560	100.0%
Four Corner Square	WA	Seattle	1985	2004	Acquired	73,099	73,099	87.4%
TOTAL						6,982,698	4,601,877	95.7%

See prior page for footnote disclosure.

OPERATING RETAIL PROPERTIES – TABLE II

As of June 30, 2007

Property	State	MSA	Annualized Percentage of				Major Tenants and Non-Owned Anchors ³	
			Annualized Base Rent Revenue	Annualized Ground Lease Revenue	Total Retail Revenue ¹	Annualized Total Retail Revenue		Base Rent Per Leased Owned GLA ²
Estero Town Commons	FL	Naples	\$545,795	\$981,000	\$1,526,795	2.56%	\$29.52	Lowe's Home Improvement, Ruby Tuesday, Mattress Giant
International Speedway Square ⁴	FL	Daytona	2,439,131	362,900	2,802,031	4.70%	11.25	Bed, Bath & Beyond, Circuit City, Stein Mart, Old Navy, Staples, Michaels
King's Lake Square	FL	Naples	1,140,247	-	1,140,247	1.91%	13.51	Publix, Walgreens
Wal-Mart Plaza	FL	Gainesville	965,260	-	965,260	1.62%	5.43	Books-A-Million, Save-A-Lot, Wal-Mart
Waterford Lakes	FL	Orlando	926,363	-	926,363	1.56%	11.88	Winn-Dixie
Eagle Creek Lowe's	FL	Naples	-	800,000	800,000	1.34%	-	Lowe's Home Improvement
Pine Ridge Crossing	FL	Naples	1,587,825	-	1,587,825	2.67%	15.05	Publix, Target (non-owned), Beall's Dept Store (non-owned)
Riverchase	FL	Naples	1,078,675	-	1,078,675	1.81%	13.77	Publix
Courthouse Shadows	FL	Naples	1,450,293	-	1,450,293	2.43%	10.90	Albertson's, Office Max
Circuit City Plaza	FL	Ft. Lauderdale	817,202	-	817,202	1.37%	19.46	Circuit City, Lowe's (non-owned), Wal-Mart (non-owned)
Indian River Square	FL	Vero Beach	1,474,037	-	1,474,037	2.47%	10.22	Beall's Target (non-owned), Lowes (non-owned), Office Depot
Bolton Plaza ⁴	FL	Jacksonville	1,072,238	-	1,072,238	1.80%	6.59	Wal-Mart
Centre at Panola	GA	Atlanta	849,954	-	849,954	1.43%	11.63	Publix
Publix at Acworth	GA	Atlanta	793,788	-	793,788	1.33%	11.63	Publix
Kedron Village	GA	Atlanta	2,387,309	-	2,387,309	4.01%	17.56	Target (non-owned), Bed Bath & Beyond, Ross Dress for Less, Petco
Silver Glen Crossing	IL	Chicago	1,764,443	85,000	1,849,443	3.10%	14.90	Caputo's Fresh Markets
Fox Lake Crossing	IL	Chicago	1,280,155	-	1,280,155	2.15%	14.22	Dominick's Finer Foods
Cool Creek Commons	IN	Indianapolis	1,972,256	85,500	2,057,756	3.45%	16.34	The Fresh Market, Stein Mart, Cardinal Fitness
Boulevard Crossing	IN	Kokomo	1,665,538	-	1,665,538	2.80%	13.81	PETCO, TJ Maxx, Kohl's (non-owned)
Traders Point	IN	Indianapolis	3,699,765	545,000	4,244,765	7.13%	13.95	Dick's Sporting Goods, Kerasotes, Marsh, Bed, Bath & Beyond, Michaels, Old Navy, Petsmart
Traders Point II	IN	Indianapolis	698,740	-	698,740	1.17%	26.26	
Hamilton Crossing	IN	Indianapolis	1,412,918	71,500	1,484,418	2.49%	17.14	Office Depot
Fishers Station	IN	Indianapolis	1,185,838	-	1,185,838	1.99%	12.49	Marsh
Whitehall Pike	IN	Bloomington	1,014,000	-	1,014,000	1.70%	7.86	Lowe's Home Improvement Center
The Centre ⁴	IN	Indianapolis	983,631	-	983,631	1.65%	13.11	CVS
The Corner Shops	IN	Indianapolis	536,586	-	536,586	0.90%	12.99	Hancock Fabrics
Stoney Creek Commons	IN	Indianapolis	464,755	-	464,755	0.78%	9.42	Lowe's Home Improvement (non-owned), HH Gregg, Office Depot
Greyhound Commons	IN	Indianapolis	-	202,500	202,500	0.34%	-	Lowe's Home Improvement Center (non-owned)
Weston Park Phase I	IN	Indianapolis	-	85,000	85,000	0.14%	-	
Geist Pavilion	IN	Indianapolis	1,029,270	-	1,029,270	1.73%	17.01	Partytree Superstore, Ace Hardware
Zionsville Place	IN	Indianapolis	231,204	-	231,204	0.39%	20.64	
Red Bank Commons	IN	Evansville	337,884	-	337,884	0.57%	14.85	Wal-Mart (non-owned), Home Depot (non-owned)
Martinsville Shops	IN	Martinsville	153,401	-	153,401	0.26%	13.96	Walgreens (non-owned)
50 South Morton	IN	Indianapolis	132,000	-	132,000	0.22%	66.00	
Ridge Plaza	NJ	Oak Ridge	1,805,314	-	1,805,314	3.03%	15.90	A&P Grocery, CVS

- Annualized Base Rent represents the contractual rent for June 2007 for each applicable property, multiplied by 12. This table does not include Annualized Base Rent from development property tenants open for business as of June 30, 2007.
- Owned GLA represents gross leasable area that is owned by the Company. Total GLA includes Owned GLA, square footage attributable to non-owned anchor space and non-owned structures on ground leases.
- Represents the three largest tenants that occupy at least 10,000 square feet of GLA at the property, including non-owned anchors.
- A third party manages this property.

OPERATING RETAIL PROPERTIES – TABLE II (CONTINUED)

Property	State	MSA	Annualized Base Rent Revenue	Annualized Ground Lease Revenue	Annualized Total Retail Revenue ¹	Percentage of Annualized Total Retail Revenue	Base Rent Per Leased Owned GLA ²	Major Tenants and Non-Owned Anchors ³
Eastgate Pavilion	OH	Cincinnati	\$ 2,366,522	\$ -	\$ 2,366,522	3.97%	\$10.02	Best Buy, Dick's Sporting Goods, Value City Furniture
Shops at Otty	OR	Portland	279,418	122,500	401,918	0.67%	28.38	Wal-Mart (non-owned)
Plaza at Cedar Hill	TX	Dallas	3,591,893	-	3,591,893	6.03%	12.06	Hobby Lobby, Linens 'N Things, Marshalls
Sunland Towne Centre	TX	El Paso	2,787,446	104,809	2,892,255	4.86%	9.85	HMY Roomstore, Kmart, Circuit City
Galleria Plaza	TX	Dallas	1,083,224	-	1,083,224	1.82%	24.45	Shoe Pavilion
Cedar Hill Village	TX	Dallas	673,085	-	673,085	1.13%	16.14	24 Hour Fitness, JC Penny (non-owned)
Preston Commons	TX	Dallas	629,396	-	629,396	1.06%	24.71	Lowe's Home Improvement (non-owned)
Burlington Coat Factory	TX	San Antonio	510,150	-	510,150	0.86%	4.75	Burlington Coat Factory
Plaza Volente	TX	Austin	2,373,123	100,000	2,473,123	4.15%	15.48	HEB Grocery
Market Street Village	TX	Hurst	2,026,858	115,700	2,142,558	3.60%	12.90	Circuit City, Jo-Ann Fabric, Ross Stores
50th & 12 th	WA	Seattle	475,000	-	475,000	0.80%	32.76	Walgreens
176th & Meridian	WA	Seattle	433,000	-	433,000	0.73%	29.74	Walgreens
Four Corner Square	WA	Seattle	783,258	-	783,258	1.31%	12.27	Johnson Hardware Store
TOTAL			\$55,908,187	\$3,661,409	\$59,569,596	100.00%	\$12.70	

See prior page for footnote disclosure.

OPERATING COMMERCIAL PROPERTIES

As of June 30, 2007

Property	MSA	Year Built/ Renovated	Acquired, Redeveloped or Developed	Owned NRA	Percentage Of Owned NRA Leased	Annualized Base Rent ¹	Percentage of Annualized Commercial Base Rent	Base Rent Per Leased Sq. Ft.	Major Tenants
Indiana									
Thirty South ^{4,5}	Indianapolis	1905/2002	Redeveloped	298,346	84.1%	\$4,462,037	60.0%	\$17.44	Eli Lilly, City Securities, Kite Realty Group
Pen Products	Indianapolis	2003	Developed	85,875	100.0%	\$813,236	10.9%	\$9.47	Indiana Dept of Administration
Spring Mill Medical ²	Indianapolis	1998/2002	Redeveloped	63,431	100.0%	\$1,466,603	19.7%	\$23.12	Indiana University Healthcare Associates
Union Station Parking Garage ³	Indianapolis	1986	Acquired	N/A	N/A	N/A	N/A	N/A	Denison Parking
Indiana State Motorpool	Indianapolis	2004	Developed	115,000	100.0%	\$693,450	9.43%	\$6.03	Indiana Dept. of Administration
TOTAL				562,652	92.5%	\$7,435,326	100.0%	\$14.29	

1 Annualized Base Rent represents the monthly contractual rent for June 2007 for each applicable property, multiplied by 12.

2 The Company owns a 50% interest in this property through a joint venture with one of the tenants at this property.

3 Annualized Base Rent for 2007 is approximately \$500,000.

4 Annualized Base Rent includes \$728,527 from the Company and subsidiaries as of June 30, 2007.

5 On December 1, 2006, the Company agreed to terminate our lease with Eli Lilly & Company for 29,140 square feet and for 70,402 square feet effective October 1, 2007.

RETAIL OPERATING PORTFOLIO – TENANT BREAKDOWN¹

As of June 30, 2007

Property ²	State	Owned Gross Leasable Area			Percent of Owned GLA Leased			Annualized Base Rent ¹				Annualized Base Rent per Leased Sq. Ft.		
		Anchors	Shops	Total	Anchors	Shops	Total	Anchors	Shops	Ground Lease	Total	Anchors	Shops	Total
Estero Town Commons	FL	-	25,600	25,600	0.0%	72.2%	72.2%	\$ -	\$ 545,795	\$ 981,000	\$ 1,526,795	\$ -	\$ 29.52	\$ 29.52
International Speedway Square	FL	200,401	20,500	220,901	100.0%	80.4%	98.2%	2,130,281	308,850	362,900	2,802,031	10.63	18.75	11.25
King's Lake Square	FL	49,805	35,692	85,497	100.0%	97.0%	98.7%	361,793	778,454	-	1,140,247	7.26	22.49	13.51
Wal-Mart Plaza	FL	138,323	39,503	177,826	100.0%	100.0%	100.0%	554,049	411,211	-	965,260	4.01	10.41	5.43
Waterford Lakes	FL	51,703	26,245	77,948	100.0%	100.0%	100.0%	408,452	517,911	-	926,363	7.90	19.73	11.88
Eagle Creek Lowe's	FL	-	-	-	0.0%	0.0%	0.0%	-	-	800,000	800,000	-	-	-
Pine Ridge Crossing	FL	65,999	39,516	105,515	100.0%	100.0%	100.0%	611,992	975,834	-	1,587,825	9.27	24.69	15.05
Riverchase	FL	48,890	29,450	78,340	100.0%	100.0%	100.0%	386,231	692,444	-	1,078,675	7.90	23.51	13.77
Courthouse Shadows	FL	102,328	32,539	134,867	100.0%	94.5%	98.7%	943,032	507,261	-	1,450,293	9.22	16.50	10.90
Circuit City Plaza	FL	33,014	12,892	45,906	100.0%	69.6%	91.5%	594,252	222,950	-	817,202	18.00	24.84	19.46
Indian River Square	FL	116,342	27,904	144,246	100.0%	100.0%	100.0%	973,085	500,952	-	1,474,037	8.36	17.95	10.22
Bolton Plaza	FL	131,488	41,450	172,938	100.0%	75.5%	94.1%	621,444	450,794	-	1,072,238	4.73	14.40	6.59
Centre at Panola	GA	51,674	21,405	73,079	100.0%	100.0%	100.0%	413,392	436,562	-	849,954	8.00	20.40	11.63
Publix at Acworth	GA	37,888	31,740	69,628	100.0%	95.6%	98.0%	337,203	456,585	-	793,788	8.90	15.05	11.63
Kedron Village	GA	68,845	88,563	157,408	100.0%	75.8%	86.4%	849,648	1,537,660	-	2,387,309	12.34	22.92	17.56
Silver Glen Crossing	IL	78,675	54,041	132,716	83.4%	97.6%	89.2%	669,492	1,094,951	85,000	1,849,443	10.20	20.75	14.90
Fox Lake Crossing	IL	65,977	33,095	99,072	100.0%	72.7%	90.9%	775,230	504,925	-	1,280,155	11.75	21.00	14.22
Cool Creek Commons	IN	63,600	57,078	120,678	100.0%	100.0%	100.0%	635,700	1,336,556	85,500	2,057,756	10.00	23.42	16.34
Boulevard Crossing	IN	73,440	50,256	123,696	100.0%	93.9%	97.5%	832,960	832,578	-	1,665,538	11.34	17.65	13.81
Traders Point	IN	238,721	40,837	279,558	100.0%	64.8%	94.9%	3,071,261	628,504	545,000	4,244,765	12.87	23.74	13.95
Traders Point II	IN	-	46,600	46,600	0.0%	57.1%	57.1%	-	698,740	-	698,740	-	26.26	26.26
Hamilton Crossing	IN	30,722	51,702	82,424	100.0%	100.0%	100.0%	345,623	1,067,295	71,500	1,484,418	11.25	20.64	17.14
Fishers Station	IN	57,000	57,457	114,457	100.0%	66.1%	83.0%	575,000	610,838	-	1,185,838	10.09	16.09	12.49
Whitehall Pike	IN	128,997	-	128,997	100.0%	0.0%	100.0%	1,014,000	-	-	1,014,000	7.86	-	7.86
The Centre	IN	18,720	61,969	80,689	100.0%	90.9%	93.0%	170,352	813,279	-	983,631	9.10	14.44	13.11
The Corner Shops	IN	12,200	30,345	42,545	100.0%	95.9%	97.1%	73,200	463,386	-	536,586	6.00	15.92	12.99
Stoney Creek Commons	IN	49,330	-	49,330	100.0%	0.0%	100.0%	464,755	-	-	464,755	9.42	-	9.42
Greyhound Commons	IN	-	-	-	0.0%	0.0%	0.0%	-	-	202,500	202,500	-	-	-
Weston Park Phase I	IN	-	-	-	0.0%	0.0%	0.0%	-	-	85,000	85,000	-	-	-
Geist Pavilion	IN	27,955	36,159	64,114	100.0%	90.0%	94.4%	376,082	653,189	-	1,029,270	13.45	20.06	17.01
Zionsville Place	IN	-	12,400	12,400	0.0%	90.3%	90.3%	-	231,204	-	231,204	-	20.64	20.64
Red Bank Commons	IN	-	34,308	34,308	0.0%	66.3%	66.3%	-	337,884	-	337,884	-	14.85	14.85
Martinsville Shops	IN	-	10,986	10,986	0.0%	100.0%	100.0%	-	153,401	-	153,401	-	13.96	13.96
50 South Morton	IN	-	2,000	2,000	0.0%	100.0%	100.0%	-	132,000	-	132,000	-	66.00	66.00
Ridge Plaza	NJ	69,612	45,476	115,088	100.0%	96.5%	98.6%	986,556	818,758	-	1,805,314	14.17	18.65	15.90
Eastgate Pavilion	OH	231,730	4,500	236,230	100.0%	100.0%	100.0%	2,233,772	132,750	-	2,366,522	9.64	29.50	10.02
Shops at Otty	OR	-	9,845	9,845	0.0%	100.0%	100.0%	-	279,418	122,500	401,918	-	28.38	28.38
Plaza at Cedar Hill	TX	227,106	72,741	299,847	100.0%	97.3%	99.3%	2,183,969	1,407,924	-	3,591,893	9.62	19.90	12.06
Sunland Towne Centre	TX	277,131	30,343	307,474	91.7%	95.1%	92.1%	2,298,302	489,144	104,809	2,892,255	9.04	16.96	9.85
Galleria Plaza	TX	31,396	12,910	44,306	100.0%	100.0%	100.0%	722,108	361,116	-	1,083,224	23.00	27.97	24.45
Cedar Hill Village	TX	32,231	12,031	44,262	100.0%	78.8%	94.2%	483,465	189,620	-	673,085	15.00	20.00	16.14
Preston Commons	TX	-	27,539	27,539	0.0%	92.5%	92.5%	-	629,396	-	629,396	-	24.71	24.71
Burlington Coat Factory	TX	107,400	-	107,400	100.0%	0.0%	100.0%	510,150	-	-	510,150	4.75	-	4.75
Plaza Volente	TX	105,000	51,333	156,333	100.0%	94.1%	98.1%	1,155,000	1,218,123	100,000	2,473,123	11.00	25.21	15.48
Market Street Village	TX	137,246	19,879	157,125	0.0%	100.0%	100.0%	1,570,081	456,777	115,700	2,142,558	11.44	22.98	12.90
50th & 12 th	WA	14,500	-	14,500	100.0%	0.0%	100.0%	475,000	-	-	475,000	32.76	-	32.76
176th & Meridian	WA	14,560	-	14,560	100.0%	0.0%	100.0%	433,000	-	-	433,000	29.74	-	29.74
Four Corner Square	WA	20,512	52,587	73,099	100.0%	82.4%	87.4%	126,672	656,586	-	783,258	6.18	15.15	12.27
TOTAL		3,210,461	1,391,416	4,601,877	98.9%	88.3%	95.7%	\$31,366,583	\$24,541,604	\$3,661,409	\$59,569,596	\$ 9.88	\$19.99	\$12.70

¹ This table does not include annualized base rent from development property tenants open for business as of June 30, 2007.