



PRESS RELEASE

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Kite Realty Group Trust To Develop Seattle Area Shopping Center Through Joint Venture

Indianapolis, IN, July 19, 2005 – Kite Realty Group Trust (NYSE: KRG) announced today the planned development of a Marysville, Washington (Seattle MSA) shopping center through a joint venture with White-Leasure Development Company, based in Boise, Idaho. The development project, to be known as Gateway Shopping Center, is a proposed 255,000 square foot community shopping center. The center will include two shadow anchors, an 88,000 square foot Kohl's Department Store and a 93,000 square foot Winco Foods, a growing supermarket chain in the Western United States. When fully developed, the center would also include a 30,000 square foot junior box adjacent to Kohl's, up to 45,000 square feet of small shops, and five outlots.

The joint venture has acquired acreage for the junior box and three outlots. Estimated total project cost for this first phase of the joint venture's portion of the center will be approximately \$8.5 million. The joint venture is currently negotiating with a national retailer for the junior box space and is seeking tenants for the outlots. In addition, an affiliate of the joint venture will perform site work for Kohl's under a separate agreement.

Winco Foods is in the process of finalizing the site plan for its building pad and parking and, upon completion, the joint venture will have the right to acquire Winco's surplus property. This surplus property is anticipated to be sufficient to support two additional outlots and approximately 45,000 square feet of small shops. Estimated total project cost for this second phase of the joint venture's portion of the center will be approximately \$9.5 million.

John A. Kite, President and Chief Executive Officer of Kite Realty Group, stated, "The development of Gateway Shopping Center further strengthens our presence in targeted markets in the Pacific Northwest, particularly in Washington state, and will serve as a platform for future opportunities in the region. We are pleased to add this quality project to our growing development pipeline. Partnering with local players to give us access to

valuable investment opportunities and to permit us to mitigate our development risk continues to be an important part of our development strategy. We look forward to a long and mutually beneficial relationship with White-Leasure Development Company.”

Larry Leasure, Chairman of the Board and CEO of White-Leasure Development Company, stated, “White-Leasure Development Company has become one of the more experienced and successful development companies in the Western United States, developing retail shopping centers throughout the West, including Washington, Oregon, California, and Idaho. We look forward to building a relationship with Kite Realty Group.”

Kite Realty Group Trust is a full-service, vertically integrated real estate investment trust focused primarily on the development, construction, acquisition, ownership and operation of high quality neighborhood and community shopping centers in selected growth markets in the United States. Kite Realty Group owns interests in 41 operating properties totaling 5.8 million square feet and 11 properties under development that are projected to total 2.0 million square feet.

Safe Harbor

Certain statements in this document that are not historical fact may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results of the Company to differ materially from historical results or from any results expressed or implied by such forward-looking statements, including without limitation: national and local economic, business, real estate and other market conditions; the competitive environment in which the Company operates; financing risks; property 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; and other factors affecting the real estate industry generally. The Company refers you to the documents filed by the Company from time to time with the Securities and Exchange Commission, which discuss these and other factors that could adversely affect the Company’s results.