Kite Realty Group Trust (KRG)

Updated May 1st, 2026 by Quinn Mohammed

Key Metrics

Current Price:	$26	**5 Year CAGR Estimate:**	7.1%	**Market Cap:**	$5.5 B
Fair Value Price:	$25	**5 Year Growth Estimate:**	4.0%	**Ex-Dividend Date:**	07/09/2026
% Fair Value:	105%	**5 Year Valuation Multiple Estimate:**	-0.9%	**Dividend Payment Date:**	07/16/2026
Dividend Yield:	4.4%	**5 Year Price Target:**	$31	**Years of Dividend Growth:**	6
Dividend Risk Score:	D	**Sector:**	Real Estate	**Rating:**	Hold

Overview & Current Events

Kite Realty Group Trust is a full-service, vertically integrated real estate investment trust that owns mainly open-air community shopping centers across the United States. The trust has a diverse portfolio of community, neighborhood, and lifestyle centers. Kite Realty Group trades on the NYSE under the ticker symbol KRG and is headquartered in Indianapolis, Indiana. The Trust has a market capitalization of $5.5 billion. Kite Realty Group Trust owns or has an interest in 169 operating retail properties comprising 27.3 million square feet.

On August 1st, 2025, Kite Realty announced it entered into a JV with GIC which acquired Legacy West, a mixed-use asset in Plano, Texas. The purchase price was $785 million, of which KRG contributed $408 million for 52% majority interest. It then entered into a second JV with GIC, contributing three larger-format shopping centers in Texas and Florida. This earned Kite Realty $112 million of gross proceeds, and will see it maintaining a 52% ownership interest.

On October 30th, 2025, Kite Realty declared a $0.29 quarterly distribution, which was 7.4% higher year-over-year.

Kite Realty Group reported first quarter 2026 results on April 29th, 2026. The trust reported core FFO of $109 million, or $0.52 per diluted common share compared to $118 million, or $0.53 per share in first quarter 2025. KRG's same-property net operating income (NOI) rose by 3.6%.

During the quarter, the trust executed 151 new and renewal leases, totaling 707K square feet. Annualized base rent (ABR) per square foot for the retail portfolio rose 6.5% year-over-year to $22.89. Its economic occupancy percentage of 91.1% was a moderate decline over the prior year quarter's 91.8%. KRG's net debt-to-Adjusted EBITDA ratio was 5.2X at quarter-end.

Kite Realty repurchased roughly six million of its shares in the quarter for $152 million. Since 2025, it has now repurchased 16.9 million shares for $400 million.

Leadership reiterated its fiscal 2026 guidance again and still sees core FFO coming in between $2.06 to $2.12 per share.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
AFFO	$2.06	$2.04	$2.00	$1.66	$1.29	$1.50	$1.93	$2.03	$2.07	$2.10	***$2.09***	***$2.54***
DPS	$1.14	$1.21	$1.27	$1.14	$0.45	$0.68	$0.82	$0.96	$1.03	$1.08	***$1.16***	***$1.41***
Shares[1]	83.5	83.7	83.7	83.9	84.1	110.6	219.1	219.8	220.3	214.5	***210.0***	***230.0***

Kite Realty has generated positive long-term adjusted funds from operations growth, but the nine year AFFO per share growth has been muted, partly due to the impact of the pandemic and higher interest expense as a result of higher interest rates. Over the last nine and five years, KRG has generated AFFO per share growth of 0.2% and 10.2% annually, respectively. We estimate that KRG can produce 4.0% annual AFFO per share growth over the next five years.

Kite Realty can grow by expanding its number of retail properties, the number of states and markets it operates in, and by boosting its properties' annualized base rent per square foot. The trust uses available cash flow, targeted asset recycling, equity, and debt capital to opportunistically acquire more retail properties and redevelop existing properties

[1] In millions

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with high investment returns. The trust will grow revenue from operating properties by leasing and re-leasing to strong and diverse retail tenants at increasing rental rates. It may also pursue strategic joint ventures, such as its recent JV with GIC.

The merger with Retail Properties of America Inc., completed in 2021, has seen the size and breadth of the trust grow massively. It also increased KRG's geographic footprint in high-growth markets, and enhanced growth opportunities through strong active development projects.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/AFFO	13.0	10.0	8.0	9.8	9.7	13.5	10.6	10.6	11.4	10.7	***12.6***	***12.0***
Avg. Yld.	4.2%	5.8%	7.8%	7.9%	9.1%	2.9%	3.6%	4.3%	4.2%	4.7%	***4.4%***	***4.6%***

The current P/AFFO of 12.6 is above the ten- and five-year average valuations of 10.7- and 11.3-times AFFO. Given the pandemic and transition to online shopping has exacerbated challenges in the retail brick and mortar space, we peg fair value for KRG stock at 12.0 times AFFO, which implies the potential for a small valuation headwind.

Safety, Quality, Competitive Advantage, & Recession Resiliency

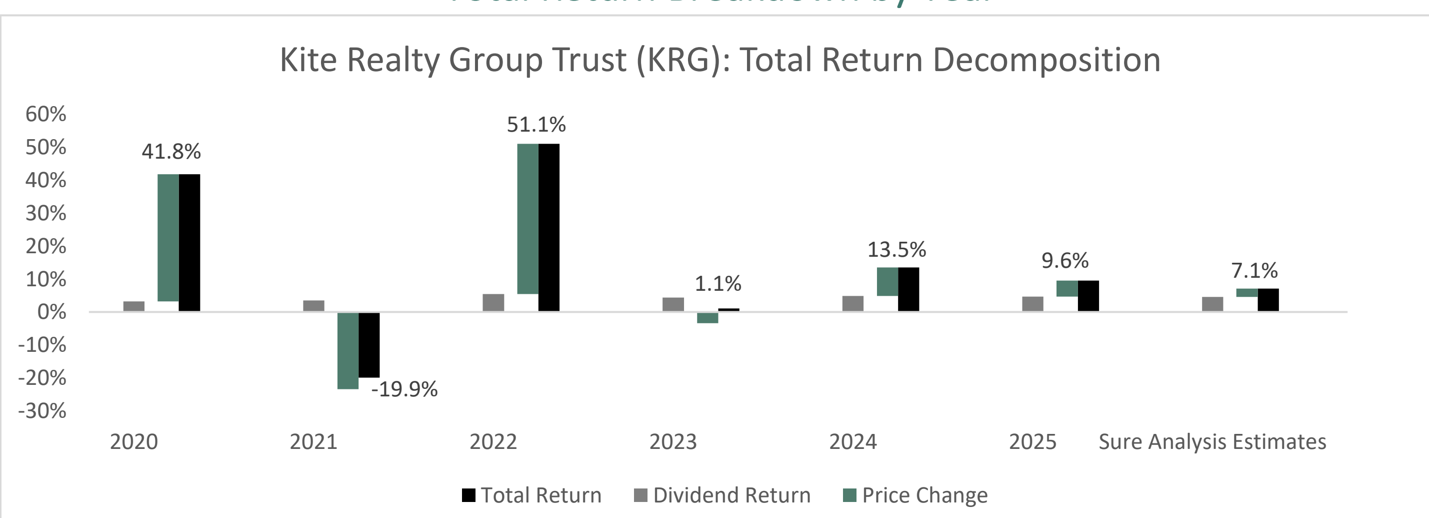
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	55%	59%	64%	69%	35%	45%	42%	47%	50%	51%	***56%***	***56%***

Kite Realty Group slashed its dividend in 2019 after a series of increases, and then further slashed it amidst the COVID pandemic in 2020. As a result, in recent years, the payout ratio was fairly covered, but investors cannot expect KRG to consistently increase dividends. During the great recession, Kite Realty Group suffered massively as did most real estate related companies. The great recession saw KRG's peak dividend of $3.28 in 2008 fall more than 66% to $0.96 in 2010. The trust does not possess any strong competitive advantage, but its open air centers held up slightly better than crowded malls given the nature of the pandemic.

Final Thoughts & Recommendation

Kite Realty Group has merged with Retail Properties of America, which has seen the scale of the company expand, and it has now established a joint venture with GIC. The share price of Kite Realty Group has increased 19% in the last twelve months. It could now offer annualized total returns of 7.1% over the next five years, stemming from 4.0% annual AFFO per share growth and the 4.4% starting yield, partly offset by -0.9% multiple contraction. KRG earns a hold rating.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2015	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	347	359	354	315	267	373	802	823	842	853
Gross Profit	256	266	261	231	190	268	590	613	624	259
Gross Margin	73.8%	74.1%	73.8%	73.2%	71.2%	71.8%	73.6%	74.5%	74.2%	30.4%
SG&A Exp.	20	22	21	28	31	34	55	56	53	0
D&A Exp.	171	175	156	135	131				398	380
Operating Profit	73	72	88	71	30	34	66	130	178	195
Op. Margin	21.1%	20.1%	24.8%	22.4%	11.4%	9.1%	8.2%	15.8%	21.2%	22.9%
Net Profit	27			-1	-16	-81	-13	48	4	306
Net Margin	7.8%	3.3%	-13%	-0.2%	-6.1%	-21.6%	-1.6%	5.8%	0.5%	35.8%
Free Cash Flow	77			85	57				278	282
Provision For Tax	0	0	0	0	-1	0	0	1	0	0

Balance Sheet Metrics

Year	2015	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	3,756	3,512	3,172	2,649	2,609	7,605	7,342	6,944	7092	6,664
Cash & Equivalents	34	24	35	31	44	93	116	36	128	478
Accts. Receivable	51	58	58	55	57	68	101	113	58	
Goodwill & Int.	95	44	26	11	6	---			238	182
Total Liabilities	2,030	1,946	1,759	1,359	1,377	3,678	3,516	3,300	3680	3,473
Accounts Payable	81	78	86	72	79	---	208		203	
Long-Term Debt	1,724	1,699	1,543	1,147	1,171	3,151	3,010	2,829	3227	3,196
Total Equity	1,726	1,565	1,413	1,289	1,231	3,922	3,767	3,568	3312	3,074
LTD/E Ratio	1.00	1.09	1.09	0.89	0.95	0.80	0.80	0.79	0.97	1.04

Profitability & Per Share Metrics

Year	2015	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	0.7%	0.3%	-1.4%	0.0%	-0.6%	-1.6%	-0.2%	0.7%	0.1%	4.4%
Return on Equity	1.5%	0.7%	-3.1%	0.0%	-1.3%	-3.1%	-0.3%	1.3%	0.1%	9.2%
ROIC	0.8%	0.4%	-1.5%	0.0%	-0.7%	-1.7%	-0.2%	0.7%	0.1%	4.6%
Shares Out.	83.5	83.7	83.7	83.9	84.1	110.6	219.1	219.7	223.5	218.4
Revenue/Share	4.15	4.29	4.23	3.76	3.17	3.37	3.66	3.75	3.77	3.91
FCF/Share	0.92	0.98	1.14	1.01	0.68	---			1.24	1.29

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.