

KITE REALTY GROUP TRUST

Form S-4/A

April 29, 2014

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As filed with the Securities and Exchange Commission on April 29, 2014

Registration No. 333-194670

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
WASHINGTON, D.C. 20549

AMENDMENT NO. 1
TO

FORM S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

KITE REALTY GROUP TRUST

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of
incorporation or organization)

6798
(Primary Standard Industrial
Classification Code Number)
30 S. Meridian Street Suite 1100 Indianapolis, IN 46204
(317) 577-5600
(Address, including zip code, and telephone number, including
area code, of registrant's principal executive offices)

11-3715772
(I.R.S. Employer
Identification Number)

John A. Kite
Chairman of the Board and Chief Executive Officer
Kite Realty Group Trust
30 S. Meridian Street
Suite 1100
Indianapolis, IN 46204

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(317) 577-5600

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after the effectiveness of this registration statement and the satisfaction or waiver of all other conditions to the closing of the merger described herein.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

- Large Accelerated filer
 - Accelerated filer
 - Non-accelerated filer
 - Smaller reporting company
- (Do not check if a small reporting company)

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Issuer Third Party Tender Offer)

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment that specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information in this joint proxy statement/prospectus is not complete and may be changed. Kite Realty Group Trust may not sell the securities offered by this joint proxy statement/prospectus until the registration statement filed with the Securities and Exchange Commission is effective. This joint proxy statement/prospectus is not an offer to sell these securities nor should it be considered a solicitation of an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

**PRELIMINARY SUBJECT TO COMPLETION
DATED APRIL 29, 2014**

JOINT PROXY STATEMENT/PROSPECTUS

To the Shareholders of Kite Realty Group Trust and the Stockholders of Inland Diversified Real Estate Trust, Inc.:

The board of trustees of Kite Realty Group Trust, which we refer to as Kite Realty, and the board of directors of Inland Diversified Real Estate Trust, Inc., which we refer to as Inland Diversified, each have approved an agreement and plan of merger, dated as of February 9, 2014, which we refer to as the merger agreement, by and among Kite Realty, KRG Magellan, LLC, which we refer to as Merger Sub, and Inland Diversified. Pursuant to the merger agreement, Kite Realty and Inland Diversified will combine through a merger of Inland Diversified with and into Merger Sub, with Merger Sub continuing as the surviving entity and a wholly owned subsidiary of Kite Realty. The combined company, which we refer to as the Combined Company, will retain the name "Kite Realty Group Trust" and will continue to trade on the New York Stock Exchange, or NYSE, under the symbol "KRG." John A. Kite, the current chairman of the board of trustees and chief executive officer of Kite Realty, will continue to serve as the chairman of the board of trustees and chief executive officer of the Combined Company and three designees of Inland Diversified will be appointed to the Kite Realty board of trustees following the merger. The obligations of Kite Realty and Inland Diversified to effect the merger are subject to the satisfaction or waiver of certain conditions set forth in the merger agreement (including the approvals of each company's shareholders).

If the merger is completed pursuant to the merger agreement, each outstanding share of common stock of Inland Diversified immediately prior to the effective time of the merger will be cancelled and automatically converted into the right to receive between 1.707 and 1.650 common shares of beneficial interest of Kite Realty, which we refer to as Kite Realty common shares, based on the exchange ratio in the merger agreement, which we refer to as the exchange ratio. The exact exchange ratio is based on the volume-weighted average trading price of Kite Realty common shares for the 10 consecutive trading days ending on the third trading day immediately preceding Inland Diversified's stockholder meeting with respect to the approval of the merger and the other transactions contemplated by the merger agreement, which we refer to as the average trading price, but cannot be higher than 1.707 or lower than 1.650. If the average trading price is:

equal to or less than \$6.36, the exchange ratio will equal 1.707;

between \$6.36 and \$6.58, the exchange ratio will equal \$10.85 divided by the average trading price; and

\$6.58 or greater, the exchange ratio will equal 1.650.

If, for example, the average trading price of Kite Realty common shares was \$6.20, which was the closing price of Kite Realty common shares on April 28, 2014, it would result in an exchange ratio of 1.707 and an implied value per share of Inland Diversified common stock of \$10.58 based on such average trading price. The actual exchange ratio may be lower but not higher than this example depending upon the actual average trading price. In addition, the trading price of the Kite Realty common shares will continue to fluctuate after the determination of the actual exchange ratio.

Based on the number of shares of Inland Diversified common stock outstanding on April 24, 2014, we expect between 194.4 million and 201.1 million Kite Realty common shares to be issued in connection with the merger. We anticipate that, after giving effect to the merger, continuing Kite Realty common shareholders will own between 40.6% and 41.4% of the diluted common equity of the Combined Company, and former Inland Diversified stockholders will own between 58.6% and 59.4% of the diluted common equity of the Combined Company.

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Kite Realty and Inland Diversified each will be holding a special meeting of their respective shareholders. At the Kite Realty special meeting, Kite Realty shareholders will be asked to vote on (i) a proposal to approve the issuance of Kite Realty common shares to Inland Diversified stockholders pursuant to the merger agreement, (ii) a proposal to approve an amendment to Kite Realty's Articles of Amendment and Restatement of Declaration of Trust, as amended, which we refer to as the Kite Realty declaration of trust amendment, to increase the number of authorized Kite Realty common shares in order to have sufficient shares available to issue to Inland Diversified stockholders in the merger and to have additional shares available following the merger, and (iii) a proposal to approve one or more adjournments of the Kite Realty special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of the proposals to approve the issuance of Kite Realty common shares to Inland Diversified stockholders pursuant to the merger agreement and to approve the Kite Realty declaration of trust amendment. At the Inland Diversified special meeting, Inland Diversified stockholders will be asked to vote on (i) a proposal to approve the merger and the other transactions contemplated by the merger agreement and (ii) a proposal to approve one or more adjournments of the special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of the proposal to approve the merger and the other transactions contemplated by the merger agreement.

The record dates for determining the shareholders entitled to receive notice of, and to vote at, the special meetings are May 5, 2014, with respect to the Kite Realty special meeting, and April 29, 2014, with respect to the Inland Diversified special meeting. The merger cannot be completed unless the Inland Diversified stockholders approve the merger and the other transactions contemplated by the merger agreement by the affirmative vote of the holders of a majority of the outstanding shares of Inland Diversified common stock, the Kite Realty shareholders approve the issuance of Kite Realty common shares to Inland Diversified stockholders pursuant to the merger agreement by the affirmative vote of a majority of the votes cast on the matter by holders of Kite Realty common shares and the Kite Realty shareholders approve the Kite Realty declaration of trust amendment by the affirmative vote of the holders of two-thirds of the outstanding Kite Realty common shares.

The Kite Realty board of trustees, which we refer to as the Kite Realty Board, has unanimously (i) determined that the terms of the merger agreement and the transactions contemplated thereby are in the best interests of Kite Realty and the Kite Realty shareholders, and (ii) approved, adopted and declared advisable the merger agreement and the merger and approved, adopted and declared advisable the Kite Realty declaration of trust amendment. **The Kite Realty Board unanimously recommends that Kite Realty shareholders vote FOR the proposal to approve the issuance of Kite Realty common shares to Inland Diversified stockholders pursuant to the merger agreement, FOR the proposal to approve the Kite Realty declaration of trust amendment and FOR the proposal to approve one or more adjournments of the Kite Realty special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of the proposal to approve the issuance of Kite Realty common shares pursuant to the merger agreement and to approve the Kite Realty declaration of trust amendment.**

The Inland Diversified board of directors, which we refer to as the Inland Diversified Board, based on the unanimous recommendation of an independent special committee of the Inland Diversified Board, has (i) determined that the terms of the merger and the merger agreement and the transactions contemplated thereby are advisable, fair to and in the best interests of Inland Diversified and its stockholders, (ii) approved and declared advisable the merger, and (iii) approved and adopted the merger agreement. **The Inland Diversified Board recommends that Inland Diversified stockholders vote FOR the proposal to approve the merger and the other transactions contemplated by the merger agreement and FOR the proposal to approve one or more adjournments of the Inland Diversified special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of the proposal to approve the merger and the other transactions contemplated by the merger agreement.**

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In addition to being a joint proxy statement, this document is also a prospectus for Kite Realty common shares that will be issued to Inland Diversified stockholders pursuant to the merger agreement.

This joint proxy statement/prospectus contains important information about Kite Realty, Inland Diversified, the merger, the merger agreement and the special meetings. **We encourage you to read this joint proxy statement/prospectus carefully before voting, including the section entitled "Risk Factors" beginning on page 32.**

Your vote is very important, regardless of the number of shares you own. Whether or not you plan to attend the Kite Realty special meeting or the Inland Diversified special meeting, as applicable, please submit a proxy to vote your shares as promptly as possible to make sure that your shares are represented at the applicable special meeting. Please note that the failure to vote your shares of Inland Diversified common stock is the equivalent of a vote against the merger, as described herein, and the failure to vote your Kite Realty common shares is the equivalent of a vote against the Kite Realty declaration of trust amendment, as described herein.

Sincerely,

John A. Kite
Chairman and Chief Executive Officer
Kite Realty Group Trust

Barry L. Lazarus
President and Chief Operating Officer
Inland Diversified Real Estate Trust, Inc.

Neither the Securities and Exchange Commission nor any state securities regulatory authority has approved or disapproved of the merger or the securities to be issued under this joint proxy statement/prospectus or has passed upon the adequacy or accuracy of the disclosure in this joint proxy statement/prospectus. Any representation to the contrary is a criminal offense.

This joint proxy statement/prospectus is dated _____, 2014, and is first being mailed to Kite Realty shareholders and Inland Diversified stockholders on or about _____, 2014.

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KITE REALTY GROUP TRUST

30 S. Meridian Street, Suite 1100
Indianapolis, Indiana 46204

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON JUNE 24, 2014

To the Shareholders of Kite Realty Group Trust:

You are invited to attend a special meeting of shareholders of Kite Realty Group Trust, a Maryland real estate investment trust, or "REIT," which we refer to as Kite Realty. The meeting will be held on Tuesday, June 24, 2014, at 9:00 a.m., Eastern Time, at 30 S. Meridian Street, Eighth Floor, Indianapolis, Indiana 46204. At the meeting, shareholders will consider and vote upon the following matters:

a proposal to approve the issuance of common shares of beneficial interest of Kite Realty, which we refer to as Kite Realty common shares, to the stockholders of Inland Diversified Real Estate Trust, Inc., a Maryland corporation that has elected to be treated as a REIT for federal income tax purposes, which we refer to as Inland Diversified, pursuant to the Agreement and Plan of Merger dated as of February 9, 2014, as it may be amended or modified from time to time (a copy of which is attached as Annex A to this joint proxy statement/prospectus accompanying this notice), which we refer to as the merger agreement, by and among Kite Realty, KRG Magellan, LLC, which we refer to as Merger Sub, and Inland Diversified, pursuant to which Inland Diversified will merge with and into Merger Sub, with Merger Sub continuing as the surviving entity and a wholly owned subsidiary of Kite Realty, which we refer to as the merger;

a proposal to approve an amendment to Kite Realty's Articles of Amendment and Restatement of Declaration of Trust, as amended, which we refer to as the Kite Realty declaration of trust amendment, to increase the total number of authorized common shares of beneficial interest of Kite Realty from 200,000,000 to 450,000,000; and

a proposal to approve one or more adjournments of the special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of the share issuance proposal and the declaration of trust amendment proposal.

THE KITE REALTY BOARD HAS UNANIMOUSLY DETERMINED THAT THE TERMS OF THE MERGER AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREBY, INCLUDING THE SHARE ISSUANCE PROPOSAL, ARE IN THE BEST INTERESTS OF KITE REALTY AND THE KITE REALTY SHAREHOLDERS, HAS APPROVED, ADOPTED AND DECLARED ADVISABLE THE MERGER AGREEMENT AND THE MERGER AND HAS APPROVED, ADOPTED AND DECLARED ADVISABLE THE KITE REALTY DECLARATION OF TRUST AMENDMENT. THE KITE REALTY BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR ALL PROPOSALS.

Kite Realty shareholders of record at the close of business on May 5, 2014, are entitled to receive this notice and vote at the Kite Realty special meeting and any adjournments thereof.

The proposal to approve the issuance of Kite Realty common shares to Inland Diversified stockholders pursuant to the merger agreement requires the affirmative vote of a majority of the votes cast on this proposal by holders of Kite Realty common shares. **The issuance of Kite Realty common shares to Inland Diversified stockholders cannot occur, and therefore the merger cannot be completed, without the approval of this proposal by Kite Realty shareholders.**

The proposal to approve the Kite Realty declaration of trust amendment to increase the total number of authorized Kite Realty common shares requires the affirmative vote of the holders of two-thirds of the outstanding Kite Realty common shares. **The Kite Realty declaration of trust cannot be amended to increase the total number of authorized Kite Realty common shares, and therefore the merger cannot be completed, without the approval of this proposal by Kite Realty shareholders.**

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Please refer to the attached joint proxy statement/prospectus for further information with respect to the business to be transacted at the Kite Realty special meeting.

Your vote is important. Whether or not you expect to attend the Kite Realty special meeting in person, we urge you to vote your Kite Realty common shares as promptly as possible by (1) accessing the internet website specified on your proxy card, (2) calling the toll-free number specified on your proxy card, or (3) signing and returning the enclosed proxy card in the postage-paid envelope provided, so that your Kite Realty common shares may be represented and voted at the Kite Realty special meeting. If your Kite Realty common shares are held in the name of a bank, broker or other fiduciary, please follow the instructions on the voting instruction card furnished by the record holder of your Kite Realty common shares.

By Order of the Board of Trustees of
Kite Realty Group Trust
Thomas R. Olinger
Secretary

Indianapolis, Indiana
, 2014

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INLAND DIVERSIFIED REAL ESTATE TRUST, INC.

2901 Butterfield Road
Oak Brook, Illinois 60523

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS TO BE HELD ON JUNE 24, 2014

To the Stockholders of Inland Diversified Real Estate Trust, Inc.:

You are invited to attend a special meeting of the stockholders of Inland Diversified Real Estate Trust, Inc., a Maryland corporation, which we refer to as Inland Diversified. The meeting will be held on June 24, 2014, at 10:00 a.m., local time, at Inland Diversified corporate headquarters, 2901 Butterfield Road, Oak Brook, IL 60523, to consider and vote upon the following matters:

a proposal to approve the merger of Inland Diversified with and into KRG Magellan, LLC, a wholly owned subsidiary of Kite Realty Group Trust, which we refer to as the merger, pursuant to the Agreement and Plan of Merger, dated as of February 9, 2014, as it may be amended or modified from time to time (a copy of which is attached as Annex A to the joint proxy statement/prospectus accompanying this notice), which we refer to as the merger agreement, by and among Kite Realty Group Trust, KRG Magellan, LLC, and Inland Diversified, and the other transactions contemplated by the merger agreement; and

a proposal to approve one or more adjournments of the special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of the proposal to approve the merger and the other transactions contemplated by the merger agreement.

THE INLAND DIVERSIFIED BOARD, BASED ON THE UNANIMOUS RECOMMENDATION OF AN INDEPENDENT SPECIAL COMMITTEE OF THE INLAND DIVERSIFIED BOARD, HAS DETERMINED THAT THE TERMS OF THE MERGER AND THE MERGER AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREBY ARE ADVISABLE, FAIR TO, AND IN THE BEST INTERESTS OF INLAND DIVERSIFIED AND ITS STOCKHOLDERS, HAS APPROVED AND DECLARED ADVISABLE THE MERGER AND HAS APPROVED AND ADOPTED THE MERGER AGREEMENT. THE INLAND DIVERSIFIED BOARD RECOMMENDS THAT YOU VOTE FOR ALL PROPOSALS.

Only Inland Diversified stockholders of record at the close of business on April 29, 2014, are entitled to receive this notice and vote at the special meeting and any adjournments thereof.

The proposal to approve the merger and the other transactions contemplated by the merger agreement requires the affirmative vote of the holders of a majority of the outstanding shares of Inland Diversified common stock entitled to vote on such proposal. If you fail to vote or submit your proxy, it will have the same effect as a vote against the proposal to approve the merger and the other transactions contemplated by the merger agreement. **The merger cannot be completed without the approval by the Inland Diversified stockholders of this proposal.**

Please refer to the attached joint proxy statement/prospectus for further information with respect to the business to be transacted at the special meeting.

Your vote is important. Whether or not you expect to attend the Inland Diversified special meeting in person, we urge you to vote your shares of Inland Diversified common stock as promptly as possible by (1) accessing the internet website specified on your proxy card, (2) calling the toll-free number specified on your proxy card, or (3) signing and returning the enclosed proxy card in the postage-paid envelope provided, so that your shares of Inland Diversified common stock may be represented and voted at the Inland Diversified special meeting.

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BY ORDER OF THE BOARD OF DIRECTORS

Cathleen M. Hrtanek
Secretary

Dated _____, 2014
Oak Brook, Illinois

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ADDITIONAL INFORMATION

This joint proxy statement/prospectus incorporates important business and financial information about Kite Realty and Inland Diversified from other documents that are not included in or delivered with this joint proxy statement/prospectus. This information is available to you without charge upon your request. You can obtain the documents incorporated by reference into this joint proxy statement/prospectus by requesting them from Kite Realty's proxy solicitor or Inland Diversified's proxy solicitor:

If you are a Kite Realty shareholder: If you are an Inland Diversified stockholder:

Morrow & Co., LLC

470 West Avenue

Stamford, CT 06902

Telephone:

Banks and brokers: (203) 658-9400

Shareholders: (800) 460-1014

Morrow & Co., LLC

470 West Avenue

Stamford, CT 06902

Telephone:

Banks and brokers: (203) 658-9400

Shareholders: (800) 460-1014

Investors may also consult Kite Realty's or Inland Diversified's website for more information concerning the merger described in this joint proxy statement/prospectus. Kite Realty's website is www.kiterealty.com. Inland Diversified's website is www.inlanddiversified.com. Each company's public filings are also available at www.sec.gov. Information included on these websites is not incorporated by reference into this joint proxy statement/prospectus.

If you would like to request copies of any documents, please do so by June 13, 2014 in order to receive them before the special meetings.

Each of Kite Realty and Inland Diversified will disclose on their respective public websites the exact exchange ratio on the date it is calculated and will maintain this information on their respective public websites through their respective shareholder meeting dates. In addition, each of Kite Realty and Inland Diversified will issue a press release notifying shareholders of the exact exchange ratio when it is known and file the press release with the SEC, making it available at www.sec.gov.

For more information, see "Where You Can Find More Information and Incorporation by Reference" beginning on page 208.

ABOUT THIS DOCUMENT

This joint proxy statement/prospectus, which forms part of a registration statement on Form S-4 filed by Kite Realty (File No. 333-194670) with the Securities and Exchange Commission, which we refer to as the SEC, constitutes a prospectus of Kite Realty for purposes of the Securities Act of 1933, as amended, which we refer to as the Securities Act, with respect to the Kite Realty common shares to be issued to Inland Diversified stockholders in exchange for shares of Inland Diversified common stock pursuant to the Agreement and Plan of Merger, dated as of February 9, 2014, by and among Kite Realty, KRG Magellan, LLC, and Inland Diversified, as such agreement may be amended or modified from time to time and which we refer to as the merger agreement. This joint proxy statement/prospectus also constitutes a proxy statement for each of Kite Realty and Inland Diversified for purposes of the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange Act. In addition, it constitutes a notice of meeting with respect to the Kite Realty special meeting and a notice of meeting with respect to the Inland Diversified special meeting.

You should rely only on the information contained or incorporated by reference in this joint proxy statement/prospectus. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this joint proxy statement/prospectus. This joint proxy statement/prospectus is dated _____, 2014. You should not assume that the information contained in, or incorporated by reference into, this joint proxy statement/prospectus is accurate as of any date other than that date. Neither our mailing of this joint proxy statement/prospectus to Kite Realty shareholders or Inland Diversified stockholders nor the issuance by Kite Realty of its common

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shares to Inland Diversified stockholders pursuant to the merger agreement will create any implication to the contrary.

This joint proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction in which or to any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction. Information contained in this joint proxy statement/prospectus regarding Kite Realty has been provided by Kite Realty and information contained in this joint proxy statement/prospectus regarding Inland Diversified has been provided by Inland Diversified.

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