

SUPPLEMENTAL INFORMATION

| QUARTER ENDED MARCH 31, 2017

SERITAGE

GROWTH PROPERTIES



Background

Seritage Growth Properties (NYSE: SRG) (the “Company”) is a fully-integrated, self-administered and self-managed retail REIT with interests in 235 wholly-owned properties and 31 joint venture properties totaling over 42 million square feet of gross leasable area (“GLA”) across 49 states and Puerto Rico. Pursuant to a master lease (the “Master Lease”), 201 of the Company’s wholly-owned properties are leased to Sears Holdings Corporation (“Sears Holdings”) and are operated under either the Sears or Kmart brand. The Master Lease provides the Company with the right to recapture certain space from Sears Holdings at each property for retenanting or redevelopment purposes. At numerous properties, third-party tenants under direct leases occupy a portion of leasable space alongside Sears and Kmart, and 24 properties are leased only to third parties. The Company also owns 50% interests in 31 properties through joint venture investments with General Growth Properties, Inc. (NYSE: GGP), Simon Property Group Inc. (NYSE: SPG), and The Macerich Company (NYSE: MAC). A substantial majority of the space at the Company’s joint venture properties is also leased to Sears Holdings under master lease agreements (the “JV Master Leases”) that provide for similar recapture rights as the Master Lease governing the Company’s wholly-owned properties.

On June 11, 2015, Sears Holdings effected a rights offering (the “Rights Offering”) to Sears Holdings stockholders to purchase common shares of Seritage in order to fund, in part, the \$2.7 billion acquisition of 234 of Sears Holdings’ owned properties and one of its ground leased properties (the “Wholly Owned Properties”), as well as its 50% interests in three joint ventures that collectively own 28 properties, ground lease one property and lease two properties (collectively, the “JV Properties”) (collectively, the “Transaction”). The Rights Offering ended on July 2, 2015, and the Company’s Class A common shares were listed on the New York Stock Exchange on July 6, 2015.

On July 7, 2015, the Company completed the Transaction with Sears Holdings and commenced operations. The Company’s only operations prior to the completion of the Rights Offering and Transaction were those incidental to the completion of such activities.

General Information

Unless the context indicates otherwise, references in this supplemental information package (the “Supplemental”) to “Seritage Growth,” “Seritage,” the “Company,” or “SRG” refer to Seritage Growth Properties and its subsidiaries. Additionally, where reference is made to “GAAP”, this refers to accounting principles generally accepted in the United States.

**SERITAGE GROWTH PROPERTIES
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QUARTER ENDED MARCH 31, 2017**

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Summary Information

March 31, 2017

(In thousands, except per share, PSF and ratio amounts)

Financial Results	Three Months Ended	
	March 31, 2017	March 31, 2016
Net loss (page 3)	\$ (19,838)	\$ (8,335)
Total NOI (page 5)	46,890	46,513
FFO (page 7)	31,046	29,541
Company FFO (page 7)	26,963	32,585
Net loss per diluted share (page 3)	\$ (0.59)	\$ (0.27)
FFO per diluted share (page 7)	0.56	0.53
Company FFO per diluted share (page 7)	0.48	0.59
Stock trading price range	\$39.80 to \$47.31	\$37.51 to \$51.19
Weighted average diluted shares used in EPS computations	33,510	31,391
Weighted average diluted shares used in FFO computations	55,596	55,567

Financial Ratios (page 4)	As of	As of
	March 31, 2017	December 31, 2016
Total debt to total market capitalization	33.1%	33.1%
Net debt to adjusted EBITDA	6.2x	5.6x
Adjusted EBITDA to cash interest expense	2.8x	3.2x

Property Data (page 10)	As of	As of
	March 31, 2017	December 31, 2016
Number of properties	266	266
Gross leasable area (total / at share)	42,115 / 39,391	42,249 / 39,522
Percentage leased (total / at share)	95.2% / 94.9%	99.2% / 99.2%

Tenant	As of March 31, 2017		
	% of Total		Annual Rent PSF
	Annual Rent	Annual Rent	
Sears Holdings	\$ 139,447	60.3%	\$ 4.45
In-Place Third-Party Leases	44,528	19.3%	12.97
SNO Third-Party Leases	47,194	20.4%	18.21
Total	\$ 231,169	100.0%	\$ 6.18

Consolidated Balance Sheet

March 31, 2017

(In thousands, except share and per share amounts)

	March 31, 2017	December 31, 2016
ASSETS		
Investment in real estate		
Land	\$ 840,021	\$ 840,021
Buildings and improvements	841,931	839,663
Accumulated depreciation	(104,502)	(89,940)
	1,577,450	1,589,744
Construction in progress	75,318	55,208
Net investment in real estate	1,652,768	1,644,952
Investment in unconsolidated joint ventures	428,343	425,020
Cash and cash equivalents	26,542	52,026
Restricted cash	113,875	87,616
Tenant and other receivables, net	24,287	23,172
Lease intangible assets, net	420,253	464,399
Prepaid expenses, deferred expenses and other assets, net	14,977	15,052
Total assets	<u>\$ 2,681,045</u>	<u>\$ 2,712,237</u>
LIABILITIES AND EQUITY		
Liabilities		
Mortgage loans payable, net	\$ 1,174,018	\$ 1,166,871
Accounts payable, accrued expenses and other liabilities	129,139	121,055
Total liabilities	1,303,157	1,287,926
Commitments and contingencies		
Shareholders' Equity		
Class A shares \$0.01 par value; 100,000,000 shares authorized; 28,090,710 and 25,843,251 shares issued and outstanding as of March 31, 2017 and December 31, 2016, respectively	281	258
Class B shares \$0.01 par value; 5,000,000 shares authorized; 1,439,967 and 1,589,020 shares issued and outstanding as of March 31, 2017 and December 31, 2016, respectively	14	16
Class C shares \$0.01 par value; 50,000,000 shares authorized; 5,778,885 and 5,754,685 shares issued and outstanding as of March 31, 2017 and December 31, 2016, respectively	58	58
Additional paid-in capital	993,014	925,563
Accumulated deficit	(149,668)	(121,338)
Total shareholders' equity	843,699	804,557
Non-controlling interests	534,189	619,754
Total equity	1,377,888	1,424,311
Total liabilities and equity	<u>\$ 2,681,045</u>	<u>\$ 2,712,237</u>

Consolidated Statements of Operations

March 31, 2017

(In thousands, except per share amounts)

	Three Months Ended	
	March 31, 2017	March 31, 2016
REVENUE		
Rental income	\$ 49,174	\$ 45,226
Tenant reimbursements	16,224	17,778
Total revenue	65,398	63,004
EXPENSES		
Property operating	4,742	7,118
Real estate taxes	12,422	11,469
Depreciation and amortization	58,663	39,509
General and administrative	6,274	4,439
Provision for doubtful accounts	39	—
Acquisition-related expenses	—	73
Total expenses	82,140	62,608
Operating loss	(16,742)	396
Equity in income of unconsolidated joint ventures	1,002	2,086
Interest and other income	78	60
Interest expense	(16,592)	(15,730)
Unrealized loss on interest rate cap	(471)	(1,371)
Loss before income taxes	(32,725)	(14,559)
Provision for income taxes	(119)	(155)
Net loss	(32,844)	(14,714)
Net loss attributable to non-controlling interests	13,006	6,379
Net loss attributable to common shareholders	<u>\$ (19,838)</u>	<u>\$ (8,335)</u>
Net loss per share attributable to Class A and Class C common shareholders - Basic and diluted		
	<u>\$ (0.59)</u>	<u>\$ (0.27)</u>
Weighted average Class A and Class C common shares outstanding - Basic and diluted		
	<u>33,510</u>	<u>31,391</u>

Market Capitalization and Financial Ratios

March 31, 2017

(In thousands, except per share and ratio amounts)

	As of March 31, 2017	As of December 31, 2016
Equity Market Capitalization		
Class A common shares outstanding	28,091	25,843
Class C common shares outstanding	5,779	5,755
OP units outstanding	21,909	24,176
Total shares & units outstanding	55,779	55,774
Share Price	\$ 43.15	\$ 42.71
Equity market capitalization	<u>\$ 2,406,864</u>	<u>\$ 2,382,108</u>
Total Market Capitalization		
Equity market capitalization	\$ 2,406,864	\$ 2,382,108
Total debt	1,188,208	1,181,197
Total market capitalization	<u>\$ 3,595,072</u>	<u>\$ 3,563,305</u>
Financial Ratios		
Total debt to total market capitalization	33.1%	33.1%
Total debt	\$ 1,188,208	\$ 1,181,197
Cash and cash equivalents	(26,542)	(52,026)
Restricted cash	(113,875)	(87,616)
Net Debt	<u>\$ 1,047,791</u>	<u>\$ 1,041,555</u>
Net debt to Adjusted EBITDA (1)	6.2x	5.6x
Gross real estate investments	\$ 2,327,845	\$ 2,305,467
Investment in unconsolidated joint ventures	428,343	425,020
Total real estate investments	<u>\$ 2,756,188</u>	<u>\$ 2,730,487</u>
Net debt to total real estate investments	38.0%	38.1%
Interest expense (2)	\$ 16,592	\$ 63,591
Amortization of deferred financing costs (2)	(1,582)	(5,361)
Cash interest expense	<u>\$ 15,010</u>	<u>\$ 58,230</u>
Adjusted EBITDA to cash interest expense (1)(3)	2.8x	3.2x

(1) Adjusted EBITDA for the quarter ended March 31, 2017 has been annualized for purposes of calculating this metric.

(2) For the quarter ended March 31, 2017 and the year ended December 31, 2016, respectively.

(3) Cash interest expense for the quarter ended March 31, 2017 has been annualized for purposes of calculating this metric.

Total Net Operating Income

March 31, 2017

(In thousands)

NOI	Three Months Ended	
	March 31, 2017	March 31, 2016
Net loss	\$ (32,844)	\$ (14,714)
Termination fee income	(6,136)	—
Depreciation and amortization	58,663	39,509
General and administrative	6,274	4,439
Acquisition-related expenses	—	73
Equity in income of unconsolidated joint ventures	(1,002)	(2,086)
Interest and other income	(78)	(60)
Interest expense	16,592	15,730
Unrealized loss on interest rate cap	471	1,371
Provision for income taxes	119	155
NOI	<u>\$ 42,059</u>	<u>\$ 44,417</u>
Total NOI		
NOI	42,059	44,417
NOI of unconsolidated joint ventures	6,511	7,067
Straight-line rent adjustment (1)	(1,449)	(4,671)
Above/below market rental income/expense (1)	(231)	(300)
Total NOI	<u>\$ 46,890</u>	<u>\$ 46,513</u>
Annualized Total NOI		
Total NOI (per above)	<u>\$ 46,890</u>	<u>\$ 46,513</u>
Current period adjustments (2)	(432)	948
Adjusted Total NOI	46,458	47,461
Annualize	x 4	x 4
Adjusted Total NOI annualized	185,832	189,844
Plus: estimated annual Total NOI - SNO leases	45,769	15,861
Less: estimated annual Total NOI - recaptured Sears space	(5,486)	(1,348)
Annualized Total NOI	<u>\$ 226,115</u>	<u>\$ 204,357</u>

(1) Includes adjustments for unconsolidated joint ventures.

(2) Includes adjustments primarily to account for leases not in place for the full period.

EBITDA and Adjusted EBITDA

March 31, 2017

(In thousands)

	Three Months Ended	
	March 31, 2017	March 31, 2016
EBITDA		
Net loss	\$ (32,844)	\$ (14,714)
Depreciation and amortization	58,663	39,509
Depreciation and amortization (unconsolidated joint ventures)	5,486	4,870
Interest expense	16,592	15,730
Provision for income and other taxes	119	155
EBITDA	<u>\$ 48,016</u>	<u>\$ 45,550</u>
Adjusted EBITDA		
EBITDA	\$ 48,016	\$ 45,550
Termination fee income	(6,136)	—
Unrealized loss on interest rate cap	471	1,371
Acquisition-related expenses	—	73
Up-front hiring and personnel costs	—	260
Adjusted EBITDA	<u>\$ 42,351</u>	<u>\$ 47,254</u>

Funds from Operations and Company FFO

March 31, 2017

(In thousands, except per share amounts)

Funds from Operations	Three Months Ended	
	March 31, 2017	March 31, 2016
Net loss	\$ (32,844)	\$ (14,714)
Real estate depreciation and amortization (consolidated properties)	58,404	39,385
Real estate depreciation and amortization (unconsolidated joint ventures)	5,486	4,870
FFO attributable to common shareholders and unitholders	<u>\$ 31,046</u>	<u>\$ 29,541</u>
FFO per diluted common share and unit	<u>\$ 0.56</u>	<u>\$ 0.53</u>
<u>Company Funds from Operations</u>		
Funds from Operations attributable to Seritage Growth Properties	\$ 31,046	\$ 29,541
Termination fee income	(6,136)	—
Unrealized loss on interest rate cap	471	1,371
Amortization of deferred financing costs	1,582	1,340
Acquisition-related expenses	—	73
Up-front hiring and personnel costs	—	260
Company FFO attributable to common shareholders and unitholders	<u>\$ 26,963</u>	<u>\$ 32,585</u>
Company FFO per diluted common share and unit	<u>\$ 0.48</u>	<u>\$ 0.59</u>
<u>Weighted Average Common Shares and Units Outstanding</u>		
Weighted average common shares outstanding	33,510	31,391
Weighted average OP units outstanding	22,086	24,176
Weighted average common shares and units outstanding	<u>55,596</u>	<u>55,567</u>

Additional Information

March 31, 2017

(In thousands)

	As of March 31, 2017	As of December 31, 2016
<u>Debt Summary</u>		
Mortgage notes payable	\$ 1,188,000	\$ 1,181,000
Interest rate	LIBOR + 465	LIBOR + 465
Maturity	July 2019	July 2019
Extension options (subject to terms and conditions)	(2) one-year options	(2) one-year options
<u>Restricted Cash</u>		
Reserve for redevelopment projects / capital expenditures	\$ 67,329	\$ 49,717
Reserve for property operating expenses	16,461	19,157
Reserve for environmental remediation	11,390	11,769
Reserve for deferred maintenance	4,047	4,046
Other, including prepaid rental income	14,648	2,927
Total restricted cash	<u>\$ 113,875</u>	<u>\$ 87,616</u>
<u>Prepaid Expenses, Deferred Expenses and Other Assets</u>		
Deferred expenses and other	\$ 7,707	\$ 3,746
FF&E	5,696	5,447
Prepaid insurance	1,321	2,557
Escrowed recapture fees	—	2,578
Interest rate cap	253	724
Total prepaid expenses, deferred expenses and other assets	<u>\$ 14,977</u>	<u>\$ 15,052</u>
<u>Accounts Payable, Accrued Expenses and Other Liabilities</u>		
Accrued real estate taxes	\$ 24,774	\$ 23,942
Accounts payable and accrued expenses	21,756	26,463
Litigation charge	19,000	19,000
Below-market leases	16,296	16,827
Dividends payable	14,348	14,132
Prepaid rental income	14,168	1,979
Environmental reserve	11,584	11,584
Deferred maintenance	4,074	4,124
Accrued interest	3,139	3,004
Total accounts payable, accrued expenses and other liabilities	<u>\$ 129,139</u>	<u>\$ 121,055</u>

Additional Information (cont'd)

March 31, 2017

(In thousands, except per share amounts)

<u>Select Non-Cash Items</u>	<u>Three Months Ended</u>	
	<u>March 31, 2017</u>	<u>March 31, 2016</u>
Straight-line rental income		
Wholly-owned	\$ 1,534	\$ 4,404
Joint ventures	(85)	267
Total	\$ 1,449	\$ 4,671
Net amortization of above/below market rental income/expense		
Wholly-owned	\$ 195	\$ 242
Joint ventures	36	58
Total	\$ 231	\$ 300
Amortization of deferred financing costs	\$ (1,582)	\$ (1,340)
Stock-based compensation expense	(390)	(267)
Capital Expenditures		
Development and redevelopment costs	\$ 19,253	\$ 6,610
Tenant improvements and allowances	2,603	1,900
Maintenance capital expenditures	30	—
Leasing commissions	457	197
Total capital expenditures	\$ 22,343	\$ 8,707
Dividends		
Dividends per Class A and Class C common share	\$ 0.25	\$ 0.25
Declaration date	February 28, 2017	March 8, 2016
Record date	March 31, 2017	March 31, 2016
Payment date	April 13, 2017	April 14, 2016

Portfolio Overview

March 31, 2017

(In thousands, except number of properties/leases and PSF amounts)

Portfolio Summary

The following table provides a summary of the Company's portfolio, including JV Properties presented at the Company's proportional share, as of March 31, 2017:

	Consolidated Portfolio	Unconsolidated Joint Ventures	Seritage Total
Number of properties	235	31	266
Total GLA	36,667	5,448	42,115
At share	36,667	2,724	39,391
Leased GLA	34,696	5,397	40,093
At share	34,696	2,698	37,394
Percentage leased	94.6%	99.1%	95.2%
At share	94.6%	99.1%	94.9%

Property Type

As of March 31, 2017, the portfolio included 133 properties attached to regional malls and 133 shopping center or freestanding properties. The following table provides a summary of the portfolio, including JV Properties presented at the Company's proportional share, based on these property types and signed leases as of March 31, 2017:

Property Type (1)	Number of Properties	Leased GLA	Annual Rent	Rent PSF	Occupancy
Mall	133	21,109	\$ 136,940	\$ 6.49	98.9%
Shopping Center	133	16,285	94,229	5.79	90.3%
Total	266	37,394	\$ 231,169	\$ 6.18	94.9%

(1) Company classification. Mall properties are attached to regional malls; Shopping Center properties include properties attached to, within or adjacent to neighborhood shopping or power centers, as well as freestanding properties.

Tenant Overview

The following table provides a summary of annual base rent for the portfolio, including JV Properties presented at the Company's proportional share, based on signed leases as of March 31, 2017:

Tenant	Number of Leases	Leased GLA	% of Total Leased GLA	Annual Rent	% of Total Annual Rent	Annual Rent PSF
Sears Holdings (1)	232	31,371	83.9%	\$ 139,447	60.3%	\$ 4.45
In-Place Third-Party Leases	243	3,432	9.2%	44,528	19.3%	12.97
SNO Third-Party Leases	90	2,591	6.9%	47,194	20.4%	18.21
Sub-Total Third-Party Leases	333	6,023	16.1%	91,722	39.7%	15.23
Total	565	37,394	100.0%	\$ 231,169	100.0%	\$ 6.18

(1) Leases reflects number of properties subject to the Master Lease and JV Master Leases.

Portfolio Overview (cont'd)

March 31, 2017

(In thousands, except number of properties and PSF amounts)

Top Tenants

The following table lists the top tenants in the portfolio, including JV Properties presented at the Company's proportional share, based on signed leases as of March 31, 2017:

(dollars in thousands)

Tenant	Number of Leases	Annual Rent	% of Total Annual Rent
Sears Holdings (1)	232	\$ 139,447	60.3%
Lands' End (2)	68	6,527	2.8%
Dave & Busters	5	5,961	2.6%
Primark	5	5,544	2.4%
At Home	9	5,184	2.2%
Nordstrom Rack	6	4,385	1.9%
Burlington Stores	6	4,075	1.8%
Dick's Sporting Goods	3	3,498	1.5%
Cinemark	3	3,240	1.4%
TJX	6	2,631	1.1%
PetSmart	5	2,391	1.0%
AMC	2	2,135	0.9%
Bed Bath & Beyond	4	1,937	0.8%
Round One Entertainment	2	1,768	0.8%
Floor & Décor	2	1,691	0.7%
Saks Off 5th	2	1,595	0.7%
Vasa Fitness	2	1,306	0.6%
BJ's Restaurants, Inc.	5	1,213	0.5%
Whole Foods	2	1,143	0.5%
Kroger	2	1,079	0.5%

(1) Leases reflects number of properties subject to the Master Lease and JV Master Leases.

(2) Lease agreements between Sears Holdings and Lands' End were retained as a sublease under the Master Lease. However, Sears Holdings pays the Company additional rent under the Master Lease (in lieu of base rent attributable to the Lands' End space leased to Sears Holdings under the Master Lease) an amount equal to rent payments (including expenses) required to be made by Lands' End under the Lands' End leases.

Portfolio Overview (cont'd)

March 31, 2017

(In thousands, except number of leases and PSF amounts)

Geographic Summary

The following table sets forth information regarding the geographic diversification of the portfolio, including JV Properties presented at the Company's proportional share, based on signed leases as of March 31, 2017:

(in thousands except property count and PSF data)

State	Number of Properties	Annual Rent	% of Total Annual Rent	Rent PSF
California	43	\$ 42,968	18.6%	\$ 6.27
Florida	27	28,118	12.2%	6.86
New York	12	15,256	6.6%	7.73
Texas	17	11,966	5.2%	4.77
New Jersey	7	11,122	4.8%	10.46
Illinois	12	10,333	4.5%	4.57
Pennsylvania	8	8,462	3.7%	9.32
Virginia	6	7,617	3.3%	6.24
Puerto Rico	6	6,903	3.0%	7.55
Massachusetts	4	6,012	2.6%	11.32
Total Top 10	142	\$ 148,757	64.5%	\$ 6.66
Other (1)	124	82,412	35.5%	5.47
Total	266	\$ 231,169	100.0%	\$ 6.18

(1) Includes 40 states

Leasing Activity

March 31, 2017

(In thousands, except number of leases and PSF amounts)

Signed Leases

The table below provides a summary of the Company's leasing activity since inception through March 31, 2017, including JV Properties presented at the Company's proportional share:

(in thousands except number of leases and PSF data)

Quarter	Total				Release of Sears Holdings Space				
	Leases	Leased GLA	Annual Rent	Annual Rent PSF	Leases	Leased GLA	Annual Rent	Annual Rent PSF	Releasing Spread
Q4 2015	9	154	\$ 4,650	\$ 30.28	6	130	\$ 3,820	\$ 29.41	4.4x
Q1 2016	7	214	6,990	32.60	7	214	6,990	32.60	5.7x
Q2 2016	15	422	7,240	17.15	13	363	6,440	17.75	4.7x
Q3 2016	14	543	7,470	13.74	12	456	6,250	13.70	4.0x
Q4 2016	29	891	14,900	16.72	27	849	13,930	16.41	4.1x
Q1 2017	22	535	8,780	16.41	21	530	8,660	16.34	4.0x
Total	96	2,759	\$ 50,030	\$ 18.13	86	2,542	\$ 46,090	\$ 18.13	4.3x

SNO Lease Summary

The table below provides a summary of the Company's SNO leases from December 31, 2016 to March 31, 2017, including JV Properties presented at the Company's proportional share:

(in thousands except number of leases and PSF data)

	Number of SNO Leases	GLA	Total	
			Annual Rent	Annual Rent PSF
As of December 31, 2016	77	2,218	\$ 41,152	\$ 18.55
Opened (1)	(9)	(162)	(2,738)	16.90
Signed	22	535	8,780	16.23
As of March 31, 2017	90	2,591	\$ 47,194	\$ 18.21

(1) Includes one terminated lease for 3,740 SF that was assumed by the Company when it acquired the portfolio in July 2015.

Redevelopment Projects

March 31, 2017

(In thousands, except number of leases)

The table below summarizes the Company's wholly-owned development activity from inception through March 31, 2017:

(in thousands)

Estimated Project Costs (1)	Number of Projects	Project Square Feet	Estimated Development Costs (1)	Estimated Project Costs (1)	Projected Annual Income (2)			Estimated Incremental Yield (3)
					Total	Existing	Incremental	
< \$10,000	17	1,073	\$ 83,700	\$ 83,700	\$ 16,100	\$ 5,100	\$ 11,100	
\$10,001 - \$20,000	16	1,569	218,900	230,800	36,400	11,200	25,200	
> \$20,000	5	633	133,100	143,100	25,300	6,300	19,000	
New Projects	38	3,275	\$ 435,700	\$ 457,600	\$ 77,800	\$ 22,600	\$ 55,300	12.0 - 13.0%
Acquired projects	15		63,600	63,600				
Total	53		\$ 499,300	\$ 521,200				

- (1) Total estimated development costs exclude, and total estimated project costs include, termination fees to recapture 100% of certain properties.
- (2) Projected annual income includes assumptions on stabilized rents to be achieved for space under redevelopment. There can be no assurance that stabilized rent targets will be achieved.
- (3) Projected incremental annual income divided by total estimated project costs.

The table below provides additional information, including a brief description of each of the 33 new redevelopment projects originated on the Seritage platform:

Total Project Costs under \$10 Million				
Property	Description	Total Project Square Feet	Estimated Construction Start	Estimated Substantial Completion
King of Prussia, PA	Repurpose former auto center space for Outback Steakhouse, Yard House and small shop retail	29,100	Substantially complete	
Ft. Wayne, IN	Site densification; new outparcel for BJ's Brewhouse	7,600	Delivered to tenant	
Merrillville, IN	Termination property; redevelop existing store for At Home	132,000	Delivered to tenant	
San Antonio, TX	Recapture and repurpose auto center space for Orvis, Jared's Jeweler, Shake Shack and small shop retail	18,900	Delivered to tenants	
Bowie, MD	Recapture and repurpose auto center space for BJ's Brewhouse	8,200	Delivered to tenant	
Albany, NY	Recapture and repurpose auto center space for BJ's Brewhouse and additional restaurants	28,000	Underway	Q4 2017
Hagerstown, MD	Recapture and repurpose auto center space for BJ's Brewhouse and additional restaurants	15,400	Underway	Q4 2017
Roseville, MI	Partial recapture; redevelop existing store for At Home	100,400	Underway	Q4 2017
Troy, MI	Partial recapture; redevelop existing store for At Home	100,000	Underway	Q4 2017
Warwick, RI	Recapture and repurpose auto center space for BJ's Brewhouse and additional retail	27,900	Underway	Q4 2017
Elkhart, IN	Termination property; existing store has been released to Big R Stores	86,500	Underway	Q4 2017
Henderson, NV	Termination property; redevelop existing store for At Home, Seafood City and additional retail	144,400	Q2 2017	Q4 2017
Anderson, SC	Partial recapture; redevelop existing store for Burlington Stores	124,300	Q2 2017	Q4 2017
Rehoboth Beach, DE	Partial recapture; redevelop existing store for Christmas Tree Shops and That! and PetSmart	56,700	Q2 2017	Q1 2018
Kearney, NE	Termination property; redevelop existing store for Marshall's, PetSmart and additional junior anchors	92,500	Q2 2017	Q2 2018
Guaynabo, PR	Partial recapture; redevelop existing store for Planet Fitness and Capri	56,100	Q3 2017	Q2 2018
Olean, NY	Partial recapture; redevelop existing store for Marshall's and additional retail	45,000	Q3 2017	Q2 2018

PROPERTY INFORMATION



Redevelopment Projects (cont'd)

March 31, 2017

(In thousands)

Total Project Costs \$10 - \$20 Million				
Property	Description	Total Project Square Feet	Estimated Construction Start	Estimated Substantial Completion
Braintree, MA	100% recapture; redevelop existing store for Nordstrom Rack, Saks OFF 5th and additional retail	90,000	Substantially complete	
Honolulu, HI	100% recapture; redevelop existing store for Longs Drugs (CVS), PetSmart and Ross Dress for Less	79,000	Delivered to tenants	
Madison, WI	Partial recapture; redevelop existing store for Dave & Busters, Total Wine & More, additional retail and restaurants	75,300	Underway	Q4 2017
West Jordan, UT	Partial recapture; redevelop existing store and attached auto center for Burlington Stores and additional retail	81,400	Underway	Q4 2017
Fairfax, VA	Partial recapture; redevelop existing store and attached auto center for Dave & Busters, additional junior anchors and restaurants	110,300	Underway	Q1 2018
Charleston, SC	Partial recapture; redevelop existing store and detached auto center for Burlington Stores and additional retail	71,700	Q2 2017	Q1 2018
North Hollywood, CA	Partial recapture; redevelop existing store for Burlington Stores and additional junior anchors	79,800	Q2 2017	Q1 2018
Orlando, FL	100% recapture; demolish and construct new buildings for Floor & Décor, Orchard Supply Hardware, small shop retail and restaurants	139,200	Q2 2017	Q2 2018
Springfield, IL	Termination property; redevelop existing store for Burlington Stores, Binny's Beverage Depot, Outback Steakhouse, additional junior anchors and small shop retail	133,400	Q2 2017	Q2 2018
Santa Cruz, CA	Partial recapture; redevelop existing store for TJ Maxx, Homegoods and Petco	62,200	Q3 2017	Q1 2018
Saugus, MA	Partial recapture; redevelop existing store and detached auto center for Round 1 Entertainment and restaurants	99,000	Q3 2017	Q1 2018
Thornton, CO	Termination property; redevelop existing store for Vasa Fitness and additional junior anchors	191,600	Q3 2017	Q1 2018
Cockeysville, MD	Partial recapture; redevelop existing store for Homegoods, additional junior anchors and restaurants	83,500	Q3 2017	Q2 2018
North Miami, FL	100% recapture; redevelop existing store for Michael's, PetSmart and additional junior anchors	124,300	Q3 2017	Q2 2018
Carson, CA	Partial recapture; redevelop existing store for Burlington Stores and additional retail	77,000	Q3 2017	Q1 2019
Salem, NH	Site densification; new theatre for Cinemark Recapture and repurpose auto center for restaurant space	71,200	Q4 2017	Q3 2018
Total Project Costs over \$20 Million				
Property	Description	Total Project Square Feet	Estimated Construction Start	Estimated Substantial Completion
Memphis, TN	100% recapture; demolish and construct new buildings for LA Fitness, Nordstrom Rack, Ulta Beauty, additional junior anchors, small shop retail and restaurants	135,200	Underway	Q3 2017
Wayne, NJ	Partial recapture; redevelop existing store for Dave & Busters, additional junior anchors and restaurants	111,300	Underway	Q4 2017
West Hartford, CT	100% recapture; redevelop existing store and detached auto center for BuyBuy Baby, Cost Plus World Market, REI, Saks OFF Fifth, other junior anchors, Shake Shack and additional small shop retail	147,600	Underway	Q1 2018
St. Petersburg, FL	100% recapture; demolish and construct new buildings for Dick's Sporting Goods, Lucky's Market, PetSmart, Chili's Grill & Bar, Pollo Tropical, Longhorn Steakhouse and additional small shop retail and restaurants	142,400	Q2 2017	Q2 2018
Santa Monica, CA	100% recapture; redevelop existing building into premier, mixed-use asset featuring unique, small-shop retail and creative office space	96,500	Q4 2017	Q4 2019

Termination Properties

March 31, 2017

(In thousands)

Terminated Properties Summary

In January 2017, pursuant to termination notices previously submitted to the Company, Sears Holdings vacated 17 stores totaling 1.7 million square feet of gross leasable area. The aggregate annual base rent at these stores was approximately \$6.0 million, or 2.6% of the Company's total annual base rent as of March 31, 2017, including all signed leases. Sears Holdings paid rent until it vacated the stores and also paid a termination fee of approximately \$10.0 million, an amount equal to one year of aggregate annual base rent plus one year of estimated real estate taxes and operating expenses.

The table below provides a summary of the 17 terminated properties:

Property	Square Feet
Cullman, AL	98,500
Sierra Vista, AZ	86,100
Thornton, CO	190,200
Chicago, IL	118,800
Springfield, IL	84,200
Elkhart, IN	86,500
Merrillville, IN	108,300
Houma, LA	96,700
New Iberia, LA	91,700
Alpena, MI	118,200
Manistee, MI	87,800
Sault Sainte Marie, MI	92,700
Kearney, NE	86,500
Deming, NM	96,600
Harlingen, TX	91,700
Yakima, WA	97,300
Riverton, WY	94,800
Total square feet	<u>1,726,600</u>

Termination Properties (cont'd)

March 31, 2017

(In thousands)

Terminated Properties Summary (cont'd)

During the three months ended March 31, 2017, Sears Holdings provided notice that it intended to exercise its right to terminate the Master Lease with respect to 19 additional stores totaling 1.9 million square feet of gross leasable area. The aggregate annual base rent at these stores was approximately \$5.9 million or 2.6% of the Company's total annual base rent as of March 31, 2017, including all signed leases. Sears Holdings continued to pay Seritage rent until it vacated the stores in April 2017 and also paid Seritage a termination fee of approximately \$10.9 million, an amount equal to one year of aggregate annual base rent plus one year of estimated real estate taxes and operating expenses.

The table below provides a summary of the 19 properties to be terminated:

Property	Square Feet
El Paso, TX	103,657
Paducah, KY	108,244
Henderson, NV	122,823
Jefferson City, MO	92,016
Riverside, CA	94,500
Kissimmee, FL	112,505
Mount Pleasant, PA	83,536
Chapel Hill, OH	187,179
Concord, NC	137,499
Sioux Falls, SD	72,511
Platteville, WI	94,841
Muskogee, OK	87,500
Elkins, WV	94,885
Layton, UT	90,010
Detroit Lakes, MN	79,102
Hopkinsville, KY	70,326
Owensboro, KY	68,334
Leavenworth, KS	76,853
Kenton, OH	96,066
Total square feet	<u>1,872,387</u>

Joint Venture Properties

March 31, 2017

(In thousands)

GGP Joint Venture

	Mall Name	City	State	Joint Venture	Sears or Kmart	Recapture Rights (1)(2)	Total GLA (3)	Leased (3)
1	Valley Plaza Mall (4)	Bakersfield	CA	GGP JV	Sears	50%	102,100	100%
2	Pembroke Lakes Mall (4)(5)	Pembroke Pines	FL	GGP JV	Sears	50%	71,500	100%
3	Oakbrook Center (4)	Oak Brook	IL	GGP JV	Sears	50%	157,000	100%
4	Natick Collection (4)(5)	Natick	MA	GGP JV	Sears	50%	95,300	100%
5	The Mall in Columbia (4)	Columbia	MD	GGP JV	Sears	50%	74,600	100%
6	Ridgedale Center	Minnetonka	MN	GGP JV	Sears	50%	102,500	100%
7	Paramus Park (4)	Paramus	NJ	GGP JV	Sears	100%	96,200	100%
8	Coronado Center (4)	Albuquerque	NM	GGP JV	Sears	50%	83,400	70%
9	Staten Island Mall (4)	Staten Island	NY	GGP JV	Sears	50%	94,400	100%
10	Sooner Mall (5)	Norman	OK	GGP JV	Sears	50%	33,400	100%
11	Stonebriar Centre	Frisco	TX	GGP JV	Sears	50%	81,500	100%
12	Alderwood (4)	Lynnwood	WA	GGP JV	Sears	100%	88,800	100%

- (1) Properties with 50% recapture rights are subject to the joint venture's right to recapture approximately 50% of the space within a store (subject to certain exceptions). In addition, the joint venture has the right to recapture any automotive care centers which are free-standing or attached as "appendages" to the stores and all outparcels or outlots, as well as certain portions of parking areas and common areas.
- (2) In addition to the 50% recapture rights described above, the joint venture reached an agreement with Sears Holdings to recapture 100% of certain stores for a specified fee.
- (3) Based on signed leases as of March 31, 2017; GLA presented at the Company's proportional share.
- (4) As of March 31, 2017, the JVs had exercised certain recapture rights with respect to this property or announced plans to exercise such rights according to a specific schedule.
- (5) Property is subject to a lease or ground lease agreement.

Simon Joint Venture

	Mall Name	City	State	Joint Venture	Sears or Kmart	Recapture Rights (1)	Total GLA (2)	Leased (2)
1	Brea Mall	Brea	CA	Simon JV	Sears	50%	84,100	100%
2	Santa Rosa Plaza	Santa Rosa	CA	Simon JV	Sears	50%	82,700	100%
3	Burlington Mall	Burlington	MA	Simon JV	Sears	50%	135,600	100%
4	Briarwood	Ann Arbor	MI	Simon JV	Sears	50%	85,300	100%
5	Ocean County Mall	Toms River	NJ	Simon JV	Sears	50%	54,600	100%
6	The Shops at Nanuet	Nanuet	NY	Simon JV	Sears	50%	110,700	100%
7	Woodland Hills Mall	Tulsa	OK	Simon JV	Sears	50%	75,100	100%
8	Ross Park Mall	Pittsburgh	PA	Simon JV	Sears	50%	88,300	100%
9	Barton Creek Square	Austin	TX	Simon JV	Sears	50%	82,300	100%
10	Midland Park Mall	Midland	TX	Simon JV	Sears	50%	58,300	100%

- (1) Properties with 50% recapture rights are subject to the joint venture's right to recapture approximately 50% of the space within a store (subject to certain exceptions). In addition, the joint venture has the right to recapture any automotive care centers which are free-standing or attached as "appendages" to the stores and all outparcels or outlots, as well as certain portions of parking areas and common areas.
- (2) Based on signed leases as of March 31, 2017; GLA presented at the Company's proportional share.

Joint Venture Properties (cont'd)

March 31, 2017

(In thousands)

Macerich Joint Venture

	Mall Name	City	State	Joint Venture	Sears or Kmart	Recapture Rights (1)	Total GLA (2)	Leased (2)
1	Chandler Fashion Center	Chandler	AZ	Macerich JV	Sears	50%	70,800	100%
2	Arrowhead Towne Center	Glendale	AZ	Macerich JV	Sears	50%	62,500	100%
3	Los Cerritos Center	Cerritos	CA	Macerich JV	Sears	50%	138,800	100%
4	Vintage Faire Mall	Modesto	CA	Macerich JV	Sears	50%	74,300	100%
5	Danbury Fair	Danbury	CT	Macerich JV	Sears	50%	89,200	100%
6	Deptford Mall	Deptford	NJ	Macerich JV	Sears	50%	95,900	100%
7	Freehold Raceway Mall	Freehold	NJ	Macerich JV	Sears	50%	69,700	100%
8	Washington Square Mall	Portland	OR	Macerich JV	Sears	50%	110,000	100%
9	South Plains Mall	Lubbock	TX	Macerich JV	Sears	50%	75,300	100%

- (1) Properties with 50% recapture rights are subject to the joint venture's right to recapture approximately 50% of the space within a store (subject to certain exceptions). In addition, the joint venture has the right to recapture any automotive care centers which are free-standing or attached as "appendages" to the stores and all outparcels or outlots, as well as certain portions of parking areas and common areas
- (2) Based on signed leases as of March 31, 2017; GLA presented at the Company's proportional share.

PROPERTY INFORMATION



Wholly Owned Properties

March 31, 2017

	Property Address	City	State	Property Type (1)	Sears or Kmart	Recapture Rights (2)(3)	Total GLA (4)	Leased (4)	Land Acres
1	700 East Northern Lights Boulevard	Anchorage	AK	Shopping Center	Sears	100%	257,700	95.8%	26
2	1731 2nd Avenue Southwest	Cullman	AL	Freestanding	n/a	n/a	98,500	0.0%	6
3	3930 McCain Boulevard	North Little Rock	AR	Mall	Sears	50%	185,700	100.0%	15
4	2821 East Main Street	Russellville	AR	Freestanding	Kmart	50%	88,000	100.0%	7
5	4800 North US Highway 89	Flagstaff	AZ	Mall	Sears	50%	66,200	100.0%	7
6	6515 East Southern Avenue	Mesa	AZ	Mall	Sears	50%	121,900	100.0%	11
7	10140 North 91st Avenue	Peoria	AZ	Shopping Center	n/a	n/a	104,400	100.0%	10
8	7611 West Thomas Road	Phoenix	AZ	Mall	Sears	50%	144,200	100.0%	10
9	12025 North 32nd Street	Phoenix	AZ	Freestanding	n/a	n/a	151,200	100.0%	11
10	3400 Gateway Boulevard	Prescott	AZ	Mall	Sears	50%	102,300	100.0%	10
11	2250 El Mercado Loop	Sierra Vista	AZ	Mall	Sears	50%	94,700	100.0%	7
12	2011 East Fry Boulevard	Sierra Vista	AZ	Freestanding	n/a	n/a	86,100	0.0%	12
13	5950 East Broadway Boulevard	Tucson	AZ	Mall	Sears	50%	250,100	100.0%	20
14	3150 South 4th Avenue	Yuma	AZ	Shopping Center	Sears	50%	90,400	100.0%	14
15	3625 East 18th Street	Antioch	CA	Shopping Center	Kmart	50%	95,200	100.0%	7
16	42126 Big Bear Boulevard	Big Bear Lake	CA	Shopping Center	Kmart	50%	80,400	95.4%	8
17	20700 South Avalon Boulevard (5)(6)	Carson	CA	Mall	Sears	50%	181,200	100.0%	13
18	565 Broadway	Chula Vista	CA	Mall	Sears	50%	250,100	100.0%	16
19	5900 Sunrise Mall	Citrus Heights	CA	Mall	Sears	50%	289,500	100.0%	22
20	912 County Line Road	Delano	CA	Freestanding	Kmart	50%	86,100	100.0%	6
21	575 Fletcher Parkway	El Cajon	CA	Mall	Sears	50%	286,500	100.0%	22
22	3751 South Dogwood Road	El Centro	CA	Mall	Sears	50%	139,700	100.0%	14
23	1420 Travis Boulevard	Fairfield	CA	Mall	Sears	50%	164,100	100.0%	9
24	5901 Florin Road	Florin	CA	Shopping Center	Sears	50%	272,700	100.0%	20
25	3636 North Blackstone Avenue	Fresno	CA	Shopping Center	Sears	50%	217,600	100.0%	13
26	1500 Anna Sparks Way	McKinleyville	CA	Shopping Center	Kmart	50%	94,800	100.0%	8
27	1011 West Olive Avenue	Merced	CA	Shopping Center	Sears	50%	92,600	100.0%	10
28	5080 East Montclair Plaza Lane	Montclair	CA	Mall	Sears	50%	174,700	100.0%	3
29	22550 Town Circle	Moreno Valley	CA	Mall	Sears	50%	169,400	100.0%	11
30	6000 Mowry Avenue	Newark	CA	Mall	Sears	50%	145,800	100.0%	10
31	12121 Victory Boulevard (5)	North Hollywood	CA	Shopping Center	Sears	50%	166,800	77.8%	4
32	9301 Tampa Avenue	Northridge	CA	Mall	Sears	50%	291,800	100.0%	15
33	72880 Highway 111	Palm Desert	CA	Mall	Sears	50%	151,500	100.0%	8
34	1855 Main Street	Ramona	CA	Shopping Center	Kmart	50%	107,600	94.5%	10
35	5261 Arlington Avenue	Riverside	CA	Freestanding	Sears	50%	214,200	100.0%	19
36	3001 Iowa Avenue	Riverside	CA	Freestanding	Kmart	50%	132,600	100.0%	13

PROPERTY INFORMATION



Wholly Owned Properties

March 31, 2017

	Property Address	City	State	Property Type (1)	Sears or Kmart	Recapture Rights (2)(3)	Total GLA (4)	Leased (4)	Land Acres
37	1191 Galleria Boulevard	Roseville	CA	Mall	Sears	50%	139,000	100.0%	9
38	1700 North Main Street	Salinas	CA	Mall	Sears	50%	133,000	100.0%	10
39	100 Inland Center	San Bernardino	CA	Mall	Sears	100%	264,700	100.0%	22
40	1178 El Camino Real	San Bruno	CA	Mall	Sears	50%	276,600	100.0%	13
41	4575 La Jolla Village Drive (6)	San Diego	CA	Mall	Sears	50%	194,800	100.0%	13
42	2180 Tully Road	San Jose	CA	Mall	Sears	50%	262,500	100.0%	22
43	4015 Capitola Road (5)	Santa Cruz	CA	Mall	Sears	50%	119,600	100.0%	10
44	200 Town Center East	Santa Maria	CA	Mall	Sears	50%	108,600	100.0%	5
45	302 Colorado Avenue (5)	Santa Monica	CA	Freestanding	Sears	n/a	117,800	100.0%	3
46	895 Faulkner Road	Santa Paula	CA	Freestanding	Kmart	50%	71,300	100.0%	10
47	40710 Winchester Road	Temecula	CA	Mall	Sears	50%	115,600	100.0%	10
48	145 West Hillcrest Drive	Thousand Oaks	CA	Shopping Center	Sears	50%	164,000	100.0%	11
49	3295 East Main Street	Ventura	CA	Mall	Sears	50%	178,600	100.0%	2
50	3501 South Mooney Boulevard	Visalia	CA	Shopping Center	Sears	50%	75,600	100.0%	7
51	1209 Plaza Drive	West Covina	CA	Mall	Sears	50%	142,000	100.0%	16
52	100 Westminster Mall	Westminster	CA	Mall	Sears	100%	197,900	100.0%	14
53	10785 West Colfax Avenue	Lakewood	CO	Shopping Center	Sears	50%	153,000	100.0%	8
54	1400 East 104th Avenue	Thornton	CO	Shopping Center	n/a	n/a	190,200	30.0%	25
55	850 Hartford Turnpike	Waterford	CT	Mall	Sears	50%	149,300	100.0%	11
56	1445 New Britain Avenue (5)	West Hartford	CT	Shopping Center	n/a	n/a	155,300	66.2%	13
57	19563 Coastal Highway (5)	Rehoboth Beach	DE	Freestanding	Kmart	50%	122,100	100.0%	13
58	451 East Altamonte Drive	Altamonte Springs	FL	Mall	Sears	50%	214,300	100.0%	17
59	5900 Glades Road	Boca Raton	FL	Mall	Sears	50%	178,500	100.0%	19
60	303 U.S. Highway 301 Boulevard West	Bradenton	FL	Mall	Sears	50%	99,900	100.0%	15
61	7350 Manatee Avenue West	Bradenton	FL	Shopping Center	Kmart	50%	82,900	100.0%	9
62	27001 U.S. 19 North	Clearwater	FL	Mall	Sears	50%	211,700	100.0%	14
63	1625 Northwest 107th Avenue	Doral	FL	Mall	Sears	50%	212,900	100.0%	13
64	4125 Cleveland Avenue	Ft. Myers	FL	Mall	Sears	50%	146,800	100.0%	12
65	6201 West Newberry Road	Gainesville	FL	Mall	Sears	50%	140,500	100.0%	8
66	1675 West 49th Street	Hialeah	FL	Mall	Sears	50%	197,400	100.0%	8
67	1460 West 49th Street (6)	Hialeah	FL	Freestanding	Kmart	50%	106,400	100.0%	9
68	2211 West Vine Street	Kissimmee	FL	Shopping Center	Kmart	50%	148,900	100.0%	14
69	3800 US Highway 98 North	Lakeland	FL	Mall	Sears	50%	156,200	100.0%	12
70	1050 South Babcock Street	Melbourne	FL	Freestanding	Sears	50%	102,600	100.0%	14
71	19505 Biscayne Boulevard (6)	Miami	FL	Mall	Sears	100%	173,300	100.0%	12
72	20701 Southwest 112th Avenue	Miami	FL	Mall	Sears	100%	170,100	100.0%	15

PROPERTY INFORMATION



Wholly Owned Properties

March 31, 2017

	Property Address	City	State	Property Type (1)	Sears or Kmart	Recapture Rights (2)(3)	Total GLA (4)	Leased (4)	Land Acres
73	2000 9th Street North	Naples	FL	Mall	Sears	50%	161,900	100.0%	12
74	10700 Biscayne Boulevard (5)	North Miami	FL	Freestanding	Kmart	100%	122,200	100.0%	11
75	3100 Southwest College Road	Ocala	FL	Mall	Sears	50%	146,200	100.0%	12
76	380 Blanding Boulevard	Orange Park	FL	Shopping Center	n/a	n/a	87,400	100.0%	9
77	3111 East Colonial Drive (5)	Orlando	FL	Mall	n/a	n/a	139,200	72.1%	18
78	733 North Highway 231	Panama City	FL	Mall	Sears	50%	139,300	100.0%	15
79	7171 North Davis Highway	Pensacola	FL	Shopping Center	Sears	50%	212,300	100.0%	15
80	8000 West Broward Boulevard	Plantation	FL	Mall	Sears	50%	201,600	100.0%	18
81	8201 South Tamiami Trail	Sarasota	FL	Mall	Sears	50%	212,500	100.0%	15
82	4501 66th Street North	St. Petersburg	FL	Freestanding	Kmart	50%	120,600	100.0%	11
83	2300 Tyrone Boulevard North (5)	St. Petersburg	FL	Mall	n/a	n/a	142,400	89.6%	14
84	1500 Cumberland Mall Southeast	Atlanta	GA	Mall	Sears	50%	226,300	100.0%	15
85	7810 Abercorn Street	Savannah	GA	Mall	Sears	100%	167,300	100.0%	15
86	500 North Nimitz Highway (5)	Honolulu	HI	Freestanding	n/a	n/a	76,100	100.0%	4
87	1501 Highway 169 North	Algona	IA	Freestanding	Kmart	50%	99,300	100.0%	7
88	4600 1st Avenue Northeast	Cedar Rapids	IA	Mall	Sears	50%	146,000	100.0%	12
89	1405 South Grand Avenue	Charles City	IA	Freestanding	Kmart	50%	96,600	100.0%	11
90	2307 Superior Street	Webster City	IA	Shopping Center	Kmart	50%	40,800	100.0%	4
91	460 North Milwaukee Street	Boise	ID	Mall	Sears	50%	123,600	100.0%	8
92	4730 West Irving Park Road	Chicago	IL	Freestanding	Sears	50%	356,700	100.0%	6
93	1601 North Harlem Avenue	Chicago	IL	Freestanding	Sears	50%	293,700	100.0%	7
94	5050 South Kedzie Avenue	Chicago	IL	Shopping Center	n/a	n/a	168,500	29.5%	9
95	17550 Halsted Street	Homewood	IL	Shopping Center	n/a	n/a	196,100	100.0%	19
96	3340 Mall Loop Drive	Joliet	IL	Mall	Sears	50%	204,600	100.0%	17
97	2860 South Highland Avenue	Lombard	IL	Freestanding	n/a	n/a	139,300	100.0%	8
98	4902-5000 23rd Avenue	Moline	IL	Freestanding	Kmart	50%	123,700	97.4%	12
99	7503 West Cermak Road	North Riverside	IL	Mall	Sears	50%	203,000	100.0%	13
100	2 Orland Square Drive	Orland Park	IL	Mall	Sears	50%	199,600	100.0%	16
101	2500 Wabash Avenue	Springfield	IL	Shopping Center	n/a	n/a	133,600	64.9%	14
102	3231 Chicago Road	Steger	IL	Freestanding	Kmart	50%	87,400	100.0%	3
103	3101 Northview Drive	Elkhart	IN	Shopping Center	n/a	n/a	86,600	100.0%	8
104	4201 Coldwater Road (5)	Ft. Wayne	IN	Mall	Sears	50%	231,900	100.0%	15
105	101 West Lincoln Highway	Merrillville	IN	Shopping Center	n/a	n/a	170,900	83.0%	17
106	4820 South 4th Street Trafficway	Leavenworth	KS	Freestanding	Kmart	50%	83,600	92.0%	9
107	9701 Metcalf Avenue	Overland Park	KS	Shopping Center	Sears	50%	223,200	100.0%	19
108	3010 Fort Campbell Boulevard	Hopkinsville	KY	Shopping Center	Kmart	50%	93,000	80.9%	13

PROPERTY INFORMATION



Wholly Owned Properties

March 31, 2017

	Property Address	City	State	Property Type (1)	Sears or Kmart	Recapture Rights (2)(3)	Total GLA (4)	Leased (4)	Land Acres
109	2815 West Parrish Avenue	Owensboro	KY	Shopping Center	Kmart	50%	68,300	100.0%	5
110	5101 Hinkleville Road	Paducah	KY	Mall	Sears	50%	108,200	100.0%	9
111	133 Monarch Drive	Houma	LA	Freestanding	n/a	n/a	101,400	4.6%	9
112	5715 Johnston Street	Lafayette	LA	Mall	Sears	50%	194,900	100.0%	16
113	900 East Admiral Doyle Drive	New Iberia	LA	Freestanding	n/a	n/a	91,700	0.0%	12
114	200 Grossman Drive (5)	Braintree	MA	Shopping Center	n/a	n/a	89,300	90.3%	34
115	1325 Broadway (5)	Saugus	MA	Mall	Sears	50%	210,400	100.0%	16
116	15700 Emerald Way (5)	Bowie	MD	Shopping Center	Sears	50%	131,700	100.0%	11
117	126 Shawan Road (5)	Cockeysville	MD	Shopping Center	Sears	50%	165,900	100.0%	12
118	3207 Solomons Island Road	Edgewater	MD	Shopping Center	Kmart	50%	117,200	100.0%	14
119	17318 Valley Mall Road (5)	Hagerstown	MD	Mall	Sears	50%	122,700	93.6%	12
120	417 Main Street	Madawaska	ME	Shopping Center	Kmart	50%	49,700	100.0%	2
121	2355 US Highway 23 South	Alpena	MI	Freestanding	n/a	n/a	118,200	0.0%	12
122	1250 Boardman-Jackson Crossing	Jackson	MI	Shopping Center	Sears	50%	152,700	100.0%	15
123	2100 Southfield Road	Lincoln Park	MI	Shopping Center	Sears	50%	301,700	100.0%	17
124	1560 US 31 South	Manistee	MI	Shopping Center	n/a	n/a	94,700	0.0%	12
125	32123 Gratiot Avenue (5)	Roseville	MI	Mall	Sears	50%	385,400	100.0%	21
126	2760 I-75 Business Spur	Sault Ste. Marie	MI	Freestanding	n/a	n/a	92,700	0.0%	11
127	22801 Harper Avenue	St. Clair Shores	MI	Freestanding	Kmart	100%	122,200	100.0%	11
128	300 West 14 Mile Road (5)	Troy	MI	Mall	Sears	50%	402,600	100.0%	30
129	3100 Washtenaw Road	Ypsilanti	MI	Freestanding	n/a	n/a	99,400	100.0%	12
130	14250 Buck Hill Road	Burnsville	MN	Mall	Sears	50%	167,400	100.0%	15
131	1305 Highway 10 West	Detroit Lakes	MN	Shopping Center	Kmart	50%	87,100	100.0%	15
132	3001 White Bear Avenue North	Maplewood	MN	Mall	Sears	50%	174,900	100.0%	14
133	425 Rice Street	St. Paul	MN	Freestanding	Sears	100%	217,900	100.0%	17
134	11 South Kingshighway Street	Cape Girardeau	MO	Freestanding	Kmart	50%	82,600	100.0%	6
135	1 Flower Valley Shopping Center	Florissant	MO	Shopping Center	Kmart	50%	119,000	100.0%	11
136	2304 Missouri Boulevard	Jefferson City	MO	Freestanding	Kmart	50%	97,100	100.0%	10
137	3700 South Campbell Avenue	Springfield	MO	Shopping Center	n/a	n/a	112,900	100.0%	8
138	2308 Highway 45 North	Columbus	MS	Shopping Center	Kmart	50%	166,700	97.5%	18
139	3180 Highway 2 West	Havre	MT	Freestanding	Kmart	50%	94,700	100.0%	9
140	1 South Tunnel Road	Asheville	NC	Mall	Sears	50%	240,700	100.0%	16
141	545 Concord Parkway North	Concord	NC	Shopping Center	Kmart	50%	171,300	100.0%	26
142	1302 Bridford Parkway	Greensboro	NC	Shopping Center	n/a	n/a	173,300	99.0%	16
143	1 20th Avenue Southeast	Minot	ND	Shopping Center	Kmart	50%	110,400	100.0%	13
144	4700 2nd Avenue	Kearney	NE	Freestanding	n/a	n/a	86,500	43.9%	8

PROPERTY INFORMATION



Wholly Owned Properties

March 31, 2017

	Property Address	City	State	Property Type (1)	Sears or Kmart	Recapture Rights (2)(3)	Total GLA (4)	Leased (4)	Land Acres
145	1500 South Willow Street	Manchester	NH	Mall	Sears	50%	144,100	100.0%	11
146	310 Daniel Webster Highway	Nashua	NH	Mall	Sears	50%	167,100	100.0%	7
147	50 Fox Run Road	Portsmouth	NH	Mall	Sears	50%	127,000	100.0%	13
148	77 Rockingham Park Boulevard	Salem	NH	Mall	Sears	50%	250,500	100.0%	14
149	1500 Highway 35	Middletown	NJ	Freestanding	Sears	100%	191,200	100.0%	23
150	1640 Route 22	Watchung	NJ	Freestanding	Sears	100%	262,900	100.0%	19
151	50 Route 46 (5)	Wayne	NJ	Mall	Sears	50%	292,200	78.5%	26
152	1205 East Pine Street	Deming	NM	Freestanding	n/a	n/a	96,600	0.0%	10
153	3000 East Main Street	Farmington	NM	Freestanding	Kmart	50%	90,700	100.0%	11
154	2220 North Grimes Street	Hobbs	NM	Shopping Center	Kmart	50%	88,900	100.0%	8
155	10405 South Eastern Avenue	Henderson	NV	Shopping Center	Kmart	n/a	145,900	100.0%	12
156	4000 Meadows Lane	Las Vegas	NV	Mall	Sears	50%	150,200	100.0%	11
157	5400 Meadowood Mall Circle	Reno	NV	Mall	Sears	50%	198,800	100.0%	3
158	1425 Central Avenue (5)	Albany	NY	Mall	Sears	50%	285,500	92.8%	21
159	4155 State Route 31	Clay	NY	Mall	Sears	50%	146,500	100.0%	12
160	4000 Jericho Turnpike	East Northport	NY	Shopping Center	Sears	50%	195,300	100.0%	18
161	195 North Broadway	Hicksville	NY	Freestanding	Sears	100%	362,600	100.0%	30
162	601 Harry L Drive	Johnson City	NY	Mall	Sears	50%	155,100	100.0%	11
163	2801 West State Street (5)	Olean	NY	Freestanding	Kmart	50%	118,000	100.0%	13
164	317 Greece Ridge Center Drive	Rochester	NY	Mall	Sears	50%	128,500	100.0%	15
165	171 Delaware Avenue	Sidney	NY	Shopping Center	Kmart	50%	94,400	100.0%	19
166	200 Eastview Mall	Victor	NY	Mall	Sears	50%	123,000	100.0%	14
167	600 Lee Boulevard	Yorktown Heights	NY	Mall	Sears	50%	160,000	100.0%	12
168	4100 Belden Village Avenue Northwest	Canton	OH	Mall	Sears	50%	219,400	100.0%	19
169	2000 Brittain Road	Chapel Hill	OH	Mall	Sears	50%	194,700	100.0%	21
170	2700 Miamisburg Centerville Road	Dayton	OH	Mall	Sears	50%	192,600	100.0%	16
171	1005 East Columbus Street	Kenton	OH	Freestanding	Kmart	50%	96,100	100.0%	11
172	502 Pike Street	Marietta	OH	Freestanding	Kmart	50%	87,500	100.0%	7
173	7875 Johnnycake Ridge Road	Mentor	OH	Mall	Sears	50%	219,100	100.0%	20
174	6950 West 130th Street	Middleburg Heights	OH	Shopping Center	Sears	50%	359,000	100.0%	15
175	1447 North Main Street	North Canton	OH	Shopping Center	Kmart	50%	87,100	100.0%	9
176	555 South Avenue	Tallmadge	OH	Freestanding	Kmart	50%	84,200	100.0%	8
177	3408 West Central Avenue	Toledo	OH	Shopping Center	Sears	50%	218,700	100.0%	11
178	4 East Shawnee Road	Muskogee	OK	Freestanding	Kmart	50%	87,500	100.0%	10
179	4400 South Western Avenue	Oklahoma City	OK	Freestanding	Sears	50%	173,700	100.0%	24
180	3132 East 51st Street	Tulsa	OK	Freestanding	n/a	n/a	87,200	100.0%	9

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Wholly Owned Properties

March 31, 2017

	Property Address	City	State	Property Type (1)	Sears or Kmart	Recapture Rights (2)(3)	Total GLA (4)	Leased (4)	Land Acres
181	1180 Southeast 82nd Avenue	Happy Valley	OR	Mall	Sears	50%	144,300	100.0%	12
182	2640 West 6th Street	The Dalles	OR	Freestanding	Kmart	50%	87,100	100.0%	8
183	1180 Walnut Bottom Road	Carlisle	PA	Shopping Center	Kmart	50%	117,800	100.0%	3
184	3975 Columbia Avenue	Columbia	PA	Shopping Center	Kmart	50%	86,700	100.0%	8
185	160 North Gulph Road, Suite 4000 (7)	King Of Prussia	PA	Mall	n/a	n/a	210,900	97.6%	14
186	1745 Quentin Road	Lebanon	PA	Shopping Center	Kmart	50%	117,200	100.0%	15
187	100 Cross Roads Plaza	Mount Pleasant	PA	Shopping Center	Kmart	50%	83,500	100.0%	10
188	400 North Best Avenue	Walnutport	PA	Freestanding	Kmart	50%	121,200	100.0%	16
189	1094 Haines Road	York	PA	Shopping Center	Kmart	50%	82,000	100.0%	6
190	PR 167 & Las Cumbres	Bayamon	PR	Shopping Center	Kmart	50%	115,200	100.0%	10
191	400 Calle Betances	Caguas	PR	Mall	Sears	50%	138,700	100.0%	8
192	Avenue 65 Infanteria	Carolina	PR	Mall	Sears	50%	198,000	100.0%	11
193	Martinez Nadal Avenue (5)	Guaynabo	PR	Shopping Center	Kmart	50%	217,300	94.4%	18
194	PR Road 2, Km 149.5	Mayaguez	PR	Shopping Center	Kmart	50%	118,200	100.0%	13
195	2643 Ponce Bypass	Ponce	PR	Shopping Center	Kmart	50%	126,900	100.0%	9
196	650 Bald Hill Road (5)	Warwick	RI	Shopping Center	Sears	50%	226,300	90.9%	20
197	3801B Clemson Boulevard (5)(6)	Anderson	SC	Shopping Center	Kmart	50%	118,800	100.0%	12
198	7801 Rivers Avenue (5)(6)	Charleston	SC	Mall	Sears	50%	138,900	100.0%	14
199	2302 Cherry Road	Rock Hill	SC	Shopping Center	Kmart	50%	89,300	100.0%	12
200	3020 West 12th Street	Sioux Falls	SD	Freestanding	Kmart	50%	72,500	100.0%	6
201	2800 North Germantown Parkway	Cordova	TN	Mall	Sears	50%	160,900	100.0%	12
202	4570 Poplar Avenue (5)	Memphis	TN	Freestanding	n/a	n/a	135,200	57.2%	11
203	12625 North Interstate Highway 35	Austin	TX	Shopping Center	Sears	50%	172,000	100.0%	25
204	3450 West Camp Wisdom Road	Dallas	TX	Mall	Sears	50%	205,300	100.0%	13
205	9484 Dyer Street	El Paso	TX	Freestanding	Kmart	50%	112,100	100.0%	11
206	300 Baybrook Mall	Friendswood	TX	Mall	Sears	50%	166,000	100.0%	13
207	1129 Morgan Boulevard	Harlingen	TX	Shopping Center	n/a	n/a	91,700	0.0%	7
208	303 Memorial City	Houston	TX	Mall	Sears	50%	214,400	100.0%	20
209	12605 North Gessner Road	Houston	TX	Freestanding	n/a	n/a	134,000	100.0%	11
210	6301 Northwest Loop 410	Ingram	TX	Mall	Sears	50%	168,400	100.0%	12
211	2501 Irving Mall	Irving	TX	Mall	Sears	50%	83,200	100.0%	18
212	201 Central Park Mall (5)	San Antonio	TX	Freestanding	Sears	50%	213,100	97.8%	15
213	4000 North Shepherd	Shepherd	TX	Freestanding	Sears	50%	201,700	100.0%	12
214	13131 Preston Road (6)	Valley View	TX	Mall	Sears	100%	235,000	100.0%	23
215	9570 Southwest Freeway	Westwood	TX	Freestanding	Sears	50%	215,000	100.0%	18
216	2010 North Main Street	Layton	UT	Shopping Center	Kmart	50%	176,800	85.1%	14

PROPERTY INFORMATION



Wholly Owned Properties

March 31, 2017

	Property Address	City	State	Property Type (1)	Sears or Kmart	Recapture Rights (2)(3)	Total GLA (4)	Leased (4)	Land Acres
217	7453 South Plaza Center Drive (5)	West Jordan	UT	Shopping Center	Sears	50%	200,800	91.6%	12
218	5901 Duke Street	Alexandria	VA	Mall	Sears	50%	262,100	100.0%	18
219	1401 Greenbrier Parkway	Chesapeake	VA	Mall	Sears	50%	169,400	100.0%	15
220	12000 Fair Oaks Mall (5)	Fairfax	VA	Mall	Sears	50%	225,200	68.7%	15
221	5200 Mercury Boulevard Suite 100	Hampton	VA	Shopping Center	Sears	50%	245,000	100.0%	16
222	4588 Virginia Beach Boulevard	Virginia Beach	VA	Mall	Sears	50%	197,300	100.0%	14
223	141 West Lee Highway	Warrenton	VA	Shopping Center	Sears	50%	121,000	100.0%	9
224	2200 148th Avenue Northeast	Redmond	WA	Shopping Center	Sears	50%	267,400	100.0%	15
225	8800 Northeast Vancouver Mall Drive	Vancouver	WA	Mall	Sears	50%	129,700	100.0%	10
226	2304 East Nob Hill Boulevard	Yakima	WA	Freestanding	n/a	n/a	117,300	0.0%	14
227	5200 South 76th Street	Greendale	WI	Mall	Sears	50%	238,400	100.0%	21
228	53 West Towne Mall (5)	Madison	WI	Mall	Sears	50%	144,200	100.0%	18
229	1425 East Bus Highway 151	Platteville	WI	Freestanding	Kmart	50%	94,800	100.0%	10
230	1701 4th Avenue West	Charleston	WV	Shopping Center	Kmart	50%	105,600	100.0%	10
231	731 Beverly Pike	Elkins	WV	Shopping Center	Kmart	50%	99,600	95.3%	8
232	101 Great Teays Boulevard	Scott Depot	WV	Freestanding	Kmart	50%	89,800	100.0%	8
233	4000 East 2nd Street	Casper	WY	Shopping Center	Kmart	50%	91,400	100.0%	8
234	2150 South Douglas Highway	Gillette	WY	Freestanding	Kmart	50%	94,600	100.0%	10
235	1960 North Federal Boulevard	Riverton	WY	Freestanding	n/a	n/a	94,800	0.0%	9
Total - Wholly-Owned Properties							36,666,500	94.6%	3,004

- (1) Company classification. Mall properties are attached to regional malls; Shopping Center properties include properties attached, within or adjacent to neighborhood shopping or power centers, as well as freestanding properties.
- (2) Properties with 50% recapture rights are subject to the Company's right to recapture approximately 50% of the space within a store (subject to certain exceptions). In addition, the Company has the right to recapture any automotive care centers which are free-standing or attached as "appendages" to the stores and all outparcels or outlots, as well as certain portions of parking areas and common areas.
- (3) In addition to the 50% recapture rights described above, properties with 100% recapture rights are subject to the Company's right to recapture the entire space within a store for a specified fee.
- (4) Based on signed leases as of March 31, 2017.
- (5) The Company exercised some or all of its recapture rights for this property during or prior to the quarter ended March 31, 2017.
- (6) The Company submitted a recapture notice for this property subsequent to March 31, 2017.
- (7) Property is subject to a ground lease.

Non-GAAP Measures

The Company makes reference to NOI, Total NOI, EBITDA, Adjusted EBITDA, FFO and Company FFO which are financial measures that include adjustments to accounting principles generally accepted in the United States ("GAAP").

None of Total NOI, EBITDA, Adjusted EBITDA, FFO or Company FFO, are measures that (i) represent cash flow from operations as defined by GAAP; (ii) are indicative of cash available to fund all cash flow needs, including the ability to make distributions; (iii) are alternatives to cash flow as a measure of liquidity; or (iv) should be considered alternatives to net income (which is determined in accordance with GAAP) for purposes of evaluating the Company's operating performance. Reconciliations of these measures to the respective GAAP measures we deem most comparable have been provided in the tables accompanying this press release.

Net Operating Income ("NOI"), Total NOI and Annualized Total NOI

NOI is defined as income from property operations less property operating expenses. The Company believes NOI provides useful information regarding Seritage, its financial condition, and results of operations because it reflects only those income and expense items that are incurred at the property level.

The Company also uses Total NOI, which includes its proportional share of unconsolidated properties. This form of presentation offers insights into the financial performance and condition of the Company as a whole given the Company's ownership of unconsolidated properties that are accounted for under GAAP using the equity method. The Company also considers Total NOI to be a helpful supplemental measure of its operating performance because it excludes from NOI non-recurring items such as termination fee income, as well as non-cash items such as straight-line rent and amortization of lease intangibles.

Annualized Total NOI is an estimate, as of the end of the reporting period, of the annual Total NOI to be generated by the Company's portfolio including all signed leases and modifications to the Company's master lease with Sears Holdings with respect to recaptured space. We calculate Annualized Total NOI by adding or subtracting current period adjustments for leases that commenced or expired during the period to Total NOI (as defined) for the period and annualizing, and then adding estimated annual Total NOI attributable to SNO leases and subtracting estimated annual Total NOI attributable to Sears Holdings' space to be recaptured.

Earnings Before Interest Expense, Income Tax, Depreciation, and Amortization ("EBITDA") and Adjusted EBITDA

EBITDA is defined as net income less depreciation, amortization, interest expense and provision for income and other taxes. EBITDA is a commonly used measure of performance in many industries, but may not be comparable to measures calculated by other companies. The Company believes EBITDA provides useful information to investors regarding its results of operations because it removes the impact of the Company's capital structure (primarily interest expense) and its asset base (primarily depreciation and amortization). Management also believes the use of EBITDA facilitates comparisons between the Company and other equity REITs, retail property owners who are not REITs, and other capital-intensive companies.

The Company makes certain adjustments to EBITDA, which it refers to as Adjusted EBITDA, to account for certain non-cash and non-comparable items, such as termination fee income, unrealized loss on interest rate cap, litigation charges, acquisition-related expenses, and certain up-front-hiring and personnel costs, that it does not believe are representative of ongoing operating results.

Funds From Operations ("FFO") and Company FFO

FFO is calculated in accordance with the National Association of Real Estate Investment Trusts ("NAREIT"), which defines FFO as net income computed in accordance with GAAP, excluding gains (or losses) from property sales, real estate related depreciation and amortization, and impairment charges on depreciable real estate assets. The Company considers FFO a helpful supplemental measure of the operating performance for equity REITs and a complement to GAAP measures because it is a recognized measure of performance by the real estate industry.

The Company makes certain adjustments to FFO, which it refers to as Company FFO, to account for certain non-cash and non-comparable items, such as lease termination income, loss on interest rate cap, litigation charges, acquisition-related expenses, and certain up-front-hiring and personnel costs, that it does not believe are representative of ongoing operating results. The Company previously referred to this metric as Normalized FFO; the definition and calculation remain the same.

Forward-Looking Statements

This document contains forward-looking statements, which are based on the current beliefs and expectations of management and are subject to significant risks, assumptions and uncertainties that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to: competition in the real estate and retail industries; our substantial dependence on Sears Holdings Corporation; Sears Holdings Corporation's termination and other rights under its master lease with us; risks relating to our recapture and acquisition of properties and redevelopment activities; contingencies to the commencement of rent under leases; the terms of our indebtedness; restrictions with which we are required to comply in order to maintain REIT status and other legal requirements to which we are subject; and our lack of operating history. For additional discussion of these and other applicable risks, assumptions and uncertainties, see the "Risk Factors" and forward-looking statement disclosure contained in filings with the Securities and Exchange Commission. While we believe that our forecasts and assumptions are reasonable, we caution that actual results may differ materially. We intend the forward-looking statements to speak only as of the time made and do not undertake to update or revise them as more information becomes available, except as required by law.

The logo consists of a solid red square. Inside the square, the word "SERITAGE" is written in a large, white, serif, all-caps font. Below it, the words "GROWTH PROPERTIES" are written in a smaller, white, sans-serif, all-caps font.

SERITAGE

GROWTH PROPERTIES

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