

SERITAGE

GROWTH PROPERTIES



FORWARD - LOOKING STATEMENTS

This document contains forward-looking statements within the meaning of the federal securities laws. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as “may,” “will,” “should,” “expects,” “intends,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” or “potential” or the negative of these words and phrases or similar words or phrases that are predictions of or indicate future events or trends and that do not relate solely to historical matters. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and contingencies, many of which are beyond the company’s control, which may cause actual results to differ significantly from those expressed in any forward-looking statement. Factors that could cause or contribute to such differences include, but are not limited to: our historical exposure to Sears Holdings and the effects of its previously announced bankruptcy filing; Holdco’s termination and other rights under its master lease with us; competition in the real estate and retail industries; risks relating to our recapture 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 relatively limited history as an operating company. For additional discussion of these and other applicable risks, assumptions and uncertainties, see the “Risk Factors” and forward-looking statement disclosure contained in our filings with the Securities and Exchange Commission, including the risk factors relating to Sears Holdings and Holdco. 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.

COMPANY OVERVIEW



SERITAGE GROWTH PROPERTIES

Seritage Growth Properties (NYSE: SRG) is a fully integrated real estate company that owns, operates and develops retail and mixed-use properties across the country

Stability

Diversified income: 90% of rental income, on a signed lease basis, is derived from diversified, non-Sears tenants

Strong financial position: Over \$680 million of liquidity, including cash on hand and committed capital

Redevelopment

Proven redevelopment strategy: benefit from existing single-tenant real estate with low in-place rents and a platform specializing in intensive redevelopment

Consistent track record: approximately 9.6 million square feet re-leased at 4.1x prior rents and 104 completed or commenced projects totaling approximately \$1.7 billion of capital at projected incremental returns of 10-11%

Growth

Announced projects: approximately \$250 million of diversified, non-Sears income projected from 13.8 million square feet of redeveloped space including signed not yet open leases and lease-up of current projects

Robust pipeline: over 18 million square feet of existing portfolio remains to be activated, plus significant mixed-use and densification opportunities

COMPANY OVERVIEW

Seritage was formed to unlock the underlying real estate value of a high-quality retail portfolio it acquired from Sears Holdings in July 2015

MISSION

Create and own revitalized shopping, dining, entertainment and mixed-use destinations that provide enriched experiences for consumers and local communities, and that generate long-term value for our shareholders

PORTFOLIO



217 PROPERTIES



34.4M SQUARE FEET



2,800 ACRES



44 STATES

INVESTMENT HIGHLIGHTS

CONTROL OVER HIGH QUALITY PORTFOLIO

- | Superior real estate locations reflect Sears' influence as leading retailer when properties were initially developed
- | Substantial presence in high growth markets such as California, Florida and the Northeast
- | Existing single-tenant boxes with low in-place rents and large sites provide competitive advantage

MULTIPLE GROWTH AND VALUE CREATION STRATEGIES

- | Generate significant re-leasing spreads on existing space
- | Densify sites with retail and mixed-used development
- | Deploy platform and lead retail real estate transformation

FULLY INTEGRATED ORGANIZATION

- | Management team with extensive track record with retail real estate and repositioning strategies
- | In-house leasing, development and construction teams have completed or commenced 104 redevelopment projects since July 2015 inception

DEMONSTRATED ACCESS TO CAPITAL

- | \$2.0 billion term loan facility with Berkshire Hathaway
- | Raised over \$640 million from the sale or joint venture of interests in 60 properties since July 2017

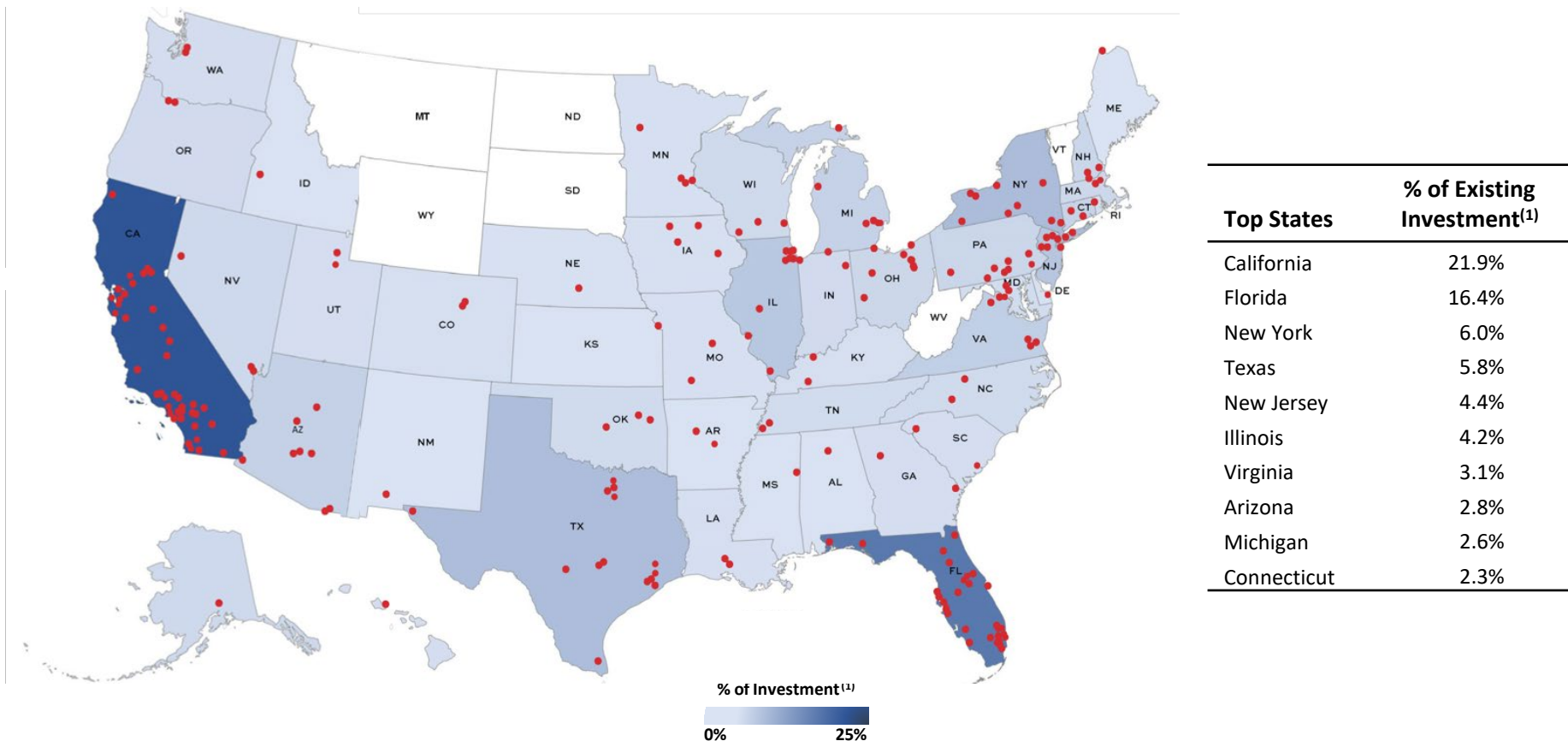


Note: all statistics as of September 30, 2019.

HIGHLY DESIRABLE REAL ESTATE

Largest concentrations of asset value in high growth markets

- | Diverse real estate: **114** properties attached to regional malls and **103** freestanding or shopping center properties
- | Strong demographics: average population density of 651,000 and average household income of \$90,000



Source: Scan/US (10-mile Radius).

(1) As of September 30, 2019. Based on initial acquisition cost and projected development spending for announced projects.

BUSINESS UPDATE

Leading development
platform unlocking real estate
value and diversifying
composition of rental income

LEASING ⁽¹⁾

9,613,000

Square feet of new leases signed

\$18.46

Average rent PSF, new retail leases ⁽²⁾

4.1x

Average re-leasing multiple,
same-space basis

DEVELOPMENT

104

Redevelopment projects,
completed or commenced

10-11%

Projected unlevered returns
on new invested capital

~\$1.7 Billion

Total projected cost of 104 projects

PORTFOLIO ⁽¹⁾

90%

Annual base rent from non-Sears tenants
(up from 20% at inception)

\$174.9 million

Annual base rent from non-Sears tenants
(up from \$43.9 million at inception)

178

Properties without Sears or Kmart as
primary tenant (up from 20 at inception)



Note: all statistics as of September 30, 2019 and represent results since inception in July 2015.

(1) Based on signed leases (including signed not yet open ("SNO") tenants). Includes proportional share of joint ventures.

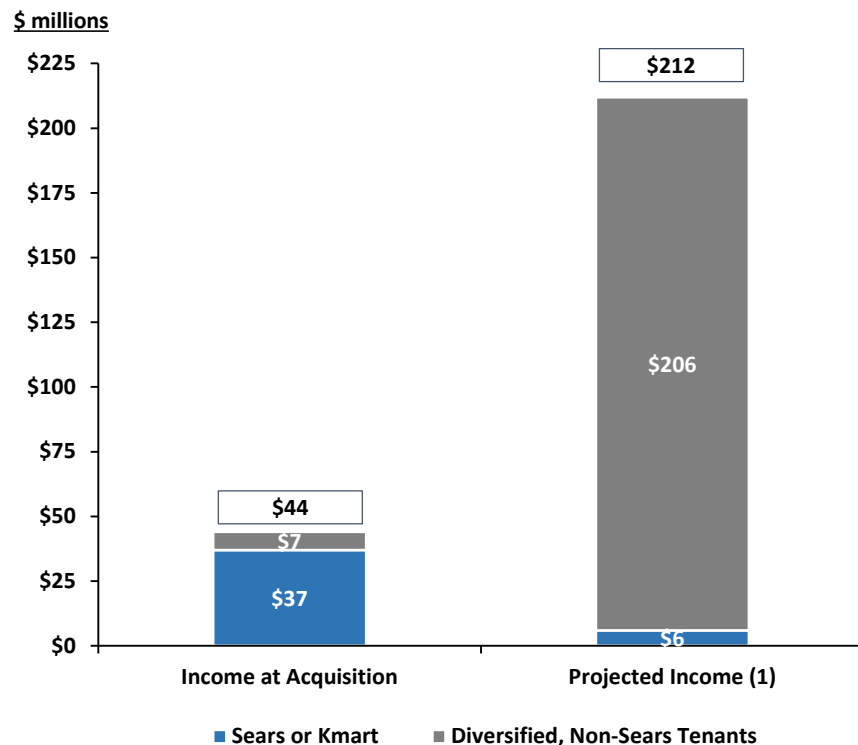
(2) Excludes certain self-storage, medical office, auto-related and ground leases.

VALUE CREATION THROUGH REDEVELOPMENT

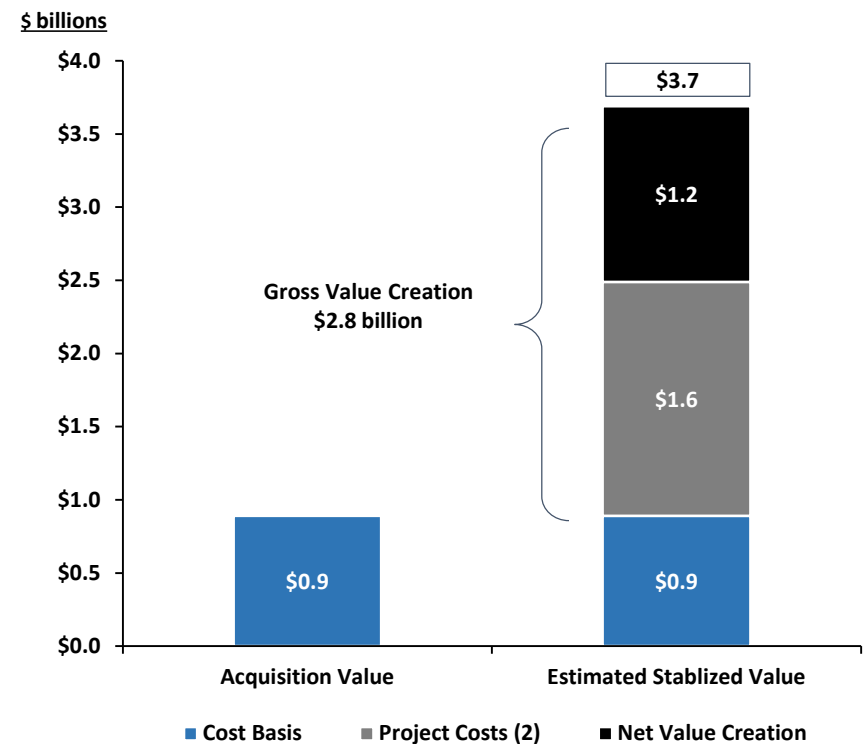
Creating significant shareholder value through redevelopment of high-quality portfolio

- | Projected incremental income of over **\$168 million** drives potential gross value creation of approximately **\$2.8 billion** across **84** redevelopment projects originated on the Seritage platform
- | Estimated incremental yields of **10-11%** on total estimated project costs of approximately **\$1.6 billion**

ESTIMATED ANNUAL INCOME FOR 84 NEW REDEVELOPMENTS



ILLUSTRATIVE VALUE CREATION FROM 84 NEW REDEVELOPMENTS



Note: all statistics as of September 30, 2019 and represent activity since inception in July 2015. Estimated annual income and total project costs are presented at 100% share and at the midpoint of projected ranges. Includes certain assets that have been partially monetized through joint ventures. Excludes 5 sold properties and 15 in-process projects acquired from Sears Holdings and subsequently completed by Seritage.

(1) Projected income includes assumptions for stabilized rents at projects under redevelopment. There can be no assurance that stabilized rent targets will be achieved.

(2) Total estimated project costs include termination fees to recapture 100% of certain properties.

PORTFOLIO COMPOSITION

Breadth of value creation opportunities and robust pipeline of remaining projects

PREMIER & LARGER SCALE

36 assets
7.4 million SF

Strategy: redevelop retail and densify with integrated residential, office and other mixed uses

Project scope: 250K-2M SF and \$50+ million

Project duration: 2+ years incl. multiple phases

Capital allocation: completed or commenced select phases of 9 projects totaling ~\$400 million

SUBURBAN RETAIL

157 assets
24.8 million SF

Strategy: convert single-tenant stores into first-class multi-tenant centers occupied by growing retailers and related concepts

Project size: 100-200K SF and \$10-\$30 million

Project duration: 12-24 months

Capital allocation: completed or commenced 92 projects totaling ~\$1.3 billion

SMALLER MARKET

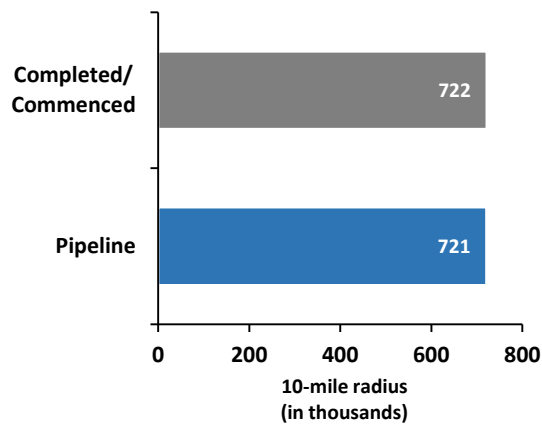
24 assets
2.4 million SF

Strategy: selectively redevelop, but generally seek opportunities to sell and recycle capital

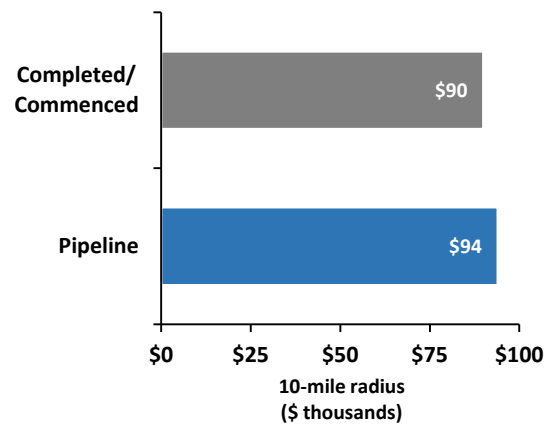
Dispositions: sold 33 assets for gross proceeds of approximately \$137 million

Capital allocation: commenced 3 projects totaling ~\$11 million

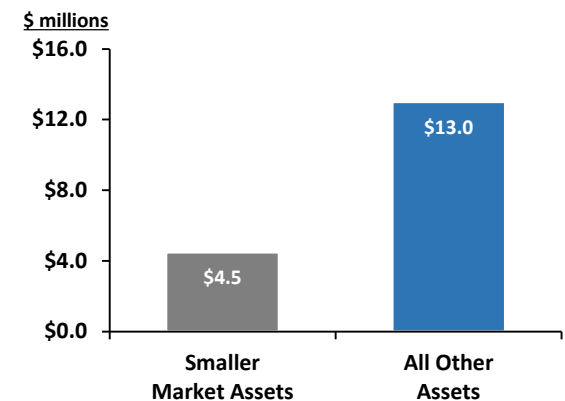
Population Density⁽¹⁾



Household Income⁽¹⁾



Average Acquisition Cost per Asset



(1) Source: Scan/US. For the 193 Premier & Larger Scale and Suburban Retail assets as described above.

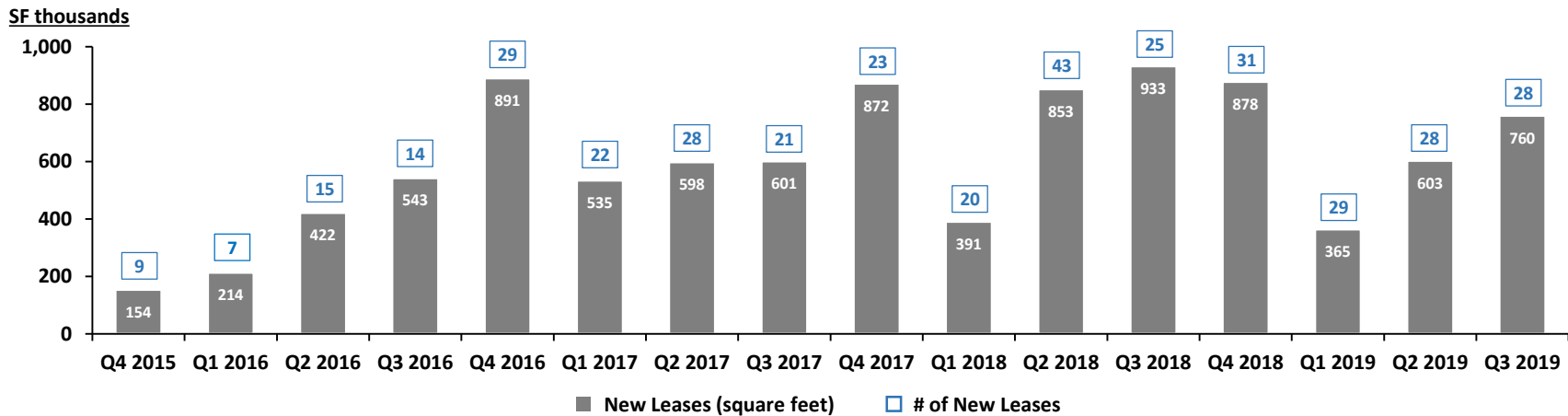
LEASING & DEVELOPMENT



LEASING ACTIVITY

Consistent re-leasing spreads of 3.5x to 4.5x prior rents

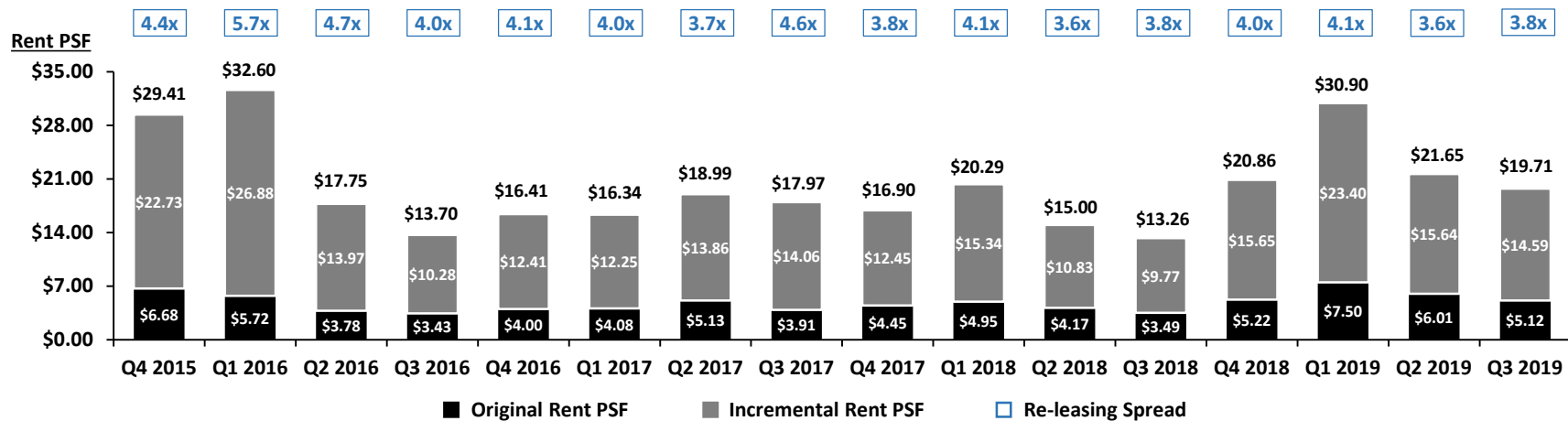
LEASING VOLUME



372 new
signed leases

9.6 million
total SF

NEW RENTS & RE-LEASING SPREADS ⁽¹⁾



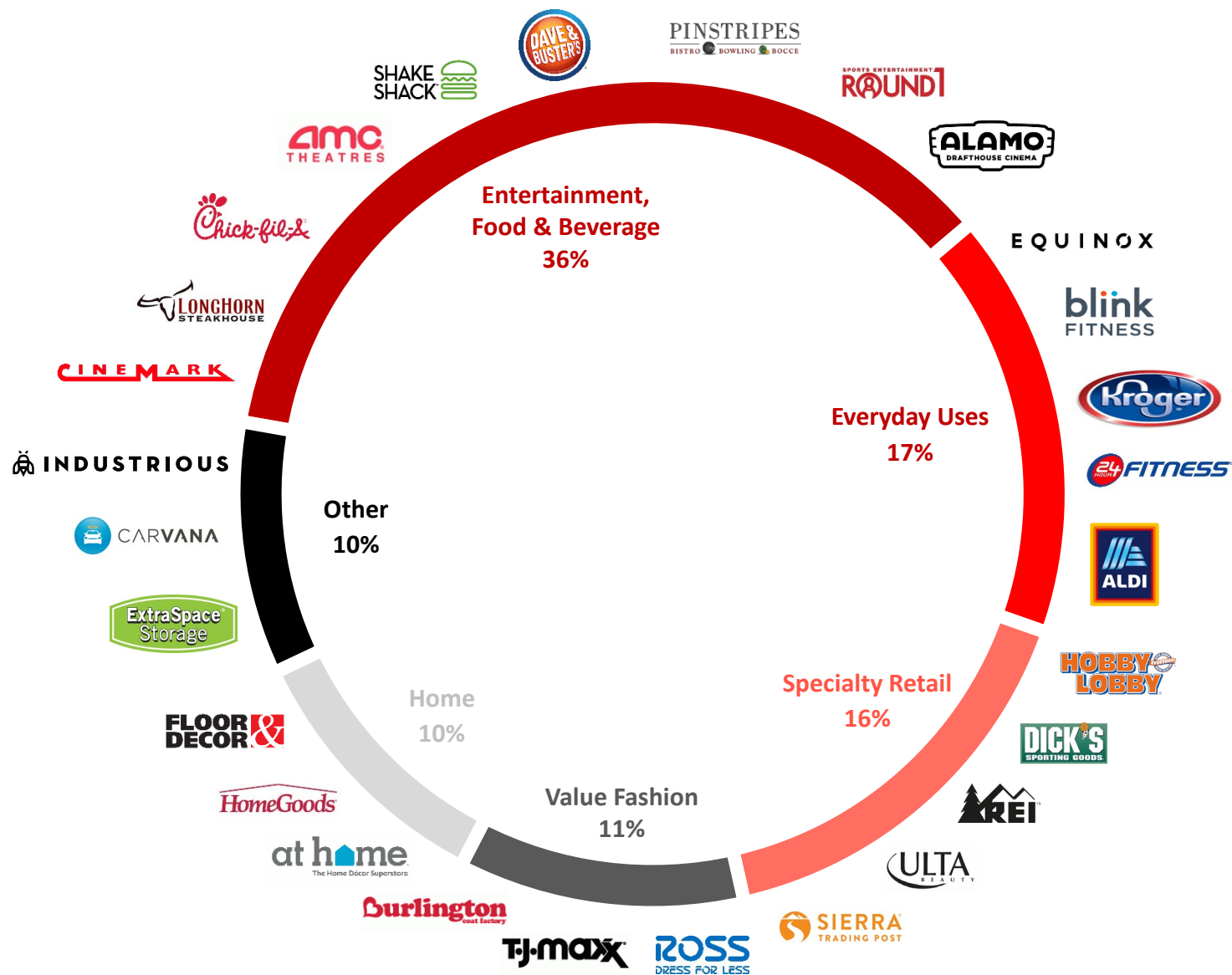
4.1x avg.
re-leasing
spread

\$18.46 avg.
new rent PSF

(1) Reflects re-leasing of space currently or formerly occupied by Sears or Kmart on a same-space basis (excludes certain self storage, medical office, auto-related and ground leases).

ALIGNMENT WITH GROWING RETAILERS

Leasing activity driven by strong demand from growing retailers in expanding retail sectors

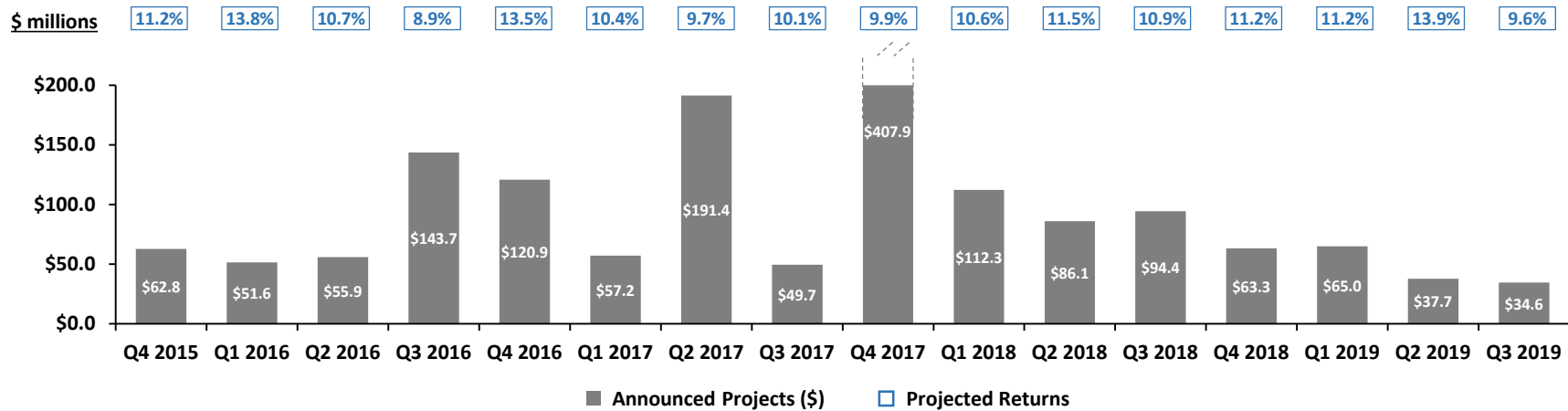


Note: reflects percentage of annual base rent from leases signed by the Company from inception in July 2015 through September 30, 2019.

DEVELOPMENT ACTIVITY

Consistent projected returns of 10-12% on incremental capital

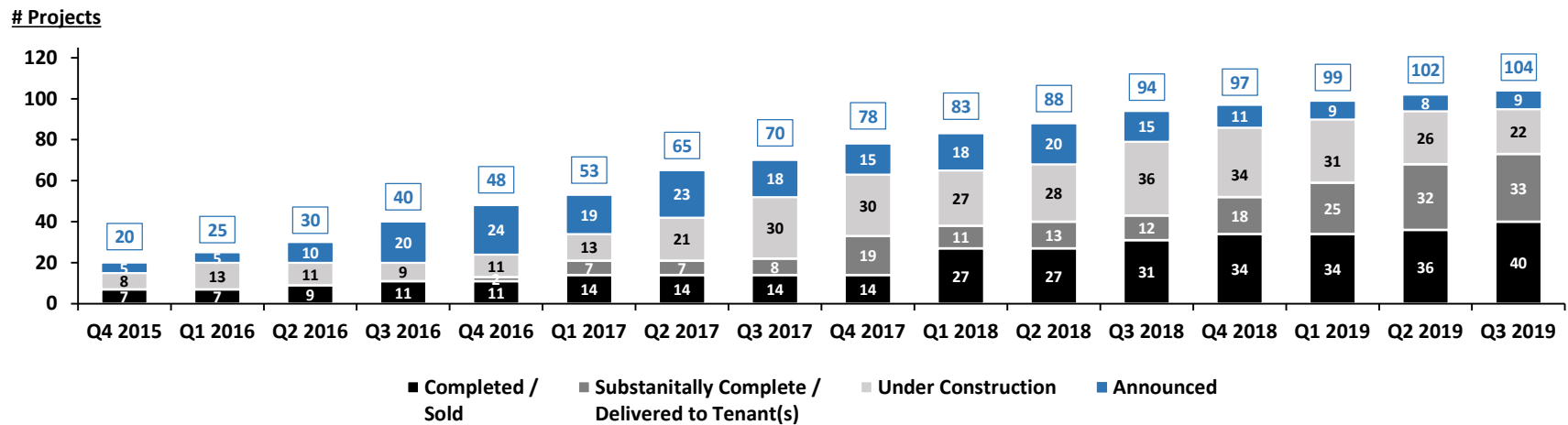
ANNOUNCED CAPITAL SPENDING & PROJECTED RETURNS ⁽¹⁾⁽²⁾



10-11% projected return on invested capital

~\$1.6 billion total announced capital spending

REDEVELOPMENT PROJECT STATUS



104 projects completed or commenced

(1) Expansions to previously commenced projects are included in the time period that the expansion was announced. Initial scope remains in period when project was first announced.

(2) Reflects midpoint of projected ranges.



RETAIL REDEVELOPMENT

Creating first-class shopping centers
occupied by a diverse set of growing retailers



PLANTATION, FL

100% recapture; redevelop existing store and auto center for GameTime, Powerhouse Gym, Whiskey Cake, Lazy Dog, YOLO, additional retail and restaurants

PROJECT SUMMARY

Status:	Underway
Total Project Square Feet:	184,400
Construction Start:	Q3 2018
Estimated Substantial Completion:	Q1 2020



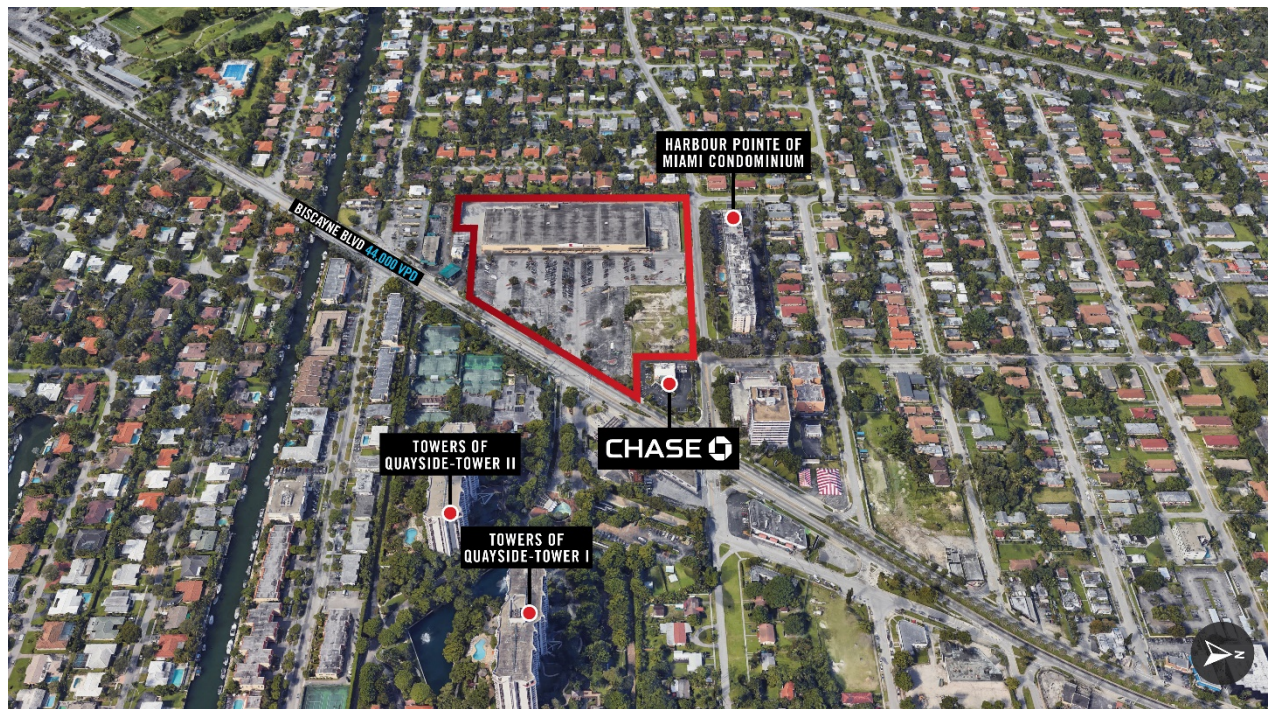


NORTH MIAMI, FL

100% recapture; redevelop existing store for Burlington Stores, Michael's and Ross Dress for Less to join existing tenant, Aldi

PROJECT SUMMARY

Status:	Underway
Total Project Square Feet:	124,300
Construction Start:	Q3 2017
Estimated Substantial Completion:	Q2 2020





AUSTIN, TX

100% recapture; redevelop existing store for AMC Theatres, additional retail and restaurants

PROJECT SUMMARY

Status:	Delivered to Tenants
Total Project Square Feet:	53,900
Construction Start:	Q2 2018
Estimated Substantial Completion:	Q4 2019





ANCHORAGE, AK

100% recapture, redevelop existing store for Safeway, Planet Fitness, Guitar Center and additional retail to join current tenant, Nordstrom Rack

PROJECT SUMMARY

Status:	Delivered to Tenants
Total Project Square Feet:	142,500
Construction Start:	Q2 2018
Substantial Completion:	Q4 2019





WATCHUNG, NJ

100% recapture; demolish existing full-line store and detached auto center and redevelop for Homegoods, Sierra Trading Post, Ulta, Cinemark, additional retail and restaurants

PROJECT SUMMARY

Status:	Substantially Complete
Total Project Square Feet:	126,700
Construction Start:	Q1 2018
Substantial Completion:	Q3 2019





WEST HARTFORD, CT

100% recapture; redevelop existing store and detached auto center for buybuyBaby, Cost Plus World Market, REI, Saks OFF Fifth, Shake Shack and additional retail

PROJECT SUMMARY

Status:	Substantially Complete
Total Project Square Feet:	147,600
Construction Start:	Q1 2017
Substantial Completion:	Q2 2018



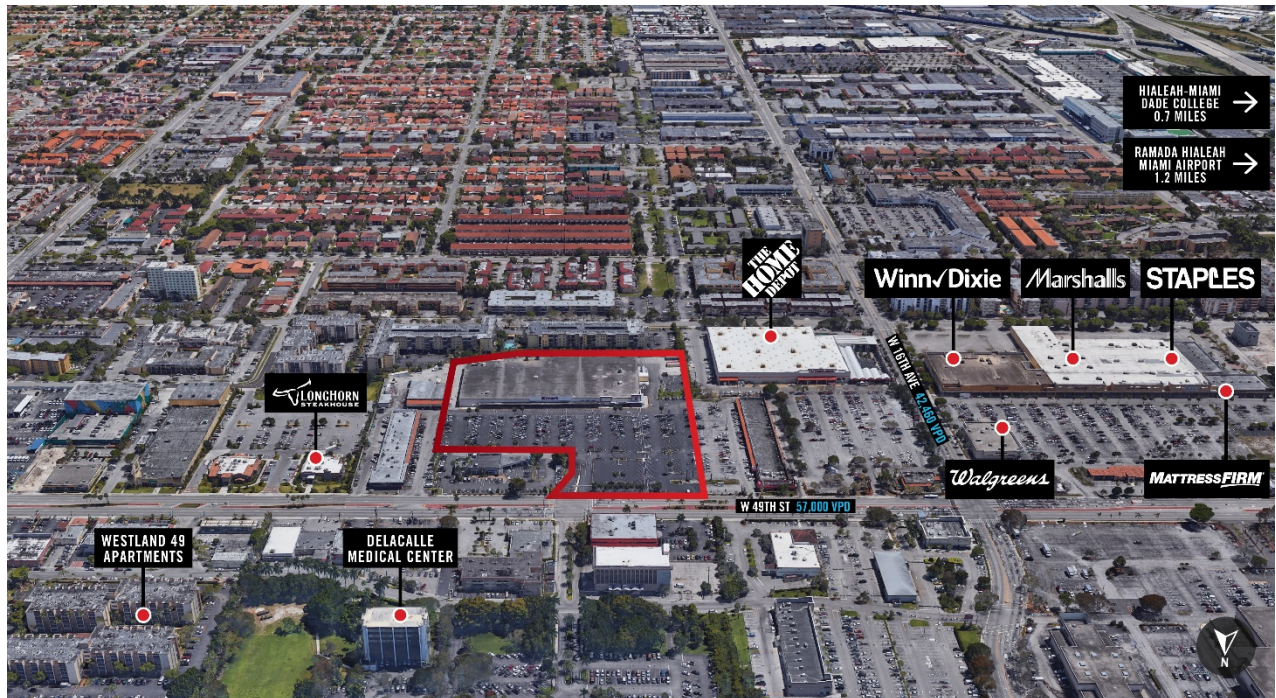


HIALEAH, FL

100% recapture; redevelop existing store for Bed,
Bath & Beyond, Ross Dress for Less and dd's
Discount to join current tenant Aldi

PROJECT SUMMARY

Status:	Complete
Total Project Square Feet:	88,400
Construction Start:	Q3 2017
Substantial Completion:	Q2 2019





ST. PETERSBURG, FL

100% recapture; demolish existing full-line store for Dick's Sporting Goods, Lucky's Market, PetSmart, Chili's, Verizon, Macaroni Grill, Pollo Tropical, Longhorn, additional retail and restaurants

PROJECT SUMMARY

Status:	Complete
Total Project Square Feet:	142,400
Construction Start:	Q2 2017
Substantial Completion:	Q2 2018





LARGE SCALE AND MIXED-USE DEVELOPMENT

Opportunities to increase density and combine retail
with residential, office and hotel development

PREMIER PROJECTS EXECUTION

Three trophy-quality projects
underway that should deliver
outsized returns and offer
potential further densification

ESPLANADE AT AVENTURA (Aventura, FL)



Demolish existing store and construct new, multi-level open air retail destination featuring a leading collection of experiential shopping, dining and entertainment concepts alongside a tree-lined esplanade and activated plazas

THE MARK 302 (Santa Monica, CA)



Adaptive re-use of existing building into premier, mixed-use asset featuring unique, small-shop retail and creative office space

THE COLLECTION AT UTC (La Jolla, CA)



Redevelop existing store into two highly-visible, multi-level buildings with exterior facing retail space leased to Equinox Fitness and a premier mix of experiential shopping, dining, and entertainment concepts

LARGE SCALE AND MIXED-USE PROJECTS

Opportunities to significantly increase density and combine retail with residential, office and/or hotel development in an integrated setting

HERITAGE PARK IN OVERLAKE (Redmond, WA)



- | 14-acre master-planned redevelopment in the heart of Redmond, WA
- | Master plan recently approved for over one million square of residential, retail and office development

PARK HERITAGE (Dallas, TX)



- | 23-acre urban-infill redevelopment in Midtown Dallas
- | Master plan recently approved for over two million square of residential, retail, office and hotel development

HERITAGE VILLAGE (Hicksville, NY)



- | 27-acre redevelopment in dense infill location in Long Island commuter town
- | Main Street environment with integrated mix of entertainment, retail, restaurants, fitness and residential

FINANCIAL INFORMATION



RE TEN ANT I N G E C O N O M I C S

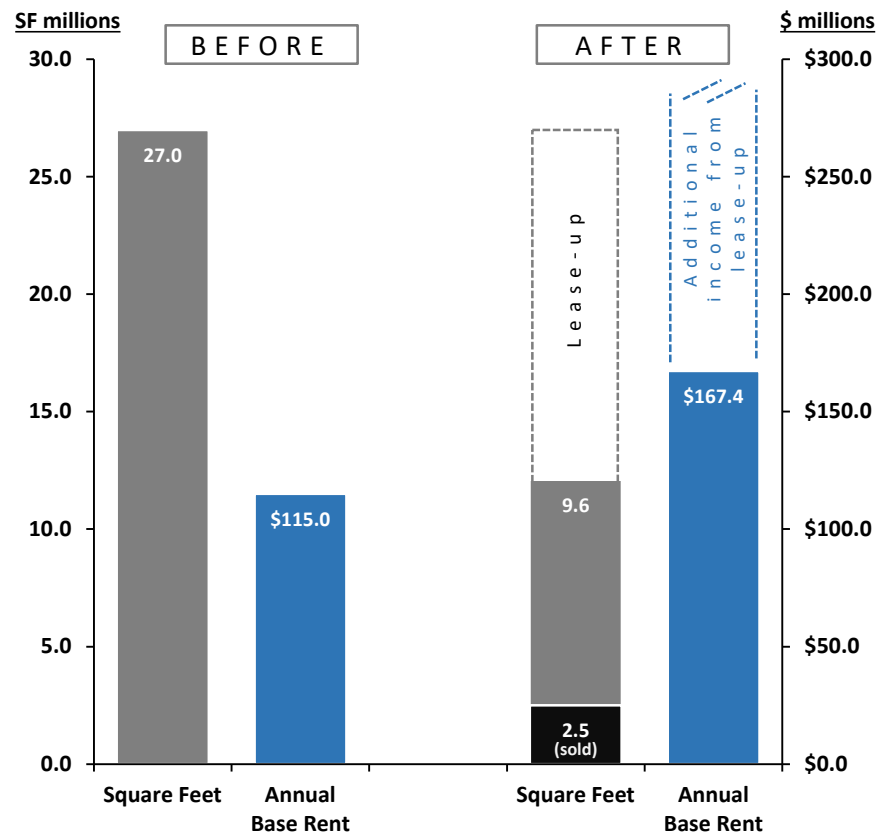
Rental uplift driven by redevelopment allows the Company to replace lost Sears or Kmart revenue by activating only a portion of the space once occupied by Sears or Kmart

- Since inception in July 2015, over **27.0 million** square feet of leased space and over **\$115.0 million** of annual base rent has been, or will be, taken offline through recapture and termination activity
- To date, Seritage has signed **9.6 million** SF of new leases for annual base rent of **\$167.4 million**

AT INCEPTION

Diversified, Non-Sears Tenants		
(in millions)	Square Feet	Annual Base Rent
In-Place	2.9	\$32.3
SNO	0.6	11.6
Total	3.5	\$43.9

RECAPTURED & TERMINATED SPACE ⁽¹⁾



SEPTEMBER 30, 2019 ⁽¹⁾

Diversified, Non-Sears Tenants		
(in millions)	Square Feet	Annual Base Rent
In-Place	6.5	\$88.1
SNO	4.2	85.8
Lease-up ⁽²⁾	3.1	75.1
Total	13.8	\$249.0

(1) As of September 30, 2019. Includes proportional share of joint ventures.

(2) Projected lease-up of remaining unleased space at redevelopment projects announced on the Seritage platform. Projected income includes assumptions for stabilized rents; there can be no assurance that stabilized rent targets will be achieved.

ASSET MONETIZATION

Realizing value, rationalizing
portfolio and raising capital to
reinvest in redevelopment pipeline

STRATEGIC EQUITY JOINT VENTURES

- | Realize partial value creation plus future upside through significant retained interest
- | Establish relationships with large, institutional capital allocators
- | **Representative transactions:** Santa Monica, UTC (La Jolla), West Hartford, new GGP JV

ACTIVITY TO DATE

50% interests in 10 assets
\$185 million
gross proceeds

OPPORTUNISTIC TRANSACTIONS

- | Capture value by selling select projects under development or pre-development
- | **Representative transactions:** original GGP and Simon JV sales, Hagerstown, Santa Cruz, Gainesville

17 assets
\$319 million
gross proceeds

SMALLER MARKET DISPOSITIONS

- | Sell smaller market assets with lower redevelopment value creation potential to end users and local developers
- | **Representative transactions:** portfolio sales to self-storage operators, other individual asset sales

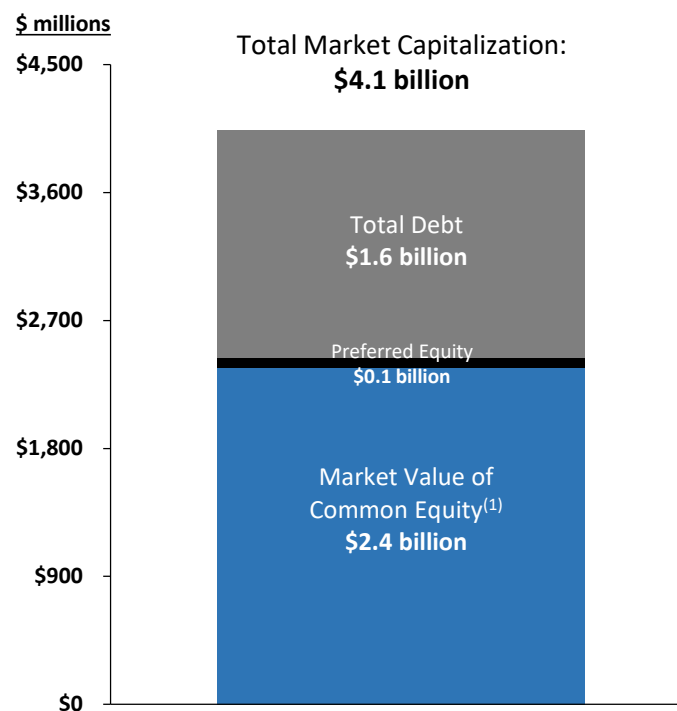
33 assets
\$137 million
gross proceeds

**OVER \$640 MILLION OF GROSS
PROCEEDS RAISED SINCE JULY 2017**

FINANCIAL POSITION

Flexible capital structure and significant liquidity to support near-term capital needs

CAPITAL STRUCTURE



LIQUIDITY SUMMARY

(in millions)

Cash	\$232.3
Incremental Funding Facility ⁽²⁾	400.0
Assets under contract for sale ⁽³⁾	50.1
Total Liquidity	\$683.3

LEVERAGE METRICS

Total debt to total market cap	39.6%
Total debt PSF	\$46

DEMONSTRATED ACCESS TO CAPITAL

- | Asset monetization: Raised over **\$640 million** from asset sales and new joint ventures since July 2017
- | **\$2.0 billion** term loan facility with Berkshire Hathaway in July 2018
 - Repaid all outstanding debt and raised approximately **\$775 million** of incremental proceeds⁽²⁾

Note: all statistics as of September 30, 2019.

(1) Market Value of Common Equity assumes conversion of Operating Partnership units and is based on share price of \$42.49 as of September 30, 2019.

(2) Availability under committed \$400 million Incremental Funding Facility is subject to certain conditions.

(3) Assets under contract for sale are subject to customary closing conditions. There can be no assurance that such transactions will be consummated.

MANAGEMENT & PLATFORM



CORPORATE RESPONSIBILITY

Committed to Environmental, Social and Governance practices that serve our shareholders, our team and our communities

INTENSIVE REDEVELOPMENT

- Over 100 projects completed or commenced representing \$1.7 billion of capital investment
- Repurposing and modernizing over 10 million square feet of buildings and 1,000 acres of land
- Replace or redevelop aging structures with more energy efficient buildings
- Improved insulation, cool roof, LED lighting

PEOPLE AND COMMUNITIES

- Community enhancement and job creation through real estate redevelopment
- Identified opportunity to create 6,000-8,000 new multifamily rental units
- Corporate community service program
- Partner with Integrate for internships or FTEs
- Diverse workforce built on a culture of respect

Revitalizing under-utilized real estate, enriching communities and delivering value to all of our stakeholders is core to our mission

ACTIVE PROPERTY MANAGEMENT

- Smart irrigation systems and landscape design
- Remote electricity monitoring
- EV charging stations
- Cloud-based operating platform / tenant portal
- Establishing usage benchmarks and goals
- Exploring implementation of green leases

CORPORATE GOVERNANCE

- Focus on Board of Trustees diversity
- Separate Chairperson and CEO
- Prohibition on hedging and pledging
- Compensation philosophy emphasizes performance goals and shareholder returns

FULLY INTEGRATED REAL ESTATE PLATFORM

Expertise unlocking real estate value through redevelopment and retenanting.

| Experienced team of 90+ full-time development, construction, leasing, legal, finance and asset management professionals

| Management team with extensive public company and retail real estate experience

| Established relationships with leasing brokers, mixed-use developers and third-party real estate service providers



BENJAMIN SCHALL
*President
Chief Executive Officer*

Previously served as Chief Operating Officer of Rouse Properties (NYSE: RSE). Prior to that role, was Senior Vice President with Vornado Realty Trust (NYSE: VNO) leading the suburban retail shopping center business.



BRIAN DICKMAN
*Exec. Vice President
Chief Financial Officer*

Previously served as Chief Financial Officer at Agree Realty (NYSE: ADC), a growth-oriented retail REIT. Prior to that role, was an investment banker covering the REIT industry.



MATTHEW FERNAND
*Exec. Vice President
General Counsel*

Previously served as partner in Sidley Austin LLP's Real Estate Group focusing on real estate joint ventures and partnerships and the financing, development, acquisition and disposition of commercial properties.



KENNETH LOMBARD
*Exec. Vice President
Chief Operating Officer*

Previously served on Seritage's Board of Trustees and was President of MacFarlane Partners, an investment management firm that acquires, develops and manages real estate assets on behalf of institutional investors.



MARY ROTTLER
*EVP, Leasing &
Operations*

Previously served as Vice President of Real Estate at Wal-Mart (NYSE: WMT). Prior to that role, was Vice President for Realty Supplier Management and Compliance. She joined Wal-Mart in 2001.



JAMES BRY
*EVP, Development &
Construction*

Previously served as Senior Vice President of Development at Vornado Realty Trust (NYSE: VNO) leading development and construction for the Retail Division.

SERITAGE

GROWTH PROPERTIES

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