



**LETTER TO STOCKHOLDERS
FROM THE PRESIDENT AND CEO
NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
PROXY STATEMENT
2009 ANNUAL REPORT**

In connection with the 2010 Annual Meeting of Stockholders, we have collected the Letter to Stockholders from the President and CEO, Notice of Annual Meeting of Stockholders, Proxy Statement and 2009 Annual Report under one cover. A summary annual report will also be available on First Industrial's website.

**First Industrial Realty Trust, Inc.
www.firstindustrial.com**

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LETTER TO STOCKHOLDERS FROM THE PRESIDENT AND CEO

Fellow Stockholders,

2009 was very much a year of transition and transformation for our Company. As you know, I joined First Industrial in January 2009 as your new CEO, taking the helm at a time when the full impact of the capital markets crisis on the health of the general economy was very unclear. In the face of the challenging economic, capital markets, and industry conditions, we established our “Back to Basics” strategy, focused entirely on capital management, expense management, and portfolio management.

By executing our strategy, from an operational standpoint, we made many significant strides in strengthening the foundation of our Company for the near and long-term. Leasing during the year, as anticipated, was clearly disappointing, as tenant demand was impacted by the economic conditions, resulting in year-end portfolio occupancy of 82%, down from 88% on a comparable basis in 2008. And our stock price performance for the year reflected these results and the challenging environment.

Our financial results for 2009 included a number of one-time items resulting from the strategic actions we took during the year. Funds from operations (FFO) per share/unit were \$2.08, compared to \$0.33 per share/unit for the prior year. 2009 results included \$0.64 per share/unit from a gain on early retirement of debt, and a \$0.43 per share/unit for an income tax benefit related to a \$40 million tax refund due to a restructuring of certain taxable REIT subsidiaries. Results also included \$0.14 per share/unit of restructuring charges related to organizational changes, and a total of \$0.26 per share/unit of impairment charges related to our investment in joint ventures and one balance sheet asset. Full year 2009 EPS was \$(0.28) per share, compared to \$0.41 per share in 2008.⁽¹⁾

While the economy and capital markets have improved significantly since early 2009, our Back to Basics strategy continues to be our roadmap for 2010.

Strengthening Our Capital Base

Capital is the foundation and lifeblood of the real estate industry, and a critical part of our strategy is solidifying our capital base. Our financial leverage had become too high, and, frankly, remains so. We have been the beneficiary of the Federal Reserve’s aggressive stance of keeping short-term interest rates near zero percent, but we cannot run our business assuming those conditions will not change. Accordingly, we centered our capital markets actions in 2009 on reducing our debt levels and extending our debt maturities, and our goals for 2010 and beyond call for more of the same.

Last year, we were successful in sourcing capital towards that goal from three primary avenues: secured financings, asset sales, and the equity markets. Our ability to access these various forms of capital in 2009 speaks to the demand for industrial real estate as an asset class for lenders, investors and users, and the faith these providers have in First Industrial’s plan and execution. This capital access will continue to be important, given our focus on further delevering and capital management in 2010.

Our first order of business on the capital side last year was to refinance our June 2009 unsecured debt maturities, primarily through the use of secured financing. Due to our diverse, largely unsecured asset base, we were able to raise the necessary proceeds to retire that debt. In total, we raised \$340 million through secured financings during the year.

A second part of our capital plan was select asset sales from our balance sheet. We were successful on this front, exceeding our goal for the year by selling more than \$100 million of properties. Where possible, we have been focused on the sale of non-income producing assets, which helps our capital position, and also eliminates the carrying costs associated with such properties. During the year, more than a third of our sales were in this category.

⁽¹⁾ FFO is a non-GAAP measure that the Company defines as net income available to common stockholders and participating securities, plus depreciation and amortization on real estate minus accumulated depreciation and amortization on real estate sold less economic gains that are not included within the NAREIT definition.

Most of these sales were to user buyers, a unique driver of industrial real estate demand, as many users want to own and control their own buildings.

Investment demand for industrial properties, while far from the peaks seen from 2005 to 2007, has been improving. In addition to user demand, there is also a significant amount of capital that has built up on the sidelines from pension funds, private equity, and other investors. As more real estate transactions occur, this should increase market confidence and clarify benchmark pricing levels, which should benefit our disposition efforts. Again, however, our sales efforts will be primarily focused on vacant, non-income producing assets versus leased buildings.

On the strength of our progress with our capital plan, we were able to access the equity markets, raising a total of \$84 million between our October equity offering and direct purchase feature of our dividend reinvestment program. Our capital position also benefited from our \$40 million tax refund resulting from our restructuring of our taxable REIT subsidiaries.

The primary goal of our capital plan this year was to reduce our leverage, and we were successful, reducing our total debt by approximately \$200 million from the beginning of 2009 through February 2010. We achieved this, in part, through open market purchases of our unsecured notes. As the bond market rallied due to increased investor confidence in an economic recovery and demand for yield, it became increasingly difficult for us to repurchase our bonds in the open market at a discount. So, in February 2010, we completed a tender offer for approximately \$160 million of certain of our unsecured notes.

Through our debt repurchases and tender offer, we also made significant progress in extending our debt maturities, as reflected in our senior debt maturity schedule. We began 2009 with \$724 million of senior debt maturing between 2009 and 2012. On March 29, 2010, we announced the redemption of the remainder of our 7.375% 2011 bonds through the “make whole” provision in the bond’s indenture. Upon completion of the redemption, we will have remaining just \$225 million of senior debt maturing through 2012. For 2010, we have just \$19 million of debt maturing, \$13 million of which is a mortgage due in December. In addition to these maturities, our current line of credit of \$500 million expires in September 2012.

Restructuring Our Organization

As part of our transformation in 2009, we needed to make significant organizational changes to right-size our company for the level of economic activity and industry conditions we expected, and the significant reduction in investment activity that would result. To meet that need, we reduced staffing levels and focused on managing costs throughout the organization, driving general and administrative expenses 55% below 2008 levels. This type of transformation is never easy for an organization, but it was essential for the Company’s health and viability.

An important consideration in our restructuring was ensuring that our core platform and infrastructure remain intact for the future. We believe we were effective in that regard, as we have the right talented industry professionals and resources to serve our existing customers and partners, lease our portfolio, as well as additional capacity for future opportunities. Our restructuring made our organization flatter, simpler, and increased accountability. We also significantly modified our compensation plans to better align them with the interests of shareholders, based on overall company success in leasing, profitability, and increasing shareholder value. Importantly, through our restructuring, we have successfully ingrained expense management into our culture and throughout all aspects of the organization, which should positively impact our results as demand improves.

The Opportunity Within Our Portfolio

The industrial real estate markets remain very competitive, as new development in recent years plus properties that went vacant during the economic recession have left the industry with significant available inventory. As a result, competition is fierce for new tenants and is reflected in pressure on rental rates, with market rates down double digits in 2009. In this competitive environment, retaining existing tenants is also critical for the health of our portfolio. One positive for the industry is that supply remains constrained as there is little economic incentive for developers to begin speculative projects or for most tenants to explore built-to-suit options until the existing available space is absorbed and rents improve.

A key driver for our portfolio will be sustained improvement in the economy. The fourth quarter GDP growth number of 5.6% was a welcome surprise, since industrial real estate demand lags GDP growth, but it will be important to see that growth sustained. From what we can see through our own interactions with customers, we are encouraged by the level of activity, especially when compared to the latter part of 2008 and early 2009, when leasing traffic was virtually non-existent.

Importantly, we have seen solid traffic in our larger spaces and improvement in leasing velocity compared to early 2009. We are seeing broad based demand, with active industries including third-party logistics providers (3PLs) as well as food, health, and government-related users, indicating customers are becoming more confident about the future.

A major leasing win for First Industrial was a lease with Diapers.com in Eastern Pennsylvania that we announced in December. The expanding internet retailer leased the largest vacancy in our portfolio, requiring more than 800,000 square feet of distribution to support its growth expansion, and has options on the balance of the building.

Improving portfolio occupancy is the significant challenge and opportunity for First Industrial in 2010 and for several years to come. We are using our competitive advantages in the marketplace, which include the ability to fund tenant improvements and free rent where they make economic sense. With the current rental rate environment, we are looking to keep lease terms shorter where possible to preserve value in our properties. We expect rents to rise in a few years as the economy pulls out of this downturn and occupancies firm up.

Joint Ventures

In our joint ventures, we and our partners continue to focus on the same things that we are focused on for our wholly-owned properties: leasing and managing debt maturities in a dynamic environment.

As we announced during the year, one of our co-investment partners exercised the buy/sell provision in the joint venture agreement, and, as anticipated, we accepted their offer. We will continue to serve as asset manager for this program until May 2010.

We have been, and will continue to be, aggressively engaged in creating and enhancing value for both the Company and our partners in our current joint ventures. A great example of this was the \$44.6 million sale of a 469,000 square-foot vacant building and 129 acres of land to a user buyer in Salt Lake City.

Providing great service and maintaining our reputation with these partners is important in the marketplace and to the value of our enterprise. While joint ventures represent only a small portion of our revenues, our future opportunities for our joint venture platform are dependent upon our performance with our current JV investments. We are dedicated to working with our partners through these competitive industry conditions together.

Dividend Policy and Navigating Financial Covenants

As a REIT, we know our dividend policy is an important consideration for investors. We adjusted our dividend policy in 2009 to distribute the minimum amount required to maintain our REIT status. As we delever the balance sheet, our goal is to retain as much capital as possible. In 2009, our level of taxable income did not require us to pay common dividends. For 2010, if we were required to pay a common dividend, we may elect to satisfy this obligation by distributing a combination of stock and cash. Taxable income levels are, in part, dependent upon the level and nature of our sales. We will continue to reassess the Company's common dividend, and look forward to the day when we are in a position to reinstate it at a level consistent with our recurring income, hopefully in the not too distant future.

We continue to operate with little cushion in certain of our financial covenants under our line of credit agreement and unsecured debt indenture. We met those covenants in 2009, and if we meet our plan for 2010, including our target level of asset sales under favorable terms, we believe we will continue to be in compliance throughout 2010. As we have noted previously, if the Company is not required to pay preferred stock dividends to maintain its REIT status, it may elect to suspend some or all preferred stock dividends for one or more fiscal quarters, which would aid compliance with the fixed charge covenant under its line of credit agreement.

With Gratitude

On behalf of the Company, I would like to recognize and thank Jay Shidler. As we recently announced, Jay will be retiring from the Board of Directors effective as of our annual meeting in May. Jay has served the Company as a founding partner, Chairman and valuable member of the Board. On behalf of the entire Company and Board of Directors, we thank him for his many years of service and counsel. I would also like to thank Steve Wilson, who will also be retiring from our Board in May, for his many years of service.

I would also like to extend my gratitude to the entire First Industrial team for their hard work, contributions, and commitment to successfully executing our strategy. Through a period of significant change and challenging industry conditions, they have done an excellent job of serving our customers, partners and shareholders. Before

joining the Company, I was aware of its reputation of having talented, dedicated professionals throughout its ranks. During my tenure, I have confirmed that reputation firsthand, and I am proud to lead and be part of this team.

Welcome

I would also like to welcome Pat Hackett and Matt Dominski who both recently joined our Board of Directors. Both of these individuals bring a wealth of real estate industry, management, and financial expertise and experience to First Industrial. I look forward to the benefit of their counsel in leading our Company into the future.

Focus for the Future

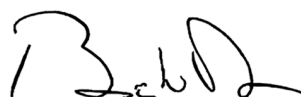
Our focus for 2010 remains the same: continued execution of our “Back to Basics” strategy through leasing, expense management, and capital management.

From our current occupancy levels, we have an opportunity to drive future cash flow growth, and ultimately value, by successfully leasing up our vacancies. We will continue to delever, with a goal of reducing debt levels by approximately \$200 million by the end of 2010. We will also seek to extract value from our portfolio for our delevering efforts by monetizing non-income producing assets like land, or through vacant building sales to users as we did throughout 2009.

Longer term, we have the opportunity to re-shape the portfolio through strategic asset sales and redeployment of capital. We will look to concentrate our portfolio in fewer markets to enhance efficiencies and upgrade our asset quality over time. We will also seek to leverage the strength of our valuable platform for co-investment with joint venture partners.

We are focused on enhancing the value of our company, and earning the confidence of you, our investors, by continuing to do what we say we will do.

Sincerely,



Bruce W. Duncan
President and Chief Executive Officer

The table below reconciles net income available to FFO.

	<u>2009</u>	<u>2008</u>
Net (Loss) Income Available to First Industrial Realty Trust, Inc.’s		
Common Stockholders and Participating Securities	\$ (13,783)	\$ 20,169
Add: Depreciation and Amortization of Real Estate	145,024	153,813
Add: (Loss) Income Allocated to Noncontrolling Interest	(1,547)	2,990
Add: Depreciation and Amortization of Real Estate Included in Discontinued Operations	2,647	11,902
Add: Depreciation and Amortization of Real Estate - Joint Ventures	5,116	7,727
Less: Accumulated Depreciation/Amortization on Real Estate Sold	(17,793)	(95,393)
Less: Accumulated Depreciation/Amortization on Real Estate Sold — Joint Ventures . .	(122)	(1,571)
Less: Non-NAREIT Compliant Economic Gains	(6,438)	(78,186)
Less: Non-NAREIT Compliant Economic Gains from Joint Ventures	(74)	(2,750)
Funds From Operations (NAREIT) (“FFO”)	<u>\$113,030</u>	<u>\$ 18,701</u>
FFO (NAREIT)	\$113,030	\$ 18,701
Less: Allocation to Participating Securities	—	(2,550)
FFO (NAREIT) Allocable to Common Stockholders and Unitholders	<u>\$113,030</u>	<u>\$ 16,151</u>
FFO (NAREIT) per Share/Unit	<u>\$ 2.08</u>	<u>\$ 0.33</u>
Weighted Avg. Number of Shares/Units Outstanding — Basic/Diluted	54,261	49,456



FIRST INDUSTRIAL REALTY TRUST, INC.

311 South Wacker Drive
Suite 3900
Chicago, Illinois 60606

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held On May 5, 2010

NOTICE IS HEREBY GIVEN that the 2010 Annual Meeting of Stockholders (the “Annual Meeting”) of First Industrial Realty Trust, Inc. (the “Company”) will be held on Wednesday, May 5, 2010 at 9:00 a.m. at the 10th Floor Conference Room, 311 South Wacker Drive, Chicago, Illinois 60606 for the following purposes:

1. To elect two Class I Directors of the Company to serve until the 2013 Annual Meeting of Stockholders and until their respective successors are duly elected and qualified;
2. To ratify the appointment of PricewaterhouseCoopers LLP as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2010; and
3. To consider and act upon any other matters that may properly be brought before the Annual Meeting and at any adjournments or postponements thereof.

Any action may be taken on the foregoing matters at the Annual Meeting on the date specified above, or on any date or dates to which, by original or later adjournment, the Annual Meeting may be adjourned, or to which the Annual Meeting may be postponed.

The Board of Directors has fixed the close of business on March 19, 2010 as the record date for the Annual Meeting. Only stockholders of record of the Company’s common stock, \$.01 par value per share, at the close of business on that date will be entitled to notice of and to vote at the Annual Meeting and at any adjournments or postponements thereof.

You are requested to fill in and sign the enclosed Proxy Card, which is being solicited by the Board of Directors, and to mail it promptly in the enclosed postage-prepaid envelope. Any proxy may be revoked by delivery of a later dated proxy. Stockholders of record who attend the Annual Meeting may vote in person, even if they have previously delivered a signed proxy. “Street name” stockholders who wish to vote in person will need to obtain a duly executed proxy form from the institution that holds their shares prior to the Annual Meeting.

By Order of the Board of Directors

John H. Clayton
Secretary

Chicago, Illinois
April 2, 2010

WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, PLEASE COMPLETE, SIGN, DATE AND PROMPTLY RETURN THE ENCLOSED PROXY CARD IN THE POSTAGE-PREPAID ENVELOPE PROVIDED.



FIRST INDUSTRIAL REALTY TRUST, INC.

**311 South Wacker Drive
Suite 3900
Chicago, Illinois 60606**

PROXY STATEMENT

FOR THE 2010 ANNUAL MEETING OF STOCKHOLDERS

To Be Held On May 5, 2010

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors of First Industrial Realty Trust, Inc. (“First Industrial” or the “Company”) for use at the 2010 Annual Meeting of Stockholders of the Company to be held on Wednesday, May 5, 2010, and at any adjournments or postponements thereof (the “Annual Meeting”). At the Annual Meeting, stockholders will be asked to vote on the election of two Class I Directors, to ratify the appointment of PricewaterhouseCoopers LLP as the Company’s independent registered public accounting firm for the current fiscal year and to act on any other matters properly brought before them.

This Proxy Statement and the accompanying Notice of Annual Meeting and Proxy Card are first being sent to stockholders on or about April 2, 2010. The Board of Directors has fixed the close of business on March 19, 2010 as the record date for the Annual Meeting (the “Record Date”). Only stockholders of record of the Company’s common stock, par value \$.01 per share (the “Common Stock”), at the close of business on the Record Date will be entitled to notice of and to vote at the Annual Meeting. As of the Record Date, there were 63,269,769 shares of Common Stock outstanding and entitled to vote at the Annual Meeting. Holders of Common Stock outstanding as of the close of business on the Record Date will be entitled to one vote for each share held by them on each matter presented to the stockholders at the Annual Meeting.

Stockholders of the Company are requested to complete, sign, date and promptly return the accompanying Proxy Card in the enclosed postage-prepaid envelope. Shares represented by a properly executed Proxy Card received prior to the vote at the Annual Meeting and not revoked will be voted at the Annual Meeting as directed on the Proxy Card. If a properly executed Proxy Card is submitted and no instructions are given, the persons designated as proxy holders on the Proxy Card will vote (i) FOR the election of the two nominees for Class I Directors named in this Proxy Statement, (ii) FOR the ratification of the appointment of PricewaterhouseCoopers LLP as the Company’s independent registered public accounting firm for the current fiscal year and (iii) in their own discretion with respect to any other business that may properly come before the stockholders at the Annual Meeting or at any adjournments or postponements thereof. It is not anticipated that any matters other than those set forth in the Proxy Statement will be presented at the Annual Meeting.

The presence, in person or by proxy, of holders of at least a majority of the total number of outstanding shares of Common Stock entitled to vote is necessary to constitute a quorum for the transaction of business at the Annual Meeting. The affirmative vote of the holders of a majority of the votes cast with a quorum present at the Annual Meeting is required for the election of directors and the ratification of the appointment of the Company’s independent registered public accounting firm. Abstentions and broker non-votes will not be counted as votes cast and, accordingly, will have no effect on the majority vote required, although they will be counted for quorum purposes.

PROXY STATEMENT

A stockholder of record may revoke a proxy at any time before it has been exercised by filing a written revocation with the Secretary of the Company at the address of the Company set forth above, by filing a duly executed proxy bearing a later date, or by appearing in person and voting by ballot at the Annual Meeting. Any stockholder of record as of the Record Date attending the Annual Meeting may vote in person whether or not a proxy has been previously given, but the presence (without further action) of a stockholder at the Annual Meeting will not constitute revocation of a previously given proxy. "Street name" stockholders who wish to vote in person will need to obtain a duly executed proxy form from the institution that holds their shares prior to the Annual Meeting.

In the pages preceding this Proxy Statement is a Letter to Stockholders from the Company's President and Chief Executive Officer. Also, Appendix A to this Proxy Statement contains the Company's 2009 Annual Report, including the Company's financial statements for the fiscal year ended December 31, 2009 and certain other information required by the rules and regulations of the Securities and Exchange Commission (the "SEC"). Neither the Letter to Stockholders from the Company's President and Chief Executive Officer nor the Company's 2009 Annual Report, however, are part of the proxy solicitation material. See "Other Matters-Incorporation by Reference" herein.

PROPOSAL I ELECTION OF DIRECTORS

Pursuant to the Articles of Amendment and Restatement of the Company, as amended (the "Articles"), the maximum number of members allowed to serve on the Company's Board of Directors is 12. The Board of Directors of the Company currently consists of 10 seats and is divided into three classes, with the directors in each class serving for a term of three years and until their successors are duly elected and qualified. The term of one class expires at each Annual Meeting of Stockholders. Pursuant to the Amended and Restated Bylaws of the Company (the "Bylaws"), vacancies on the Board of Directors may be filled by a majority vote of the directors, and directors elected to fill vacancies shall hold office until the next Annual Meeting of Stockholders.

At the Annual Meeting, two directors will be elected to serve as Class I Directors until the 2013 Annual Meeting of Stockholders and until their successors are duly elected and qualified. The Board of Directors has nominated Matthew S. Dominski and H. Patrick Hackett, Jr. to serve as Class I Directors (the "Nominees"). Each of the Nominees is currently serving as a Class I Director of the Company. Mr. Hackett was elected as a Class I Director by the Board of Directors in December 2009 to fill a vacancy. Mr. Dominski was elected as a Class I Director by the Board of Directors in March 2010. Each of the Nominees has consented to be named as a nominee in this Proxy Statement. The Board of Directors anticipates that each of the Nominees will serve as a director if elected. However, if any person nominated by the Board of Directors is unable to accept election, the proxies will vote for the election of such other person or persons as the Board of Directors may recommend.

The Board of Directors recommends a vote FOR the Nominees.

BROKER NON-VOTES

Stockholders of the Company who have received this proxy statement from their broker or other fiduciary should have received instructions for directing how that broker or fiduciary should vote the stockholder's shares. It will be the broker's or fiduciary's responsibility to vote the stockholder's shares for the stockholder in the manner directed. The stockholder must complete, execute and return the proxy card in the envelope provided by the broker.

Under the rules of the New York Stock Exchange (the "NYSE"), brokers generally may vote on routine matters, such as the ratification of an independent public accounting firm, but may not vote on non-routine matters unless they have received voting instructions from the person for whom they are holding shares. If there is a non-routine matter presented to stockholders at a meeting and the stockholder's broker or fiduciary does not receive instructions from the stockholder on how to vote on that matter, the broker or fiduciary will return the proxy card to the Company, indicating that he or she does not have the authority to vote on that matter. This is generally referred to as a "broker non-vote" and may affect the outcome of the voting on those matters.

PROXY STATEMENT

As of January 1, 2010, the election of directors is now considered a non-routine matter. We therefore encourage stockholders to provide directions to their broker as to how the stockholder wants their shares voted on all matters to be brought before the Annual Meeting. The stockholder should do this by carefully following the instructions the broker gives the stockholder concerning its procedures. This ensures that the stockholder's shares will be voted at the meeting.

INFORMATION REGARDING NOMINEES AND DIRECTORS

The following biographical descriptions set forth certain information with respect to the two Nominees for election as Class I Directors at the Annual Meeting, the continuing directors whose terms expire at the Annual Meetings of Stockholders in 2011 and 2012 and certain executive officers, based on information furnished to the Company by such persons. The following information is as of March 19, 2010, unless otherwise specified.

Class I Nominees for Election at 2010 Annual Meeting — Term to Expire in 2013

Matthew S. Dominski

Director since March 3, 2010

Mr. Dominski, 55, has been a director of the Company since March 2010. He also presently serves as a director of CBL & Associates Properties, Inc., one of the largest shopping mall real estate investment trusts in the United States. From 1993 through 2000, Mr. Dominski served as Chief Executive Officer of Urban Shopping Centers ("Urban"), formerly one of the largest regional mall property companies in the country and also a publicly traded real estate investment trust. Following the purchase of Urban by Rodamco North America in 2000, Mr. Dominski served as Urban's President until 2002. In 2003, Mr. Dominski formed Polaris Capital, LLC, a Chicago, Illinois based real estate investment firm of which he currently is joint owner. From 1998 until 2004, Mr. Dominski served as a member of the Board of Trustees of the International Council of Shopping Centers. Mr. Dominski's extensive experience leading other public and private real estate companies, both as a senior executive and a director, is a valuable asset to the Board of Directors. Moreover, Mr. Dominski's financial expertise is valuable to the Company's Audit Committee, on which he currently serves.

H. Patrick Hackett, Jr.

Director since 2009

Mr. Hackett, 58, has been a director of the Company since December 2009. Mr. Hackett is the Chief Executive Officer of HHS Co., a real estate company located in the Chicago area. Previously, he served as the President and Chief Executive Officer of RREEF Capital, Inc. and as Principal of The RREEF Funds, an international commercial real estate investment management firm. Mr. Hackett taught real estate finance at the Kellogg Graduate School of Management for 15 years when he also served on the real estate advisory boards of Kellogg and the Massachusetts Institute of Technology. He serves on the boards of Wintrust Financial Corporation (NASDAQ:WTFC), Textura Corporation and Evanston Capital Management. Mr. Hackett is a director of North Shore Bank. Mr. Hackett provides the Board of Directors with valuable real estate finance expertise, and the Board of Directors further benefits from Mr. Hackett's experience on other boards in the financial services sector. Moreover, Mr. Hackett's financial expertise is valuable to the Company's Audit Committee, on which he currently serves.

Class II Continuing Directors — Term to Expire in 2011

Bruce W. Duncan

Director since 2009

Mr. Duncan, 58, has been President, Chief Executive Officer and a Director of the Company since January 2009. He also presently serves as the chairman of the Board of Directors of Starwood Hotels & Resorts Worldwide, Inc. (NYSE: HOT) ("Starwood"), a leading worldwide hotel and leisure company, a position he has held since May 2005. From April to September 2007, Mr. Duncan served as Chief Executive Officer of Starwood on an interim basis. Mr. Duncan has served as a Director of Starwood since 1999. He also was a senior advisor to Kohlberg Kravis & Roberts & Co. from July 2008 until January 2009. From May 2005 to December 2005, Mr. Duncan was Chief Executive Officer and Trustee of Equity Residential (NYSE: EQR) ("EQR"), a publicly traded apartment company. From January 2003 to May 2005, he was President, Chief Executive Officer and Trustee, and from April 2002 to December 2002, President and Trustee of EQR. From December 1995 until March 2000, Mr. Duncan served as Chairman, President and Chief Executive Officer of Cadillac Fairview Corporation, a real estate operating

PROXY STATEMENT

company. From January 1992 to October 1994, Mr. Duncan was President and Co-Chief Executive Officer of JMB Institutional Realty Corporation providing advice and management for investments in real estate by tax-exempt investors and from 1978 to 1992, he worked for JMB Realty Corporation where he served as Executive Vice President and a member of the Board of Directors. Mr. Duncan's extensive experience leading other publicly traded real estate companies, both as a senior executive and a director, is critical to his ability to lead the Company as its Chief Executive Officer, and is a valuable asset to the Board of Directors. Moreover, as the Company's Chief Executive Officer, Mr. Duncan's membership on the Board of Directors is critical to ensuring appropriate coordination and communication between the Company's executive officers and the Board of Directors.

Michael G. Damone

Director since 1994

Mr. Damone, 75, has served as Director of Strategic Planning for the Company, and has been a director of the Company, since June 1994. Between 1973 and 1994, Mr. Damone was Chief Executive Officer of Damone/Andrew, a full service real estate organization, which developed several million square feet of industrial, warehouse, distribution and research and development buildings. Prior to co-founding Damone/Andrew in 1973, Mr. Damone was the executive vice president of a privately held, Michigan based real estate development and construction company, where he was responsible for the development of industrial/business parks. His professional affiliations include the Society of Industrial and Office Realtors, the National Association of Realtors, the Michigan Association of Realtors and the Detroit Area Commercial Board of Realtors. The extent and depth of Mr. Damone's real estate investment expertise over a period of 50 years, including the development of over three million square feet of industrial, warehouse, distribution, self-storage, residential and research and development buildings, in multiple markets, for his own account, provides the Board of Directors with significant personal experience that is highly relevant to the Company's primary business activities.

Kevin W. Lynch

Director since 1994

Mr. Lynch, 57, has been a director of the Company since June 1994. Mr. Lynch is the co-founder and Principal of The Townsend Group ("Townsend"), an institutional real estate consulting firm, which provides real estate consulting for pension funds and institutional investors. In his capacity as Principal, Mr. Lynch is responsible for strategic development and implementation of client real estate portfolios. Mr. Lynch is also responsible for new product development. Prior to founding Townsend, Mr. Lynch was associated with Stonehenge Capital Corporation, where he was involved in the acquisition of institutional real estate properties and the structuring of institutional real estate transactions. Mr. Lynch is a director of Lexington Realty Trust (NYSE: LXP). Mr. Lynch is a member of the Pension Real Estate Association, the National Council of Real Estate Investment Fiduciaries and the European Association for Investors in Non-listed Real Estate Vehicles. He is a frequent speaker at industry conferences and has presented in Amsterdam and Frankfurt for the benefit of the Association of Foreign Investors in Real Estate and as a guest lecturer at Columbia University and Tel Aviv University. Mr. Lynch is currently on the Advisory Board for the European Institutional Real Estate Letter. The Board of Directors benefits from Mr. Lynch's over 20 years of experience in advising U.S. and international institutional providers of real estate capital. Mr. Lynch is also sophisticated in matters of real estate execution and finance, and is keenly aware of developments in the capital markets, and is thereby a valuable resource to the Board of Directors.

Class III Continuing Directors — Term to Expire in 2012

John Rau

Director since 1994

Mr. Rau, 61, has been a director of the Company since June 1994. Since December 2002, Mr. Rau has served as President and Chief Executive Officer and as a director of Miami Corporation, a private asset management firm. From January 1997 to March 2000, he was a director, President and Chief Executive Officer of Chicago Title Corporation (NYSE: CTZ), and its subsidiaries, Chicago Title and Trust Co., Chicago Title Insurance Co., Tigor Title Insurance Co. and Security Union Title Insurance Co. Mr. Rau is a director of Nicor Inc., Harris Financial Corp., Harris Bank, N.A., William Wrigley Jr. Company and Borgwarner, Inc., and served as a director of LaSalle Bank, N.A. until 2007. From July 1993 until November 1996, Mr. Rau was Dean of the Indiana University School of Business. From 1991 to 1993, Mr. Rau served as Chairman of the Illinois Economic Development Board and as special advisor to Illinois Governor Jim Edgar. From 1990 to 1993, he was Chairman of the Banking

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Research Center Board of Advisors and a Visiting Scholar at Northwestern University's J.L. Kellogg Graduate School of Management. During that time, he also served as Special Consultant to McKinsey & Company, a worldwide strategic consulting firm. From 1989 to 1991, Mr. Rau served as President and Chief Executive Officer of LaSalle National Bank. From 1979 to 1989, he was associated with The Exchange National Bank, serving as President from 1983 to 1989, at which time The Exchange National Bank merged with LaSalle National Bank. Prior to 1979, he was associated with First National Bank of Chicago. Mr. Rau's extensive experience in the banking and title insurance industries provides the Board of Directors with valuable insight into the matters of corporate and real estate finance, as well as financial services management and risk management. In addition, Mr. Rau's financial expertise is valuable to the Company's Audit Committee, which he has chaired for many years and within which he has been the "audit committee financial expert."

Robert J. Slater

Director since 1994

Mr. Slater, 72, has been a director of the Company since June 1994. From 1988 until his retirement in 2004, Mr. Slater was President of Jackson Consulting, Inc., a private investment and consulting company that specializes in advising manufacturing and distribution companies on strategic, organizational, and economic planning. He retired as President, Chief Operating Officer and Director of Crane Co., a multinational manufacturing, distribution, and aerospace company, after serving the company from 1969 to 1988. Mr. Slater also held several executive level positions at Crane Co. subsidiaries including CF&I Corporation, Medusa Corporation, and Huttig Sash & Door Co. Mr. Slater has served on the boards of directors of a number of public companies during his career. Most recently, he was a director of Southdown, Inc. and National Steel Corporation. Mr. Slater's breadth of experience derived from serving on boards in the manufacturing and transportation industries, as well as his knowledge of logistics and facility management based on his tenure as an executive officer in these industries, are valuable resources for the Board of Directors.

W. Ed Tyler

Director since 2000

Mr. Tyler, 57, has been a director of the Company since March 2000, served as Lead Director from October 2008 to January 2009 and has served as non-executive Chairman of the Board of Directors since January 2009. Mr. Tyler also served as the Company's interim Chief Executive Officer from October 2008 to January 2009. Mr. Tyler was appointed CEO of Ideapoint Ventures in 2002. Ideapoint Ventures is an early stage venture fund that focuses on nanotechnologies. Prior to joining Ideapoint Ventures, Mr. Tyler served as Chief Executive Officer and a director of Moore Corporation Limited, a provider of data capture, information design, marketing services, digital communications and print solutions, from 1998 to 2000. Prior to joining Moore Corporation, Mr. Tyler served in various capacities at R.R. Donnelley & Sons Company, most recently as Executive Vice President and Chief Technology Officer, from 1997 to 1998, and as Executive Vice President and Sector President of Donnelley's Networked Services Sector, from 1995 to 1997. Mr. Tyler's extensive experience as a senior executive and director of other companies, both private and publicly traded, is extremely valuable to the Board of Directors. Moreover, this experience, coupled with Mr. Tyler's prior service as interim Chief Executive Officer of the Company, affords Mr. Tyler a unique perspective, and helps him facilitate communications between the Company's senior executives and the Board of Directors in his role as Chairman of the Board.

INFORMATION REGARDING EXECUTIVE OFFICERS AND OTHER SENIOR MANAGEMENT

Scott A. Musil

Mr. Musil, 42, has been acting Chief Financial Officer of the Company since December 2008 and Chief Accounting Officer of the Company since March 2006. Mr. Musil has also served as Senior Vice President of the Company since March 2001, Controller of the Company since December 1995, Treasurer of the Company since May 2002 and Assistant Secretary of the Company since May 1996. In addition, he served as a Vice President of the Company from May 1998 to March 2001. Prior to joining the Company, he served in various capacities with Arthur Andersen & Company, culminating as an audit manager specializing in the real estate and finance industries. Mr. Musil is a certified public accountant. His professional affiliations include the American Institute of Certified Public Accountants and National Association of Real Estate Investment Trusts ("NAREIT").

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Johannson L. Yap

Mr. Yap, 47, has been the Chief Investment Officer of the Company since February 1997. From April 1994 to February 1997, he served as Senior Vice President — Acquisitions of the Company. Prior to joining the Company, Mr. Yap joined The Shidler Group in 1988 as an acquisitions associate, and became Vice President in 1991, with responsibility for acquisitions, property management, leasing, project financing, sales and construction management functions. Between 1988 and 1994, he participated in the acquisition, underwriting and due diligence of several hundred million dollars of commercial properties. His professional affiliations include Urban Land Institute, NAREIT and the Council of Logistics Management.

David Harker

Mr. Harker, 51, has been Executive Vice President — Central Region since March 2009. From April 2005 to March 2009 he served as Executive Director — Investments of the Company. From 2002 to April 2005, he served as a Senior Regional Director of the Company and from 1998 to 2002 he served as a Regional Director of the Company, with responsibility for the Company's portfolio in Nashville, St. Louis, Louisville and Memphis. Prior to joining the Company, Mr. Harker was a Vice President of the Trammell Crow Company from 1992 to 1998. His professional affiliations include the Society of Industrial and Office Realtors.

Peter O. Schultz

Mr. Schultz, 47, has been Executive Vice President — East Region since March 2009. From January 2009 to March 2009 he served as Senior Vice President — Portfolio Management of the Company. From November 2007 to December 2008, he served as a Managing Director of the Company, with responsibility for the Company's East Region. From September 2004 to November 2007, he served as a Vice President — Leasing of the Company, with responsibility for the Company's leasing team and asset management plan implementation in the East Region. From January 2001 to September 2004, he served as a Senior Regional Director of the Company, with responsibility for the Company's portfolio in Eastern Pennsylvania and Southern New Jersey. From March 1998 to December 2000, he served as a Regional Director of the Company, with responsibility for the Company's portfolio in Eastern Pennsylvania. Prior to joining the Company, Mr. Schultz served as President and Managing Partner of PBS Properties, Inc. from November 1990 to March 1998, prior to which time he was Director of Marketing and Sales for the Pickering Group and Morgantown Properties. His professional affiliations include National Association of Industrial and Office Properties.

THE BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

The Board of Directors. The Board of Directors currently consists of ten seats. Effective as of the date of the Annual Meeting, when both Mr. Shidler and Mr. Wilson will complete their service as members of the Board of Directors, the Board expects to reduce its size to nine seats, with one seat vacant after the Annual Meeting. A majority of the members of the Board of Directors are independent as affirmatively determined by the Board of Directors. In determining the independence of its members, the Board of Directors applied the following standards:

- 1) The member must meet the definition of "Independent Director" contained in the Company's Articles, which requires that he or she be neither an employee of the Company nor a member of The Shidler Group.
- 2) After taking into account all relevant facts and circumstances, the Board must determine that the member has no material relationships with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). Relationships to be considered include commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships.
- 3) The member must satisfy the independence tests set forth in Section 303A.02(b) of the Listed Company Manual of the NYSE.

Applying such standards, the Board of Directors has affirmatively determined that each of Messrs. Dominski, Hackett, Lynch, Rau, Slater, Tyler and Wilson are independent directors. In reaching this determination with respect to Mr. Tyler, the Board of Directors considered, among other things, Mr. Tyler's service as the Company's interim

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Chief Executive Officer from October 2008 to January 2009 and the compensation of Mr. Tyler in connection with that service.

Pursuant to the terms of the Company's Articles, the directors are divided into three classes. Class I Directors, Messrs. Dominski, Hackett, Shidler and Wilson, hold office for a term expiring at this Annual Meeting. Class II Directors, Messrs. Damone, Duncan and Lynch, hold office for a term expiring at the Annual Meeting of Stockholders to be held in 2011. Class III Directors, Messrs. Rau, Slater and Tyler, hold office for a term expiring at the Annual Meeting of Stockholders to be held in 2012. Each director will hold office for the term to which he is elected and until his successor is duly elected and qualified. At each Annual Meeting of Stockholders, the successors to the class of directors whose term expires at that meeting will be elected to hold office for a term continuing until the Annual Meeting of Stockholders held in the third year following the year of their election and the election and qualification of their successors.

The Board of Directors held seven meetings and acted five times by unanimous consent during 2009. Each of the directors serving in 2009 attended at least 75% of the total number of meetings of the Board of Directors and of the respective committees of the Board of Directors of which he was a member. Although the Company does not have a formal policy regarding director attendance at Annual Meetings of Stockholders, all of the directors then serving attended the 2009 Annual Meeting of Stockholders.

The Board of Directors has adopted Corporate Governance Guidelines to reflect the principles by which it operates. These guidelines, as well as the charters of the Audit Committee, Compensation Committee and Nominating/Corporate Governance Committee of the Board of Directors, are accessible at the investor relations pages of the Company's website at www.firstindustrial.com and are available in print to any stockholder who requests it. The Company has adopted a Code of Business Conduct and Ethics, which includes the principles by which the Company expects its employees, officers and directors to conduct Company business and which is accessible at the investor relations pages of the Company's website at www.firstindustrial.com and is available in print to any stockholder who requests them. The Company intends to post on its website amendments to, or waivers from, any provision of the Company's Code of Business Conduct and Ethics. We also post or otherwise make available on our website from time to time other information that may be of interest to our investors. However, none of the information provided on our website is part of the proxy solicitation material. See "Other Matters-Incorporation by Reference" herein.

The Board of Directors has appointed an Audit Committee, a Compensation Committee, an Investment Committee, a Nominating/Corporate Governance Committee and a Special Committee.

Audit Committee. The Audit Committee is directly responsible for the appointment, discharge, compensation, and oversight of the work of any independent registered public accounting firm employed by the Company for the purpose of preparing or issuing an audit report or related work. In connection with such responsibilities, the Audit Committee approves the engagement of independent public accountants, reviews with the independent public accountants the audit plan, the audit scope, and the results of the annual audit engagement, pre-approves audit and non-audit services provided by the independent public accountants, reviews the independence of the independent public accountants, pre-approves audit and non-audit fees and reviews the adequacy of the Company's internal control over financial reporting.

As of the end of 2009, the Audit Committee consisted of Messrs. Rau, Lynch, Wilson and Hackett. Mr. Wilson resigned from the Audit Committee in February 2010. The Audit Committee, as it was comprised after Mr. Wilson's departure, undertook the "Report of the Audit Committee" set forth in this Proxy Statement. On March 3, 2010, the Audit Committee was recomposed to consist of Messrs. Rau, Dominski and Hackett, which is the current composition of the Audit Committee. Each of Messrs. Rau, Dominski and Hackett, in the judgment of the Company's Board of Directors, is independent as required by the listing standards of the NYSE and the rules of the SEC. In addition, each of Mr. Wilson and Mr. Lynch, prior to their respective departures from the Audit Committee, was, in the judgment of the Board of Directors, independent during the term of his service as required by the listing standards of the NYSE. Also, in the judgment of the Company's Board of Directors, each member is financially literate as required by the listing standards of the NYSE. Further, in the judgment of the Company's Board of Directors, Mr. Rau is an "audit committee financial expert," as such term is defined in the SEC rules, and has

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“accounting or related financial management expertise,” as defined in the listing standards of the NYSE. See Mr. Rau’s biography above. The Audit Committee met eight times in 2009.

Compensation Committee. The Compensation Committee has overall responsibility for approving and evaluating the compensation plans, policies and programs relating to the executive officers of the Company. The Compensation Committee administers, and has authority to grant awards under, the First Industrial Realty Trust, Inc. 1994 Stock Incentive Plan (the “1994 Stock Plan”), the First Industrial Realty Trust, Inc. 1997 Stock Incentive Plan (the “1997 Stock Plan”), the First Industrial Realty Trust, Inc. Deferred Income Plan, the First Industrial Realty Trust, Inc. 2001 Stock Incentive Plan (the “2001 Stock Plan”) and the First Industrial Realty Trust, Inc. 2009 Stock Incentive Plan (the “2009 Stock Plan”). The Compensation Committee currently consists of Messrs. Slater, Tyler and Lynch, each of whom, in the judgment of the Company’s Board of Directors, is independent as required by the listing standards of the NYSE. In addition, each of Mr. Wilson, prior to his resignation from the Compensation Committee in February 2010, and Robert D. Newman, prior to his resignation from the Board of Directors and the Compensation Committee in February 2009, was, in the judgment of the Board of Directors, independent during the term of his service as required by the listing standards of the NYSE. The Compensation Committee met nine times in 2009.

Investment Committee. The Investment Committee provides oversight and discipline to the investment process. Investment opportunities are described in written reports based on detailed research and analyses in a standardized format applying appropriate underwriting criteria. The Investment Committee meets with the Company’s acquisition personnel, reviews each submission thoroughly and approves acquisitions of land having a total investment of greater than \$5 million and all other acquisitions and development projects having a total investment of greater than \$20 million. The Investment Committee makes a formal recommendation to the Board of Directors for all acquisitions and development projects with a total investment in excess of \$50 million. The membership of the Investment Committee currently consists of Messrs. Damone, Dominski and Duncan. The Investment Committee met four times and acted once by unanimous consent in 2009.

Nominating/Corporate Governance Committee. The Nominating/Corporate Governance Committee recommends individuals for election as directors at the Annual Meeting of Stockholders of the Company and in connection with any vacancy that may develop on the Board of Directors. The Board of Directors, in turn, as a whole by a majority vote either approves all of the nominations so recommended by the Nominating/Corporate Governance Committee or rejects all of the nominations in whole, but not in part. In the event that the Board of Directors as a whole by a majority vote rejects the recommended nominations, the Nominating/Corporate Governance Committee would develop a new recommendation. In addition, the Nominating/Corporate Governance Committee develops and oversees the Company’s corporate governance policies. In January and February 2009, the Nominating/Corporate Governance Committee consisted of Messrs. Lynch, Slater and Wilson, each of whom, in the judgment of the Company’s Board of Directors, is independent as required by the listing standards of the NYSE. At the end of February 2009, the Nominating/Corporate Governance Committee was recomposed to include Messrs. Lynch, Rau and Tyler. Mr. Hackett joined the Committee in December 2009. In the judgment of the Company’s Board of Directors, Messrs. Hackett, Rau and Tyler are also independent as required by the listing standards of the NYSE. Mr. Lynch is the current Chairman of the Nominating/Corporate Governance Committee and also presides at meetings of non-management directors. The Nominating/Corporate Governance Committee met three times during 2009 and met in March 2010 to determine its nominations for this Proxy Statement.

The Nominating/Corporate Governance Committee will consider nominees recommended by stockholders of the Company. In order for a stockholder to nominate a candidate for election as a director at an Annual Meeting, notice must be given in accordance with the Bylaws of the Company to the Secretary of the Company not more than 180 days nor less than 75 days prior to the first anniversary of the preceding year’s Annual Meeting. The fact that the Company may not insist upon compliance with the requirements contained in its Bylaws should not be construed as a waiver by the Company of its right to do so at any time in the future.

In general, it is the Nominating/Corporate Governance Committee’s policy that, in its judgment, its recommended nominees for election as members of the Board of Directors of the Company must, at a minimum, have business experience of a breadth, and at a level of complexity, sufficient to understand all aspects of the Company’s

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business and, through either experience or education, have acquired such knowledge as is sufficient to qualify as financially literate. In addition, recommended nominees must be persons of integrity and be committed to devoting the time and attention necessary to fulfill their duties to the Company. While the Nominating/Corporate Governance Committee has not adopted a formal diversity policy, diversity is one of the factors that the Nominating/Corporate Governance Committee considers in identifying director nominees. As part of the nomination process, the Nominating/Corporate Governance Committee evaluates how a particular individual would affect the diversity of the Company's Board of Directors in terms of how that person may contribute to the Board of Directors' overall balance of perspectives, backgrounds, knowledge, experience, skill sets and expertise in matters pertaining to the Company's business.

The Nominating/Corporate Governance Committee may identify nominees for election as members of the Board of Directors of the Company through its own sources (including through nominations by stockholders made in accordance with the Company's Bylaws), through sources of other directors of the Company, and through the use of third-party search firms. The Company has previously engaged a third party search firm to identify potential nominees, including Mr. Brenninkmeijer, and may do so again in the future. Subject to the foregoing minimum standards, the Nominating/Corporate Governance Committee will evaluate each nominee on a case-by-case basis, assessing each nominee's judgment, experience, independence, understanding of the Company's business or that of other related industries, and such other factors as the Nominating/Corporate Governance Committee concludes are pertinent in light of the current needs of the Company's Board of Directors.

Special Committee. The Special Committee is authorized, within limits specified by the Board of Directors, to approve the terms under which the Company issues or repurchases Common Stock, preferred stock or depository shares representing fractional interests in preferred stock, or under which the Company or any of the Company's subsidiaries, including First Industrial, L.P., issues or repurchases debt. The membership of the Special Committee currently consists of Messrs. Dominski, Duncan and Rau. The Special Committee met once and acted by unanimous consent five times during 2009.

Communications by Stockholders. Stockholders of the Company may send communications to the Board of Directors as a whole, its individual members, its committees or its non-management members as a group. Communications to the Board of Directors as a whole should be addressed to "The Board of Directors"; communications to any individual member of the Board of Directors should be addressed to such individual member; communications to any committee of the Board of Directors should be addressed to the Chairman of such committee; and communications to non-management members of the Board of Directors as a group should be addressed to the Chairman of the Nominating/Corporate Governance Committee. In each case, communications should be further addressed "c/o First Industrial Realty Trust, Inc., 311 South Wacker Drive, Suite 3900, Chicago, Illinois 60606." All communications will be forwarded to their respective addressees and, if a stockholder marks his or her communication "Confidential", will be forwarded directly to the addressee.

Board Leadership Structure and Role in Risk Management. Mr. Tyler is chairman of the Board of Directors. Mr. Tyler served as the Company's interim Chief Executive Officer from October 22, 2008 until January 9, 2009. Prior to and since the completion of his service as interim Chief Executive Officer, Mr. Tyler has not served as an officer of the Company and, as discussed above, Mr. Tyler is an independent director as affirmatively determined by the Board of Directors. We believe that having board leadership independent of management helps ensure critical and independent thinking with respect to the Company's strategy and performance. Mr. Duncan, the Company's President and Chief Executive Officer, is also a member of the Board of Directors. The presence of Mr. Duncan on the Board of Directors helps to ensure that management's insight is directly available to the directors in their deliberations.

The Board of Directors oversees the business of the Company and our stockholders' interests in the long-term financial strength and overall success of the Company's business. In this respect, the Board of Directors is responsible for overseeing the Company's risk management. The Board of Directors delegates many of these functions to the Board's committees. Each committee of the Board of Directors is responsible for reviewing the risk exposure of the Company related to the committees' areas of responsibility and providing input to the Board of

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Directors on such risks. The Board of Directors and its committees regularly review material strategic, operational, financial, compensation and compliance risks with management.

For example, under its charter, the Audit Committee is required to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the financial information that will be provided to the stockholders, the systems of internal controls that management and the Board of Directors have established and the audit process. The Audit Committee is responsible for facilitating communication between the Company's independent auditors and the Board of Directors and management, and for reviewing with the independent auditors the adequacy of the Company's internal controls. The Audit Committee also reviews with management and the independent auditors significant risks which impact financial reporting and operations to which the Company is exposed, including risks faced in the ordinary course of business and risks resulting from extraordinary circumstances. In addressing these risks, the Audit Committee assesses management's response and the effectiveness of the Company's internal controls.

Similarly, the Compensation Committee strives to adopt compensation incentives that encourage appropriate risk-taking behavior that is consistent with the Company's long term business strategy. We do not believe that our compensation policies and practices are reasonably likely to have a material adverse effect on the Company. The Compensation Committee has focused on aligning our compensation policies with our stockholders' long-term interests and avoiding short-term rewards for management or awards that encourage excessive or unnecessary risk taking. For example, a substantial amount of compensation provided to the Company's executive officers is in the form of equity awards for which the ultimate value of the award is tied to the Company's stock price and which are subject to long-term vesting schedules. In addition, annual cash and equity bonuses provided to management for 2009 were contingent upon the Company's satisfaction of a prescribed level of "funds from operations," which is a non-GAAP supplemental performance measure commonly used to evaluate the performance of real estate investment trusts. Because these awards are directly tied to increased earnings and stock price, in line with our stockholders' interests, we believe that none of these types of awards contribute to excessive or unnecessary risk taking.

DIRECTOR COMPENSATION

Directors of the Company who are also employees, namely Mr. Duncan (our Chief Executive Officer) and Mr. Damone (a non-executive employee), receive no additional compensation for their services as a director. Mr. Tyler did not receive additional compensation for his service as a director during his tenure as the Company's interim Chief Executive Officer. Due to his service as our interim Chief Executive Officer, compensation received by Mr. Tyler for his service as a director is included in the Executive Summary Compensation Table.

Compensation of non-employee directors is reviewed annually by the Compensation Committee of the Board of Directors, which makes any recommendations of compensation changes to the entire Board of Directors. Non-employee directors are not entitled to retirement benefits, incentive compensation or perquisites, although they are reimbursed for their out-of-pocket expenses for meeting attendance.

First Quarter 2009

During the first quarter of 2009, compensation for non-employee directors of the Company consisted of an annual director's fee equivalent in value to \$40,000, at least 50% of the value of which was required to be taken in the form of restricted Common Stock. In addition, the Chairman of the Board of Directors' compensation included an additional annual fee of \$50,000 for his service as Chairman of the Board of Directors; the Chairman of the Audit Committee's compensation included an additional fee of \$20,000 for his service as Chairman of the Audit Committee; the Chairman of the Compensation Committee's compensation included an additional fee of \$10,000 for his service as Chairman of the Compensation Committee; and the Chairman of the Nominating/Corporate Governance Committee's compensation included an additional fee of \$5,000 for his service as Chairman of the Nominating/Corporate Governance Committee. Also each non-employee director received \$2,000 for each in-person meeting of the Board of Directors attended, \$1,500 for each telephonic Board meeting in which he participated, \$2,000 for each in-person committee meeting attended and \$1,500 for each telephonic committee

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meeting in which he participated. Shares of restricted Common Stock issued to directors are entitled to receive dividends at the same rate as the Company’s Common Stock.

Second, Third and Fourth Quarters 2009

Commencing April 1, 2009, compensation for non-employee directors of the Company consisted of an annual director’s fee equivalent in value to \$120,000, at least 33% of the value of which was required to be taken in the form of unrestricted Common Stock. Fees for attendance at in-person and telephonic meetings of the Board of Directors and its Committee were eliminated. The additional annual fees for service as Chairman of the Board of Directors, Chairman of the Audit Committee and Chairman of the Compensation Committee remained at \$50,000, \$20,000 and \$10,000, respectively. The additional annual fee for service as Chairman of the Nominating/Corporate Governance Committee was increased to \$10,000. Beginning in 2010, directors of the Company were permitted, but not required, to receive 100% of their annual fee in the form of cash payments as opposed to Common Stock.

DIRECTOR COMPENSATION SUMMARY

<u>Name</u>	<u>Fees Earned or Paid in Cash \$(1)</u>	<u>Stock Awards \$(2)</u>	<u>All Other Compensation (\$)</u>	<u>Total Compensation (\$)</u>
John W. M. Brenninkmeijer	\$ 0	\$ 10,001(3)	\$0	\$ 10,001
Matthew S. Dominski(4)	\$ 0	\$ 0	\$0	\$ 0
H. Patrick Hackett, Jr.	\$ 6,522	\$ 3,258(5)	\$0	\$ 9,780
Kevin W. Lynch	\$18,750	\$100,001(6)	\$0	\$118,751
Robert D. Newman	\$ 3,000	\$ 0(7)	\$0	\$ 3,000
John Rau	\$94,500	\$ 35,002(8)	\$0	\$129,502
Jay H. Shidler	\$ 8,000	\$100,001(9)	\$0	\$108,001
Robert J. Slater	\$80,000	\$ 40,003(10)	\$0	\$120,003
J. Steven Wilson	\$73,000	\$ 40,003(11)	\$0	\$113,003

- (1) Does not include that portion of non-employee directors’ annual director fees paid in the form of Stock Awards. See under “Stock Awards” in the adjacent column.
- (2) Amounts reflect the aggregate grant date fair value of each award as determined under FASB ASC Topic 718.
- (3) On March 31, 2009, Mr. Brenninkmeijer was granted shares of restricted Common Stock with a grant date fair value of \$10,001, and which were issued to Mr. Brenninkmeijer on April 9, 2009. Mr. Brenninkmeijer’s service as a director of the Company concluded on May 13, 2009 at which time all of his unvested restricted Common Stock vested.
- (4) Mr. Dominski’s service as a director of the Company commenced March 3, 2010. Accordingly, Mr. Dominski did not receive any compensation from the Company in 2009.
- (5) Mr. Hackett’s service as a director of the Company commenced December 2, 2009. On December 31, 2009, Mr. Hackett was granted shares of Common Stock with a grant date fair value of \$3,258, and which were issued to Mr. Hackett on January 8, 2010. As of December 31, 2009, Mr. Hackett held no shares of unvested restricted Common Stock.
- (6) On March 31, 2009, June 30, 2009, September 30, 2009 and December 31, 2009, Mr. Lynch received grants of restricted and unrestricted Common Stock with the following grant date fair values: \$10,001; \$30,002; \$29,999; and \$29,999 respectively, and which were issued to Mr. Lynch on April 9, 2009, July 9, 2009, October 9, 2009 and January 8, 2010, respectively. As of December 31, 2009, Mr. Lynch held 14,006 shares of unvested restricted Common Stock.
- (7) Mr. Newman’s service as a director of the Company concluded on February 9, 2009. As of December 31, 2009, Mr. Newman held 6,827 shares of unvested restricted Common Stock.
- (8) On March 31, 2009, June 30, 2009, September 30, 2009 and December 31, 2009, Mr. Rau received grants of restricted and unrestricted Common Stock with the following grant date fair values: \$5,000; \$10,001; \$10,001;

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and \$10,000, respectively, and which were issued to Mr. Rau on April 9, 2009, July 9, 2009, October 9, 2009 and January 8, 2010, respectively. As of December 31, 2009, Mr. Rau held 10,912 shares of unvested restricted Common Stock.

- (9) On March 31, 2009, June 30, 2009, September 30, 2009 and December 31, 2009, Mr. Shidler received grants of restricted and unrestricted Common Stock with the following grant date fair values: \$10,001; \$30,002; \$29,999; and \$29,999, respectively, and which were issued to Mr. Shidler on April 9, 2009, July 9, 2009, October 9, 2009 and January 8, 2010, respectively. As of December 31, 2009, Mr. Shidler held 15,893 shares of unvested restricted Common Stock.
- (10) On March 31, 2009, June 30, 2009, September 30, 2009 and December 31, 2009, Mr. Slater received grants of restricted and unrestricted Common Stock with the following grant date fair values: \$10,001; \$10,001; \$10,001; and \$10,000, respectively, and which were issued to Mr. Slater on April 9, 2009, July 9, 2009, October 9, 2009 and January 8, 2010, respectively. As of December 31, 2009, Mr. Slater held 15,893 shares of unvested restricted Common Stock.
- (11) On March 31, 2009, June 30, 2009, September 30, 2009 and December 31, 2009, Mr. Wilson received grants of restricted and unrestricted Common Stock with the following grant date fair values: \$10,001; \$10,001; \$10,001; and \$10,000, respectively, and which were issued to Mr. Wilson on April 9, 2009, July 9, 2009, October 9, 2009 and January 8, 2010, respectively. As of December 31, 2009, Mr. Wilson held 15,893 shares of unvested restricted Common Stock and 30,000 options.

EXECUTIVE COMPENSATION DISCUSSION AND ANALYSIS

OBJECTIVES AND DESIGN OF COMPENSATION PROGRAM

The Company maintains the philosophy that compensation of its executive officers and other employees should serve the best interests of the Company's stockholders. Accordingly, the Company believes its executive compensation program should not only serve to attract and retain talented, capable individuals, but also to provide them with proper incentives linked to performance criteria that are designed to maximize the Company's overall performance. To this end, the Company's compensation program consists of a mix of compensation that is intended to compensate executive officers for their contributions during the year and to reward them for achievements that lead to increased Company performance and increases in stockholder value.

THE EXECUTIVE COMPENSATION PROCESS AND THE ROLE OF EXECUTIVE OFFICERS IN COMPENSATION DECISIONS

The Compensation Committee of the Company's Board of Directors (the "Compensation Committee") has overall responsibility for approving and evaluating the compensation plans, policies and programs relating to the executive officers of the Company. The Compensation Committee typically formulates senior executive compensation beginning in the December before and in the first quarter of the applicable fiscal year by setting that year's salary and, if applicable, target maximum cash and equity bonus for the Chief Executive Officer, the Chief Financial Officer and other senior executive officers ("Senior Management"). Also, typically, in the first quarter of the applicable fiscal year, the Compensation Committee adopts, and the full Board of Directors ratifies, the performance criteria (the "Performance Criteria") to be used to determine the incentive compensation of Senior Management (other than those covered by separate plans or agreements) for that year. Then, after the end of the applicable fiscal year, the Compensation Committee meets to determine incentive compensation to be paid to Senior Management with respect to that year pursuant to the Performance Criteria or, as applicable, pursuant to separate plans or agreements. Per such determination, the Company pays cash bonuses, typically in February or March, and issues restricted stock, typically in March.

Periodically, though not every year, the Company and the Compensation Committee engage the services of outside consultants to evaluate the Company's executive compensation program. In 2008, the Compensation Committee retained FPL Associates, an outside consultant, to review the appropriateness of the compensation of the Company's Chief Executive Officer, Chief Financial Officer, Chief Investment Officer and Executive Vice President — Operations, and certain other members of management. As part of its review, the outside consultant

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surveyed a range of real estate companies that included not only the Company's industrial peers, but similarly sized companies and companies with similar operating strategies from other sectors of the REIT industry. Peers identified were: AMB Property Corp., PS Business Parks, Inc., Eastgroup Properties, Inc., Liberty Property Trust, ProLogis, Duke Realty Corp., Taubman Centers, Inc., Corporate Office Properties Trust, Crescent Real Estate Equities, FelCor Lodging Trust, Inc., Home Properties, Inc., Maguire Properties, Inc., Essex Property Trust, Inc., BRE Properties, Inc., Realty Income Corporation, Pennsylvania REIT, Cousins Properties, Inc., Crescent Real Estate Equities, Vornado Realty Trust, Kimco Realty Corporation, Mack-Cali Realty Corp., SL Green Realty Corp., Boston Properties, Inc. and Developers Diversified Realty. The Compensation Committee used this survey not as a benchmark, per se, but rather to gauge generally the appropriateness of the Company's executive compensation programs and to gauge the appropriateness of the levels of base compensation paid to Senior Management.

Historically, the Company's Chief Executive Officer and Chief Financial Officer have participated in meetings with the Compensation Committee at various times throughout the year. During the December before and first quarter of the applicable fiscal year, they typically meet with the Compensation Committee to present and discuss recommendations with respect to the applicable fiscal year's salaries and target maximum cash and equity bonus for Senior Management not covered by separate plans or agreements. In the first quarter of each year, they typically meet with the Compensation Committee to present and discuss recommendations with respect to incentive compensation for the year just ended. They also traditionally meet with the Compensation Committee regarding employment agreements that the Company has entered into and assist the Compensation Committee in providing compensation information to outside consultants engaged to evaluate the Company's compensation programs.

In 2008 and 2009, an ad hoc committee of the Board of Directors, including Messrs. Lynch, Rau, Shidler, Slater and Tyler, which was formed for evaluating and selecting a new chief executive officer (the "Search Committee"), also had a significant role in determining the compensation for Mr. Duncan. As Mr. Duncan was not previously employed by First Industrial, his employment arrangements reflect terms and conditions that were negotiated with him. Among factors considered by the Search Committee during these negotiations were:

- Mr. Duncan's reputation, experience and skill;
- the compensation that would be payable to an alternative candidate for the position; and
- the compensation payable to and structure utilized for the employment of a new chief executive officer of a real estate investment trust in circumstances that the Search Committee considered to be comparable to the Company's.

During its negotiations, the Search Committee relied upon analysis provided by FPL Associates L.P., which has advised the Compensation Committee in various compensation determinations for the Company in the past. The Search Committee considered the compensation available to Mr. Duncan both annually and in the aggregate over a period of four years assuming appreciation of the price of First Industrial's Common Stock. The committee also considered the amounts that would be payable to Mr. Duncan in the event of the termination of his employment due to a change of control or other factors.

The Compensation Committee awarded Mr. Duncan restricted stock units, rather than restricted stock, upon his employment. Unlike an award of restricted stock, restricted stock units do not entitle the recipient to voting rights for the shares underlying the award. Mr. Duncan is also not entitled to dividends until vesting, but upon vesting he is entitled to an amount (payable at the Company's choice in shares of Common Stock or cash) equal to the aggregate amount of dividends payable on shares underlying the award from the date of grant to the date of vesting. These dividend equivalent rights therefore subject Mr. Duncan's dividend rights to the risk of forfeiture if the vesting conditions for restricted stock units are not satisfied but put him in a roughly equivalent economic position if the restricted stock units do vest.

Mr. Duncan's restricted stock units differ from the Company's typical restricted stock awards because they are subject to a longer, 4-year ratable vesting schedule and because 40% (400,000) of the shares underlying the award further require performance targets to be met. The Compensation Committee believes that Mr. Duncan should earn equity in part for leading the Company and in part only if the performance of the Company improves under his leadership. Setting performance targets to evaluate Mr. Duncan's success was difficult because the Company had begun substantial changes

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to its business model prior to hiring Mr. Duncan, making past performance criteria inapplicable, and the Company expects Mr. Duncan, along with its other senior executives, to help define the Company's future goals and operations. In light of these difficulties, the Compensation Committee determined to use the market price performance of the Company's Common Stock as a measure of performance. If the time-based vesting conditions are also satisfied, 25% of Mr. Duncan's performance-based restricted stock units will vest in the event that the Company attains stock price targets of \$11.00, \$15.00, \$19.00 and \$23.00, respectively, prior to December 31, 2013.

The Compensation Committee continues to recognize that stock price can be (and has been) affected by numerous factors outside of the Company's performance. The Compensation Committee also observed that a comparable equity award issued to the new chief executive officer of a real estate investment trust whose circumstances the Compensation Committee considered to be comparable to the Company's also relied upon stock price improvement for performance-based vesting and subjected 40% of that executive's equity award to performance-based, in addition to time-based, vesting.

Except in the case of Mr. Duncan, the Compensation Committee did not retain the services of outside consultants to evaluate the Company's executive compensation program for 2009, although it has retained such consultants in prior years and may do so again in the future.

EXECUTIVE COMPENSATION COMPONENTS

The components of the Company's executive compensation program are base salary, incentive bonuses (both cash and equity awards) and benefits/perquisites. Benefits/perquisites currently include premiums paid by the Company on term life insurance and long-term disability insurance; standard health, life and disability insurance; a personal financial planning allowance in the case of Mr. Yap in accordance with his employment agreement; and, if and when approved by management, 401(k) matching contributions. In the past, benefits/perquisites have also included car allowances and moving allowances.

Each component of the Company's executive compensation program serves to attract and retain talented, capable individuals to the Company's management ranks. Incentive bonuses serve the added purpose of providing such individuals with proper incentives linked to performance criteria that are designed to maximize the Company's overall performance.

The Company considers base salary, incentive bonuses and benefits/perquisites as independent components of the Company's executive compensation program. Base salary and benefits/perquisites are intended to compensate Senior Management for services rendered, and increases to their base salary are a function of individual performance and general economic conditions. Incentive bonuses, by contrast, are linked to, and are a function of the achievement of, performance criteria that are designed to maximize the Company's overall performance. Historically, base salary and benefits/perquisites have constituted approximately 1/3 of Senior Management's compensation in a typical year, while incentive bonus has made up approximately 2/3. Although this proportion may vary from year to year, this allocation between base salary and incentive compensation is consistent with the Compensation Committee's compensation philosophy that Senior Management's compensation should be largely tied to performance criteria designed to maximize the Company's overall performance.

The Compensation Committee does not have a specific policy regarding the mix of cash and non-cash compensation awarded to Senior Management, although it believes that a significant portion of Senior Management compensation should be paid in the form of equity. For members of Senior Management with employment agreements, the mix of target maximum cash and non-cash incentive compensation they are entitled to receive is set forth in their respective employment agreements. Depending on the individual, non-cash compensation makes up approximately 40% of the potential incentive compensation for executive officers. For Mr. Duncan, annual bonuses will typically be payable in a combination of cash and fully vested shares of Common Stock, and it is expected that the portion paid in Common Stock will be proportionate to the non-cash incentive compensation received by the Company's senior executives generally.

When granting non-cash compensation to Senior Management, the Compensation Committee has typically utilized restricted stock awards. Typically, these awards vest ratably over 3 years and are denominated based on the closing price of the Company's Common Stock on the day prior to the submission of award information and

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recommendations to the Compensation Committee for purposes of its award determinations. In 2009, the Compensation Committee also utilized restricted stock unit awards in connection with non-cash incentive compensation issued to Mr. Duncan and to the other members of Senior Management as described in this Proxy Statement.

The Compensation Committee believes that restricted stock awards and restricted stock unit awards play an important role in aligning management's interests with those of the Company's stockholders in that restricted stock and restricted stock units (other than the vesting and transfer restrictions applicable to them) are economically identical to stockholders' Common Stock. For this reason, restricted stock and restricted stock unit awards have been a significant part of executive compensation, although the Compensation Committee may use other forms of equity compensation, such as stock options, in the future.

On July 13, 2009 the Compensation Committee approved retention cash bonuses and restricted stock unit awards to certain employees of the Company, including members of Senior Management, other than Mr. Duncan, to promote retention during what it anticipated would be a difficult economic environment, generally, and real estate market, specifically, and to further align the interests of Messrs. Musil, Yap, Harker and Schultz with the interests of Mr. Duncan. While the Compensation Committee reserves the right to make retention awards from time to time, it does not consider these awards a regular component of executive compensation.

SETTING EXECUTIVE COMPENSATION

Base Salary

The Company provides Senior Management with base salary to compensate them for services rendered during the fiscal year. The base salaries of Senior Management are a function of either the minimum base salaries specified in their employment agreements or the base salary negotiated at the time of their hire, and any subsequent increases to such base salaries approved by the Compensation Committee. In determining increases to such base salaries for the following year, the Compensation Committee considers individual performance of Senior Management in the most recently completed year, including organizational and management development and sales leadership exhibited from year-to-year and peer information provided by compensation consultants. The Compensation Committee also considers general economic conditions prevailing at the end of such year, when the increases for the following year are typically determined.

Mr. Tyler's base salary for his service, commencing in October 2008 and ending in January 2009, as interim Chief Executive Officer was set at \$250,000 per month, with a minimum, non-refundable four months due and payable in advance. This monthly salary was intended to compensate Mr. Tyler at a rate consistent with total compensation market rates for full-time chief executive officers.

Mr. Duncan's 2009 base salary was set by the terms of his employment agreement. Due to the general economic conditions prevailing at the end of 2008 and in order to conserve cash, on February 13, 2009 management recommended, and the Compensation Committee approved, no salary increases over 2008 base salaries for the other members of Senior Management.

Annual Incentive Bonuses

The Company provides its senior executives with annual incentive compensation, which currently includes cash and equity awards, in the form of restricted stock and restricted stock units, to incentivize and reward them for Company and individual performance in specified areas that serve the best interests of the Company's stockholders.

2009 Executive Officer Bonus Plan

For 2009, Messrs. Duncan, Musil, Yap, Harker and Schultz participated in an incentive compensation plan (the "2009 Executive Officer Bonus Plan") which was recommended by the Compensation Committee and adopted by the Board of Directors on May 13, 2009. Under the 2009 Executive Officer Bonus Plan, compensation determinations of the Compensation Committee are based on (1) the Company's achievement above a minimum level of

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funds from operations (“FFO”)⁽¹⁾ per share per annum, (2) the target maximum cash and equity bonus opportunity of the executive officers, expressed as a percentage of their base salaries and (3) the Chief Executive Officer’s self-evaluation and individual recommendations, with respect to Messrs. Musil, Yap, Harker and Schultz, to the Compensation Committee.

The Compensation Committee believes FFO is the best single measure to appropriately capture the Company’s performance, and has adopted FFO as the sole Performance Criteria. Achievement by the Company above a minimum FFO threshold for 2009 qualified each executive officer covered by the 2009 Executive Officer Bonus Plan to receive up to 125% of his stated target maximum cash and equity bonus opportunity, depending on the level of FFO achieved (the “FFO Percentage”). For Messrs. Duncan and Yap, the targets are based on requirements in their employment agreements and subject to increase by the Compensation Committee; and, for Messrs. Musil, Harker and Schultz are a function of Company policy applicable to employees generally. In each case, the targets reflect the Compensation Committee’s belief that an individual’s incentive compensation should be comprised of approximately 60% cash compensation and 40% equity compensation.

The target maximum bonuses for 2009 for Messrs. Duncan, Musil, Yap, Harker and Schultz for purposes of the 2009 Executive Officer Bonus Plan were as follows:

<u>Executive Officer</u>	<u>Target Maximum Cash Bonus (% of Base Salary)</u>	<u>Target Maximum Equity Bonus (% of Base Salary)</u>
Bruce W. Duncan	200%	140%
Scott A. Musil	125%	90%
Johannson Yap	200%	140%
David Harker	150%	100%
Peter Schultz.	150%	100%

For 2009, the Company’s FFO per share exceeded the highest target level stated in the 2009 Executive Officer Bonus Plan, justifying an FFO Percentage of 125%. However, in order to conserve cash, and to give consideration to the Company’s overall performance in 2009 and the current economic environment, the Company’s Chief Executive Officer recommended to the Compensation Committee that it apply a revised FFO Percentage in awarding bonuses. Based upon the Chief Executive Officer’s recommendation, the Compensation Committee exercised its discretion and established a bonus pool to be distributed among the members of Senior Management representing the aggregate cash and equity bonuses that would have been justified under the 2009 Executive Officer Bonus Plan had an FFO Percentage of 60.5% been applied. Individual bonuses paid to the members of Senior Management from this bonus pool were not uniform, and approximated a percentage of each officer’s target maximum cash and equity bonus as determined by the Compensation Committee (the “Individual Percentages”).

(1) FFO is a non-GAAP measure that the Company defined (for all 2009 purposes) as net income available to common stockholders and participating securities, plus depreciation and amortization on real estate minus accumulated depreciation and amortization on real estate sold less economic gains that are not included within the NAREIT definition. Investors in and analysts following the real estate industry utilize FFO, variously defined, as a supplemental performance measure. The Company considers FFO, given its wide use by and relevance to investors and analysts, an appropriate supplemental performance measure. FFO, reflecting the assumption that real estate asset values rise or fall with market conditions, principally adjusts for the effects of GAAP depreciation/amortization of real estate assets. In addition, FFO is commonly used in various ratios, pricing multiples/yields and returns and valuation calculations used to measure financial position, performance and value. FFO does not represent cash generated from operating activities in accordance with GAAP and is not necessarily indicative of cash available to fund cash needs, including the repayment of principal on debt and payment of dividends and distributions. FFO should not be considered as a substitute for net income available to common stockholders (calculated in accordance with GAAP) as a measure of results of operations or cash flows (calculated in accordance with GAAP) as a measure of liquidity. FFO as calculated by the Company may not be comparable to similarly titled, but differently calculated, measures of other REITs. Please see the reconciliation of FFO to net income available to common stockholders contained in our Current Report on Form 8-K dated February 24, 2010.

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The variability of the Individual Percentages applied to the members of Senior Management is attributable to differences in individual subjective performance evaluations. For example, the Compensation Committee rewarded Mr. Musil for his assumption of significant additional responsibilities in his capacity as acting Chief Financial Officer and rewarded Mr. Schultz for the management of his region, in particular its leasing efforts in a very challenging leasing environment. Mr. Duncan's relatively lower Individual Percentage is attributable to the Compensation Committee's concurrence with Mr. Duncan's self evaluation and reflects the level of shareholder value that the Company delivered in 2009 notwithstanding the level of FFO per share achieved by the Company.

The cash bonus payments and equity grants made in February and March 2010 to each member of Senior Management, together with the applicable Individual Percentage, is reflected in the following table:

<u>Executive Officer</u>	<u>Individual Percentage (%)</u>	<u>Cash Bonus Paid (\$)</u>	<u>Shares of Restricted Stock Granted</u>
Bruce W. Duncan	48.7	750,000	105,769
Scott A. Musil	83.7	230,000	33,654
Johannson Yap	56.4	400,000	57,692
David Harker	49.8	172,000	22,115
Peter Schultz	65.0	245,000	27,885

Although Mr. Tyler served as our interim Chief Executive Officer through January 2009, he was not eligible to participate in the Company's bonus plans.

2009 Retention and Long-Term Bonus Plan

On July 13, 2009 the Compensation Committee approved service-based and performance-based incentive awards (collectively, the "Retention and Long-Term Bonus Awards") to certain employees of the Company, including members of Senior Management other than Mr. Duncan, to promote retention during what it anticipated would be a difficult economic environment, generally, and real estate market, specifically, and to align the interests of Messrs. Musil, Yap, Harker and Schultz with the interests of Mr. Duncan. Grantees of a service-based award who remain employed with the Company through and including June 30, 2010 will be eligible for a specified cash bonus (the "Retention Cash Bonus"). In the event (i) a grantee's employment with the Company is terminated on or prior to June 30, 2010 as a result of grantee's death or by the Company due to grantee's disability or (ii) a change of control is consummated on or prior to June 30, 2010 and the grantee remains employed with the Company through the date of such change of control, the grantee will be eligible for an amount in cash equal to four times the Retention Cash Bonus, in lieu of the Retention Cash Bonus. The Retention Cash Bonus awards for Senior Management, other than Mr. Duncan, are as follows:

<u>Executive Officer</u>	<u>Retention Cash Bonus</u>
Scott A. Musil	\$46,830
Johannson Yap	\$66,900
David Harker	\$46,830
Peter Schultz	\$46,830

Grantees of a performance-based award were issued a specified number of restricted stock units ("Performance RSUs"), each of which represents the right to receive, upon vesting, one share of the Company's Common Stock plus any dividend equivalents that have accrued prior to the date of vesting. The Performance RSUs and associated dividend equivalents have a performance-based vesting component and a time-based vesting component, and each Performance RSU vests upon the later to occur of the satisfaction of the relevant performance-based and time-based vesting component. The performance-based component will be satisfied with respect to installments of 25% of the Performance RSUs in the event that the Company maintains, for a period of 15 trading days prior to June 30, 2014, stock price targets of \$9.00, \$13.00, \$17.00 and \$21.00, respectively. The time-based component is subject to a grantee's continued employment over a period of four years, and will be satisfied with respect to 25% of the Performance RSU's on each of June 30, 2010, 2011, 2012 and 2013. Upon the consummation of a change of

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control of the Company, all Performance RSUs vest in full. In the event of a termination of a grantee’s employment due to his death or disability, each unvested Performance RSU vests to the extent that:

- the time-based component relating to that Performance RSU would have been satisfied had the grantee remained employed for an additional 24 months, and
- the performance-based component relating to that Performance RSU is satisfied at any time through the earlier of the 24-month anniversary of the grantee’s termination and June 30, 2014.

All vested RSUs will be distributed in shares of the Company’s Common Stock. At the Company’s option, the Company may pay dividend equivalents in cash or Common Stock. The Performance RSU awards for Senior Management, other than Mr. Duncan, are as follows:

<u>Executive Officer</u>	<u>Performance RSUs</u>
Scott A. Musil	28,000
Johannson Yap	40,000
David Harker	28,000
Peter Schultz	28,000

The Retention and Long-Term Bonus Awards were intended by the Compensation Committee to be commensurate with awards issued to similarly situated individuals under comparable retention bonus plans adopted by some of our peers. In this regard the Compensation Committee relied in part on a survey conducted in 2008 by our outside consultant, FPL Associates, as part of its evaluation of the Company’s executive compensation program, with a particular focus on the long-term incentive plans adopted by AMB Property Corporation, Eastgroup Properties, Inc., ProLogis and DCT Industrial Trust Inc. The Compensation Committee did not use this survey as a benchmark, but rather to gauge generally the appropriateness of the levels of compensation payable to its executive officers in connection with the Retention and Long-Term Bonus Awards.

In addition, the value of the Retention Cash Bonus relative to the grant date value of the portion of the Performance RSU’s scheduled to vest on June 30, 2010, reflects the Compensation Committee’s belief that an individual’s incentive compensation should be comprised of approximately 60% cash compensation and 40% equity compensation.

Mr. Yap’s receipt of a larger Retention Cash Bonus and more Performance RSU’s than Messrs. Musil, Harker and Schultz was an acknowledgement of Mr. Yap’s additional responsibilities as Chief Investment Officer, in addition to his role as head of the Company’s West Region.

Benefits/Perquisites

The Company provides Senior Management with certain benefits/perquisites, which, depending on the officer, have included premiums paid by the Company on term life insurance and long-term disability insurance, car allowances, personal financial planning allowances, and, when applicable, moving and housing allowances. Senior Management, along with all of the Company’s other full time employees, are also eligible to receive 401(k) matching contributions and standard health, life and disability insurance. Premiums have been paid by the Company on term life insurance and long-term disability insurance and personal financial planning allowances have been provided only to those with, and as specified in, employment agreements. Any car allowances are a function of the market rates to lease and operate an executive class vehicle prevailing when the allowance was set. 401(k) matching payments are a function of each member of Senior Management’s contribution to his 401(k) account during the year and the percentage match which management determines to apply to the Company’s 401(k) Plan for that year. Standard health, life and disability insurance benefits are a function of the group benefit packages the Company is able to negotiate with third party providers.

Based on the Company’s performance in 2009, management determined not to apply a matching payment to the Company’s 401(k) Plan for 2009. In addition, as of March 15, 2009, each of Messrs. Duncan, Yap, Harker and Schultz voluntarily surrendered his car allowance.

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Termination and Change-in-Control Triggers

Certain members of Senior Management have an employment agreement, and all Senior Management have agreements in respect of their restricted stock awards or restricted stock unit awards granted pursuant to the Company’s stock incentive plans, and such agreements specify events, including involuntary termination and change-in-control, that trigger the payment of cash and/or vesting in restricted stock or restricted stock unit awards. The Company believes having such events as triggers for the payment of cash and/or vesting in restricted stock or restricted stock unit awards promotes stability and continuity of management. See “Potential Payments Upon Termination or Change of Control” below for more information on the payments triggered by such events.

Stock Ownership Guidelines

The stock ownership guidelines for the Company’s directors and senior executive officers are as follows:

<u>Position</u>	<u>Retainer/ Base Salary Multiple</u>
Directors	3x
Chief Executive Officer	5x
Chief Financial Officer, Chief Investment Officer and Executive Vice Presidents	4x

The stock ownership goal for each person subject to the ownership guidelines is determined on an individual basis, first in dollars as a multiple of the director’s annual retainer or the executive’s base salary, and then by converting that amount to a fixed number of shares. For directors and executives who were in office as of January 1, 2008, the stock ownership goal is determined using their retainers and base salaries in effect as of that date and must be achieved by January 1, 2013. For persons assuming a director or executive level position after January 1, 2008, the stock ownership goal is determined using their retainers and base salaries in effect on the date they become subject to the ownership guidelines and must be achieved within five years after that date. A copy of the Stock Ownership Guidelines can be found on the Investor Relations/Corporate Governance section of the Company’s website at *www.firstindustrial.com*.

Stock Retention Requirements

Until the directors and senior executive officers reach their respective stock ownership goal, they will be required to retain shares that are owned on the date they became subject to the Stock Ownership Guidelines and at least seventy-five percent (75%) of “net shares” delivered through the Company’s executive compensation plans. “Net shares” deducts from the number of shares obtained by exercising stock options or through the vesting of awards the number of shares the executive sells to pay exercise costs or taxes. If the executive transfers an award to a family member, the transferee becomes subject to the same retention requirements. Until the director and executive stock ownership goals have been met, shares may be disposed of only for one or more of the exclusion purposes as set forth in the Company’s Stock Ownership Guidelines.

Tax Implications

Section 162(m) of the Internal Revenue Code of 1986, as amended (the “Code”), generally limits the deductible amount of annual compensation paid by a public company to a “covered employee” (the chief executive officer and four other most highly compensated executive officers of the Company) to no more than \$1 million. The Company does not believe that Section 162(m) of the Code is applicable to its current arrangements with its executive officers.

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COMPENSATION COMMITTEE REPORT

The Compensation Committee of the Board of Directors of the Company has reviewed, and discussed with management, the Compensation Discussion and Analysis included above in this Proxy Statement. Based on such review and discussions, the Compensation Committee recommended to the Board of Directors of the Company that the Compensation Discussion and Analysis be included in this Proxy Statement and, through incorporation by reference from this Proxy Statement, the Company's annual report on Form 10-K for the Company's fiscal year ended December 31, 2009.

Submitted by the Compensation Committee:

Robert J. Slater, Chairman

Kevin W. Lynch

W. Edwin Tyler

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EXECUTIVE SUMMARY COMPENSATION TABLE

The Summary Compensation Table below sets forth the aggregate compensation, including cash compensation and amortization expenses of, and ordinary dividends with respect to, restricted stock awards, as applicable, paid by the Company for the specified fiscal years to Bruce W. Duncan, the Company’s President and Chief Executive Officer; to W. Edwin Tyler, who completed his service as interim President and Chief Executive Officer in January 2009; to Scott A. Musil, the Company’s acting Chief Financial Officer; and to certain of the Company’s other highly compensated executive officers. The 2009 Grants of Plan Based Awards Table following the Summary Compensation Table provides additional information regarding incentive compensation awarded by the Company to these officers in 2009.

<u>Name and Principal Position</u>	<u>Year</u>	<u>Salary (\$)</u>	<u>Stock Awards \$(1)</u>	<u>Option Awards (\$)</u>	<u>Non-Equity Incentive Plan Compensation (\$)</u>	<u>All Other Compensation \$(2)</u>	<u>Total (\$)</u>
Bruce W. Duncan(3) President and CEO	2009	\$ 778,974	\$6,014,000(4)	\$ —	\$750,000	\$ 2,830	\$7,545,804
W. Edwin Tyler(5) Interim President and CEO	2009	\$ 52,398(6)	\$ 100,001(7)	\$ —	\$ —	\$ —	\$ 152,399
	2008	1,065,274(6)	71,204(7)	109,500(8)	—	26,214	1,272,192
Scott A. Musil(3) Acting Chief Financial Officer	2009	\$ 225,000	\$ 82,320(9)	\$ —	\$230,000	\$ 1,298	\$ 538,618
	2008	225,000	223,992(9)	—	—	44,569	493,561
Johannson L. Yap Chief Investment Officer and Exec. Vice President — West Region	2009	\$ 365,000	\$ 117,600(10)	\$ —	\$400,000	\$ 10,303	\$ 892,903
	2008	365,000	578,258(10)	—	—	167,285	1,110,543
	2007	347,000	798,107(10)	—	603,780	201,799	1,950,686
David Harker(3) Exec. Vice President — Central Region	2009	\$ 230,400	\$ 82,320(11)	\$ —	\$172,000	\$ 2,798	\$ 487,518
Peter Schultz(3) Exec. Vice President — East Region	2009	\$ 240,000	\$ 82,320(12)	\$ —	\$245,000	\$ 3,298	\$ 570,618

- (1) Amounts reflect the aggregate grant date fair value of each award as determined under FASB ASC Topic 718. See note 16 to our consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2009 for a discussion of the assumptions used in valuing the awards.
- (2) For 2009, includes term life insurance premiums of \$560, \$672, \$2,205, \$672 and \$672 paid on behalf of Messrs. Duncan, Musil, Yap, Harker and Schultz, respectively; long-term disability insurance premiums of \$522, \$626, \$626, \$626 and \$626 paid on behalf of Messrs. Duncan, Musil, Yap, Harker and Schultz, respectively; car allowances of \$1,748 for Mr. Duncan, \$3,000 for Mr. Yap, \$1,500 for Mr. Harker and \$2,000 for Mr. Schultz; and a personal financial planning allowance of \$4,472 for Mr. Yap.
- (3) Information is not provided with respect to Messrs. Duncan, Harker and Schultz for fiscal years 2007 and 2008 and Messrs. Tyler and Musil for fiscal year 2007, as they did not serve as “named executive officers,” as that term is defined in the rules and regulations of the SEC, during those fiscal years.
- (4) Reflects an inducement award of 600,000 service-based restricted stock units valued at \$7.03 per unit for an aggregate value of \$4,218,000 and 400,000 performance-based restricted stock units valued at \$4.49 per unit for an aggregate value of \$1,796,000. Assuming achievement of the highest level of performance conditions, the performance based restricted stock unit awards would have had an aggregate grant date fair value of \$2,812,000.
- (5) Mr. Tyler served as our interim President and Chief Executive Officer from October 22, 2008 to January 9, 2009. Mr. Tyler received no additional compensation for his service as the Company’s interim Chief Executive Officer during January 2009, other than the compensation reported for fiscal year 2008. Mr. Tyler did not receive additional compensation for his service as a director during his tenure as the Company’s interim Chief Executive Officer.

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- (6) For 2009, consists of \$52,398 in fees earned or paid in cash for Mr. Tyler's service as a director. For 2008, includes \$65,274 in fees earned or paid in cash for Mr. Tyler's service as a director.
- (7) On March 31, 2009, June 30, 2009, September 30, 2009 and December 31, 2009, Mr. Tyler received grants of restricted and unrestricted Common Stock in connection with his service as director with the following grant date fair values: \$10,001; \$30,002; \$29,999; and \$29,999, respectively, and which were issued to Mr. Tyler on April 9, 2009, July 9, 2009, October 9, 2009 and January 8, 2010, respectively. On March 30, 2008, June 30, 2008 and September 30, 2008, Mr. Tyler received grants of restricted stock in connection with his service as director with the following grant date fair values: \$10,000, \$51,204; and \$10,000, respectively, and which were issued to Mr. Tyler on April 8, 2008, July 8, 2008, and October 9, 2008, respectively.
- (8) The amount reflected is the aggregate grant date fair value, as determined under FASB ASC Topic 718, of stock appreciation rights granted to Mr. Tyler in October 2008 in connection with his service as our interim Chief Executive Officer. See note 15 to our consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2008 for a discussion of the assumptions used in valuing the awards.
- (9) Amounts for 2009 reflect an award of 28,000 performance-based restricted stock units valued at \$2.94 per unit under FASB ASC Topic 718. Assuming achievement of the highest level of performance conditions, the performance based restricted stock unit award would have had an aggregate grant date fair value of \$120,400. Amounts for 2008 reflect an award of 6,991 shares of service-based restricted stock valued at \$32.04 per share under FASB ASC Topic 718.
- (10) Amounts for 2009 reflect an award of 40,000 performance-based restricted stock units valued at \$2.94 per unit under FASB ASC Topic 718. Assuming achievement of the highest level of performance conditions, the performance based restricted stock unit award would have had an aggregate grant date fair value of \$172,000. Amounts for 2008 reflect an award of 18,048 shares of service-based restricted stock valued at \$32.04 per share. Amounts for 2007 reflect an award of 16,884 shares of service-based restricted stock valued at \$47.27 per share under FASB ASC Topic 718.
- (11) Amounts reflect an award of 28,000 performance-based restricted stock units valued at \$2.94 per unit under FASB ASC Topic 718. Assuming achievement of the highest level of performance conditions, the performance based restricted stock unit award would have had an aggregate grant date fair value of \$120,400.
- (12) Amounts reflect an award of 28,000 performance-based restricted stock units valued at \$2.94 per unit under FASB ASC Topic 718. Assuming achievement of the highest level of performance conditions, the performance based restricted stock unit award would have had an aggregate grant date fair value of \$120,400.

PROXY STATEMENT

2009 GRANTS OF PLAN BASED AWARDS TABLE

Name (a)	Grant Date (b)	Estimated Future Payouts Under Equity Incentive Plan Awards(1)			All Other Stock Awards: Number of Shares of Stock (#) (i)	Grant Date Fair Value of Stock and Option Awards \$(2) (l)
		Threshold (#) (f)	Target (#) (g)	Maximum (#) (h)		
Bruce W. Duncan	1/9/09	n/a	400,000	n/a	600,000(3)	6,014,000(4)
Scott A. Musil	7/13/09	n/a	28,000	n/a	0	82,320(5)
Johannson L. Yap	7/13/09	n/a	40,000	n/a	0	117,600(6)
David Harker	7/13/09	n/a	28,000	n/a	0	82,320(5)
Peter Schultz	7/13/09	n/a	28,000	n/a	0	82,320(5)

- (1) For Mr. Duncan, the amount included in the “target” column represents the number of shares he could receive from the vesting of performance-based restricted stock units issued to him as an inducement grant upon his employment with the Company. No threshold amount was established in connection with this inducement grant. For Messrs. Musil, Yap, Harker and Schultz, the amounts included in the “target” column represent the number of shares each could receive from the vesting of the Performance RSUs issued to him described under “2009 Retention and Long-Term Bonus Plan.” No threshold amounts were established with respect to the Performance RSUs.
- (2) Amounts reflect the aggregate grant date fair value of each stock award as determined under FASB ASC Topic 718. See note 16 to our consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2009 for a discussion of the assumptions used in valuing the awards.
- (3) Service-based restricted stock units issued to Mr. Duncan as an inducement grant upon his employment with the Company.
- (4) Reflects an award of 600,000 service-based restricted stock units valued at \$7.03 per unit for an aggregate value of \$4,218,000 and 400,000 performance-based restricted stock units valued at \$4.49 per unit for an aggregate value of \$1,796,000. Assuming achievement of the highest level of performance conditions, the performance based restricted stock unit awards would have had an aggregate grant date fair value of \$2,812,000.
- (5) For each of Messrs. Musil, Harker and Schultz, reflects an award of 28,000 performance-based restricted stock units valued at \$2.94 per unit for an aggregate value of \$82,320. Assuming achievement of the highest level of performance conditions, the performance based restricted stock unit awards would each have had an aggregate grant date fair value of \$120,400.
- (6) Reflects an award of 40,000 performance-based restricted stock units valued at \$2.94 per unit for an aggregate value of \$117,600. Assuming achievement of the highest level of performance conditions, the performance based restricted stock unit award would have had an aggregate grant date fair value of \$172,000.

PROXY STATEMENT

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END 2009

Name (a)	Option Awards				Stock Awards	
	Number of Securities Underlying Unexercised Options (#) Exercisable (b)	Number of Securities Underlying Unexercised Options (#) Unexercisable (c)	Option Exercise Price (\$) (e)	Option Expiration Date (f)	Number Of Share Or Units Of Stock That Have Not Vested (#) (g)	Market Value of Shares or Units of Stock That Have Not Vested (\$) (1) (h)
Bruce W. Duncan	0	0	—	—	450,000(2)	\$2,353,500
	0	0	—	—	400,000(3)	\$2,092,000
W. Edwin Tyler	10,000	0	\$30.00	5-17-10	14,385(4)	\$ 75,234
	10,000	0	\$31.05	5-16-11	—	—
	10,000	0	\$33.15	5-15-12	—	—
Scott A. Musil	0	0	—	—	11,473(5)	\$ 60,004
	—	—	—	—	28,000(6)	\$ 146,440
Johannson L. Yap	52,000	0	\$33.13	1-23-11	39,101(7)	\$ 115,562
	—	—	—	—	40,000(6)	\$ 209,200
David Harker	4,500	0	\$30.53	1-16-12	18,610(8)	\$ 97,330
	—	—	—	—	28,000(6)	\$ 146,440
Peter Schultz	0	0	—	—	9,829(9)	\$ 51,406
	—	—	—	—	28,000(6)	\$ 146,440

- (1) The dollar amounts shown in column (h) are approximately equal to the product of the number of shares of restricted Common Stock reported in column (g) multiplied by the closing price of the Common Stock as reported by the NYSE on December 31, 2009, the last trading day of the year (\$5.23). This valuation does not take into account any diminution in value that results from the restrictions applicable to such Common Stock.
- (2) Represents unvested restricted stock units of which 150,000 vest December 31, 2010, 150,000 vest December 31, 2011 and 150,000 vest December 31, 2012.
- (3) Represents unvested restricted stock units (the “Performance RSUs”) which have a performance-based vesting component and a time-based vesting component, with each Performance RSU vesting upon the later to occur of the satisfaction of the relevant performance-based and time-based vesting component. The performance-based component will be satisfied with respect to installments of 25% of the Performance RSUs in the event that the Company attains, prior to December 31, 2013, stock price targets of \$11.00, \$15.00, \$19.00 and \$23.00, respectively. The time-based component with respect to 100,000 of such Performance RSUs vested on December 31, 2009. The time-based component with respect to the remaining 300,000 Performance RSUs vests in 100,000 unit installments on December 31, 2010, December 31, 2011 and December 31, 2012.
- (4) Of the shares of unvested restricted Common Stock reported here, 516 vested in January 2010, as to which restrictions have been removed, 1,500 vest in July 2010, 1,120 vest in January 2011, 1,500 vest in July 2011, 1,569 vest in January 2012, 2,152 vest in January 2013, 4,900 vest in January 2014, 757 vest in January 2015 and 371 vest in January 2016.
- (5) Of the shares of unvested restricted Common Stock reported here, 5,295 vested in January 2010, as to which restrictions have been removed, 3,613 vest in January 2011, 1,283 vest in January 2012 and 1,282 vest in January 2013.
- (6) Represents unvested restricted stock units (the “Performance RSUs”) which have a performance-based vesting component and a time-based vesting component, with each Performance RSU vesting upon the later to occur of the satisfaction of the relevant performance-based and time-based vesting component. The performance-based component will be satisfied with respect to installments of 25% of the Performance RSUs in the event that the Company maintains, for a period of 15 trading days prior to June 30, 2014, stock price targets of \$9.00, \$13.00, \$17.00 and \$21.00, respectively. The time-based component is subject to a grantee’s continued employment

PROXY STATEMENT

over a period of four years, and will be satisfied with respect to 25% of the Performance RSU's on each of June 30, 2010, 2011, 2012 and 2013.

- (7) Of the shares of unvested restricted Common Stock reported here, 17,004 vested in January 2010, as to which restrictions have been removed, 11,376 vest in January 2011, 5,360 vest in January 2012 and 5,360 vest in January 2013.
- (8) Of the shares of unvested restricted Common Stock reported here, 12,057 vested in January 2010, as to which restrictions have been removed, 4,773 vest in January 2011, 890 vest in January 2012 and 890 vest in January 2013.
- (9) Of the shares of unvested restricted Common Stock reported here, 4,726 vested in January 2010, as to which restrictions have been removed, 3,307 vest in January 2011, 898 vest in January 2012 and 898 vest in January 2013.

2009 OPTION EXERCISES AND STOCK VESTED

In 2009, no options were exercised by the officers specified in the table below and an aggregate of 200,370 shares of restricted Common Stock and restricted stock units held by such officers vested.

Name (a)	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#) (b)	Value Realized on Exercise (\$) (c)	Number of Shares Acquired on Vesting (#) (d)	Value Realized on Vesting (\$) (e)
Bruce W. Duncan	0	—	150,000(1)	\$784,500(1)
W. Edwin Tyler	0	—	1,500(2)	\$ 6,690(2)
Scott A. Musil	0	—	7,019(3)	\$ 48,852(3)
Johannson L. Yap	0	—	21,933(3)	\$152,654(3)
David Harker	0	—	13,779(3)	\$ 95,902(3)
Peter Schultz	0	—	6,139(3)	\$ 42,727(3)

- (1) The shares of Common Stock reported herein were acquired as a result of the vesting of 150,000 restricted stock units which vested on December 31, 2009. The value of the shares is based on closing price of the Common Stock as reported by the NYSE for such date (\$5.23).
- (2) The shares of Common Stock reported herein vested on July 1, 2009 and their value is based on closing price of the Common Stock as reported by the NYSE for such date (\$4.46).
- (3) The shares of Common Stock reported herein vested on January 1, 2009 and their value is based on closing price of the Common Stock as reported by the NYSE for January 2, 2009, the first trading following the date of vesting of such award (\$6.96).

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE OF CONTROL

Employment Agreements

The Company has entered into written employment agreements with Messrs. Duncan and Yap. These employment agreements provide for payments and benefits to these executives by the Company in some circumstances in the event of a termination of their employment or of a change of control.

Severance amounts payable to Mr. Yap upon his termination will be reduced if such amounts become payable after Mr. Yap's 67th birthday. In addition to his rights under the standard grant agreements under our stock incentive plans, Mr. Yap is entitled to the accelerated vesting of his restricted stock and stock options in the event his employment is terminated without cause.

In addition to the events of termination of employment identified in the following table, the employment agreements provide for payments in the event of an executive's death or disability. Upon death or disability,

PROXY STATEMENT

Mr. Duncan is entitled to (i) his base salary and vacation pay accrued through the date of his death or disability, (ii) his accrued bonus for the fiscal year prior to the year of his death or disability, to the extent not paid, (iii) his unreimbursed business expenses incurred through the date of his death or disability and (iv) any other benefits he may be eligible for under the Company's plans, policies or practices. Upon death, Mr. Yap is entitled to 75% of the maximum cash bonus for which he would have been eligible, prorated through the date of his death. Upon a work-related disability, Mr. Yap is entitled to severance in an amount equal to three times his annual base salary, plus 75% of his maximum cash bonus potential for the then-current year.

The employment agreements also contain important non-financial provisions that apply in the event of a termination of employment or of a change of control. Benefits payable upon a merger, acquisition or other changes in control are payable upon consummation of such transactions regardless of whether the executive is terminated. Mr. Duncan has agreed to a one-year covenant not to compete after his termination. Mr. Yap has agreed to a one-year covenant not to compete after his termination, except in connection with certain changes in control of the Company. Mr. Yap has also agreed to a six-month covenant not to compete in connection with certain changes in control of the Company.

Stock Incentive Plans

Under the 1994, 1997, 2001 and 2009 Stock Plans (the "Stock Plans"), unvested restricted Common Stock vests in the event of a change of control. In addition, the Stock Plans empower the Compensation Committee to determine other vesting events in the individual restricted stock awards, including vesting events such as involuntary termination of employment with or without cause. Assuming that the triggering event occurred on December 31, 2009, Messrs. Duncan, Musil, Tyler, Yap, Harker and Schultz would have vested in restricted Common Stock having the respective values set forth in the table below.

PROXY STATEMENT

Termination and Change of Control Payments

The following table includes estimated payments owed and benefits required to be provided to the applicable member of Senior Management under the employment agreements and stock incentive plans described above, exclusive of benefits available on a non-discriminatory basis generally, in each case assuming that the triggering event described in the table occurred on December 31, 2009.

<u>Name</u>	<u>Triggering Event</u>	<u>Severance (\$)</u>	<u>Accelerated Equity Awards (1)(\$)</u>	<u>Medical Insurance Premiums (2) (\$)</u>
Bruce W. Duncan	Change of Control(3)	0	4,445,500	0
	Termination Following Change of control(3)	5,600,000	0	18,659
	Termination w/o Cause(4)	5,600,000	4,445,500	18,659
Scott A. Musil(5)	Change of Control	0	206,443	0
	Termination w/o Cause	0	60,004	0
	Termination for Cause	0	60,004	0
W. Ed Tyler(6)	Change of Control	0	75,233	0
	Termination as Director	0	75,233	0
Johannson L. Yap	Change of Control(3)	0	413,698	0
	Termination Following Change of control(3)(7)	2,920,000	0	41,489
	Termination w/o Cause(4)(7)	730,000	115,562	41,489
	Termination for Cause(7)	0	115,562	0
David Harker(5)	Change of Control	0	243,770	0
	Termination w/o Cause	0	97,330	0
	Termination for Cause	0	97,330	0
Peter Schultz(5)	Change of Control	0	197,846	0
	Termination w/o Cause	0	51,405	0
	Termination for Cause	0	51,405	0

- (1) For purposes of estimating the value of awards of restricted stock and restricted stock units which vest the Company has considered any applicable employment agreement limitations and assumed a price per share of its Common Stock of \$5.23, which was the closing price of its Common Stock on the NYSE on December 31, 2009, the last trading day of the year.
- (2) Present value of estimated premiums required to be paid by the Company or cash payments in lieu of benefits required to be provided.
- (3) Upon a change of control of the Company, the vesting of any unvested restricted stock or restricted stock units held by the named executive officer shall accelerate. As a result, if the named executive officer then experiences a termination of employment after the change of control event, the officer will not hold any restricted stock or restricted stock units on the date of termination that otherwise may have accelerated if the change of control event had not occurred.
- (4) Includes constructive discharge under the terms of Mr. Duncan’s and Mr. Yap’s employment agreements.
- (5) None of Messrs. Musil, Harker or Schultz have entered into an employment agreement with the Company. As such, the amounts disclosed in this table relate only to awards of restricted stock and restricted stock units granted to Messrs. Musil, Harker and Schultz under the Company’s stock incentive plans.
- (6) Mr. Tyler’s letter agreement entered into in connection with his service as interim President and Chief Executive Officer did not provide for additional payments to be made to Mr. Tyler upon his termination of employment or upon a change of control of the Company. However, in connection with his service as a director of the Company, Mr. Tyler has previously been granted awards of restricted stock. All restricted stock held by Mr. Tyler was granted under standard award agreements under our stock incentive plans, and the vesting of all restricted stock held by Mr. Tyler will accelerate in the event of an involuntary termination of his engagement as director or a change of control of the Company.

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- (7) Mr. Yap is entitled to a supplemental payment of one month's base salary in addition to amounts reflected if requisite notice is not provided prior to his termination by the Company.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The Compensation Committee consists of Messrs. Slater, Lynch and Tyler. Except for Mr. Tyler's service as our interim President and Chief Executive Office from October 2008 until January 2009, none of them has served as an officer of the Company. In addition, except for Messrs. Slater's, Lynch's and Tyler's services as directors and Mr. Tyler's service as our interim President and Chief Executive Officer, none of Messrs. Slater, Lynch and Tyler had any other business relationship or affiliation with the Company in 2009 requiring disclosure by the Company under Item 404 of Regulation S-K.

REPORT OF THE AUDIT COMMITTEE

Pursuant to meetings of the Audit Committee on February 19, 2010 and March 2, 2010, the Audit Committee reports that it has: (i) reviewed and discussed the Company's audited financial statements with management; (ii) discussed with the independent registered public accounting firm the matters (such as the quality of the Company's accounting principles and internal controls) required to be discussed by Statement on Auditing Standards No. 61; and (iii) received written confirmation from PricewaterhouseCoopers LLP that it is independent and written disclosures as required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the Audit Committee concerning independence, and discussed with PricewaterhouseCoopers LLP its independence. Based on the review and discussions referred to in items (i) through (iii) above, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in the Company's annual report for the Company's fiscal year ended December 31, 2009.

Submitted by the Audit Committee:

John Rau, Chairman
Kevin W. Lynch
H. Patrick Hackett, Jr.

TRANSACTIONS WITH RELATED PERSONS, PROMOTERS AND CERTAIN CONTROL PERSONS

Review, Approval or Ratification of Transactions with Related Persons. Transactions involving the Company and its executive officers and directors that are reportable under Item 404 of Regulation S-K are required by the Company's written policies to be reported to and approved by the Nominating/Corporate Governance Committee of the Board of Directors. The Nominating/Corporate Governance Committee addresses such transactions on a case-by-case basis, after considering the relevant facts and circumstances.

COMPLIANCE WITH SECTION 16(A) OF THE EXCHANGE ACT

Section 16(a) of the Securities Exchange Act of 1934 (as amended, the "Exchange Act") requires the Company's officers and directors, and persons who own more than ten percent of a registered class of the Company's equity securities, to file reports of ownership and changes in ownership with the SEC and the NYSE. Officers, directors and "greater than ten-percent" stockholders are required by SEC regulations to furnish the Company with copies of all Section 16(a) forms so filed.

Based solely on review of the copies of such forms furnished to the Company for 2009, all of the Company's officers, directors and "greater than ten-percent" stockholders timely filed all reports required to be filed by Section 16(a) of the Exchange Act during 2009.

PROXY STATEMENT

SECURITY OWNERSHIP OF MANAGEMENT AND CERTAIN BENEFICIAL OWNERS

The following table presents information concerning the ownership of Common Stock of the Company and limited partnership units (“Units”) of First Industrial, L.P. (which generally are exchangeable on a one-for-one basis, subject to adjustments, for Common Stock) by:

- all directors named and nominees named in this Proxy Statement (the “named directors”);
- all current and former executive officers identified on the Summary Compensation Table;
- all named directors and currently serving executive officers of the Company as a group; and
- persons and entities, if any, known to the Company to be beneficial owners of more than 5% of the Company’s Common Stock.

The information is presented as of March 19, 2010, unless otherwise indicated, and is based on representations of officers and directors of the Company and filings received by the Company on Schedule 13G under the Exchange Act. As of March 19, 2010, there were 63,269,769 shares of Common Stock and 5,389,229 Units outstanding.

<u>Names and Addresses of 5% Stockholders</u>	Common Stock/Units Beneficially Owned	
	Number	Percent of Class
FMR LLC 82 Devonshire Street, Boston, MA 02109(1)	4,477,500	7.27%
Blackrock Inc. 40 East 52nd Street New York, NY 10022(2)	3,727,089	6.05%
The Vanguard Group, Inc. 100 Vanguard Blvd. Malvern, PA 19355(3)	4,888,572	7.93%
 <u>Names and Addresses of Directors and Officers*</u>		
W. Ed Tyler(4)	112,232	**
Michael G. Damone(5)	224,254	**
Matthew S. Dominski	0	**
Bruce W. Duncan(6)	255,769	**
H. Patrick Hackett, Jr.	623	**
Kevin W. Lynch(7)	37,717	**
John Rau(8)	37,392	**
Jay H. Shidler(9)	4,879,088	7.67%
Robert J. Slater(10)	36,275	**
J. Steven Wilson(11)	54,288	**
Scott A. Musil(12)	69,078	**
Johannson L. Yap(13)	332,637	**
David Harker(14)	70,201	**
Peter Schultz(15)	48,288	**
All named directors and currently-serving executive officers as a group (14 persons)(16)	6,157,842	9.65%

* The business address for each of the directors and executive officers of the Company is 311 South Wacker Drive, Suite 3900, Chicago, Illinois 60606.

** Less than 1%

PROXY STATEMENT

- (1) Pursuant to a Schedule 13G dated February 16, 2010 of FMR LLC (“Fidelity”). Of the shares reported, Fidelity has the sole power to vote 1,582,400 shares and the sole power to dispose of 4,477,500 shares.
- (2) Pursuant to a Schedule 13G dated January 20, 2010 of Blackrock Inc. (“Blackrock”). Blackrock has the sole power to vote and dispose of all 3,727,089 shares reported.
- (3) Pursuant to a Schedule 13G dated February 1, 2010 of The Vanguard Group Inc. (“Vanguard”). Of the shares reported, Vanguard has the sole power to vote, and the shared power dispose or direct the disposition of, 66,627 shares; and the sole power to dispose of 4,821,945 shares.
- (4) Includes 30,000 shares that may be acquired by Mr. Tyler upon the exercise of vested options granted under the 1997 Stock Plan, consisting of 10,000 shares at an exercise price of \$30.00 per share, 10,000 shares at an exercise price of \$31.05 per share and 10,000 shares at an exercise price of \$33.15 per share. Also includes 13,869 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.
- (5) Includes 62,500 shares held by a trust for the benefit of Mr. Damone’s wife. Also includes 6,700 shares that may be acquired upon the exercise of vested options granted under the 1997 Stock Plan at an exercise price of \$30.53 per share. Also includes 94,296 Units. Also includes 3,513 shares of restricted Common Stock issued under the 1997 Stock Plan and 2001 Stock Plans.
- (6) Includes 105,769 shares of restricted Common Stock issued under the 2001 Stock Plan.
- (7) Includes 13,656 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.
- (8) Includes 10,562 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.
- (9) Includes 910,660 shares held by Shidler Equities, L.P., a Hawaii limited partnership owned by Mr. Shidler and Mrs. Shidler, 20,000 shares owned by Mrs. Shidler, 68,020 Units held by Mr. Shidler directly, 254,541 Units held by Shidler Equities, L.P., 1,223 Units held by Mr. and Mrs. Shidler jointly, and 22,079 Units held by Holman/Shidler Investment Corporation. Also includes 15,194 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.
- (10) Includes 15,194 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.
- (11) Includes 30,000 shares that may be acquired upon the exercise of vested options granted under the 1997 Stock Plan, consisting of 10,000 shares at an exercise price of \$30.00 per share, 10,000 shares at an exercise price of \$31.05 per share and 10,000 shares at an exercise price of \$33.15 per share. Also includes 15,194 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.
- (12) Includes 2,106 shares held through Mr. Musil’s children and 3,407 shares held through his 401(k). Also includes 39,832 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.
- (13) Includes 52,000 shares that may be acquired by Mr. Yap upon the exercise of vested options granted under the 1997 Stock Plan at an exercise price of \$33.13 per share. Also includes 1,680 Units. Also includes 32,074 shares held through Mr. Yap’s 401(k) and 79,789 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.
- (14) Includes 13,779 shares held by a trust for the benefit of Mr. Harker’s wife. Also includes 4,500 shares that may be acquired upon the exercise of vested options granted under the 1997 Stock Plan at an exercise price of \$30.53 per share. Also includes 28,667 shares of restricted Common Stock issued under the 1997 Stock Plan and 2001 Stock Plans.
- (15) Includes 32,987 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.
- (16) Includes 123,200 shares in the aggregate that may be acquired by directors and executive officers upon the exercise of vested options granted under the 1997 Stock Plan, consisting of 52,000 shares at an exercise price of \$33.13, 20,000 shares at an exercise price of \$30.00, 20,000 shares at an exercise price of \$31.05, 20,000 shares at an exercise price of \$33.15 and 11,200 shares at an exercise price of \$30.53. Also includes 441,839 Units. Also includes 374,226 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.

PROPOSAL II
RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM

The accounting firm of PricewaterhouseCoopers LLP (or its predecessor, Coopers & Lybrand L.L.P.) has served as the Company’s independent auditors since the Company’s formation in August 1993. On March 2, 2010, the Audit Committee of the Board of Directors appointed PricewaterhouseCoopers LLP as the Company’s independent registered public accounting firm for the current fiscal year. A representative of PricewaterhouseCoopers LLP will be present at the Annual Meeting, will be given the opportunity to make a statement if he or she so desires and will be available to respond to appropriate questions.

FEES

During 2009 and 2008, the aggregate fees for services provided by PricewaterhouseCoopers LLP in the following categories and amounts are:

	<u>2009</u>	<u>2008</u>
Audit Fees(1)	\$1,124,725	\$1,229,544
Audit-Related Fees(2)	425,875	427,461
Tax Fees(3)	156,200	522,395
Other Fees(4)	1,620	1,620
Total Fees	\$1,708,420	\$2,181,020

- (1) Audit Fees include amounts related to professional services rendered in connection with the audits of the Company’s annual financial statements and those of our subsidiaries, the reviews of our quarterly financial statements and other services that are normally provided by the auditor in connection with statutory and regulatory filings or engagements.
- (2) Audit-Related Fees include amounts for assurance and related services, including Rule 3-14 audit work, joint venture audits, certain agreed-upon procedures and an annual employee benefit plan audit.
- (3) Tax Fees include amounts billed for professional services rendered in connection with tax compliance, tax advice and tax planning. These amounts primarily relate to tax services related to tax return preparation, REIT compliance consultation, 1031 exchange consultation, federal and state audit consultation, return of capital review, federal and state regulation consultation, federal and state entity structuring, taxable REIT subsidiary consultation, international tax consultation and VAT compliance.
- (4) Other Fees includes fees billed to the Company by PricewaterhouseCoopers LLP for any services not included in the foregoing categories.

PRE-APPROVAL OF SERVICES

The Audit Committee pre-approves all audit, audit-related, tax and other services proposed to be provided by the Company’s independent registered public accounting firm. Consideration and approval of such services generally occur at the Audit Committee’s regularly scheduled meetings. In situations where it is impractical to wait until the next regularly scheduled meeting, the Audit Committee has delegated the authority to approve the audit, audit-related, tax and other services to each of its individual members. Approvals of audit, audit-related, tax and other services pursuant to the above-described delegation of authority are reported to the full Audit Committee.

The Board of Directors recommends a vote FOR ratification of the appointment of
PricewaterhouseCoopers LLP as the Company’s independent
registered public accounting firm for fiscal 2010.

PROXY STATEMENT

OTHER MATTERS

SOLICITATION OF PROXIES

The cost of solicitation of proxies in the form enclosed herewith will be borne by the Company. In addition to the solicitation of proxies by mail, the directors, officers and employees of the Company may also solicit proxies personally or by telephone without additional compensation for such activities. The Company will also request persons, firms and corporations holding shares in their names or in the names of their nominees, which are beneficially owned by others, to send proxy materials to and obtain proxies from such beneficial owners. The Company will reimburse such holders for their reasonable expenses.

Georgeson Shareholder Services, Inc. acts as the Company's proxy solicitor at a cost of \$7,500, plus reasonable out of pocket expenses, including a telephone solicitation campaign approved by the Company.

STOCKHOLDER PROPOSALS

Stockholder proposals intended to be presented at the 2011 Annual Meeting of Stockholders must be received by the Secretary of the Company no later than December 3, 2010, in order to be considered for inclusion in the proxy statement and on the proxy card that will be solicited by the Board of Directors in connection with the 2011 Annual Meeting of Stockholders.

INCORPORATION BY REFERENCE

In the pages preceding this Proxy Statement is a Letter to Stockholders from the Company's President and Chief Executive Officer. Appendix A to this Proxy Statement is the Company's 2009 Annual Report, which includes its consolidated financial statements and management's discussion and analysis of financial condition and results of operations, as well as certain other financial and other information required by the rules and regulations of the SEC. Information contained in the Letter to Stockholders or Appendix A to this Proxy Statement shall not be deemed to be "filed" or "soliciting material," or subject to liability for purposes of Section 18 of the Exchange Act to the maximum extent permitted under the Exchange Act.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDERS MEETING TO BE HELD ON MAY 5, 2010

The Proxy Statement, Notice of Annual Meeting, Proxy Card and the Company's 2009 Annual Report are available on the "Proxy Statement" tab of the Investor Relations page on the Company's website, at www.firstindustrial.com.

For directions to attend the Annual Meeting in person, please contact Art Harmon, the Company's Director, Investor Relations and Corporate Communications, at (312) 344-4320.

OTHER MATTERS

The Board of Directors does not know of any matters other than those described in this Proxy Statement that will be presented for action at the Annual Meeting. If other matters are presented, it is the intention of the persons named as proxies in the accompanying Proxy Card to vote in their discretion all shares represented by validly executed proxies.

REGARDLESS OF THE NUMBER OF SHARES YOU OWN, YOUR VOTE IS IMPORTANT TO THE COMPANY. PLEASE COMPLETE, SIGN, DATE AND PROMPTLY RETURN THE ENCLOSED PROXY CARD TODAY.

APPENDIX A
2009 ANNUAL REPORT

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SELECTED FINANCIAL DATA

The following sets forth selected financial and operating data for the Company on a historical consolidated basis. The following data should be read in conjunction with the Consolidated Financial Statements and Notes thereto and Management's Discussion and Analysis of Financial Condition and Results of Operations included elsewhere in this annual report. The historical statements of operations for the years ended December 31, 2009, 2008, 2007, 2006 and 2005 include the results of operations of the Company as derived from our audited financial statements, adjusted for discontinued operations and the implementation of new guidance relating to business combinations, convertible debt, noncontrolling interests and participating securities. The results of operations of properties sold are presented in discontinued operations if they met both of the following criteria: (a) the operations and cash flows of the property have been (or will be) eliminated from the ongoing operations of the Company as a result of the disposition and (b) we will not have any significant involvement in the operations of the property after the disposal transaction. The historical balance sheet data and other data as of December 31, 2009, 2008, 2007, 2006 and 2005 include the balances of the Company as derived from our audited financial statements.

	Year Ended 12/31/09	(As Adjusted) Year Ended 12/31/08	(As Adjusted) Year Ended 12/31/07	(As Adjusted) Year Ended 12/31/06	(As Adjusted) Year Ended 12/31/05
(In thousands, except per share and property data)					
Statement of Operations Data:					
Total Revenues	\$ 411,958	\$ 514,321	\$ 369,874	\$ 293,769	\$ 237,406
Interest Income	3,084	3,690	1,926	1,614	1,486
Mark-to-Market Gain (Loss) on Settlement of Interest Rate Protection Agreements	3,667	(3,073)	—	(3,112)	811
Property Expenses	(123,819)	(121,737)	(107,653)	(96,691)	(77,324)
General and Administrative Expense	(37,835)	(84,896)	(92,101)	(77,497)	(55,812)
Restructuring Costs	(7,806)	(27,349)	—	—	—
Impairment of Real Estate	(6,934)	—	—	—	—
Interest Expense	(115,421)	(113,139)	(120,894)	(121,536)	(108,339)
Amortization of Deferred Financing Costs	(3,030)	(2,840)	(3,171)	(2,656)	(2,125)
Depreciation and Other Amortization	(147,216)	(156,070)	(133,354)	(112,426)	(79,019)
Construction Expenses	(52,720)	(139,539)	(34,553)	(10,263)	(15,574)
Gain (Loss) from Early Retirement from Debt	34,562	2,749	(393)	—	82
Equity in (Loss) Income of Joint Ventures	(6,470)	(33,178)	30,045	30,673	3,699
Income Tax Benefit	25,155	12,958	11,200	10,092	14,334
Loss from Continuing Operations . .	(22,825)	(148,103)	(79,074)	(88,033)	(80,375)
Income from Discontinued Operations (Including Gain on Sale of Real Estate of \$24,206, \$172,167, \$244,962, \$213,442 and \$132,139 for the Years Ended December 31, 2009, 2008, 2007, 2006 and 2005, respectively)	28,596	187,351	283,950	260,605	184,344

	<u>Year Ended</u> <u>12/31/09</u>	<u>(As Adjusted)</u> <u>Year Ended</u> <u>12/31/08</u>	<u>(As Adjusted)</u> <u>Year Ended</u> <u>12/31/07</u>	<u>(As Adjusted)</u> <u>Year Ended</u> <u>12/31/06</u>	<u>(As Adjusted)</u> <u>Year Ended</u> <u>12/31/05</u>
(In thousands, except per share and property data)					
Provision for Income Taxes					
Allocable to Discontinued Operations (Including \$1,462, \$3,732, \$36,032, \$47,511 and \$20,529 allocable to Gain on Sale of Real Estate for the Years Ended December 31, 2009, 2008, 2007, 2006 and 2005, respectively)	(1,816)	(4,887)	(38,673)	(51,312)	(23,895)
Gain on Sale of Real Estate	374	12,008	9,425	6,071	29,550
Provision for Income Taxes					
Allocable to Gain on Sale of Real Estate	(143)	(3,782)	(3,082)	(2,119)	(10,871)
Net Income	4,186	42,587	172,546	125,212	98,753
Less: Net Loss (Income)					
Attributable to the Noncontrolling Interest	1,547	(2,990)	(18,841)	(13,465)	(11,649)
Net Income Attributable to First Industrial Realty Trust, Inc.	5,733	39,597	153,705	111,747	87,104
Preferred Dividends	(19,516)	(19,428)	(21,320)	(21,424)	(10,688)
Redemption of Preferred Stock	—	—	(2,017)	(672)	—
Net (Loss) Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders and Participating Securities	<u>\$ (13,783)</u>	<u>\$ 20,169</u>	<u>\$ 130,368</u>	<u>\$ 89,651</u>	<u>\$ 76,416</u>
Basic and Diluted Earnings Per Weighted Average Common Share Outstanding:					
Loss from Continuing Operations Available to First Industrial Realty Trust, Inc.'s Common Stockholders	<u>\$ (0.78)</u>	<u>\$ (3.23)</u>	<u>\$ (1.90)</u>	<u>\$ (2.10)</u>	<u>\$ (1.48)</u>
Net (Loss) Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	<u>\$ (0.28)</u>	<u>\$ 0.41</u>	<u>\$ 2.90</u>	<u>\$ 1.99</u>	<u>\$ 1.75</u>
Distributions Per Share	<u>\$ 0.00</u>	<u>\$ 2.410</u>	<u>\$ 2.850</u>	<u>\$ 2.810</u>	<u>\$ 2.785</u>
Basic and Diluted Weighted Average Number of Common Shares Outstanding	<u>48,695</u>	<u>43,193</u>	<u>44,086</u>	<u>44,012</u>	<u>42,431</u>
Net Income	\$ 4,186	\$ 42,587	\$ 172,546	\$ 125,212	\$ 98,753
Comprehensive Income:					
Reclassification of Settlement of Interest Rate Protection Agreements to Net Income	—	—	—	—	(159)
Mark-to-Market of Interest Rate Protection Agreements, Net of Tax	(383)	(8,676)	3,819	(2,800)	(1,414)

	Year Ended 12/31/09	(As Adjusted) Year Ended 12/31/08	(As Adjusted) Year Ended 12/31/07	(As Adjusted) Year Ended 12/31/06	(As Adjusted) Year Ended 12/31/05
(In thousands, except per share and property data)					
Amortization of Interest Rate Protection Agreements	796	(792)	(916)	(912)	(1,085)
Write-off of Unamortized Settlement Amounts of Interest Rate Protection Agreements	523	831	—	—	—
Settlement of Interest Rate Protection Agreements	—	—	(4,261)	(1,729)	—
Foreign Currency Translation Adjustment, Net of Tax	1,503	(2,792)	2,134	—	—
Comprehensive Income	6,625	31,158	173,322	119,771	96,095
Comprehensive Loss (Income) Attributable to Noncontrolling Interest	1,299	(1,599)	(18,983)	(12,767)	(10,812)
Comprehensive Income Attributable to First Industrial Realty Trust, Inc.	<u>\$ 7,924</u>	<u>\$ 29,559</u>	<u>\$ 154,339</u>	<u>\$ 107,004</u>	<u>\$ 85,283</u>

Balance Sheet Data (End of Period):

Real Estate, Before Accumulated Depreciation	\$ 3,319,764	\$ 3,385,597	\$ 3,326,268	\$ 3,219,728	\$ 3,260,761
Real Estate, After Accumulated Depreciation	2,724,869	2,862,489	2,816,287	2,754,310	2,850,195
Real Estate Held for Sale, Net	37,305	21,117	37,875	115,961	16,840
Total Assets	3,204,586	3,223,501	3,257,888	3,224,215	3,226,243
Mortgage Loans Payable, Net, Unsecured Lines of Credit and Senior Unsecured Debt, Net	1,998,332	2,032,635	1,940,747	1,827,155	1,813,702
Total Liabilities	2,130,339	2,232,785	2,177,832	2,041,370	2,020,361
Total Equity	1,074,247	990,716	1,080,056	1,182,845	1,205,882

Other Data:

Cash Flow From Operating Activities	\$ 142,179	\$ 71,185	\$ 92,989	\$ 59,551	\$ 49,350
Cash Flow From Investing Activities	4,777	6,274	126,909	129,147	(371,654)
Cash Flow From Financing Activities	32,724	(79,754)	(230,276)	(180,800)	325,617
Total In-Service Properties	783	728	804	858	884
Total In-Service GLA, in Square Feet	69,173,527	60,580,250	64,028,533	68,610,505	70,193,161
In-Service Occupancy Percentage . .	82%	92%*	95%*	94%*	92%*

* Percentage is calculated under the in-service definition in place as of the respective year end.

MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with “Selected Financial Data” and the Consolidated Financial Statements and Notes thereto appearing elsewhere in this annual report.

In addition, the following discussion contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and are including this statement for purposes of complying with those safe harbor provisions. Forward-looking statements, which are based on certain assumptions and describe future plans, strategies and expectations of the Company, are generally identifiable by use of the words “believe,” “expect,” “intend,” “anticipate,” “estimate,” “project,” “seek,” “target,” “potential,” “focus,” “may,” “should” or similar expressions. Our ability to predict results or the actual effect of future plans or strategies is inherently uncertain. Factors which could have a materially adverse effect on our operations and future prospects include, but are not limited to: changes in national, international, regional and local economic conditions generally and real estate markets specifically; changes in legislation/regulation (including changes to laws governing the taxation of REITs) and actions of regulatory authorities (including the IRS); our ability to qualify and maintain our status as a REIT; the availability and attractiveness of financing (including both public and private capital) to us and to our potential counterparties; the availability and attractiveness of terms of additional debt repurchases; interest rates; our credit agency ratings; our ability to comply with applicable financial covenants; competition; changes in supply and demand for industrial properties (including land, the supply and demand for which is inherently more volatile than other types of industrial property) in the Company’s current and proposed market areas; difficulties in consummating acquisitions and dispositions; risks related to our investments in properties through joint ventures; environmental liabilities; slippages in development or lease-up schedules; tenant creditworthiness; higher-than-expected costs; changes in asset valuations and related impairment charges; changes in general accounting principles, policies and guidelines applicable to REITs; international business risks and those additional factors described in “Risk Factors” and in our other filings with the Securities and Exchange Commission (the “SEC”). We caution you not to place undue reliance on forward looking statements, which reflect our outlook only and speak only as of the date of this report or the dates indicated in the statements. We assume no obligation to update or supplement forward-looking statements.

The Company was organized in the state of Maryland on August 10, 1993. We are a REIT, as defined in the Code. We began operations on July 1, 1994. Our interests in our properties and land parcels are held through partnerships, corporations, and limited liability companies controlled, directly or indirectly, by us, including First Industrial, L.P. (the “Operating Partnership”), of which we are the sole general partner, and through the old TRS prior to September 1, 2009, and FI LLC, the new TRS and FRIP subsequent to September 1, 2009. We also conduct operations through other partnerships, corporations, and limited liability companies, the operating data of which, together with that of the Operating Partnership, FI LLC, FRIP and the TRSs, are consolidated with that of the Company, as presented herein.

We also own noncontrolling equity interests in, and provide services to, seven joint ventures whose purpose is to invest in industrial properties (the “2003 Net Lease Joint Venture,” the “2005 Development/Repositioning Joint Venture,” the “2005 Core Joint Venture,” the “2006 Net Lease Co-Investment Program,” the “2006 Land/Development Joint Venture,” the “2007 Canada Joint Venture,” and the “2007 Europe Joint Venture”; together the “Joint Ventures”). The Joint Ventures are accounted for under the equity method of accounting. The 2007 Europe Joint Venture does not own any properties.

The operating data of our Joint Ventures is not consolidated with that of the Company as presented herein.

We believe our financial condition and results of operations are, primarily, a function of our performance and our Joint Ventures’ performance in four key areas: leasing of industrial properties, acquisition and development of additional industrial properties, disposition of industrial properties, debt reduction and access to external capital.

We generate revenue primarily from rental income and tenant recoveries from long-term (generally three to six years) operating leases of our industrial properties and our Joint Ventures’ industrial properties. Such revenue is offset by certain property specific operating expenses, such as real estate taxes, repairs and maintenance, property management, utilities and insurance expenses, along with certain other costs and expenses, such as depreciation and

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

amortization costs and general and administrative and interest expenses. Our revenue growth is dependent, in part, on our ability to (i) increase rental income, through increasing either or both occupancy rates and rental rates at our properties and our Joint Ventures' properties, (ii) maximize tenant recoveries and (iii) minimize operating and certain other expenses. Revenues generated from rental income and tenant recoveries are a significant source of funds, in addition to income generated from gains/losses on the sale of our properties and our Joint Ventures' properties (as discussed below), for our liquidity. The leasing of property, in general, and occupancy rates, rental rates, operating expenses and certain non-operating expenses, in particular, are impacted, variously, by property specific, market specific, general economic and other conditions, many of which are beyond our control. The leasing of property also entails various risks, including the risk of tenant default. If we were unable to maintain or increase occupancy rates and rental rates at our properties and our Joint Ventures' properties or to maintain tenant recoveries and operating and certain other expenses consistent with historical levels and proportions, our revenue would decline. Further, if a significant number of our tenants and our Joint Ventures' tenants were unable to pay rent (including tenant recoveries) or if we or our Joint Ventures were unable to rent our properties on favorable terms, our financial condition, results of operations, cash flow and ability to pay dividends on, and the market price of, our common stock would be adversely affected.

Our revenue growth is also dependent, in part, on our ability and our Joint Ventures' ability to acquire existing, and acquire and develop new, additional industrial properties on favorable terms. The Company itself, and through our various Joint Ventures, seeks to identify opportunities to acquire existing industrial properties on favorable terms, and, when conditions permit, also seeks to identify opportunities to acquire and develop new industrial properties on favorable terms. Existing properties, as they are acquired, and acquired and developed properties, as they are leased, generate revenue from rental income, tenant recoveries and fees, income from which, as discussed above, is a source of funds for our distributions. The acquisition and development of properties is impacted, variously, by property specific, market specific, general economic and other conditions, many of which are beyond our control. The acquisition and development of properties also entails various risks, including the risk that our investments and our Joint Ventures' investments may not perform as expected. For example, acquired existing and acquired and developed new properties may not sustain and/or achieve anticipated occupancy and rental rate levels. With respect to acquired and developed new properties, we may not be able to complete construction on schedule or within budget, resulting in increased debt service expense and construction costs and delays in leasing the properties. Also, we, as well as our Joint Ventures, face significant competition for attractive acquisition and development opportunities from other well-capitalized real estate investors, including both publicly-traded REITs and private investors. Further, as discussed below, we and our Joint Ventures may not be able to finance the acquisition and development opportunities we identify. If we and our Joint Ventures were unable to acquire and develop sufficient additional properties on favorable terms, or if such investments did not perform as expected, our revenue growth would be limited and our financial condition, results of operations, cash flow and ability to pay dividends on, and the market price of, our common stock would be adversely affected.

We also generate income from the sale of our properties and our Joint Ventures' properties (including existing buildings, buildings which we or our Joint Ventures have developed or re-developed on a merchant basis and land). The gain/loss on, and fees from, the sale of such properties are included in our income and can be a significant source of funds, in addition to revenues generated from rental income and tenant recoveries, for our operations. Currently, a significant portion of our proceeds from sales are being used to repay outstanding debt. Market conditions permitting, however, a significant portion of our proceeds from such sales may also be used to fund the acquisition of existing, and the acquisition and development of new, industrial properties. The sale of properties is impacted, variously, by property specific, market specific, general economic and other conditions, many of which are beyond our control. The sale of properties also entails various risks, including competition from other sellers and the availability of attractive financing for potential buyers of our properties and our Joint Ventures' properties. Further, our ability to sell properties is limited by safe harbor rules applying to REITs under the Code which relate to the number of properties that may be disposed of in a year, their tax bases and the cost of improvements made to the properties, along with other tests which enable a REIT to avoid punitive taxation on the sale of assets. If we and our Joint Ventures were unable to sell properties on favorable terms, our income growth would be limited and our

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

financial condition, results of operations, cash flow and ability to pay dividends on, and the market price of, our common stock would be adversely affected.

We utilize a portion of the net sales proceeds from property sales, borrowings under our unsecured line of credit (the "Unsecured Line of Credit") and proceeds from the issuance when and as warranted, of additional debt and equity securities to finance future acquisitions and developments, refinance debt and to fund our equity commitments to our Joint Ventures. Access to external capital on favorable terms plays a key role in our financial condition and results of operations, as it impacts our cost of capital and our ability and cost to refinance existing indebtedness as it matures and to fund acquisitions, developments and contributions to our Joint Ventures or through the issuance, when and as warranted, of additional equity securities. Our ability to access external capital on favorable terms is dependent on various factors, including general market conditions, interest rates, credit ratings on our capital stock and debt, the market's perception of our growth potential, our current and potential future earnings and cash distributions and the market price of our capital stock. If we were unable to access external capital on favorable terms, our financial condition, results of operations, cash flow and ability to pay dividends on, and the market price of, our common stock would be adversely affected.

Current Business Risks and Uncertainties

The real estate markets have been significantly impacted by the disruption of the global credit markets. The current recession has resulted in downward pressure on our net operating income and has impaired our ability to sell properties.

Our Unsecured Line of Credit and the indentures under which our senior unsecured indebtedness is, or may be, issued contain certain financial covenants, including, among other things, coverage ratios and limitations on our ability to incur total indebtedness and secured and unsecured indebtedness. Consistent with our prior practice, we will, in the future, continue to interpret and certify our performance under these covenants in a good faith manner that we deem reasonable and appropriate. However, these financial covenants are complex and there can be no assurance that these provisions would not be interpreted by our lenders in a manner that could impose and cause us to incur material costs. Any violation of these covenants would subject us to higher finance costs and fees, or accelerated maturities. In addition, our credit facilities and senior debt securities contain certain cross-default provisions, which are triggered in the event that our other material indebtedness is in default. Under the Unsecured Line of Credit, an event of default can also occur if the lenders, in their good faith judgment, determine that a material adverse change has occurred which could prevent timely repayment or materially impair our ability to perform our obligations under the loan agreement.

We believe that we were in compliance with our financial covenants as of December 31, 2009, and we anticipate that we will be able to operate in compliance with our financial covenants throughout 2010 based upon our earnings projections. Our belief that we will continue to meet our financial covenants through 2010 is based on internal projections of EBITDA, as defined in our Unsecured Line of Credit and our unsecured notes, which include a number of assumptions, including, among others, assumptions regarding occupancy rates, tenant retention and rental rates as well as internal projections of interest expense and preferred dividends. However, our ability to meet our financial covenants may be reduced if economic and credit market conditions limit our property sales and reduce our net operating income below our projections. We plan to enhance our liquidity, and reduce our indebtedness, through a combination of capital retention, mortgage and equity financings, asset sales and debt reduction.

- *Capital Retention* — We plan to retain capital by distributing the minimum amount of dividends required to maintain our REIT status. We did not pay a common stock dividend in 2009 and may not pay dividends in 2010 depending on our taxable income. If, to maintain our REIT status, we are required to pay common stock dividends with respect to 2010, we may elect to do so by distributing a combination of cash and common shares. Also, if we are not required to pay preferred stock dividends to maintain our REIT status, we may elect to suspend some or all preferred stock dividends for one or more fiscal quarters, which would aid compliance with the fixed charge coverage covenant under our Unsecured Line of Credit.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

- *Mortgage Financing* — During the year ended December 31, 2009, we originated \$339.8 million in mortgage financings with maturities ranging from September 2012 to January 2020 and interest rates ranging from 6.42% to 7.87% (see Note 6 to the Consolidated Financial Statements). We believe these mortgage financings comply with all covenants contained in our Unsecured Line of Credit and our senior debt securities, including coverage ratios and total indebtedness, total unsecured indebtedness and total secured indebtedness limitations. We continue to engage various lenders regarding the origination of additional mortgage financings and the terms and conditions thereof. To the extent additional mortgage financing is originated, we expect the proceeds received will be used to pay down our other debt. No assurances can be made that additional mortgage financing will be obtained.
- *Equity Financing* — During the year ended December 31, 2009, we sold 3,034,120 shares of the Company's common stock, generating approximately \$15.9 million in net proceeds, under the direct stock purchase component of the DRIP. On October 5, 2009, we sold in an underwritten public offering 13,635,700 shares of the Company's common stock at a price to the public of \$5.25 per share. Total proceeds to us, net of underwriters' discount and total expenses, were \$67.8 million (see Note 7 to the Consolidated Financial Statements). We may opportunistically access the equity markets again, subject to contractual restrictions, and may continue to issue shares under the direct stock purchase component of the DRIP. To the extent additional equity offerings occur, we expect to use the proceeds received to reduce our indebtedness.
- *Asset Sales* — During the year ended December 31, 2009, we sold 15 industrial properties and several land parcels for gross proceeds of \$100.2 million (see Note 9 to the Consolidated Financial Statements). We are in various stages of discussions with third parties for the sale of additional properties and plan to continue to selectively market other properties for sale throughout 2010. We expect to use sales proceeds to pay down additional debt. If we are unable to sell properties on an advantageous basis, this may impair our liquidity and our ability to meet our financial covenants.
- *Debt Reduction* — During the year ended December 31, 2009, we repurchased \$271.5 million of our senior unsecured notes (including \$19.3 million of our 2009 Notes prior to their repayment at maturity on June 15, 2009) (see Note 6 to the Consolidated Financial Statements). On February 8, 2010, we consummated a tender offer pursuant to which we purchased \$72.7 million of our 2011 Notes, \$66.2 million of our 2012 Notes and \$21.1 million of our 2014. In connection with the tender offer, we will recognize approximately \$0.4 million as gain on early retirement of debt. We may from time to time repay additional amounts of our outstanding debt. Any repayments would depend upon prevailing market conditions, our liquidity requirements, contractual restrictions and other factors we consider important. Future repayments may materially impact our liquidity, future tax liability and results of operations.

Although we believe we will be successful in meeting our liquidity needs and maintaining compliance with our debt covenants through a combination of capital retention, mortgage and equity financings, asset sales and debt repurchases, if we were to be unsuccessful in executing one or more of the strategies outlined above, our financial condition and operating results would be materially adversely affected.

CRITICAL ACCOUNTING POLICIES

Our significant accounting policies are described in more detail in Note 4 to the consolidated financial statements. We believe the following critical accounting policies affect our more significant judgments and estimates used in the preparation of our consolidated financial statements.

- We maintain an allowance for doubtful accounts which is based on estimates of potential losses which could result from the inability of our tenants to satisfy outstanding billings with us. The allowance for doubtful accounts is an estimate based on our assessment of the creditworthiness of our tenants.
- Properties are classified as held for sale when all criteria within the Financial Accounting Standards Board's (the "FASB") guidance relating to the disposal of long lived assets are met for such properties. When properties are classified as held for sale, we cease depreciating the properties and estimate the values of such properties and measure them at the lower of depreciated cost or fair value, less costs to dispose. If

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

circumstances arise that were previously considered unlikely, and, as a result, we decide not to sell a property previously classified as held for sale, we will reclassify such property as held and used. We estimate the value of such property and measure it at the lower of its carrying amount (adjusted for any depreciation and amortization expense that would have been recognized had the property been continuously classified as held and used) or fair value at the date of the subsequent decision not to sell. Fair value is determined by deducting from the estimated sales price of the property the estimated costs to close the sale.

- We review our properties on a periodic basis for possible impairment and provide a provision if impairments are determined. We utilize the guidelines established under the FASB's guidance for accounting for the impairment of long lived assets to determine if impairment conditions exist. We review the expected undiscounted cash flows of each property to determine if there are any indications of impairment. If the expected undiscounted cash flows of a particular property are less than the net book basis of the property, we will recognize an impairment charge equal to the amount of carrying value of the property that exceeds the fair value of the property. Fair value is determined by discounting the future expected cash flows of the property. The preparation of the undiscounted cash flows and the calculation of fair value involve subjective assumptions such as estimated occupancy, rental rates, ultimate residual value and hold period. The discount rate used to present value the cash flows for determining fair value is also subjective.
- We analyze our investments in Joint Ventures to determine whether the joint venture should be accounted for under the equity method of accounting or consolidated into our financial statements based on standards set forth under the FASB's guidance relating to the consolidation of variable interest entities. Based on the guidance set forth in these pronouncements, we do not consolidate any of our joint venture investments because either the joint venture has been determined to be a variable interest entity but we are not the primary beneficiary or the joint venture has been determined not to be a variable interest entity and we lack control of the joint venture. Our assessment of whether we are the primary beneficiary of a variable interest entity involves the consideration of various factors including the form of our ownership interest, our representation on the entity's governing body, the size of our investment and future cash flows of the entity.
- On a periodic basis, we assess whether there are any indicators that the value of our investments in Joint Ventures may be impaired. An investment is impaired only if our estimate of the value of the investment is less than the carrying value of the investment, and such decline in value is deemed to be other than temporary. To the extent impairment has occurred, the loss shall be measured as the excess of the carrying amount of the investment over the fair value of the investment. Our estimates of fair value for each investment are based on a number of subjective assumptions that are subject to economic and market uncertainties including, among others, demand for space, market rental rates and operating costs, the discount rate used to value the cash flows of the properties and the discount rate used to value the Joint Ventures' debt.
- We capitalize (direct and certain indirect) costs incurred in developing, renovating, acquiring and rehabilitating real estate assets as part of the investment basis. Costs incurred in making certain other improvements are also capitalized. During the land development and construction periods, we capitalize interest costs, real estate taxes and certain general and administrative costs of the personnel performing development, renovations or rehabilitation up to the time the property is substantially complete. The determination and calculation of certain costs requires estimates by us. Amounts included in capitalized costs are included in the investment basis of real estate assets.
- We are engaged in the acquisition of individual properties as well as multi-property portfolios. We are required to allocate purchase price between land, building, tenant improvements, leasing commissions, in-place leases, tenant relationship and above and below market leases. Above-market and below-market lease values for acquired properties are recorded based on the present value (using a discount rate which reflects the risks associated with the leases acquired) of the difference between (i) the contractual amounts to be paid pursuant to each in-place lease and (ii) our estimate of fair market lease rents for each corresponding in-place lease. Acquired above and below market leases are amortized over the remaining non-cancelable terms of

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

the respective leases as an adjustment to rental income. In-place lease and tenant relationship values for acquired properties are recorded based on our evaluation of the specific characteristics of each tenant's lease and our overall relationship with the respective tenant. The value allocated to in-place lease intangible assets is amortized to depreciation and amortization expense over the remaining lease term of the respective lease. The value allocated to tenant relationship is amortized to depreciation and amortization expense over the expected term of the relationship, which includes an estimate of the probability of lease renewal and its estimated term. We also must allocate purchase price on multi-property portfolios to individual properties. The allocation of purchase price is based on our assessment of various characteristics of the markets where the property is located and the expected cash flows of the property.

- In the preparation of our consolidated financial statements, significant management judgment is required to estimate our current and deferred income tax liabilities, and our compliance with REIT qualification requirements. Our estimates are based on our interpretation of tax laws. These estimates may have an impact on the income tax expense recognized. Adjustments may be required by a change in assessment of our deferred income tax assets and liabilities, changes due to audit adjustments by federal and state tax authorities, our inability to qualify as a REIT, and changes in tax laws. Adjustments required in any given period are included within the income tax provision.
- In assessing the need for a valuation allowance against our deferred tax assets, we estimate future taxable income, considering the feasibility of ongoing tax planning strategies and the realizability of tax loss carryforwards. In the event we were to determine that we would not be able to realize all or a portion of our deferred tax assets in the future, we would reduce such amounts through a charge to income in the period in which that determination is made. Conversely, if we were to determine that we would be able to realize our deferred tax assets in the future in excess of the net carrying amounts, we would decrease the recorded valuation allowance through an increase to income in the period in which that determination is made.

RESULTS OF OPERATIONS

Comparison of Year Ended December 31, 2009 to Year Ended December 31, 2008

Our net (loss) income available to First Industrial Realty Trust, Inc.'s common stockholders and participating securities was \$(13.8) million and \$20.2 million for the years ended December 31, 2009 and 2008, respectively. Basic and diluted net (loss) income available to First Industrial Realty Trust, Inc.'s common stockholders were \$(0.28) per share for the year ended December 31, 2009 and \$0.41 per share for the year ended December 31, 2008.

The tables below summarize our revenues, property and construction expenses and depreciation and other amortization by various categories for the years ended December 31, 2009 and December 31, 2008. Same store properties are properties owned prior to January 1, 2008 and held as an operating property through December 31, 2009 and developments and redevelopments that were placed in service prior to January 1, 2008 or were substantially completed for the 12 months prior to January 1, 2008. Properties which are at least 75% occupied at acquisition are placed in service. All other properties are placed in service as they reach the earlier of a) stabilized occupancy (generally defined as 90% occupied), or b) one year subsequent to acquisition or development completion. Acquired properties are properties that were acquired subsequent to December 31, 2007 and held as an operating property through December 31, 2009. Sold properties are properties that were sold subsequent to December 31, 2007. (Re)Developments and land are land parcels and developments and redevelopments that were not: a) substantially complete 12 months prior to January 1, 2008 or b) stabilized prior to January 1, 2008. Other revenues are derived from the operations of our maintenance company, fees earned from our Joint Ventures and other miscellaneous revenues. Construction revenues and expenses represent revenues earned and expenses incurred in connection with the old TRS acting as general contractor or development manager to construct industrial properties, including industrial properties for the 2006 Development/Repositioning Joint Venture, and also include revenues and expenses related to the development of properties for third parties. Other expenses are derived from the operations of our maintenance company and other miscellaneous regional expenses.

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FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

Our future financial condition and results of operations, including rental revenues, may be impacted by the future acquisition and sale of properties. Our future revenues and expenses may vary materially from historical rates.

For the years ended December 31, 2009 and December 31, 2008, the occupancy rates of our same store properties were 84.2% and 88.6%, respectively.

	<u>2009</u>	<u>2008</u>	<u>\$ Change</u>	<u>% Change</u>
	(\$ in 000's)			
REVENUES				
Same Store Properties	\$291,812	\$310,791	\$ (18,979)	(6.1)%
Acquired Properties	28,594	15,202	13,392	88.1%
Sold Properties	5,458	38,208	(32,750)	(85.7)%
(Re)Developments and Land, Not Included				
Above	23,043	14,894	8,149	54.7%
Other	<u>17,558</u>	<u>28,893</u>	<u>(11,335)</u>	(39.2)%
	\$366,465	\$407,988	\$ (41,523)	(10.2)%
Discontinued Operations	<u>(9,464)</u>	<u>(40,966)</u>	<u>31,502</u>	(76.9)%
Subtotal Revenues	<u>\$357,001</u>	<u>\$367,022</u>	<u>\$ (10,021)</u>	(2.7)%
Construction Revenues	<u>54,957</u>	<u>147,299</u>	<u>(92,342)</u>	(62.7)%
Total Revenues	<u><u>\$411,958</u></u>	<u><u>\$514,321</u></u>	<u><u>\$(102,363)</u></u>	(19.9)%

Revenues from same store properties decreased \$19.0 million due primarily to a decrease in occupancy and a decrease in tenant recoveries due to a decrease in property expenses. Revenues from acquired properties increased \$13.4 million due to the 26 industrial properties acquired subsequent to December 31, 2007 totaling approximately 3.1 million square feet of GLA, as well as acquisitions of land parcels in September and October 2008 for which we receive ground rents. Revenues from sold properties decreased \$32.8 million due to the 129 industrial properties sold subsequent to December 31, 2007 totaling approximately 11.1 million square feet of GLA. Revenues from (re)developments and land increased \$8.1 million primarily due to an increase in occupancy. Other revenues decreased \$11.3 million due primarily to a decrease in development fees earned from our Joint Ventures and a decrease in fees earned related to us assigning our interest in certain purchase contracts to third parties for consideration. Construction revenues decreased \$92.3 million primarily due to the substantial completion of certain development projects for which we were acting in the capacity of development manager, offset by a development project that commenced in August 2008 for which we are acting in the capacity of development manager.

	<u>2009</u>	<u>2008</u>	<u>\$ Change</u>	<u>% Change</u>
	(\$ in 000's)			
PROPERTY AND CONSTRUCTION EXPENSES				
Same Store Properties	\$ 95,140	\$101,999	\$ (6,859)	(6.7)%
Acquired Properties	6,852	3,324	3,528	106.1%
Sold Properties	1,437	12,428	(10,991)	(88.4)%
(Re) Developments and Land, Not Included Above	8,588	7,444	1,144	15.4%
Other	<u>14,229</u>	<u>10,422</u>	<u>3,807</u>	36.5%
	\$126,246	\$135,617	\$ (9,371)	(8.6)%
Discontinued Operations	<u>(2,427)</u>	<u>(13,880)</u>	<u>11,453</u>	(82.5)%
Property Expenses	<u>\$123,819</u>	<u>\$121,737</u>	<u>\$ 2,082</u>	1.7%
Construction Expenses	<u>52,720</u>	<u>139,539</u>	<u>(86,819)</u>	(62.2)%
Total Property and Construction Expenses	<u><u>\$176,539</u></u>	<u><u>\$261,276</u></u>	<u><u>\$(84,737)</u></u>	(32.4)%

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
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Property expenses include real estate taxes, repairs and maintenance, property management, utilities, insurance and other property related expenses. Property expenses from same store properties decreased \$6.9 million due primarily to a decrease in real estate tax expense and repairs and maintenance expense. Property expenses from acquired properties increased \$3.5 million due to properties acquired subsequent to December 31, 2007. Property expenses from sold properties decreased \$11.0 million due to properties sold subsequent to December 31, 2007. Property expenses from (re)developments and land increased \$1.1 million due to an increase in the substantial completion of developments. Expenses are no longer capitalized to the basis of a property once the development is substantially complete. The \$3.8 million increase in other expense is primarily attributable to an increase in incentive compensation. Construction expenses decreased \$86.8 million primarily due to the substantial completion of certain development projects for which we were acting in the capacity of development manager, offset by a development project that commenced in August 2008 for which we are acting in the capacity of development manager.

General and administrative expense decreased \$47.1 million, or 55.4%, due primarily to a decrease in compensation resulting from the reduction in employee headcount occurring in 2008 and during 2009 as well as a decrease in professional services, marketing, travel and entertainment expenses and costs associated with the pursuit of acquisitions of real estate that were abandoned.

We committed to a plan to reduce organizational and overhead costs in October 2008 and have subsequently modified that plan with the goal of further reducing these costs. On February 25 and September 25, 2009, we committed to additional modifications to the plan consisting of further organizational and overhead cost reductions. For the year ended December 31, 2009, we recorded as restructuring costs a pre-tax charge of \$7.8 million to provide for employee severance and benefits (\$5.2 million), costs associated with the termination of certain office leases (\$1.9 million) and other costs (\$0.7 million) associated with implementing the restructuring plan. Due to the nature of certain expenses, we expect to record a total of approximately \$0.7 million of additional restructuring charges in subsequent quarters. We also anticipate a continued reduction of general and administrative expense in 2010 compared to 2009 as a result of the employee terminations and office closings that have been a part of our restructuring plan in 2009.

For the year ended December 31, 2008, we incurred \$27.3 million in restructuring charges related to employee severance and benefits (\$24.8 million), costs associated with the termination of certain office leases (\$1.2 million) and contract cancellation and other costs (\$1.3 million) related to our restructuring plan to reduce overhead costs.

In connection with our periodic review of the carrying values of our properties and due to continuing softness of the economy in certain markets, we determined in the third quarter of 2009 that an impairment loss in the amount of \$6.9 million should be recorded on one property in the Inland Empire market. The non-cash impairment charge is based upon the difference between the fair value of the property and its carrying value. Additional impairments may be necessary in the future in the event that market conditions continue to deteriorate and impact the factors used to estimate fair value.

	<u>2009</u>	<u>2008</u>	<u>\$ Change</u>	<u>% Change</u>
	(\$ in 000's)			
DEPRECIATION AND OTHER AMORTIZATION				
Same Store Properties	\$120,865	\$135,553	\$(14,688)	(10.8)%
Acquired Properties	13,657	11,038	2,619	23.7%
Sold Properties	2,000	11,173	(9,173)	(82.1)%
(Re) Developments and Land, Not Included Above.	11,149	7,951	3,198	40.2%
Corporate Furniture, Fixtures and Equipment	<u>2,192</u>	<u>2,257</u>	<u>(65)</u>	<u>(2.9)%</u>
	\$149,863	\$167,972	\$(18,109)	(10.8)%
Discontinued Operations	<u>(2,647)</u>	<u>(11,902)</u>	<u>9,255</u>	<u>(77.8)%</u>
Total Depreciation and Other Amortization	<u>\$147,216</u>	<u>\$156,070</u>	<u>\$ (8,854)</u>	<u>(5.7)%</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Depreciation and other amortization for same store properties decreased \$14.7 million due primarily to accelerated depreciation and amortization taken during the year ended December 31, 2008 attributable to certain tenants who terminated their lease early. Depreciation and other amortization from acquired properties increased \$2.6 million due to properties acquired subsequent to December 31, 2007. Depreciation and other amortization from sold properties decreased \$9.2 million due to properties sold subsequent to December 31, 2007. Depreciation and other amortization for (re)developments and land and other increased \$3.2 million due primarily to an increase in the substantial completion of developments.

Interest income decreased \$0.6 million, or 16.4%, due primarily to a decrease in the weighted average interest rate earned on our cash accounts during the year ended December 31, 2009, as compared to the year ended December 31, 2008, partially offset by an increase in the weighted average mortgage loans receivable balance outstanding for the year ended December 31, 2009.

Interest expense increased \$2.3 million, or 2.0%, primarily due to an increase in the weighted average debt balance outstanding for the year ended December 31, 2009 (\$2,050.5 million), as compared to the year ended December 31, 2008 (\$2,026.5 million) and a decrease in capitalized interest for the year ended December 31, 2009 due to a decrease in development activities, partially offset by a decrease in the weighted average interest rate for the year ended December 31, 2009 (5.64%), as compared to the year ended December 31, 2008 (5.97%) .

Amortization of deferred financing costs increased \$0.2 million, or 6.7%, due primarily to loan fees related to \$339.8 million in mortgage loan payables we obtained during the year ended December 31, 2009, partially offset by the write-off of loan fees related to the repurchase and retirement of certain of our senior unsecured debt.

In October 2008, we entered into an interest rate swap agreement (the "Series F Agreement") to mitigate our exposure to floating interest rates related to the coupon reset of the Company's Series F Preferred Stock. The Series F Agreement has a notional value of \$50.0 million and is effective from April 1, 2009 through October 1, 2013. The Series F Agreement fixes the 30-year U.S. Treasury rate at 5.2175%. We recorded \$3.2 million in mark to market gain, offset by \$0.5 million payments, which is included in Mark-to-Market Gain (Loss) on Interest Rate Protection Agreements for the year ended December 31, 2009. We recorded \$3.1 million in mark to market loss which is included in Mark-to-Market Gain (Loss) on Interest Rate Protection Agreements for the year ended December 31, 2008.

In January 2008, we entered into two forward starting swaps each with a notional value of \$59.8 million, which fixed the interest rate on forecasted debt offerings. We designated both swaps as cash flow hedges. The rates on the forecasted debt issuances underlying the swaps locked on March 20, 2009 (the "Forward Starting Agreement 1") and on April 6, 2009 (the "Forward Starting Agreement 2"), and as such, the swaps ceased to qualify for hedge accounting. The change in value of Forward Starting Agreement 1 and Forward Starting Agreement 2 from the respective day the interest rate on the underlying debt locked until settlement is \$1.0 million and is included in Mark-to-Market Gain (Loss) on Interest Rate Protection Agreements for the year ended December 31, 2009.

For the years ended December 31, 2009 and 2008, we recognized a net gain from early retirement of debt of \$34.6 million and \$2.7 million, respectively, due to the partial repurchase of certain series of our senior unsecured debt.

Equity in loss of Joint Ventures decreased approximately \$26.7 million, or 80.5%, due primarily to a decrease in impairment loss during the year ended December 31, 2009 as compared to the twelve months ended December 31, 2008. During 2008, we recorded impairment losses of \$25.8 million, \$10.1 million, \$3.2 million, \$2.2 million and \$1.2 million related to the 2005 Development/Repositioning Joint Venture, 2006 Land/Development Joint Venture, the 2005 Core Joint Venture, the 2006 Net Lease Co-Investment Program and the 2003 Net Lease Joint Venture, respectively. During 2009, we recorded impairment losses of \$5.6 million and \$1.6 million related to the 2006 Net Lease Co-Investment Program and the 2003 Net Lease Joint Venture, respectively. The decrease in impairment loss recorded is offset by a decrease in our pro rata share of gain on sale of real estate and earn outs on property sales from the 2005 Core Joint Venture and from the 2005 Development/Repositioning Joint Venture during the year ended December 31, 2009 as compared to the year ended December 31, 2008.

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The income tax benefit (included in continuing operations, discontinued operations and gain on sale) increased \$18.9 million, or 440.8%, due primarily to a loss carryback generated from the tax liquidation of the old TRS and a decrease in state income taxes due to the reversal of prior tax expense related to a favorable court decision on business loss carryforwards in the State of Michigan.

The following table summarizes certain information regarding the industrial properties included in our discontinued operations for the years ended December 31, 2009 and December 31, 2008.

	<u>2009</u>	<u>2008</u>
	(\$ in 000's)	
Total Revenues	\$ 9,464	\$ 40,966
Property Expenses	(2,427)	(13,880)
Depreciation and Amortization	(2,647)	(11,902)
Gain on Sale of Real Estate	24,206	172,167
Provision for Income Taxes	<u>(1,816)</u>	<u>(4,887)</u>
Income from Discontinued Operations	<u>\$26,780</u>	<u>\$182,464</u>

Income from discontinued operations for the year ended December 31, 2009 reflects the results of operations and gain on sale of real estate relating to 15 industrial properties that were sold during the year ended December 31, 2009 and the results of operations of the seven industrial properties identified as held for sale at December 31, 2009.

Income from discontinued operations for the year ended December 31, 2008 reflects the results of operations and gain on sale of real estate relating to 114 industrial properties that were sold during the year ended December 31, 2008, the results of operations of 15 industrial properties that were sold during the year ended December 31, 2009 and the results of operations of the seven industrial properties identified as held for sale at December 31, 2009.

The \$0.4 million gain on sale of real estate for the year ended December 31, 2009 resulted from the sale of several land parcels that do not meet the criteria established for inclusion in discontinued operations. The \$12.0 million gain on sale of real estate for the year ended December 31, 2008 resulted from the sale of one industrial property and several land parcels that do not meet the criteria for inclusion in discontinued operations.

Comparison of Year Ended December 31, 2008 to Year Ended December 31, 2007

Our net income available to First Industrial Realty Trust, Inc.'s common stockholders and participating securities was \$20.2 million and \$130.4 million for the years ended December 31, 2008 and 2007, respectively. Basic and diluted net income available to First Industrial Realty Trust, Inc.'s common stockholders were \$0.41 per share for the year ended December 31, 2008 and \$2.90 per share for the year ended December 31, 2007.

The tables below summarize our revenues, property expenses and depreciation and other amortization by various categories for the years ended December 31, 2008 and December 31, 2007. Same store properties are properties owned prior to January 1, 2007 and held as an operating property through December 31, 2008 and developments and redevelopments that were placed in service prior to January 1, 2007 or were substantially completed for the 12 months prior to January 1, 2007. Prior to January 1, 2009, properties are placed in service as they reach stabilized occupancy (generally defined as 90% occupied). Acquired properties are properties that were acquired subsequent to December 31, 2006 and held as an operating property through December 31, 2008. Sold properties are properties that were sold subsequent to December 31, 2006. (Re)Developments and land are land parcels and developments and redevelopments that were not: a) substantially complete 12 months prior to January 1, 2007 or b) stabilized prior to January 1, 2007. Other revenues are derived from the operations of our maintenance company, fees earned from our Joint Ventures and other miscellaneous revenues. Construction revenues and expenses represent revenues earned and expenses incurred in connection with the old TRS acting as general contractor or development manager to construct industrial properties, including industrial properties for the 2005 Development/Repositioning Joint Venture, and also include revenues and expenses related to the development of properties for third parties. Other expenses are derived from the operations of our maintenance company and other miscellaneous regional expenses.

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Our future financial condition and results of operations, including rental revenues, may be impacted by the future acquisition and sale of properties. Our future revenues and expenses may vary materially from historical rates.

For the years ended December 31, 2008 and December 31, 2007, the occupancy rates of our same store properties were 91.1% and 91.7%, respectively.

	<u>2008</u>	<u>2007</u>	<u>\$ Change</u>	<u>% Change</u>
	(\$ in 000's)			
REVENUES				
Same Store Properties	\$288,329	\$ 281,350	\$ 6,979	2.5%
Acquired Properties	47,138	19,408	27,730	142.9%
Sold Properties	27,150	96,536	(69,386)	(71.9)%
(Re)Developments and Land, Not Included				
Above	16,475	9,086	7,389	81.3%
Other	<u>28,896</u>	<u>36,888</u>	<u>(7,992)</u>	(21.7)%
	\$407,988	\$ 443,268	\$ (35,280)	(8.0)%
Discontinued Operations	<u>(40,966)</u>	<u>(109,022)</u>	<u>68,056</u>	(62.4)%
Subtotal Revenues	<u>\$367,022</u>	<u>\$ 334,246</u>	<u>\$ 32,776</u>	9.8%
Construction Revenues	<u>147,299</u>	<u>35,628</u>	<u>111,671</u>	313.4%
Total Revenues	<u><u>\$514,321</u></u>	<u><u>\$ 369,874</u></u>	<u><u>\$144,447</u></u>	39.1%

Revenues from same store properties increased \$7.0 million due primarily to an increase in rental rates and an increase in tenant recoveries, partially offset by a decrease in occupancy. Revenues from acquired properties increased \$27.7 million due to the 131 industrial properties acquired subsequent to December 31, 2006 totaling approximately 11.7 million square feet of GLA, as well as an acquisition of land parcels in September and October 2008 for which we receive ground rents. Revenues from sold properties decreased \$69.4 million due to the 278 industrial properties sold subsequent to December 31, 2006 totaling approximately 22.8 million square feet of GLA. Revenues from (re)developments and land increased \$7.4 million due to an increase in occupancy. Other revenues decreased by \$8.0 million due primarily to a decrease in fees earned from our Joint Ventures and a decrease in fees earned related to us assigning our interest in certain purchase contracts to third parties for consideration. Construction revenues increased \$111.7 million for the year ended December 31, 2008 due primarily to three development projects that commenced in September 2007, April 2008 and August 2008 for which we are acting in the capacity of development manager.

	<u>2008</u>	<u>2007</u>	<u>\$ Change</u>	<u>% Change</u>
	(\$ in 000's)			
PROPERTY AND CONSTRUCTION EXPENSES				
Same Store Properties	\$ 92,937	\$ 87,065	\$ 5,872	6.7%
Acquired Properties	15,367	4,952	10,415	210.3%
Sold Properties	9,531	29,975	(20,444)	(68.2)%
(Re) Developments and Land, Not Included Above . . .	7,360	4,914	2,446	49.8%
Other	<u>10,422</u>	<u>16,603</u>	<u>(6,181)</u>	(37.2)%
	\$135,617	\$143,509	\$ (7,892)	(5.5)%
Discontinued Operations	<u>(13,880)</u>	<u>(35,856)</u>	<u>21,976</u>	(61.3)%
Property Expenses	<u>\$121,737</u>	<u>\$107,653</u>	<u>\$ 14,084</u>	13.1%
Construction Expenses	<u>139,539</u>	<u>34,553</u>	<u>104,986</u>	303.8%
Total Property and Construction Expenses	<u><u>\$261,276</u></u>	<u><u>\$142,206</u></u>	<u><u>\$119,070</u></u>	83.7%

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Property expenses include real estate taxes, repairs and maintenance, property management, utilities, insurance, other property related expenses and construction expenses. Property expenses from same store properties increased \$5.9 million due primarily to an increase in real estate tax expense, bad debt expense and repairs and maintenance expense. Property expenses from acquired properties increased by \$10.4 million due to properties acquired subsequent to December 31, 2006. Property expenses from sold properties decreased by \$20.4 million due to properties sold subsequent to December 31, 2006. Property expenses from (re)developments and land increased \$2.4 million due to an increase in the substantial completion of developments. Expenses are no longer capitalized to the basis of a property once the development is substantially complete. The \$6.2 million decrease in other expense is primarily attributable to a decrease in incentive compensation expense. Construction expenses increased \$105.0 million for the year ended December 31, 2008 due primarily to three development projects that commenced in September 2007, April 2008 and August 2008 for which we are acting in the capacity of development manager.

General and administrative expense decreased \$7.2 million, or 7.8%, due to a decrease in incentive compensation.

For the year ended December 31, 2008, we incurred \$27.3 million in restructuring charges related to employee severance and benefits (\$24.8 million), costs associated with the termination of certain office leases (\$1.2 million) and contract cancellation and other costs (\$1.3 million) related to our restructuring plan to reduce overhead costs.

	<u>2008</u>	<u>2007</u>	<u>\$ Change</u>	<u>% Change</u>
	(\$ in 000's)			
DEPRECIATION AND OTHER AMORTIZATION				
Same Store Properties	\$111,671	\$117,781	\$ (6,110)	(5.2)%
Acquired Properties	39,839	14,095	25,744	182.6%
Sold Properties	6,136	29,401	(23,265)	(79.1)%
(Re) Developments and Land, Not Included Above.	8,069	4,418	3,651	82.6%
Corporate Furniture, Fixtures and Equipment	<u>2,257</u>	<u>1,837</u>	<u>420</u>	22.9%
	\$167,972	\$167,532	\$ 440	0.3%
Discontinued Operations	<u>(11,902)</u>	<u>(34,178)</u>	<u>22,276</u>	(65.2)%
Total Depreciation and Other Amortization	<u>\$156,070</u>	<u>\$133,354</u>	<u>\$ 22,716</u>	17.0%

Depreciation and other amortization for same store properties decreased \$6.1 million primarily due to accelerated depreciation and amortization taken during the year ended December 31, 2007 attributable to certain tenants who terminated their lease early or did not renew their lease. Depreciation and other amortization from acquired properties increased by \$25.7 million due to properties acquired subsequent to December 31, 2006. Depreciation and other amortization from sold properties decreased by \$23.3 million due to properties sold subsequent to December 31, 2006. Depreciation and other amortization for (re)developments and land increased by \$3.7 million due primarily to an increase in the substantial completion of developments.

Interest income increased \$1.8 million, or 91.6%, due primarily to an increase in the average mortgage loans receivable outstanding during the year ended December 31, 2008, as compared to the year ended December 31, 2007.

Interest expense decreased by approximately \$7.8 million, or 6.4%, primarily due to a decrease in the weighted average interest rate for the year ended December 31, 2008 (5.97%), as compared to the year ended December 31, 2007 (6.55%), partially offset by an increase in the weighted average debt balance outstanding for the year ended December 31, 2008 (\$2,026.5 million), as compared to the year ended December 31, 2007 (\$1,974.7 million) and a decrease in capitalized interest for the year ended December 31, 2008 due to a decrease in development activities.

Amortization of deferred financing costs decreased by \$0.3 million, or 10.4%, due primarily to the amendment of our Unsecured Line of Credit in September 2007 which extended the maturity from September 2008 to September 2012. The net unamortized deferred financing fees related to the prior line of credit are amortized over the extended amortization period, except for \$0.1 million, which represents the write off of unamortized deferred

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financing costs associated with certain lenders who did not renew the line of credit and is included in loss from early retirement of debt for the year ended December 31, 2007.

In October 2008, we entered into the Series F Agreement to mitigate our exposure to floating interest rates related to the forecasted reset rate of the Company's Series F Preferred Stock. The Series F Agreement has a notional value of \$50.0 million and is effective from April 1, 2009 through October 1, 2013. The Series F Agreement fixes the 30-year U.S. Treasury rate at 5.2175%. We recorded \$3.1 million in mark to market loss which is included in Mark-to-Market Gain (Loss) on Interest Rate Protection Agreements for the year ended December 31, 2008.

For the year ended December 31, 2008, we recognized a \$2.7 million gain from early retirement of debt due to the partial repurchases of our senior unsecured notes at a discount to carrying value. For the year ended December 31, 2007, we incurred a \$0.4 million loss from early retirement of debt. This includes a \$0.1 million write-off of financing fees associated with our previous line of credit agreement which was amended and restated on September 28, 2007. The loss from early retirement of debt also includes \$0.3 million due to early payoffs on mortgage loans.

Equity in income of Joint Ventures decreased \$63.2 million, or 210.4%, primarily due to impairment losses of \$25.8 million, \$10.1 million, \$3.2 million, \$2.2 million and \$1.2 million we recorded to the 2005 Development/Repositioning Joint Venture, the 2006 Land/Development Joint Venture, the 2005 Core Joint Venture, the 2006 Net Lease Co-Investment Program and the 2003 Net Lease Joint Venture, respectively, as a result of adverse conditions in the credit and real estate markets as well as a decrease in our pro rata share of gain on sale of real estate and earn outs on property sales from the 2005 Core Joint Venture and from the 2005 Development/Repositioning Joint Venture during the twelve months ended December 31, 2008 as compared to the twelve months ended December 31, 2007. Additionally, we recognized our pro rata share (\$2.7 million) of impairment losses for the 2006 Net Lease to Investment Program and the 2005 Development/Repositioning Joint Venture during the year ended December 31, 2008.

The year to date income tax provision (included in continuing operations, discontinued operations and gain on sale) decreased \$34.8 million in the aggregate, or 114.0%, due primarily to a decrease in gains on the sale of real estate within the TRS, a decrease in equity in income of Joint Ventures and costs incurred related to the restructuring. Net income of the TRS decreased \$111.6 million, or 229.0%, for the year ended December 31, 2008 compared to the year ended December 31, 2007. Included in net income for the TRS for the year ended December 31, 2008 is \$39.1 million of impairment loss in Equity in Income of Joint Ventures. We recorded a valuation allowance to offset the deferred tax asset that was created by these impairments during the year ended December 31, 2008.

The following table summarizes certain information regarding the industrial properties included in our discontinued operations for the years ended December 31, 2008 and December 31, 2007.

	<u>2008</u>	<u>2007</u>
	(\$ in 000's)	
Total Revenues	\$ 40,966	\$109,022
Property Expenses	(13,880)	(35,856)
Depreciation and Amortization	(11,902)	(34,178)
Gain on Sale of Real Estate	172,167	244,962
Provision for Income Taxes	<u>(4,887)</u>	<u>(38,673)</u>
Income from Discontinued Operations	<u>\$182,464</u>	<u>\$245,277</u>

Income from discontinued operations for the year ended December 31, 2008 reflects the results of operations and gain on sale of real estate relating to 113 industrial properties that were sold during the year ended December 31, 2008, the results of operations of 15 industrial properties that were sold during the year ended December 31, 2009 and the results of operations of the seven industrial properties identified as held for sale at December 31, 2009.

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Income from discontinued operations for the year ended December 31, 2007 reflects the results of operations and gain on sale of real estate relating to 161 industrial properties that were sold during the year ended December 31, 2007, the results of operations of 113 industrial properties that were sold during the year ended December 31, 2008, the results of operations of 15 industrial properties that were sold during the year ended December 31, 2009 and the results of operations of the seven industrial properties identified as held for sale at December 31, 2009.

The \$12.0 million gain on sale of real estate for the year ended December 31, 2008 resulted from the sale of one industrial property and several land parcels that do not meet the criteria for inclusion in discontinued operations. The \$9.4 million gain on sale of real estate for the year ended December 31, 2007, resulted from the sale of three industrial properties and several land parcels that do not meet the criteria for inclusion in discontinued operations.

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2009, our cash and cash equivalents was approximately \$182.9 million.

We have considered our short-term (one year or less) liquidity needs and the adequacy of our estimated cash flow from operations and other expected liquidity sources to meet these needs. We believe that our principal short-term liquidity needs are to fund normal recurring expenses, property acquisitions, developments, renovations, expansions and other nonrecurring capital improvements, debt service requirements, mortgage financing maturities and the minimum distributions required to maintain our REIT qualification under the Code. We anticipate that these needs will be met with cash flows provided by operating and investing activities, including the disposition of select assets. In addition, we plan to retain capital by distributing the minimum amount of dividends required to maintain our REIT status. We did not pay a common stock dividend in 2009 and may not pay common stock dividends in 2010 depending on our taxable income. If we are required to pay common stock dividends in 2010, we may elect to satisfy this obligation by distributing a combination of cash and common shares. Also, if we are not required to pay preferred stock dividends to maintain our REIT qualification under the Code, we may elect to suspend some or all preferred stock dividends for one or more fiscal quarters.

We expect to meet long-term (greater than one year) liquidity requirements such as property acquisitions, developments, scheduled debt maturities, major renovations, expansions and other nonrecurring capital improvements through the disposition of select assets, long-term unsecured and secured indebtedness and the issuance of additional equity securities.

We also have financed the development or acquisition of additional properties through borrowings under our Unsecured Line of Credit and may finance the development or acquisition of additional properties through such borrowings, to the extent capacity is available, in the future. At December 31, 2009, borrowings under our Unsecured Line of Credit bore interest at a weighted average interest rate of 1.256%. Our Unsecured Line of Credit bears interest at a floating rate of LIBOR plus 1.0% or the prime rate plus 0.15%, at our election. As of February 26, 2010, we had approximately \$7.5 million available for additional borrowings under our Unsecured Line of Credit. Our Unsecured Line of Credit contains certain financial covenants including limitations on incurrence of debt and debt service coverage. Our access to borrowings may be limited if we fail to meet any of these covenants. We believe that we were in compliance with our financial covenants as of December 31, 2009, and we anticipate that we will be able to operate in compliance with our financial covenants in 2010. However, these financial covenants are complex and there can be no assurance that these provisions would not be interpreted by our lenders in a manner that could impose and cause us to incur material costs. In addition, our ability to meet our financial covenants may be reduced if economic and credit market conditions limit our property sales and reduce our net operating income below our plan. Any violation of these covenants would subject us to higher finance costs and fees, or accelerated maturities. In addition, our credit facilities and senior debt securities contain certain cross-default provisions, which are triggered in the event that our other material indebtedness is in default.

We currently have credit ratings from Standard & Poor's, Moody's and Fitch Ratings of BB/Ba3/BB-, respectively. In the event of a downgrade, we believe we would continue to have access to sufficient capital; however, our cost of borrowing would increase and our ability to access certain financial markets may be limited.

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Year Ended December 31, 2009

Net cash provided by operating activities of approximately \$142.2 million for the year ended December 31, 2009 was comprised primarily of net income before noncontrolling interest of approximately \$4.2 million, the non-cash adjustments of approximately \$113.4 million, net change in operating assets and liabilities of approximately \$24.9 million and distributions from Joint Ventures of \$2.3 million, partially offset by repayments of discount on senior unsecured debt of approximately \$2.6 million. The adjustments for the non-cash items of approximately \$113.4 million are primarily comprised of depreciation and amortization of approximately \$167.9 million, the provision for bad debt of approximately \$3.3 million, the impairment of real estate of \$6.9 million and equity in loss of Joint Ventures of approximately \$6.5 million, partially offset by the gain on sale of real estate of approximately \$24.6 million, the gain on the early retirement of debt of approximately \$34.6 million, mark to market gain related to the Series F Agreement and the Forward Starting Swap Agreement 1 and Forward Starting Agreement 2 of approximately \$3.7 million and the effect of the straight-lining of rental income of approximately \$8.3 million.

Net cash provided by investing activities of approximately \$4.8 million for the year ended December 31, 2009 was comprised primarily of net proceeds from the sale of real estate, distributions from our Joint Ventures and the repayments on our mortgage loan receivables, partially offset by the development and acquisition of real estate, capital expenditures related to the improvement of existing real estate and contributions to, and investments in, our Joint Ventures.

We invested approximately \$3.7 million in, and received total distributions of approximately \$8.7 million from, our Joint Ventures. As of December 31, 2009, our industrial real estate Joint Ventures owned 119 industrial properties comprising approximately 22.6 million square feet of GLA and several land parcels.

During the year ended December 31, 2009, we sold 15 industrial properties comprising approximately 1.9 million square feet of GLA and several land parcels. Proceeds from the sales of the 15 industrial properties and several land parcels, net of closing costs and seller financing provided to the buyers, were approximately \$75.0 million.

Net cash provided by financing activities of approximately \$32.7 million for the year ended December 31, 2009 was comprised primarily of proceeds from the origination of mortgage loans payable, net proceeds from the issuance of common stock and net borrowings on our Unsecured Line of Credit, partially offset by repayments on our unsecured notes and mortgage loans payable, common and preferred stock dividends and unit distributions, debt issuance costs and costs incurred in connection with the early retirement of debt, settlement of interest rate protection agreements, offering costs, the repurchase of restricted stock from our employees to pay for withholding taxes on the vesting of restricted stock and the repurchase of the equity component of the exchangeable notes.

During the year ended December 31, 2009, we received proceeds from the origination of \$339.8 million in mortgage financing. During the year ended December 31, 2009, we paid off and retired the remaining \$105.7 million outstanding 2009 Notes at their maturity. During the year ended December 31, 2009, we repurchased and retired \$271.5 million of our Unsecured Notes at an aggregate purchase price of \$233.1 million, including the repurchase of \$19.3 million of our 2009 Notes prior to maturity.

During the year ended December 31, 2009, we issued 3,034,120 shares of the Company's common stock under the direct stock purchase component of the DRIP and 13,635,700 shares of the Company's common stock through a public offering resulting in proceeds of approximately \$84.5 million.

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Contractual Obligations and Commitments

The following table lists our contractual obligations and commitments as of December 31, 2009 (in thousands):

	Total	Payments Due by Period			
		Less Than 1 Year	1-3 Years	3-5 Years	Over 5 Years
Operating and Ground Leases(1)	\$ 38,957	\$ 3,001	\$ 3,761	\$ 2,869	\$ 29,326
Long-term Debt	2,008,498	18,650	924,154	235,352	830,342
Interest Expense on Long-Term Debt(1)(2)	<u>765,275</u>	<u>104,920</u>	<u>170,584</u>	<u>140,250</u>	<u>349,521</u>
Total	<u>\$2,812,730</u>	<u>\$126,571</u>	<u>\$1,098,499</u>	<u>\$378,471</u>	<u>\$1,209,189</u>

(1) Not on balance sheet.

(2) Does not include interest expense on our Unsecured Line of Credit.

Off-Balance Sheet Arrangements

Letters of credit are issued in most cases as pledges to governmental entities for development purposes. At December 31, 2009, we have \$6.2 million in outstanding letters of credit, none of which are reflected as liabilities on our balance sheet. We have no other off-balance sheet arrangements other than those disclosed on the Contractual Obligations and Commitments table above.

Environmental

We incurred environmental costs of approximately \$0.3 million and \$1.0 million in 2009 and 2008, respectively. We estimate 2010 costs of approximately \$1.1 million. We estimate that the aggregate cost which needs to be expended in 2010 and beyond with regard to currently identified environmental issues will not exceed approximately \$3.3 million.

Inflation

For the last several years, inflation has not had a significant impact on the Company because of the relatively low inflation rates in our markets of operation. Most of our leases require the tenants to pay their share of operating expenses, including common area maintenance, real estate taxes and insurance, thereby reducing our exposure to increases in costs and operating expenses resulting from inflation. In addition, many of the outstanding leases expire within six years which may enable us to replace existing leases with new leases at higher base rentals if rents of existing leases are below the then-existing market rate.

Market Risk

The following discussion about our risk-management activities includes “forward-looking statements” that involve risk and uncertainties. Actual results could differ materially from those projected in the forward-looking statements. Our business subjects us to market risk from interest rates, and to a much lesser extent, foreign currency fluctuations.

Interest Rate Risk

This analysis presents the hypothetical gain or loss in earnings, cash flows or fair value of the financial instruments and derivative instruments which are held by us at December 31, 2009 that are sensitive to changes in the interest rates. While this analysis may have some use as a benchmark, it should not be viewed as a forecast.

In the normal course of business, we also face risks that are either non-financial or non-quantifiable. Such risks principally include credit risk and legal risk and are not represented in the following analysis.

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At December 31, 2009, approximately \$1,593.1 million (approximately 79.7% of total debt at December 31, 2009) of our debt was fixed rate debt (including \$50.0 million of borrowings under the Unsecured Line of Credit in which the interest rate was fixed via an interest rate protection agreement) and approximately \$405.2 million (approximately 20.3% of total debt at December 31, 2009) was variable rate debt. Currently, we do not enter into financial instruments for trading or other speculative purposes.

For fixed rate debt, changes in interest rates generally affect the fair value of the debt, but not our earnings or cash flows. Conversely, for variable rate debt, changes in the base interest rate used to calculate the all-in interest rate generally do not impact the fair value of the debt, but would affect our future earnings and cash flows. The interest rate risk and changes in fair market value of fixed rate debt generally do not have a significant impact on us until we are required to refinance such debt. See Note 6 to the Consolidated Financial Statements for a discussion of the maturity dates of our various fixed rate debt.

Based upon the amount of variable rate debt outstanding at December 31, 2009, a 10% increase or decrease in the interest rate on our variable rate debt would decrease or increase, respectively, future net income and cash flows by approximately \$0.5 million per year. The foregoing calculation assumes an instantaneous increase or decrease in the rates applicable to the amount of borrowings outstanding under our Unsecured Line of Credit at December 31, 2009. One consequence of the disruption in the capital markets has been sudden and dramatic changes in LIBOR, which could result in an increase to such rates. In addition, the calculation does not account for our option to elect the lower of two different interest rates under our borrowings or other possible actions, such as prepayment, that we might take in response to any rate increase. A 10% increase in interest rates would decrease the fair value of the fixed rate debt at December 31, 2009 by approximately \$54.2 million to \$1,313.9 million. A 10% decrease in interest rates would increase the fair value of the fixed rate debt at December 31, 2009 by approximately \$59.3 million to \$1,427.4 million.

The use of derivative financial instruments allows us to manage risks of increases in interest rates with respect to the effect these fluctuations would have on our earnings and cash flows. As of December 31, 2009, we had one outstanding interest rate protection agreement with a notional amount of \$50.0 million which fixes the interest rate on borrowings on our Unsecured Line of Credit and one outstanding interest rate protection agreement with a notional amount of \$50.0 million which mitigates our exposure to floating interest rates related to the reset rate of our Series F Preferred Stock. See Note 17 to the Consolidated Financial Statements.

Foreign Currency Exchange Rate Risk

Owning, operating and developing industrial property outside of the United States exposes us to the possibility of volatile movements in foreign exchange rates. Changes in foreign currencies can affect the operating results of international operations reported in U.S. dollars and the value of the foreign assets reported in U.S. dollars. The economic impact of foreign exchange rate movements is complex because such changes are often linked to variability in real growth, inflation, interest rates, governmental actions and other factors. At December 31, 2009, we owned several land parcels for which the U.S. dollar was not the functional currency. These land parcels are located in Ontario, Canada and use the Canadian dollar as their functional currency. Additionally, the 2007 Canada Joint Venture owned three industrial properties and several land parcels for which the functional currency is the Canadian dollar.

Subsequent Events

From January 1, 2010 to February 26, 2010, we sold two industrial properties comprising approximately 0.2 million square feet of GLA and several land parcels. Gross proceeds from the sale of the two industrial properties and several land parcels were approximately \$27.4 million. There were no industrial properties acquired during this period.

On February 8, 2010, we consummated a tender offer pursuant to which we purchased \$72.7 million of our 2011 Notes, \$66.2 million of our 2012 Notes and \$21.1 million of our 2014 Notes. In connection with the tender offer, we will recognize approximately \$0.4 million as gain on early retirement of debt.

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Subsequent to January 1, 2010, we obtained four mortgage loans in the amounts of \$7.8 million, \$7.2 million, \$4.3 million and \$8.3 million. The mortgages are collateralized by four industrial properties totaling approximately 0.8 million square feet of GLA. The mortgages bear interest at a fixed rate of 7.40%. The mortgages mature between February, 2015 and March, 2015.

On February 26, 2010, the IRS notified us of its intent to examine the tax returns filed by the old TRS for the years ended December 31, 2008 and December 31, 2009.

Related Party Transactions

We periodically engage in transactions for which CB Richard Ellis, Inc. acts as a broker. A relative of Michael W. Brennan, the former President and Chief Executive Officer and a former director of the Company, is an employee of CB Richard Ellis, Inc. For the years ended December 31, 2008 and 2007, this relative received approximately \$0.1 million and \$0.2 million, respectively, in brokerage commissions or other fees for transactions with the Company and the Joint Ventures.

Other

In June 2009, the FASB issued new guidance which revises and updates previously issued guidance related to variable interest entities. This new guidance, which became effective January 1, 2010, revises the previous guidance by eliminating the exemption for qualifying special purpose entities, by establishing a new approach for determining who should consolidate a variable-interest entity and by changing when it is necessary to reassess who should consolidate a variable-interest entity. We are currently assessing the potential impact that the adoption of this guidance will have on our financial position and results of operations.

Effective January 1, 2009 we adopted newly issued guidance from the FASB relating to noncontrolling interests within consolidated financial statements. This guidance establishes requirements for ownership interests in subsidiaries held by parties other than the Company (formerly called "minority interests") to be clearly identified, presented, and disclosed in the consolidated statement of financial position within equity, but separate from the parent's equity. Changes in a parent's ownership interest (and transactions with noncontrolling interest holders) while the parent retains its controlling financial interest in its subsidiary should be accounted for as equity transactions. The carrying amount of the noncontrolling interest shall be adjusted to reflect the change in its ownership interest in the subsidiary, with the offset to equity attributable to the parent. As a result of transactions with noncontrolling interest holders and changes in ownership percentages that occurred during the year ended December 31, 2009, we decreased noncontrolling interest and increased Additional Paid-in-Capital by \$49,126, which represents the cumulative impact of historical changes in the parent's ownership in the subsidiary. This guidance was effective, on a prospective basis, for fiscal years beginning after December 15, 2008, however, presentation and disclosure requirements need to be retrospectively applied to comparative financial statements. See Note 4 to the Consolidated Financial Statements for additional disclosures.

Effective January 1, 2009 we adopted newly issued guidance from the Emerging Issues Task Force ("EITF") regarding the determination of whether instruments granted in share-based payment transactions are participating securities. The guidance required retrospective application. Under this guidance, unvested share-based payment awards that contain non-forfeitable rights to dividends or dividend equivalents are participating securities and, therefore, are included in the computation of earnings per share ("EPS") pursuant to the two-class method. The two-class method determines EPS for each class of common stock and participating securities according to dividends or dividend equivalents and their respective participation rights in undistributed earnings. Certain restricted stock awards granted to employees and directors are considered participating securities as they receive non-forfeitable dividend or dividend equivalents at the same rate as common stock. The impact of adopting this guidance decreased previously filed basic and diluted EPS by \$0.06, \$0.06, \$0.05 and \$0.05 for the years ended December 31, 2008, 2007, 2006 and 2005, respectively.

Effective January 1, 2009 we adopted newly issued guidance from the FASB regarding business combinations. This guidance states that direct costs of a business combination of an operating property, such as transaction fees, due diligence and consulting fees no longer qualify to be capitalized as part of the business combination. Instead,

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these direct costs need to be recognized as expense in the period in which they are incurred. Accordingly, we retroactively expensed these types of costs in 2008 related to future operating property acquisitions.

Effective January 1, 2009 we adopted newly issued guidance from the Accounting Principles Board ("APB") regarding accounting for convertible debt instruments that may be settled for cash upon conversion. This guidance requires the liability and equity components of convertible debt instruments to be separately accounted for in a manner that reflects the issuer's nonconvertible debt borrowing rate. The guidance requires that the value assigned to the debt component be the estimated fair value of a similar bond without the conversion feature, which would result in the debt being recorded at a discount. The resulting debt discount is then amortized over the period during which the debt is expected to be outstanding (i.e., through the first optional redemption date) as additional non-cash interest expense. Retrospective application to all periods presented is required.

The equity component of the 2011 Exchangeable Notes was \$7.9 million and therefore we retroactively adjusted our Senior Unsecured Debt by this amount as of September 2006. This debt discount has been subsequently amortized and as of December 31, 2009 the principal amount of the 2011 Exchangeable Notes, its unamortized discount and the net carrying amount is \$146.9 million, \$2.0 million and \$144.9 million, respectively. In addition, we reclassified \$0.2 million of the original finance fees incurred in relation to the 2011 Exchangeable Notes to equity as of September 2006. For the year ended December 31, 2009, we recognized \$10.6 million of interest expense related to the 2011 Exchangeable Notes of which \$9.1 million relates to the coupon rate and \$1.5 million relates to the debt discount amortization. We anticipate amortizing the remaining debt discount into interest expense through maturity in September 2011. We recognized \$3.6 million and \$(0.1) million as an adjustment to total equity as of December 31, 2008 that represents amortization expense of the discount and the loan fees, respectively, which would have been recognized had the new guidance regarding accounting for convertible debt instruments been effective since the issuance date of our 2011 Exchangeable Notes.

The impact to net income and the loss from continuing operations, before noncontrolling interest, related to the adoption of the guidance regarding business combinations for the year ended December 31, 2008 was an increase to general and administrative expense of \$0.3 million. The impact to net income and the loss from continuing operations, before noncontrolling interest, related to the adoption of the guidance regarding convertible debt instruments for each of the years ended December 31, 2008 and 2007 was an increase to interest expense of \$1.6 million and a decrease to amortization of deferred financing fees of \$0.1 million.

The impact to the balance sheet as of December 31, 2008 related to the adoption of the guidance regarding business combinations and convertible debt instruments is as follows:

	<u>Balance Sheet as Previously Filed - as of December 31, 2008</u>	<u>Adjustments Related to Adoption of Business Combination Guidance</u>	<u>Adjustments Related to Adoption of Convertible Debt Instrument Guidance</u>	<u>Balance Sheet as Adjusted - as of December 31, 2008</u>
Deferred Financing Costs, Net . . .	\$ 12,197	\$ —	\$ (106)	\$ 12,091
Prepaid Expenses and Other Assets, Net	\$ 174,743	\$(269)	\$ —	\$ 174,474
Senior Unsecured Debt, Net	\$1,516,298	\$ —	\$(4,343)	\$1,511,955
Additional Paid-in-Capital	\$1,390,358	\$ —	\$ 7,666	\$1,398,024
Distributions in Excess of Accumulated Earnings.	\$ (366,962)	\$(255)	\$(3,012)	\$ (370,229)
Total First Industrial Realty Trust, Inc.'s Stockholders' Equity	\$ 864,200	\$(255)	\$ 4,654	\$ 868,599
Noncontrolling Interest	<u>122,548</u>	<u>(14)</u>	<u>(417)</u>	<u>122,117</u>
Total Equity	<u>\$ 986,748</u>	<u>\$(269)</u>	<u>\$ 4,237</u>	<u>\$ 990,716</u>

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RISK FACTORS

Our operations involve various risks that could adversely affect our financial condition, results of operations, cash flow, ability to pay distributions on our common stock and the market price of our common stock. These risks, among others contained in our other filings with the SEC, include:

Ongoing disruptions in the financial markets could affect our ability to obtain financing and may negatively impact our liquidity, financial condition and operating results.

The capital and credit markets in the United States and other countries have experienced significant price volatility, dislocations and liquidity disruptions, which have caused market prices of many securities to fluctuate substantially and the spreads on prospective debt financings to widen considerably. These circumstances have materially impacted liquidity in the financial markets, making terms for certain financings less attractive, and in some cases have resulted in the unavailability of financing. A majority of our existing indebtedness was sold through capital markets transactions. We anticipate that the capital markets could be a source of refinancing of our existing indebtedness in the future, including our 7.375% Notes due on March 15, 2011 in the aggregate amount of \$143.5 million and \$70.8 million as of December 31, 2009 and February 26, 2010, respectively (see Note 20 to the Consolidated Financial Statements), and our 4.625% Exchangeable Notes due on September 15, 2011 in the aggregate amount of \$146.9 million as of December 31, 2009. This source of refinancing may not be available if capital market volatility and disruption continues, which could have a material adverse effect on our liquidity. Furthermore, we could potentially lose access to our current available liquidity under our Unsecured Line of Credit if one or more participating lenders default on their commitments. While the ultimate outcome of these market conditions cannot be predicted, they may have a material adverse effect on our liquidity and financial condition if our ability to borrow money under our Unsecured Line of Credit or to issue additional debt or equity securities to finance future acquisitions, developments and redevelopments and Joint Venture activities were to be impaired.

In addition, the continuing capital and credit market price volatility could make the valuation of our properties and those of our unconsolidated Joint Ventures more difficult. There may be significant uncertainty in the valuation, or in the stability of the value, of our properties and those of our unconsolidated Joint Ventures, that could result in a substantial decrease in the value of our properties and those of our unconsolidated Joint Ventures. As a result, we may not be able to recover the carrying amount of our properties or our investments in Joint Ventures, which may require us to recognize an impairment loss in earnings.

Real estate investments' value fluctuates depending on conditions in the general economy and the real estate business. These conditions may limit the Company's revenues and available cash.

The factors that affect the value of our real estate and the revenues we derive from our properties include, among other things:

- general economic conditions;
- local, regional, national and international economic conditions and other events and occurrences that affect the markets in which we own properties;
- local conditions such as oversupply or a reduction in demand in an area;
- the attractiveness of the properties to tenants;
- tenant defaults;
- zoning or other regulatory restrictions;
- competition from other available real estate;
- our ability to provide adequate maintenance and insurance; and
- increased operating costs, including insurance premiums and real estate taxes.

These factors may be amplified in light of the disruption of the global credit markets. Our investments in real estate assets are concentrated in the industrial sector, and the demand for industrial space in the United States is

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related to the level of economic output. Accordingly, reduced economic output may lead to lower occupancy rates for our properties. In addition, if any of our tenants experiences a downturn in its business that weakens its financial condition, delays lease commencement, fails to make rental payments when due, becomes insolvent or declares bankruptcy, the result could be a termination of the tenant's lease, which could adversely affect our cash flow from operations.

Many real estate costs are fixed, even if income from properties decreases.

Our financial results depend on leasing space to tenants on terms favorable to us. Our income and funds available for distribution to our stockholders will decrease if a significant number of our tenants cannot pay their rent or we are unable to lease properties on favorable terms. In addition, if a tenant does not pay its rent, we may not be able to enforce our rights as landlord without delays and we may incur substantial legal costs. Costs associated with real estate investment, such as real estate taxes and maintenance costs, generally are not reduced when circumstances cause a reduction in income from the investment.

The Company may be unable to sell properties when appropriate because real estate investments are not as liquid as certain other types of assets.

Real estate investments generally cannot be sold quickly and, therefore, will tend to limit our ability to adjust our property portfolio promptly in response to changes in economic or other conditions. The inability to respond promptly to changes in the performance of our property portfolio could adversely affect our financial condition and ability to service debt and make distributions to our stockholders. In addition, like other companies qualifying as REITs under the Code, we must comply with the safe harbor rules relating to the number of properties disposed of in a year, their tax basis and the cost of improvements made to the properties, or meet other tests which enable a REIT to avoid punitive taxation on the sale of assets. Thus, our ability at any time to sell assets may be restricted.

The Company may be unable to sell properties on advantageous terms.

We have sold to third parties a significant number of properties in recent years and, as part of our business, we intend to continue to sell properties to third parties. Our ability to sell properties on advantageous terms depends on factors beyond our control, including competition from other sellers and the availability of attractive financing for potential buyers of our properties. If we are unable to sell properties on favorable terms or redeploy the proceeds of property sales in accordance with our business strategy, then our financial condition, results of operations, cash flow and ability to pay dividends on, and the market price of, our common stock could be adversely affected.

We have also sold to our Joint Ventures a significant number of properties in recent years and, as part of our business, we intend to continue to sell or contribute properties to our Joint Ventures as opportunities arise. If we do not have sufficient properties available that meet the investment criteria of current or future Joint Ventures, or if the Joint Ventures have reduced or do not have access to capital on favorable terms, then such sales could be delayed or prevented, adversely affecting our financial condition, results of operations, cash flow and ability to pay dividends on, and the market price of, our common stock.

The Company may be unable to complete development and re-development projects on advantageous terms.

As part of our business, we develop new and re-develop existing properties. In addition, we have sold to third parties or sold to our Joint Ventures a significant number of development and re-development properties in recent years, and we intend to continue to sell such properties to third parties or to sell or contribute such properties to our Joint Ventures as opportunities arise. The real estate development and re-development business involves significant risks that could adversely affect our financial condition, results of operations, cash flow and ability to pay dividends on, and the market price of, our common stock, which include:

- we may not be able to obtain financing for development projects on favorable terms and complete construction on schedule or within budget, resulting in increased debt service expense and construction costs and delays in leasing the properties and generating cash flow;

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

- we may not be able to obtain, or may experience delays in obtaining, all necessary zoning, land-use, building, occupancy and other governmental permits and authorizations;
- the properties may perform below anticipated levels, producing cash flow below budgeted amounts and limiting our ability to sell such properties to third parties or to sell such properties to our Joint Ventures.

The Company may be unable to renew leases or find other lessees.

We are subject to the risks that, upon expiration, leases may not be renewed, the space subject to such leases may not be relet or the terms of renewal or reletting, including the cost of required renovations, may be less favorable than expiring lease terms. If we were unable to promptly renew a significant number of expiring leases or to promptly relet the space covered by such leases, or if the rental rates upon renewal or reletting were significantly lower than the current rates, our financial condition, results of operation, cash flow and ability to pay dividends on, and the market price of, our common stock could be adversely affected. As of December 31, 2009, leases with respect to approximately 11.8 million, 9.5 million and 8.7 million square feet of GLA, representing 21%, 17% and 15% of GLA, expire in 2010, 2011 and 2012, respectively.

The Company may be unable to acquire properties on advantageous terms or acquisitions may not perform as the Company expects.

We acquire and intend to continue to acquire primarily industrial properties. The acquisition of properties entails various risks, including the risks that our investments may not perform as expected and that our cost estimates for bringing an acquired property up to market standards may prove inaccurate. Further, we face significant competition for attractive investment opportunities from other well-capitalized real estate investors, including both publicly-traded REITs and private investors. This competition increases as investments in real estate become attractive relative to other forms of investment. As a result of competition, we may be unable to acquire additional properties as we desire or the purchase price may be elevated. In addition, we expect to finance future acquisitions through a combination of borrowings under the Unsecured Line of Credit, proceeds from equity or debt offerings and debt originations by the Company and proceeds from property sales, which may not be available and which could adversely affect our cash flow. Any of the above risks could adversely affect our financial condition, results of operations, cash flow and ability to pay dividends on, and the market value of, our common stock.

The Company might fail to qualify or remain qualified as a REIT.

We intend to operate so as to qualify as a REIT under the Code. Although we believe that we are organized and will operate in a manner so as to qualify as a REIT, qualification as a REIT involves the satisfaction of numerous requirements, some of which must be met on a recurring basis. These requirements are established under highly technical and complex Code provisions of which there are only limited judicial or administrative interpretations and involve the determination of various factual matters and circumstances not entirely within our control.

If we were to fail to qualify as a REIT in any taxable year, we would be subject to federal income tax, including any applicable alternative minimum tax, on our taxable income at corporate rates. This could result in a discontinuation or substantial reduction in dividends to stockholders and in cash to pay interest and principal on debt securities that we issue. Unless entitled to relief under certain statutory provisions, we would be disqualified from electing treatment as a REIT for the four taxable years following the year during which we failed to qualify as a REIT.

Certain property transfers may generate prohibited transaction income, resulting in a penalty tax on the gain attributable to the transaction.

As part of our business, we sell properties to third parties or sell properties to our Joint Ventures as opportunities arise. Under the Code, a 100% penalty tax could be assessed on the gain resulting from sales of properties that are deemed to be prohibited transactions. The question of what constitutes a prohibited transaction is based on the facts and circumstances surrounding each transaction. The Internal Revenue Service ("IRS") could contend that certain sales of properties by us are prohibited transactions. While we do not believe that the IRS would

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

prevail in such a dispute, if the matter were successfully argued by the IRS, the 100% penalty tax could be assessed against the profits from these transactions. In addition, any income from a prohibited transaction may adversely affect our ability to satisfy the income tests for qualification as a REIT.

The REIT distribution requirements may limit the Company's ability to retain capital and require the Company to turn to external financing sources.

We could, in certain instances, have taxable income without sufficient cash to enable us to meet the distribution requirements of the REIT provisions of the Code. In that situation, we could be required to borrow funds or sell properties on adverse terms in order to meet those distribution requirements. In addition, because we must distribute to our stockholders at least 90% of our REIT taxable income each year, our ability to accumulate capital may be limited. Thus, to provide capital resources for our ongoing business, and to satisfy our debt repayment obligations and other liquidity needs, we may be more dependent on outside sources of financing, such as debt financing or issuances of additional capital stock, which may or may not be available on favorable terms. Additional debt financings may substantially increase our leverage and additional equity offerings may result in substantial dilution of stockholders' interests.

Debt financing, the degree of leverage and rising interest rates could reduce the Company's cash flow.

Where possible, we intend to continue to use leverage to increase the rate of return on our investments and to allow us to make more investments than we otherwise could. Our use of leverage presents an additional element of risk in the event that the cash flow from our properties is insufficient to meet both debt payment obligations and the distribution requirements of the REIT provisions of the Code. In addition, rising interest rates would reduce our cash flow by increasing the amount of interest due on our floating rate debt and on our fixed rate debt as it matures and is refinanced.

Failure to comply with covenants in our debt agreements could adversely affect our financial condition.

The terms of our agreements governing our Unsecured Line of Credit and other indebtedness require that we comply with a number of financial and other covenants, such as maintaining debt service coverage and leverage ratios and maintaining insurance coverage. Complying with such covenants may limit our operational flexibility. Moreover, our failure to comply with these covenants could cause a default under the applicable debt agreement even if we have satisfied our payment obligations. Upon the occurrence of an event of default, the lenders under our Unsecured Line of Credit will not be required to lend any additional amounts to us, and our outstanding senior debt securities as well as all outstanding borrowings under the Unsecured Line of Credit, together with accrued and unpaid interest and fees, could be accelerated and declared to be immediately due and payable. Furthermore, our Unsecured Line of Credit and senior debt securities contain certain cross-default provisions, which are triggered in the event that our other material indebtedness is in default. These cross-default provisions may require us to repay or restructure the Unsecured Line of Credit and the senior debt securities or other debt that is in default, which could adversely affect our financial condition, results of operations, cash flow and ability to pay dividends on, and the market price of, our stock. If repayment of any of our borrowings is accelerated, we cannot provide assurance that we will have sufficient assets to repay such indebtedness or that we would be able to borrow sufficient funds to refinance such indebtedness. Even if we are able to obtain new financing, it may not be on commercially reasonable terms, or terms that are acceptable to us.

Moreover, the provisions of credit agreements and other debt instruments are complex, and some are subject to varying interpretations. Breaches of these provisions may be identified or occur in the future, and such provisions may be interpreted by the lenders under our Unsecured Line of Credit, or the trustee with respect to the senior debt securities, in a manner that could impose material costs on us.

Cross-collateralization of mortgage loans could result in foreclosure on substantially all of the Company's properties if the Company is unable to service its indebtedness.

We intend to obtain additional mortgage debt financing in the future, if it is available to us. These mortgages may be issued on a recourse, non-recourse or cross-collateralized basis. Cross-collateralization makes all of the

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

subject properties available to the lender in order to satisfy our debt. Holders of indebtedness that is so secured will have a claim against these properties. To the extent indebtedness is cross-collateralized, lenders may seek to foreclose upon properties that are not the primary collateral for their loan, which may, in turn, result in acceleration of other indebtedness secured by properties. Foreclosure of properties would result in a loss of income and asset value to us, making it difficult for us to meet both debt payment obligations and the distribution requirements of the REIT provisions of the Code. At December 31, 2009, none of our existing indebtedness was cross-collateralized with the exception of three mortgage loans payable, totaling \$20.4 million, that were originated in September 2009 (see Note 6 to the Consolidated Financial Statements).

The Company may have to make lump-sum payments on its existing indebtedness.

We are required to make the following lump-sum or “balloon” payments under the terms of some of our indebtedness, including indebtedness of the Operating Partnership:

- \$35.0 million aggregate principal amount of 7.750% Notes due 2032 (the “2032 Notes”)
- \$190.0 million aggregate principal amount of 7.600% Notes due 2028 (the “2028 Notes”)
- Approximately \$13.6 million aggregate principal amount of 7.150% Notes due 2027 (the “2027 Notes”)
- Approximately \$117.8 million aggregate principal amount of 5.950% Notes due 2017 (the “2017 II Notes”)
- Approximately \$87.3 million aggregate principal amount of 7.500% Notes due 2017 (the “2017 Notes”)
- Approximately \$160.2 million aggregate principal amount of 5.750% Notes due 2016 (the “2016 Notes”)
- Approximately \$91.9 million aggregate principal amount of 6.420% Notes due 2014 (the “2014 Notes”); (see Note 20 to the Consolidated Financial Statements)
- Approximately \$77.8 million aggregate principal amount of 6.875% Notes due 2012 (the “2012 Notes”); (see Note 20 to the Consolidated Financial Statements)
- \$146.9 million aggregate principal amount of 4.625% Notes due 2011 (the “2011 Exchangeable Notes”)
- Approximately \$70.8 million aggregate principal amount of 7.375% Notes due 2011 (the “2011 Notes”); (see Note 20 to the Consolidated Financial Statements)
- \$353.5 million in mortgage loans payable, in the aggregate, due between December 2010 and January 2020 on certain of our mortgage loans payable.
- a \$500.0 million Unsecured Line of Credit under which we may borrow to finance the acquisition of additional properties and for other corporate purposes, including working capital.

The Unsecured Line of Credit provides for the repayment of principal in a lump-sum or “balloon” payment at maturity in 2012. As of December 31, 2009, \$455.2 million was outstanding under the Unsecured Line of Credit at a weighted average interest rate of 1.256%.

Our ability to make required payments of principal on outstanding indebtedness, whether at maturity or otherwise, may depend on our ability either to refinance the applicable indebtedness or to sell properties. We have no commitments to refinance the 2011 Notes, the 2011 Exchangeable Notes, the 2012 Notes, the 2014 Notes, the 2016 Notes, the 2017 Notes, the 2017 II Notes, the 2027 Notes, the 2028 Notes, the 2032 Notes, the Unsecured Line of Credit or the mortgage loans. Our existing mortgage loan obligations are secured by our properties and therefore such obligations will permit the lender to foreclose on those properties in the event of a default.

There is no limitation on debt in the Company's organizational documents.

As of December 31, 2009, our ratio of debt to our total market capitalization was 76.1%. We compute that percentage by calculating our total consolidated debt as a percentage of the aggregate market value of all outstanding shares of our common stock, assuming the exchange of all limited partnership units of the Operating Partnership for common stock, plus the aggregate stated value of all outstanding shares of preferred stock and total consolidated debt. Our organizational documents do not contain any limitation on the amount or percentage of

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

indebtedness we may incur. Accordingly, we could become more highly leveraged, resulting in an increase in debt service that could adversely affect our ability to make expected distributions to stockholders and in an increased risk of default on our obligations.

Rising interest rates on the Company's Unsecured Line of Credit could decrease the Company's available cash.

Our Unsecured Line of Credit bears interest at a floating rate. As of December 31, 2009, our Unsecured Line of Credit had an outstanding balance of \$455.2 million at a weighted average interest rate of 1.256%. Our Unsecured Line of Credit presently bears interest at the prime rate plus 0.15% or at the LIBOR plus 1.0%, at our election. Based on the outstanding balance on our Unsecured Line of Credit as of December 31, 2009, a 10% increase in interest rates would increase interest expense by \$0.5 million on an annual basis. Increases in the interest rate payable on balances outstanding under our Unsecured Line of Credit would decrease our cash available for distribution to stockholders.

The Company's mortgages may impact the Company's ability to sell encumbered properties on advantageous terms or at all.

As part of our plan to enhance liquidity and pay down our debt, we have originated numerous mortgage financings and we are in active discussions with various lenders regarding the origination of additional mortgage financings. Certain of our mortgages contain, and it is anticipated that some future mortgages will contain, substantial prepayment premiums which we would have to pay upon the sale of a property, thereby reducing the net proceeds to us from the sale of any such property. As a result, our willingness to sell certain properties and the price at which we may desire to sell a property may be impacted by the terms of any mortgage financing encumbering a property. If we are unable to sell properties on favorable terms or redeploy the proceeds of property sales in accordance with our business strategy, then our financial condition, results of operations, cash flow and ability to pay dividends on, and the market price of, our common stock could be adversely affected.

Adverse market and economic conditions could cause us to recognize additional impairment charges.

We regularly review our real estate assets for impairment indicators, such as a decline in a property's occupancy rate. If we determine that indicators of impairment are present, we review the properties affected by these indicators to determine whether an impairment charge is required. We use considerable judgment in making determinations about impairments, from analyzing whether there are indicators of impairment to the assumptions used in calculating the fair value of the investment. Accordingly, our subjective estimates and evaluations may not be accurate, and such estimates and evaluations are subject to change or revision.

Ongoing adverse market and economic conditions and market volatility will likely continue to make it difficult to value the real estate assets owned by us as well as the value of our interests in unconsolidated joint ventures. There may be significant uncertainty in the valuation, or in the stability of the cash flows, discount rates and other factors related to such assets due to the adverse market and economic conditions that could result in a substantial decrease in their value. We may be required to recognize additional asset impairment charges in the future, which could materially and adversely affect our business, financial condition and results of operations.

Earnings and cash dividends, asset value and market interest rates affect the price of the Company's common stock.

As a REIT, the market value of our common stock, in general, is based primarily upon the market's perception of our growth potential and our current and potential future earnings and cash dividends. The market value of our common stock is based secondarily upon the market value of our underlying real estate assets. For this reason, shares of our common stock may trade at prices that are higher or lower than our net asset value per share. To the extent that we retain operating cash flow for investment purposes, working capital reserves, or other purposes, these retained funds, while increasing the value of our underlying assets, may not correspondingly increase the market price of our common stock. Our failure to meet the market's expectations with regard to future earnings and cash dividends likely would adversely affect the market price of our common stock. Further, the distribution yield on the

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

common stock (as a percentage of the price of the common stock) relative to market interest rates may also influence the price of our common stock. An increase in market interest rates might lead prospective purchasers of our common stock to expect a higher distribution yield, which would adversely affect the market price of our common stock.

The Company may incur unanticipated costs and liabilities due to environmental problems.

Under various federal, state and local laws, ordinances and regulations, an owner or operator of real estate may be liable for the costs of clean-up of certain conditions relating to the presence of hazardous or toxic materials on, in or emanating from a property, and any related damages to natural resources. Environmental laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the presence of hazardous or toxic materials. The presence of such materials, or the failure to address those conditions properly, may adversely affect the ability to rent or sell the property or to borrow using a property as collateral. Persons who dispose of or arrange for the disposal or treatment of hazardous or toxic materials may also be liable for the costs of clean-up of such materials, or for related natural resource damages, at or from an off-site disposal or treatment facility, whether or not the facility is owned or operated by those persons. No assurance can be given that existing environmental assessments with respect to any of our properties reveal all environmental liabilities, that any prior owner or operator of any of the properties did not create any material environmental condition not known to us or that a material environmental condition does not otherwise exist as to any of our Company's properties. In addition, changes to existing environmental regulation to address, to among other things, climate change, could increase the scope of our potential liabilities.

The Company's insurance coverage does not include all potential losses.

We currently carry comprehensive insurance coverage including property, boiler & machinery, liability, fire, flood, terrorism, earthquake, extended coverage and rental loss as appropriate for the markets where each of our properties and their business operations are located. The insurance coverage contains policy specifications and insured limits customarily carried for similar properties and business activities. We believe our properties are adequately insured. However, there are certain losses, including losses from earthquakes, hurricanes, floods, pollution, acts of war, acts of terrorism or riots, that are not generally insured against or that are not generally fully insured against because it is not deemed to be economically feasible or prudent to do so. If an uninsured loss or a loss in excess of insured limits occurs with respect to one or more of our properties, we could experience a significant loss of capital invested and potential revenues from these properties, and could potentially remain obligated under any recourse debt associated with the property.

The Company is subject to risks and liabilities in connection with its investments in properties through Joint Ventures.

As of December 31, 2009, six of our Joint Ventures owned approximately 22.6 million square feet of properties. As of December 31, 2009, our net investment in Joint Ventures was \$5.8 million in the aggregate, and for the year ended December 31, 2009, our Equity in Net Loss of Joint Ventures was \$(6.5) million. Our organizational documents do not limit the amount of available funds that we may invest in Joint Ventures and we intend to continue to develop and acquire properties through Joint Ventures with other persons or entities when warranted by the circumstances. Joint venture investments, in general, involve certain risks, including:

- co-members or joint venturers may share certain approval rights over major decisions;
- co-members or joint venturers might fail to fund their share of any required capital commitments;
- co-members or joint venturers might have economic or other business interests or goals that are inconsistent with our business interests or goals that would affect our ability to operate the property;
- co-members or joint venturers may have the power to act contrary to our instructions, requests, policies or objectives, including our current policy with respect to maintaining our qualification as a real estate investment trust;

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

- the joint venture agreements often restrict the transfer of a member's or joint venturer's interest or "buy-sell" or may otherwise restrict our ability to sell the interest when we desire or on advantageous terms;
- disputes between us and our co-members or joint venturers may result in litigation or arbitration that would increase our expenses and prevent our officers and directors from focusing their time and effort on our business and subject the properties owned by the applicable joint venture to additional risk; and
- we may in certain circumstances be liable for the actions of our co-members or joint venturers.

The occurrence of one or more of the events described above could adversely affect our financial condition, results of operations, cash flow and ability to pay dividends on, and the market price of, our common stock.

In addition, joint venture investments in real estate involve all of the risks related to the ownership, acquisition, development, sale and financing of real estate discussed in the risk factors above. To the extent our investments in Joint Ventures are adversely affected by such risks our financial condition, results of operations, cash flow and ability to pay dividends on, and the market price of, our common stock could be adversely affected.

We are subject to risks associated with our international operations.

Under our market strategy, we plan to acquire and develop properties in Canada. Our international operations will be subject to risks inherent in doing business abroad, including:

- exposure to the economic fluctuations in the locations in which we invest;
- difficulties and costs associated with complying with a wide variety of complex laws, treaties and regulations;
- revisions in tax treaties or other laws and regulations, including those governing the taxation of our international revenues;
- obstacles to the repatriation of earnings and funds;
- currency exchange rate fluctuations between the United States dollar and foreign currencies;
- restrictions on the transfer of funds; and
- national, regional and local political uncertainty.

When we acquire properties located outside of the United States, we may face risks associated with a lack of market knowledge or understanding of the local economy, forging new business relationships in the area and unfamiliarity with local government and permitting procedures. We work to mitigate such risks through extensive diligence and research and associations with experienced partners; however, there can be no guarantee that all such risks will be eliminated.

We also have offices outside of the United States. Our ability to effectively establish, staff and manage these offices is subject to risks associated with employment practices, labor issues, and cultural factors that differ from those with which we are familiar. In addition, we may be subject to regulatory requirements and prohibitions that differ between jurisdictions. To the extent we expand our business globally, we may have difficulty anticipating and effectively managing these and other risks that our international operations may face, which may adversely affect our business outside the United States and our financial condition and results of operations.

CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our periodic reports pursuant to the Securities Exchange Act of 1934 (the “Exchange Act”) is recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required financial disclosure.

We carried out an evaluation, under the supervision and with the participation of our management, including the principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(b) as of the end of the period covered by this report. Based upon this evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report.

Management’s Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Our management has assessed the effectiveness of our internal control over financial reporting as of December 31, 2009. In making its assessment of internal control over financial reporting, management used the criteria described in the Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Our management has concluded that, as of December 31, 2009, our internal control over financial reporting was effective.

The effectiveness of our internal control over financial reporting as of December 31, 2009 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which appears on page A-32 of this annual report.

Changes in Internal Control Over Financial Reporting

There has been no change in our internal control over financial reporting that occurred during the fourth quarter of 2009 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
First Industrial Realty Trust, Inc.:

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of First Industrial Realty Trust, Inc. and its subsidiaries (the “Company”) at December 31, 2009 and 2008, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2009 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the accompanying financial statement schedule presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2009, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company’s management is responsible for these financial statements and financial statement schedule, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Management’s Report on Internal Control Over Financial Reporting appearing on page A-31 of the 2009 Annual Report to Stockholders. Our responsibility is to express opinions on these financial statements, on the financial statement schedule, and on the Company’s internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

As discussed in Note 4 to the consolidated financial statements, on January 1, 2009, the Company changed the manner in which it accounts for noncontrolling interests, the manner in which it calculates earnings per share for participating securities under the two class method, the manner in which it accounts for debt instruments with conversion options, and the manner in which it accounts for business combinations.

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Chicago, Illinois
March 1, 2010

FIRST INDUSTRIAL REALTY TRUST, INC.

CONSOLIDATED BALANCE SHEETS

	December 31, 2009	(As Adjusted) December 31, 2008
	(In thousands except share and per share data)	
ASSETS		
Assets:		
Investment in Real Estate:		
Land	\$ 751,479	\$ 776,991
Buildings and Improvements	2,543,573	2,551,450
Construction in Progress	24,712	57,156
Less: Accumulated Depreciation	<u>(594,895)</u>	<u>(523,108)</u>
Net Investment in Real Estate	<u>2,724,869</u>	<u>2,862,489</u>
Real Estate and Other Assets Held for Sale, Net of Accumulated Depreciation and Amortization of \$3,341 and \$2,251 at December 31, 2009 and December 31, 2008, respectively	37,305	21,117
Cash and Cash Equivalents	182,943	3,182
Restricted Cash	102	109
Tenant Accounts Receivable, Net	2,243	10,414
Investments in Joint Ventures	8,788	16,299
Deferred Rent Receivable, Net	39,220	32,984
Deferred Financing Costs, Net	15,333	12,091
Deferred Leasing Intangibles, Net	60,160	90,342
Prepaid Expenses and Other Assets, Net	<u>133,623</u>	<u>174,474</u>
Total Assets	<u><u>\$3,204,586</u></u>	<u><u>\$3,223,501</u></u>
LIABILITIES AND EQUITY		
Liabilities:		
Mortgage and Other Loans Payable, Net	\$ 402,974	\$ 77,396
Senior Unsecured Debt, Net	1,140,114	1,511,955
Unsecured Line of Credit	455,244	443,284
Accounts Payable, Accrued Expenses and Other Liabilities, Net	80,684	128,828
Deferred Leasing Intangibles, Net	24,754	30,754
Rents Received in Advance and Security Deposits	26,117	26,181
Leasing Intangibles Held for Sale, Net of Accumulated Amortization of \$0 and \$254 at December 31, 2009 and December 31, 2008, respectively	—	541
Dividends Payable	<u>452</u>	<u>13,846</u>
Total Liabilities	<u>2,130,339</u>	<u>2,232,785</u>
Commitments and Contingencies	—	—
Equity:		
First Industrial Realty Trust Inc.'s Stockholders' Equity:		
Preferred Stock (\$0.01 par value, 10,000,000 shares authorized, 500, 250, 600, and 200 shares of Series F, G, J, and K Cumulative Preferred Stock, respectively, issued and outstanding at December 31, 2009 and December 31, 2008, having a liquidation preference of \$100,000 per share (\$50,000), \$100,000 per share (\$25,000), \$250,000 per share (\$150,000), and \$250,000 per share (\$50,000), respectively)	—	—
Common Stock (\$0.01 par value, 100,000,000 shares authorized, 66,169,328 and 48,976,296 shares issued and 61,845,214 and 44,652,182 shares outstanding at December 31, 2009 and December 31, 2008, respectively).	662	490
Additional Paid-in-Capital	1,551,218	1,398,024
Distributions in Excess of Accumulated Earnings	(384,013)	(370,229)
Accumulated Other Comprehensive Loss	(18,408)	(19,668)
Treasury Shares at Cost (4,324,114 shares at December 31, 2009 and December 31, 2008)	<u>(140,018)</u>	<u>(140,018)</u>
Total First Industrial Realty Trust, Inc.'s Stockholders' Equity	1,009,441	868,599
Noncontrolling Interest	<u>64,806</u>	<u>122,117</u>
Total Equity	<u>1,074,247</u>	<u>990,716</u>
Total Liabilities and Equity	<u><u>\$3,204,586</u></u>	<u><u>\$3,223,501</u></u>

The accompanying notes are an integral part of the consolidated financial statements.

FIRST INDUSTRIAL REALTY TRUST, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended December 31, 2009	(As Adjusted) Year Ended December 31, 2008	(As Adjusted) Year Ended December 31, 2007
(In thousands except per share data)			
Revenues:			
Rental Income	\$ 266,419	\$ 262,274	\$ 232,659
Tenant Recoveries and Other Income	90,582	104,748	101,587
Construction Revenues	54,957	147,299	35,628
Total Revenues	411,958	514,321	369,874
Expenses:			
Property Expenses	123,819	121,737	107,653
General and Administrative	37,835	84,896	92,101
Restructuring Costs	7,806	27,349	—
Impairment of Real Estate	6,934	—	—
Depreciation and Other Amortization	147,216	156,070	133,354
Construction Expenses	52,720	139,539	34,553
Total Expenses	376,330	529,591	367,661
Other Income (Expense):			
Interest Income	3,084	3,690	1,926
Interest Expense	(115,421)	(113,139)	(120,894)
Amortization of Deferred Financing Costs	(3,030)	(2,840)	(3,171)
Mark-to-Market Gain (Loss) on Interest Rate Protection Agreements	3,667	(3,073)	—
Gain (Loss) From Early Retirement of Debt	34,562	2,749	(393)
Total Other Income (Expense)	(77,138)	(112,613)	(122,532)
Loss from Continuing Operations Before Equity in (Loss) Income of Joint Ventures and Income Tax Benefit	(41,510)	(127,883)	(120,319)
Equity in (Loss) Income of Joint Ventures	(6,470)	(33,178)	30,045
Income Tax Benefit	25,155	12,958	11,200
Loss from Continuing Operations	(22,825)	(148,103)	(79,074)
Income from Discontinued Operations (Including Gain on Sale of Real Estate of \$24,206, \$172,167, and \$244,962 for the Years Ended December 31, 2009, 2008 and 2007, respectively)	28,596	187,351	283,950
Provision for Income Taxes Allocable to Discontinued Operations (including \$1,462, \$3,732, and \$36,032 allocable to Gain on Sale of Real Estate for the Years Ended December 31, 2009, 2008 and 2007, respectively)	(1,816)	(4,887)	(38,673)
Income Before Gain on Sale of Real Estate	3,955	34,361	166,203
Gain on Sale of Real Estate	374	12,008	9,425
Provision for Income Taxes Allocable to Gain on Sale of Real Estate	(143)	(3,782)	(3,082)
Net Income	4,186	42,587	172,546
Less: Net Loss (Income) Attributable to the Noncontrolling Interest	1,547	(2,990)	(18,841)
Net Income Attributable to First Industrial Realty Trust, Inc.	5,733	39,597	153,705
Less: Preferred Dividends	(19,516)	(19,428)	(21,320)
Less: Redemption of Preferred Stock	—	—	(2,017)
Net (Loss) Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders and Participating Securities	\$ (13,783)	\$ 20,169	\$ 130,368
Basic and Diluted Earnings Per Share:			
Loss from Continuing Operations Available to First Industrial Realty Trust, Inc.'s Common Stockholders	\$ (0.78)	\$ (3.23)	\$ (1.90)
Income from Discontinued Operations Attributable to First Industrial Realty Trust, Inc.'s Common Stockholders	\$ 0.49	\$ 3.64	\$ 4.80
Net (Loss) Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	\$ (0.28)	\$ 0.41	\$ 2.90
Weighted Average Shares Outstanding	48,695	43,193	44,086

The accompanying notes are an integral part of the consolidated financial statements.

FIRST INDUSTRIAL REALTY TRUST, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Year Ended December 31, 2009	(As Adjusted) Year Ended December 31, 2008	(As Adjusted) Year Ended December 31, 2007
	(Dollars in thousands)		
Net Income	\$4,186	\$42,587	\$172,546
Settlement of Interest Rate Protection Agreements	—	—	(4,261)
Mark-to-Market on Interest Rate Protection Agreements, Net of Income Tax (Provision) Benefit of \$(450), \$610 and \$254 for the years ended December 31, 2009, 2008 and 2007, respectively	(383)	(8,676)	3,819
Amortization of Interest Rate Protection Agreements	796	(792)	(916)
Write-off of Unamortized Settlement Amounts of Interest Rate Protection Agreements	523	831	—
Foreign Currency Translation Adjustment, Net of Tax (Provision) Benefit of \$(2,817), \$3,498 and \$(1,149) for the years ended December 31, 2009, 2008 and 2007, respectively	<u>1,503</u>	<u>(2,792)</u>	<u>2,134</u>
Comprehensive Income	6,625	31,158	173,322
Comprehensive Loss (Income) Attributable to Noncontrolling Interest	<u>1,299</u>	<u>(1,599)</u>	<u>(18,983)</u>
Comprehensive Income Attributable to First Industrial Realty Trust, Inc.	<u><u>\$7,924</u></u>	<u><u>\$29,559</u></u>	<u><u>\$154,339</u></u>

The accompanying notes are an integral part of the consolidated financial statements.

FIRST INDUSTRIAL REALTY TRUST, INC.

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

	Year Ended December 31, 2009	(As Adjusted) Year Ended December 31, 2008	(As Adjusted) Year Ended December 31, 2007
	(Dollars in thousands)		
Preferred Stock — Beginning of Year	\$ —	\$ —	\$ —
Issuance of Preferred Stock	—	—	—
Redemption of Preferred Stock	—	—	—
Preferred Stock — End of Year	\$ —	\$ —	\$ —
Common Stock — Beginning of Year	\$ 490	\$ 480	\$ 475
Net Proceeds from the Issuance of Common Stock	169	—	—
Issuance of Restricted Stock	—	6	5
Repurchase and Retirement of Common Stock	(1)	(2)	—
Conversion of Units to Common Stock	4	6	—
Common Stock — End of Year	\$ 662	\$ 490	\$ 480
Additional Paid-In-Capital — Beginning of Year	\$1,398,024	\$1,362,375	\$1,396,015
Offering Costs	(909)	(321)	(46)
Issuance of Common Stock	84,535	174	613
Issuance of Restricted Stock	—	(6)	(5)
Repurchase and Retirement of Restricted Stock/Common Stock	(737)	(4,579)	(3,210)
Redemption of Preferred Stock	—	—	(47,997)
Conversion of Units to Common Stock	7,813	14,575	2,855
Amortization of Restricted Stock and Restricted Unit Awards	13,399	25,806	14,150
Repurchase of Equity Component of Exchangeable Notes	(33)	—	—
Reallocation of Partnership Interest	49,126	—	—
Additional Paid-In-Capital — End of Year	\$1,551,218	\$1,398,024	\$1,362,375
Dist. In Excess of Accum. Earnings — Beginning of Year	\$ (370,229)	\$ (283,268)	\$ (285,290)
Preferred Stock Dividends	(19,516)	(19,428)	(21,320)
Distributions \$2.41 and \$2.85 per Share/Unit at December 31, 2008 and 2007, respectively)	—	(121,882)	(146,126)
Redemption of Preferred Stock	—	—	(2,017)
Repurchase and Retirement of Restricted Stock/Common Stock	(1)	(266)	(728)
Net Income Before Noncontrolling Interest	4,186	42,587	172,546
Noncontrolling Interest:			
Allocation of Loss (Income)	1,547	(2,990)	(18,841)
Distributions (\$2.41 and \$2.85 per Unit at December 31, 2008 and 2007, respectively)	—	15,018	18,508
Dist. In Excess of Accum. Earnings — End of Year	\$ (384,013)	\$ (370,229)	\$ (283,268)
Treasury Shares, at cost — Beginning of Year	\$ (140,018)	\$ (140,018)	\$ (70,588)
Purchase of Treasury Shares	—	—	(69,430)
Treasury Shares, at cost — End of Year	\$ (140,018)	\$ (140,018)	\$ (140,018)
Accum. Other Comprehensive Loss — Beginning of Year	\$ (19,668)	\$ (9,630)	\$ (10,264)
Settlement of Interest Rate Protection Agreements	—	—	(4,261)
Mark-to-Market of Interest Rate Protection Agreements, Net of Tax	(383)	(8,676)	3,819
Amortization of Interest Rate Protection Agreements	796	(792)	(916)
Write-off of Unamortized Settlement Amounts of Interest Rate Protection Agreements	523	831	—
Foreign Currency Translation Adjustment, Net of Tax	1,503	(2,792)	2,134
Other Comprehensive Loss (Income) Allocable to Noncontrolling Interest	(248)	1,391	(142)
Reallocation of Partnership Interest	(931)	—	—
Accum. Other Comprehensive Loss — End of Year	\$ (18,408)	\$ (19,668)	\$ (9,630)
Total Stockholders' Equity at End of Year	\$1,009,441	\$ 868,599	\$ 929,939

The accompanying notes are an integral part of the consolidated financial statements.

FIRST INDUSTRIAL REALTY TRUST, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31, 2009	(As Adjusted) Year Ended December 31, 2008	(As Adjusted) Year Ended December 31, 2007
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net Income	\$ 4,186	\$ 42,587	\$ 172,546
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:			
Depreciation	112,241	114,925	121,584
Amortization of Deferred Financing Costs	3,030	2,840	3,171
Other Amortization	52,646	72,035	56,136
Impairment of Real Estate	6,934	—	—
Provision for Bad Debt	3,259	3,346	2,212
Mark-to-Market (Gain) Loss on Interest Rate Protection Agreements	(3,667)	3,073	—
(Gain) Loss on Early Retirement of Debt	(34,562)	(2,749)	393
Equity in Loss (Income) of Joint Ventures	6,470	33,178	(30,045)
Distributions from Joint Ventures	2,319	1,520	31,365
Decrease in Developments for Sale Costs	812	1,527	1,209
Gain on Sale of Real Estate	(24,580)	(184,175)	(254,387)
Decrease (Increase) in Tenant Accounts Receivable, Prepaid Expenses and Other Assets, Net	51,641	(12,665)	(20,140)
Increase in Deferred Rent Receivable	(8,350)	(7,189)	(9,710)
(Decrease) Increase in Accounts Payable, Accrued Expenses, Other Liabilities, Rents Received in Advance and Security Deposits	(27,631)	(216)	18,408
Decrease (Increase) in Restricted Cash	7	90	(6)
Repayments of Discount on Senior Unsecured Debt	(2,576)	—	—
Cash Book Overdraft	—	3,058	253
Net Cash Provided by Operating Activities	<u>142,179</u>	<u>71,185</u>	<u>92,989</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchases of and Additions to Investment in Real Estate and Lease Costs	(75,947)	(583,414)	(677,461)
Net Proceeds from Sales of Investments in Real Estate	74,982	502,929	800,147
Contributions to and Investments in Joint Ventures	(3,742)	(17,327)	(27,696)
Distributions from Joint Ventures	6,333	20,985	22,863
Funding of Notes Receivable	—	(10,325)	(8,385)
Repayment of Notes Receivable	3,151	68,722	26,350
Decrease (Increase) in Restricted Cash	—	24,704	(8,909)
Net Cash Provided by Investing Activities	<u>4,777</u>	<u>6,274</u>	<u>126,909</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Offering Costs	(764)	(321)	(46)
Proceeds from the Issuance of Common Stock	84,465	174	613
Redemption of Preferred Stock	—	—	(50,014)
Repurchase and Retirement of Restricted Stock	(739)	(4,847)	(3,938)
Proceeds from Senior Unsecured Debt	—	—	149,595
Payments on Interest Rate Swap Agreement	(320)	—	—
Settlement of Interest Rate Protection Agreements	(7,491)	—	(4,261)
Repayments on Senior Unsecured Debt	(336,196)	(32,525)	(150,000)
Dividends/Distributions	(12,614)	(145,347)	(146,660)
Preferred Stock Dividends	(20,296)	(19,428)	(26,023)
Purchase of Treasury Shares	—	—	(69,430)
Repayments on Mortgage Loans Payable	(13,513)	(3,271)	(41,475)
Proceeds from Origination of Mortgage Loans Payable	339,783	—	—
Proceeds from Unsecured Line of Credit	180,000	550,920	879,129
Repayments on Unsecured Line of Credit	(172,000)	(425,030)	(764,000)
Debt Issuance Costs and Costs Incurred in Connection with the Early Retirement of Debt	(7,558)	(79)	(3,766)
Repurchase of Equity Component Exchangeable Notes	(33)	—	—
Net Cash Provided by (Used in) Financing Activities	<u>32,724</u>	<u>(79,754)</u>	<u>(230,276)</u>
Net Effect of Exchange Rate Changes on Cash and Cash Equivalents	81	(280)	—
Net Increase (Decrease) in Cash and Cash Equivalents	179,680	(2,295)	(10,378)
Cash and Cash Equivalents, Beginning of Year	3,182	5,757	16,135
Cash and Cash Equivalents, End of Year	<u>\$ 182,943</u>	<u>\$ 3,182</u>	<u>\$ 5,757</u>

The accompanying notes are an integral part of the consolidated financial statements.

FIRST INDUSTRIAL REALTY TRUST, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Dollars in thousands except share and per share data)

1. Organization and Formation of Company

First Industrial Realty Trust, Inc. (the “Company”) was organized in the state of Maryland on August 10, 1993. The Company is a real estate investment trust (“REIT”) as defined in the Internal Revenue Code of 1986 (the “Code”). Unless the context otherwise requires, the terms “Company,” “we,” “us,” and “our” refer to First Industrial Realty Trust, Inc., First Industrial, L.P. and their other controlled subsidiaries. We refer to our operating partnership, First Industrial, L.P., as the “Operating Partnership.” Effective September 1, 2009, our taxable real estate investment trust subsidiary, First Industrial Investment, Inc. (the “old TRS”) merged into First Industrial Investment II, LLC (“FI LLC”), which is wholly owned by the Operating Partnership. Immediately thereafter, certain assets and liabilities of FI LLC were contributed to a new subsidiary, FR Investment Properties, LLC (“FRIP”). FRIP is 1% owned by FI LLC and 99% owned by a new taxable real estate investment trust subsidiary, First Industrial Investment Properties, Inc. (the “new TRS,” which, collectively with the old TRS and certain wholly owned taxable real estate investment trust subsidiaries of FI LLC, will be referred to as the “TRSs”), which is wholly owned by FI LLC (see Note 12).

We began operations on July 1, 1994. Our operations are conducted primarily through the Operating Partnership, of which we are the sole general partner, and through the old TRS prior to September 1, 2009, and through FI LLC, the new TRS and FRIP subsequent to September 1, 2009. We also conduct operations through other partnerships, corporations, and limited liability companies, the operating data of which, together with that of the Operating Partnership, FI LLC, FRIP and the TRSs, is consolidated with that of the Company as presented herein.

We also own noncontrolling equity interests in, and provide various services to, seven joint ventures whose purpose is to invest in industrial properties (the “2003 Net Lease Joint Venture,” the “2005 Development/Repositioning Joint Venture,” the “2005 Core Joint Venture,” the “2006 Net Lease Co-Investment Program,” the “2006 Land/Development Joint Venture,” the “2007 Canada Joint Venture,” and the “2007 Europe Joint Venture”; together the “Joint Ventures”). The Joint Ventures are accounted for under the equity method of accounting. The 2007 Europe Joint Venture does not own any properties.

The operating data of our Joint Ventures is not consolidated with that of the Company as presented herein.

As of December 31, 2009, we owned 784 industrial properties (inclusive of developments in progress) located in 28 states in the United States and one province in Canada, containing an aggregate of approximately 69.2 million square feet of gross leasable area (“GLA”).

Any references to the number of buildings and square footage in the financial statement footnotes are unaudited.

2. Current Business Risks and Uncertainties

The real estate markets have been significantly impacted by disruption in the global capital markets. The current recession has resulted in downward pressure on our net operating income and has impaired our ability to sell properties.

Our unsecured revolving credit facility that has a borrowing capacity of \$500,000 (the “Unsecured Line of Credit”) and the indentures under which our senior unsecured indebtedness is, or may be, issued, contain certain financial covenants, including, among other things, coverage ratios and limitations on our ability to incur total indebtedness and secured and unsecured indebtedness. Consistent with our prior practice, we will, in the future, continue to interpret and certify our performance under these covenants in a good faith manner that we deem reasonable and appropriate. However, these financial covenants are complex and there can be no assurance that these provisions would not be interpreted by our lenders in a manner that could impose and cause us to incur material costs. Any violation of these covenants would subject us to higher finance costs and fees, or accelerated maturities. In addition, our credit facilities and senior debt securities contain certain cross-default provisions, which are triggered in the event that our other material indebtedness is in default. Under the Unsecured Line of Credit, an

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

event of default can also occur if the lenders, in their good faith judgment, determine that a material adverse change has occurred which could prevent timely repayment or materially impair our ability to perform our obligations under the loan agreement.

We believe that we were in compliance with our financial covenants as of December 31, 2009, and we anticipate that we will be able to operate in compliance with our financial covenants throughout 2010 based upon our earnings projections. Our belief that we will continue to meet our financial covenants through 2010 is based on internal projections of EBITDA, as defined in our Unsecured Line of Credit and our unsecured notes, which include a number of assumptions, including, among others, assumptions regarding occupancy rates, tenant retention and rental rates as well as internal projections of interest expense and preferred dividends. However, our ability to meet our financial covenants may be reduced if economic and credit market conditions limit our property sales and reduce our net operating income below our projections. We plan to enhance our liquidity, and reduce our indebtedness, through a combination of capital retention, mortgage and equity financings, asset sales and debt reduction.

- *Capital Retention* — We plan to retain capital by distributing the minimum amount of dividends required to maintain our REIT status. We did not pay a common stock dividend in 2009 and may not pay dividends in 2010 depending on our taxable income. If, to maintain our REIT status, we are required to pay common stock dividends with respect to 2010, we may elect to do so by distributing a combination of cash and common shares. Also, if we are not required to pay preferred stock dividends to maintain our REIT status, we may elect to suspend some or all preferred stock dividends for one or more fiscal quarters, which would aid compliance with the fixed charge coverage covenant under our Unsecured Line of Credit.
- *Mortgage Financing* — During the year ended December 31, 2009, we originated \$339,783 in mortgage financings with maturities ranging from September 2012 to January 2020 and interest rates ranging from 6.42% to 7.87% (see Note 6). We believe these mortgage financings comply with all covenants contained in our Unsecured Line of Credit and our senior debt securities, including coverage ratios and total indebtedness, total unsecured indebtedness and total secured indebtedness limitations. We continue to engage various lenders regarding the origination of additional mortgage financings and the terms and conditions thereof. To the extent additional mortgage financing is originated, we expect to use proceeds received to pay down our other debt. No assurances can be made that additional mortgage financing will be obtained.
- *Equity Financing* — During the year ended December 31, 2009, we sold 3,034,120 shares of the Company's common stock, generating \$15,920 in net proceeds, under the direct stock purchase component of the Company's Dividend Reinvestment and Direct Stock Purchase Plan ("DRIP"). On October 5, 2009, we sold in an underwritten public offering 13,635,700 shares of the Company's common stock at a price to the public of \$5.25 per share. Total proceeds to us, net of underwriter's discount and total expenses were \$67,780 (see Note 7). We may opportunistically access the equity markets again, subject to contractual restrictions, and may continue to issue shares under the direct stock purchase component of the DRIP. To the extent additional equity offerings occur, we expect to use the proceeds received to reduce our indebtedness.
- *Asset Sales* — During the year ended December 31, 2009 we sold 15 industrial properties and several land parcels for gross proceeds of \$100,194 (see Note 9). We are in various stages of discussions with third parties for the sale of additional properties and plan to continue to selectively market other properties for sale throughout 2010. We expect to use sales proceeds to pay down additional debt. If we are unable to sell properties on an advantageous basis, this may impair our liquidity and our ability to meet our financial covenants.
- *Debt Reduction* — During the year ended December 31, 2009, we repurchased \$271,474 of our senior unsecured notes (including \$19,279 of our 2009 Notes prior to their repayment at maturity on June 15, 2009) (see Note 6). On February 8, 2010, we consummated a tender offer pursuant to which we purchased \$72,702 of our 2011 Notes, \$66,236 of our 2012 Notes and \$21,062 of our 2014 Notes. In connection with the tender offer, we will recognize approximately \$0.4 million as gain on early retirement of debt. We may from time to

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

time repay additional amounts of our outstanding debt. Any repayments would depend upon prevailing market conditions, our liquidity requirements, contractual restrictions and other factors we consider important. Future repayments may materially impact our liquidity, future tax liability and results of operations.

Although we believe we will be successful in meeting our liquidity needs and maintaining compliance with other debt covenants through a combination of capital retention, mortgage and equity financings, asset sales and debt repurchases, if we were to be unsuccessful in executing one or more of the strategies outlined above, our financial condition and operating results could be materially adversely affected.

3. Basis of Presentation

First Industrial Realty Trust, Inc. is the sole general partner of the Operating Partnership, with an approximate 92.0% and 88.5% common ownership interest at December 31, 2009 and 2008, respectively. Noncontrolling interest at December 31, 2009 and 2008 represents the approximate 8.0% and 11.5%, respectively, aggregate partnership interest in the Operating Partnership held by the limited partners thereof.

Our consolidated financial statements at December 31, 2009 and 2008 and for each of the years ended December 31, 2009, 2008 and 2007 include the accounts and operating results of the Company and our subsidiaries. Such financial statements present our noncontrolling equity interests in our Joint Ventures under the equity method of accounting. All intercompany transactions have been eliminated in consolidation.

4. Summary of Significant Accounting Policies

In order to conform with generally accepted accounting principles, we are required in preparation of our financial statements to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of December 31, 2009 and 2008, and the reported amounts of revenues and expenses for each of the years ended December 31, 2009, 2008 and 2007. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include all cash and liquid investments with an initial maturity of three months or less. The carrying amount approximates fair value due to the short term maturity of these investments. At December 31, 2009, approximately \$1,000 is subject to a compensating balance arrangement. The related balance, however, is not subject to any withdrawal restrictions.

Restricted Cash

At December 31, 2009 and 2008, restricted cash includes cash held in escrow in connection with mortgage debt requirements. The carrying amount approximates fair value due to the short term maturity of these investments.

Investment in Real Estate and Depreciation

Investment in Real Estate is carried at cost. We review our properties on a periodic basis for impairment and provide a provision if impairments are found. To determine if an impairment may exist, we review our properties and identify those that have had either an event of change or event of circumstances warranting further assessment of recoverability (such as a decrease in occupancy). If further assessment of recoverability is needed, we estimate the future net cash flows expected to result from the use of the property and its eventual disposition, on an individual property basis. If the sum of the expected future net cash flows (undiscounted and without interest charges) is less than the carrying amount of the property on an individual property basis, we will recognize an impairment loss based upon the estimated fair value of such property. For properties we consider held for sale, we cease depreciating the properties and value the properties at the lower of depreciated cost or fair value, less costs to dispose. If circumstances arise that were previously considered unlikely, and, as a result, we decide not to sell a property previously classified as held for sale, we will reclassify such property as held and used. Such property is measured at the lower of its carrying amount (adjusted for any depreciation and amortization expense that would have been

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

recognized had the property been continuously classified as held and used) or fair value at the date of the subsequent decision not to sell. To calculate the fair value of properties held for sale, we deduct from the estimated sales price of the property the estimated costs to close the sale. We classify properties as held for sale when all criteria within the Financial Accounting Standards Board’s (the “FASB”) guidance on the impairment or disposal of long-lived assets are met.

Interest costs, real estate taxes, compensation costs of development personnel and other directly related costs incurred during construction periods are capitalized and depreciated commencing with the date the property is substantially completed. Upon substantial completion, we reclassify construction in progress to building, tenant improvements and leasing commissions. Such costs begin to be capitalized to the development projects from the point we are undergoing necessary activities to get the development ready for its intended use and ceases when the development projects are substantially completed and held available for occupancy. Depreciation expense is computed using the straight-line method based on the following useful lives:

	<u>Years</u>
Buildings and Improvements	8 to 50
Land Improvements	3 to 20
Furniture, Fixtures and Equipment	5 to 10

Construction expenditures for tenant improvements, leasehold improvements and leasing commissions (inclusive of compensation costs of personnel attributable to leasing) are capitalized and amortized over the terms of each specific lease. Capitalized compensation costs of personnel attributable to leasing relate to time directly attributable to originating leases with independent third parties that result directly from and are essential to originating those leases and would not have been incurred had these leasing transactions not occurred. Repairs and maintenance are charged to expense when incurred. Expenditures for improvements are capitalized.

We account for all acquisitions entered into subsequent to June 30, 2001 in accordance with the FASB’s guidance on business combinations. Upon acquisition of a property, we allocate the purchase price of the property based upon the fair value of the assets acquired and liabilities assumed, which generally consists of land, buildings, tenant improvements, leasing commissions and intangible assets including in-place leases, above market and below market leases and tenant relationships. We allocate the purchase price to the fair value of the tangible assets of an acquired property by valuing the property as if it were vacant. Acquired above and below market leases are valued based on the present value of the difference between prevailing market rates and the in-place rates measured over a period equal to the remaining term of the lease for above market leases and the initial term plus the term of any below market fixed rate renewal options for below market leases that are considered bargain renewal options. The above market lease values are amortized as a reduction of rental revenue over the remaining term of the respective leases, and the below market lease values are amortized as an increase to base rental revenue over the remaining initial terms plus the terms of any below market fixed rate renewal options that are considered bargain renewal options of the respective leases.

The purchase price is further allocated to in-place lease values and tenant relationships based on our evaluation of the specific characteristics of each tenant’s lease and our overall relationship with the respective tenant. The value of in-place lease intangibles and tenant relationships, which are included as components of Deferred Leasing Intangibles, Net (see below) are amortized over the remaining lease term (and expected renewal periods of the respective lease for tenant relationships) as adjustments to depreciation and other amortization expense. If a tenant terminates its lease early, the unamortized portion of the tenant improvements, leasing commissions, above and below market leases, the in-place lease value and tenant relationships is immediately written off.

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Deferred Leasing Intangibles, exclusive of deferred leasing intangibles held for sale, included in our total assets consist of the following:

	<u>December 31, 2009</u>	<u>December 31, 2008</u>
In-Place Leases	\$ 69,785	\$ 84,424
Less: Accumulated Amortization	<u>(32,788)</u>	<u>(30,350)</u>
	<u>\$ 36,997</u>	<u>\$ 54,074</u>
Above Market Leases	\$ 7,298	\$ 15,830
Less: Accumulated Amortization	<u>(2,341)</u>	<u>(2,607)</u>
	<u>\$ 4,957</u>	<u>\$ 13,223</u>
Tenant Relationships	\$ 26,278	\$ 28,717
Less: Accumulated Amortization	<u>(8,072)</u>	<u>(5,672)</u>
	<u>\$ 18,206</u>	<u>\$ 23,045</u>
Total Deferred Leasing Intangibles, Net	<u>\$ 60,160</u>	<u>\$ 90,342</u>

Deferred Leasing Intangibles, exclusive of deferred leasing intangibles held for sale, included in our total liabilities consist of the following:

	<u>December 31, 2009</u>	<u>December 31, 2008</u>
Below Market Leases	\$ 39,125	\$ 42,856
Less: Accumulated Amortization	<u>(14,371)</u>	<u>(12,102)</u>
Total Deferred Leasing Intangibles, Net	<u>\$ 24,754</u>	<u>\$ 30,754</u>

Amortization expense related to in-place leases and tenant relationships of deferred leasing intangibles was \$18,932, \$30,228, and \$23,913 for the years ended December 31, 2009, 2008, and 2007, respectively. Rental revenues increased by \$3,414, \$8,100 and \$4,265 related to net amortization of above/(below) market leases for the years ended December 31, 2009, 2008, and 2007, respectively. We will recognize net amortization expense related to deferred leasing intangibles over the next five years, for properties owned as of December 31, 2009, as follows:

	<u>Estimated Net Amortization of In-Place Leases and Tenant Relationships</u>	<u>Estimated Net Increase to Rental Revenues Related to Above and Below Market Leases</u>
2010	\$11,658	\$3,272
2011	8,960	1,787
2012	7,409	1,292
2013	6,284	994
2014	4,886	828

Construction Revenues and Expenses

Construction revenues and expenses represent revenues earned and expenses incurred in connection with the old TRS acting as general contractor or development manager to construct industrial properties, including industrial properties for the 2006 Development/Repositioning Joint Venture, and also include revenues and expenses related to the development of properties for third parties. We use the percentage-of-completion contract method to recognize revenue. Using this method, revenues are recorded based on estimates of the percentage of completion of individual contracts. The percentage of completion estimates are based on a comparison of the contract

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

expenditures incurred to the estimated final costs. Changes in job performance, job conditions and estimated profitability may result in revisions to costs and income and are recognized in the period in which the revisions are determined.

Foreign Currency Transactions and Translation

At December 31, 2009, we owned several land parcels located in Toronto, Canada for which the functional currency was determined to be the Canadian dollar. Additionally, the 2007 Canada Joint Venture owns three industrial properties and several land parcels in Canada for which the functional currency is the Canadian dollar. The assets and liabilities of these industrial properties and land parcels are translated to U.S. dollars from the Canadian dollar based on the current exchange rate prevailing at each balance sheet date. The income statement accounts of the industrial properties and the land parcels are translated using the average exchange rate for the period. The resulting translation adjustments are included in Accumulated Other Comprehensive Income. For the years ended December 31, 2009 and 2008, we recorded \$4,320 and \$(6,290) in foreign currency translation gain (loss), respectively, offset by \$(2,817) and \$3,498 of income tax (provision) benefit, respectively.

Deferred Financing Costs

Deferred financing costs include fees and costs incurred to obtain long-term financing. These fees and costs are being amortized over the terms of the respective loans. Accumulated amortization of deferred financing costs was \$17,447 and \$17,918 at December 31, 2009 and 2008, respectively. Unamortized deferred financing costs are written-off when debt is retired before the maturity date.

Investments in Joint Ventures

Investments in Joint Ventures represent our noncontrolling equity interests in our Joint Ventures. We account for our Investments in Joint Ventures under the equity method of accounting, as we do not have operational control or a majority voting interest. Under the equity method of accounting, our share of earnings or losses of our Joint Ventures is reflected in income as earned and contributions or distributions increase or decrease our Investments in Joint Ventures as paid or received, respectively. Differences between our carrying value of our Investments in Joint Ventures and our underlying equity of such Joint Ventures are amortized over the respective lives of the underlying assets.

On a periodic basis, we assess whether there are any indicators that the value of our Investments in Joint Ventures may be impaired. An investment is impaired only if our estimate of the value of the investment is less than the carrying value of the investment, and such decline in value is deemed to be other than temporary. To the extent impairment has occurred, the loss shall be measured as the excess of the carrying amount of the investment over the fair value of the investment. Our estimates of fair value for each investment are based on a number of subjective assumptions that are subject to economic and market uncertainties including, among others, demand for space, market rental rates and operating costs, the discount rate used to value the cash flows of the properties and the discount rate used to value the Joint Ventures' debt. As these factors are difficult to predict and are subject to future events that may alter our assumptions, our fair values estimated in the impairment analyses may not be realized.

Stock Based Compensation

We account for stock based compensation using the modified prospective application method, which requires measurement of compensation cost for all stock-based awards at fair value on the date of grant and recognition of compensation over the service period for awards expected to vest.

Revenue Recognition

Rental income is recognized on a straight-line method under which contractual rent increases are recognized evenly over the lease term. Tenant recovery income includes payments from tenants for real estate taxes, insurance and other property operating expenses and is recognized as revenue in the same period the related expenses are incurred by us.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Revenue is recognized on payments received from tenants for early lease terminations after we determine that all the necessary criteria have been met in accordance with the FASB's guidance on accounting for leases.

Interest income on mortgage loans receivable is recognized based on the accrual method unless a significant uncertainty of collection exists. If a significant uncertainty exists, interest income is recognized as collected.

We provide an allowance for doubtful accounts against the portion of tenant accounts receivable which is estimated to be uncollectible. Accounts receivable in the consolidated balance sheets are shown net of an allowance for doubtful accounts of \$3,235 and \$2,918 as of December 31, 2009 and 2008, respectively. For accounts receivable we deem uncollectible, we use the direct write-off method.

Gain on Sale of Real Estate

Gain on sale of real estate is recognized using the full accrual method, when appropriate. Gains relating to transactions which do not meet the full accrual method of accounting are deferred and recognized when the full accrual method of accounting criteria are met or by using the installment or deposit methods of profit recognition, as appropriate in the circumstances. As the assets are sold, their costs and related accumulated depreciation are written off with resulting gains or losses reflected in net income or loss. Estimated future costs to be incurred by us after completion of each sale are included in the determination of the gain on sales.

Income Taxes

We have elected to be taxed as a REIT under Sections 856 through 860 of the Code. As a result, we generally are not subject to federal income taxation to the extent of the income which we distribute if we satisfy the requirements set forth in Section 856 of the Code (pertaining to its organization and types of income and assets) necessary to maintain our status as a REIT. We are required to distribute annually at least 90% of our REIT taxable income, as defined in the Code, to our stockholders and we satisfy certain other requirements.

A benefit/provision has been made for federal income taxes in the accompanying consolidated financial statements for activities conducted in the TRSs, which has been accounted for under the FASB's guidance on accounting for income taxes. In accordance with the guidance, the total benefit/provision has been separately allocated to income from continuing operations, income from discontinued operations and gain on sale of real estate.

We and certain of our subsidiaries are subject to certain state and local income, excise and franchise taxes. The provision for excise and franchise taxes has been reflected in general and administrative expense in the consolidated statements of operations and has not been separately stated due to its insignificance. State and local income taxes are included in the benefit/provision for income taxes which is allocated to income from continuing operations, income from discontinued operations and gain on sale of real estate.

We file income tax returns in the U.S., and various states and foreign jurisdictions. In general, the statutes of limitations for income tax returns remain open for the years 2006 through 2009.

Participating Securities

Net income net of preferred dividends is allocated to common stockholders and participating securities based upon their proportionate share of weighted average shares plus weighted average participating securities. Participating securities are unvested share-based payment awards that contain non-forfeitable rights to dividends or dividend equivalents. Certain restricted stock awards and restricted unit awards granted to employees and directors are considered participating securities as they receive non-forfeitable dividend or dividend equivalents at the same rate as common stock. See Note 11 for further disclosure about participating securities.

Earnings Per Share ("EPS")

Basic net income (loss) per common share is computed by dividing net (loss) income available to common shareholders by the weighted average number of common shares outstanding for the period. Diluted net (loss) income per common share is computed by dividing net (loss) income available to common shareholders by the sum

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

of the weighted average number of common shares outstanding and any dilutive non-participating securities for the period. See Note 11 for further disclosure about EPS.

Derivative Financial Instruments

Historically, we have used interest rate protection agreements (“Agreements”) to fix the interest rate on anticipated offerings of senior unsecured debt or convert floating rate debt to fixed rate debt. Receipts or payments that result from the settlement of Agreements used to fix the interest rate on anticipated offerings of senior unsecured debt are amortized over the life of the derivative or the life of the debt and included in interest expense. Receipts or payments resulting from Agreements used to convert floating rate debt to fixed rate debt are recognized as a component of interest expense. Agreements which qualify for hedge accounting are marked-to-market and any gain or loss that is effective is recognized in other comprehensive income (shareholders’ equity). Agreements which do not qualify for hedge accounting are marked-to-market and any gain or loss is recognized in net (loss) income immediately. Amounts accumulated in other comprehensive income during the hedge period are reclassified to earnings in the same period during which the forecasted transaction or hedged item affects net income (loss). The credit risks associated with Agreements are controlled through the evaluation and monitoring of the creditworthiness of the counterparty. In the event that the counterparty fails to meet the terms of Agreements, our exposure is limited to the current value of the interest rate differential, not the notional amount, and our carrying value of Agreements on the balance sheet. See Note 17 for more information on Agreements.

Fair Value of Financial Instruments

Financial instruments other than our derivatives (see preceding paragraph) include short-term investments, tenant accounts receivable, net, mortgage notes receivable, accounts payable, other accrued expenses, mortgage and other loans payable, unsecured line of credit and senior unsecured debt. The fair values of the short-term investments, tenant accounts receivable, net, accounts payable and other accrued expenses approximate their carrying or contract values. See Note 6 for the fair values of the mortgage and other loans payable, unsecured line of credit and senior unsecured debt and see Note 9 for the fair value of our mortgage notes receivable.

Discontinued Operations

The FASB’s guidance on financial reporting for the disposal of long lived assets requires that the results of operations and gains or losses on the sale of property or property held for sale be presented in discontinued operations if both of the following criteria are met: (a) the operations and cash flows of the property have been (or will be) eliminated from the ongoing operations of the Company as a result of the disposal transaction and (b) we will not have any significant continuing involvement in the operations of the property after the disposal transaction. The guidance also requires prior period results of operations for these properties to be reclassified and presented in discontinued operations in prior consolidated statements of operations.

Segment Reporting

Management views the Company as a single segment based on its method of internal reporting.

Recent Accounting Pronouncements

In June 2009, the Financial Accounting Standards Board (the “FASB”) issued new guidance which revises and updates previously issued guidance related to variable interest entities. This new guidance, which became effective January 1, 2010, revises the previous guidance by eliminating the exemption for qualifying special purpose entities, by establishing a new approach for determining who should consolidate a variable-interest entity and by changing when it is necessary to reassess who should consolidate a variable-interest entity. We will adopt this new guidance January 1, 2010. We are currently assessing the potential impact that the adoption of this guidance will have on our financial position and results of operations.

Effective January 1, 2009 we adopted newly issued guidance from the FASB relating to noncontrolling interests within consolidated financial statements. This guidance establishes requirements for ownership interests in

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

subsidiaries held by parties other than the Company (formerly called “minority interests”) to be clearly identified, presented, and disclosed in the consolidated statement of financial position within equity, but separate from the parent’s equity. Changes in a parent’s ownership interest (and transactions with noncontrolling interest holders) while the parent retains its controlling financial interest in its subsidiary should be accounted for as equity transactions. The carrying amount of the noncontrolling interest shall be adjusted to reflect the change in its ownership interest in the subsidiary, with the offset to equity attributable to the parent. As a result of transactions with noncontrolling interest holders and changes in ownership percentages that occurred during the year ended December 31, 2009, we decreased noncontrolling interest and increased Additional Paid-in-Capital by \$49,126, which represents the cumulative impact of historical changes in the parent’s ownership in the subsidiary. This guidance was effective, on a prospective basis, for fiscal years beginning after December 15, 2008, however, presentation and disclosure requirements need to be retrospectively applied to comparative financial statements. See Note 7 for additional disclosures.

Effective January 1, 2009 we adopted newly issued guidance from the FASB relating to disclosures about derivatives and hedging activities. This guidance expands the current disclosure requirements and entities must now provide enhanced disclosures on an interim basis and annual basis regarding how and why the entity uses derivatives, how derivatives and related hedged items are accounted for and how derivatives and related hedged items affect the entity’s financial position, financial results and cash flow. See Note 17 for the required disclosures. This guidance does not impact the consolidated financial results as it is disclosure-only in nature.

Effective January 1, 2009 we adopted newly issued guidance from the Emerging Issues Task Force (“EITF”) regarding the determination of whether instruments granted in share-based payment transactions are participating securities. The guidance required retrospective application. Under this guidance, unvested share-based payment awards that contain non-forfeitable rights to dividends or dividend equivalents are participating securities and, therefore, are included in the computation of EPS pursuant to the two-class method. The two-class method determines EPS for each class of common stock and participating securities according to dividends or dividend equivalents and their respective participation rights in undistributed earnings. Certain restricted stock awards granted to employees and directors are considered participating securities as they receive non-forfeitable dividend or dividend equivalents at the same rate as common stock. The impact of adopting this guidance decreased previously filed basic and diluted EPS by \$0.06 and \$0.06 for the years ended December 31, 2008 and 2007, respectively.

Effective January 1, 2009 we adopted newly issued guidance from the FASB regarding business combinations. This guidance states that direct costs of a business combination of an operating property, such as transaction fees, due diligence and consulting fees no longer qualify to be capitalized as part of the business combination. Instead, these direct costs need to be recognized as expense in the period in which they are incurred. Accordingly, we retroactively expensed these types of costs in 2008 related to future operating property acquisitions.

Effective January 1, 2009 we adopted newly issued guidance from the Accounting Principles Board (“APB”) regarding accounting for convertible debt instruments that may be settled for cash upon conversion. This guidance requires the liability and equity components of convertible debt instruments to be separately accounted for in a manner that reflects the issuer’s nonconvertible debt borrowing rate. The guidance requires that the value assigned to the debt component be the estimated fair value of a similar bond without the conversion feature, which would result in the debt being recorded at a discount. The resulting debt discount is then amortized over the period during which the debt is expected to be outstanding (i.e., through the first optional redemption date) as additional non-cash interest expense. Retrospective application to all periods presented is required.

The equity component of our convertible unsecured notes (the “2011 Exchangeable Notes”) was \$7,898 and therefore we retroactively adjusted our Senior Unsecured Debt by this amount as of September 2006. This debt discount has been subsequently amortized and as of December 31, 2009 the principal amount of the 2011 Exchangeable Notes, its unamortized discount and the net carrying amount after repurchases is \$146,900, \$2,030 and \$144,870, respectively. In addition, we reclassified \$194 of the original finance fees incurred in relation to the 2011 Exchangeable Notes to equity as of September 2006. For the year ended December 31, 2009, we recognized

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

\$10,569 of interest expense related to the 2011 Exchangeable Notes of which \$9,039 relates to the coupon rate and \$1,530 relates to the debt discount amortization. We anticipate amortizing the remaining debt discount into interest expense through maturity in September 2011. We recognized \$3,555 and \$(88) as an adjustment to total equity as of December 31, 2008 that represents amortization expense of the discount and the loan fees, respectively, which would have been recognized had the new guidance regarding accounting for convertible debt instruments been effective since the issuance date of our 2011 Exchangeable Notes.

The impact to net income and the loss from continuing operations, before noncontrolling interest, related to the adoption of the guidance regarding business combinations for the year ended December 31, 2008 was an increase to general and administrative expense of \$269. The impact to net income and the loss from continuing operations, before noncontrolling interest, related to the adoption of the guidance regarding convertible debt instruments for the years ended December 31, 2008 and 2007 was an increase to interest expense of \$1,580 and a decrease to amortization of deferred financing fees of \$39.

The impact to the balance sheet as of December 31, 2008 related to the adoption of the guidance regarding business combinations and convertible debt instruments is as follows:

	Balance Sheet as Previously Filed - as of December 31, 2008	Adjustments Related to Adoption of Business Combination Guidance	Adjustments Related to Adoption of Convertible Debt Instrument Guidance	Balance Sheet as Adjusted - as of December 31, 2008
Deferred Financing Costs, Net . . .	\$ 12,197	\$ —	\$ (106)	\$ 12,091
Prepaid Expenses and Other Assets, Net	\$ 174,743	\$(269)	\$ —	\$ 174,474
Senior Unsecured Debt, Net.	\$1,516,298	\$ —	\$(4,343)	\$1,511,955
Additional Paid-in-Capital	\$1,390,358	\$ —	\$ 7,666	\$1,398,024
Distributions in Excess of Accumulated Earnings	\$ (366,962)	\$(255)	\$(3,012)	\$ (370,229)
Total First Industrial Realty Trust, Inc.'s Stockholders' Equity	\$ 864,200	\$(255)	\$ 4,654	\$ 868,599
Noncontrolling Interest	<u>122,548</u>	<u>(14)</u>	<u>(417)</u>	<u>122,117</u>
Total Equity	<u>\$ 986,748</u>	<u>\$(269)</u>	<u>\$ 4,237</u>	<u>\$ 990,716</u>

5. Investments in Joint Ventures and Property Management Services

On September 28, 1998, we entered into the 1998 Core Joint Venture with an institutional investor to invest in industrial properties. At December 31, 2006, we owned a 10% equity interest in the 1998 Core Joint Venture and provided property and asset management services to the 1998 Core Joint Venture. On January 31, 2007, we purchased the remaining 90% equity interest from the institutional investor in the 1998 Core Joint Venture. We paid \$18,458 in cash and assumed \$30,340 in mortgage loans payable. As of December 31, 2007, we paid off and retired the mortgage loan payable. In connection with the early repayment of the mortgage loans payable, we incurred prepayment penalties and a write-off of unamortized deferred financing fees totaling \$265.

On May 16, 2003, we entered into the 2003 Net Lease Joint Venture with an institutional investor to invest in industrial properties. We own a 15% equity interest in and provide property management services to the 2003 Net Lease Joint Venture. During the year ended December 31, 2009, we recorded an impairment loss of \$243 in equity in income of Joint Ventures which represents our proportionate share of the impairment loss related to one industrial property owned by the 2003 Net Lease Joint Venture. Additionally, for the year ended December 31, 2009, we recorded an impairment loss on our investment in the 2003 Net Lease Joint Venture of \$1,315 in equity in income. For the year ended December 31, 2008, we recorded an impairment loss on the investment in one industrial property owned by the 2003 Net Lease Joint Venture of \$1,249 in equity in income of Joint Ventures. As of December 31,

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

2009, the 2003 Net Lease Joint Venture owned 10 industrial properties comprising approximately 5.1 million square feet of GLA.

On March 18, 2005, we entered into the 2005 Development/Repositioning Joint Venture with an institutional investor to invest in, own, develop, redevelop and operate certain industrial properties. We own a 10% equity interest in and provide property management, asset management, development management, disposition, incentive and leasing management services to the 2005 Development/Repositioning Joint Venture. During the year ended December 31, 2008, we recorded an impairment loss of \$483 in equity in income of Joint Ventures which represents our proportionate share of impairment loss related to two industrial properties and one land parcel owned by the 2005 Development/Repositioning Joint Venture. Additionally, for the year ended December 31, 2008 we recorded an impairment loss on our investment in the 2005 Development/Repositioning Joint Venture of \$25,332 in equity in income of Joint Ventures. As of December 31, 2009, the 2005 Development/Repositioning Joint Venture owned 46 industrial properties comprising approximately 8.2 million square feet of GLA and several land parcels.

On September 7, 2005, we entered into the 2005 Core Joint Venture with an institutional investor to invest in, own and operate certain industrial properties. We own a 10% equity interest in and provide property management, asset management, development management, disposition, incentive and leasing management services to the 2005 Core Joint Venture. For the year ended December 31, 2008, we recorded an impairment loss on our investment in the 2005 Core Joint Venture of \$3,153 in equity in income of Joint Ventures. As of December 31, 2009, the 2005 Core Joint Venture owned 48 industrial properties comprising approximately 3.9 million square feet of GLA and several land parcels.

On March 21, 2006, we entered into the 2006 Net Lease Co-Investment Program with an institutional investor to invest in industrial properties. We own a 15% equity interest in and provide property management, asset management and leasing management services to the 2006 Net Lease Co-Investment Program. On September 18, 2009, we received a notice from the counterparty in the 2006 Net Lease Co-Investment Program that such counterparty is exercising the buy/sell provision in the program's governing agreement to either purchase our 15% interests in the real property assets currently owned by the program or sell to us its interests in some or all of such assets, along with an additional real property asset in another program which we manage but in which we have no ownership interest. We have accepted the investor's offered price. As a result, during the year ended December 31, 2009, we recorded an impairment loss of \$1,747 in equity in loss of Joint Ventures which represents our proportionate share of the impairment loss related to one industrial property owned by the 2006 Net Lease Co-Investment Program and an impairment loss on our investment in the 2006 Net Lease Co-Investment Program of \$3,879. During the year ended December 31, 2008, we recorded an impairment loss of \$2,216 in equity in income of Joint Ventures which represents our proportionate share of the impairment loss related to two industrial properties owned by the 2006 Net Lease Co-Investment Program. As of December 31, 2009, the 2006 Net Lease Co-Investment Program owned 11 industrial properties comprising approximately 4.4 million square feet of GLA.

On July 21, 2006, we entered into the 2006 Land/Development Joint Venture with an institutional investor to invest in land and vertical development. We own a 10% equity interest in and provide property management, asset management, development management and leasing management services to the 2006 Land/Development Joint Venture. For the year ended December 31, 2008 we recorded an impairment loss on our investment in the 2006 Land/Development Joint Venture of \$10,105 in equity in income of Joint Ventures. As of December 31, 2009, the 2006 Land/Development Joint Venture owned one industrial property comprising approximately 0.8 million square feet of GLA and several land parcels.

During July 2007, we entered into a management arrangement with an institutional investor to provide property management, leasing, acquisition, disposition and portfolio management services for industrial properties (the "July 2007 Fund"). We do not own an equity interest in the July 2007 Fund, however we are entitled to incentive payments if certain economic thresholds related to the industrial properties are achieved. Effective September 2, 2009, we are no longer providing management services for two of the assets in the July 2007 Fund. We received a one-time fee of approximately \$866 in the third quarter of 2009 from the termination of the management agreement.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

During December 2007, we entered into the 2007 Canada Joint Venture and the 2007 Europe Joint Venture with an institutional investor to invest in, own, develop, redevelop and operate industrial properties. We own a 10% equity interest in and will provide property management, asset management, development management and leasing management services to the 2007 Canada Joint Venture and the 2007 Europe Joint Venture. As of December 31, 2009, and the 2007 Canada Joint Venture owned three industrial properties comprising approximately 0.2 million square feet of GLA and several land parcels. As of December 31, 2009, the 2007 Europe Joint Venture did not own any properties.

The 2003 Net Lease Joint Venture, 2005 Development/Repositioning Joint Venture, 2006 Land/Development Joint Venture, July 2007 Fund and the 2007 Canada Joint Venture are considered variable interest entities in accordance with the FASB's guidance on the consolidation of variable interest entities. However, we are not considered the primary beneficiary for the ventures. As of December 31, 2009, our investments in the 2003 Net Lease Joint Venture, 2005 Development/Repositioning Joint Venture, 2006 Land/Development Joint Venture and the 2007 Canada Joint Venture are \$3,154, (\$2,785), \$133 and \$1,532, respectively. Our maximum exposure to loss is equal to our investment balance of each venture as of year end plus any future contributions we make to the ventures.

During the year ended December 31, 2008, we earned acquisition fees from the 2006 Land/Development Joint Venture. During the year ended December 31, 2007, we earned acquisition fees from the 2006 Land/Development Joint Venture and the July 2007 Fund. During the year ended December 31, 2006, we earned acquisition fees from the 2003 Net Lease Joint Venture, the 2005 Core Joint Venture, the 2006 Net Lease Co-Investment Program and the July 2007 Fund. We deferred 15% of the acquisition fees earned from the 2003 Net Lease Joint Venture and the 2006 Net Lease Co-Investment Program activity and 10% of the acquisition fees earned from the 2005 Core Joint Venture and the 2006 Land/Development Joint Venture activity. The deferrals reduced our investment in the Joint Ventures and are amortized into income over the life of the underlying properties, generally 25 to 40 years.

At December 31, 2009 and 2008, we have a receivable from the Joint Ventures and the July 2007 Fund of \$1,218 and \$3,939, respectively, which mainly relates to development, leasing, property management and asset management fees due to us from the Joint Ventures and the July 2007 Fund and reimbursement for development expenditures made by the TRSs who are acting in the capacity of the general contractor for development projects for the 2005 Development/Repositioning Joint Venture. These amounts are included in Prepaid Expenses and Other Assets, Net.

During the years ended December 31, 2009, 2008 and 2007, we invested the following amounts in, as well as received distributions from, our Joint Ventures and recognized fees from acquisition, disposition, leasing, development, incentive, property management and asset management services from our Joint Ventures and the July 2007 Fund in the following amounts:

	<u>Year Ended December 31, 2009</u>	<u>Year Ended December 31, 2008</u>	<u>Year Ended December 31, 2007</u>
Contributions	\$ 3,742	\$16,623	\$25,482
Distributions	\$ 8,652	\$22,505	\$54,228
Fees	\$11,174	\$19,757	\$25,116

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The combined summarized financial information of the investments in Joint Ventures is as follows:

	<u>December 31,</u> <u>2009</u>	<u>December 31,</u> <u>2008</u>
Condensed Combined Balance Sheets		
Gross Real Estate Investment	\$1,785,713	\$1,967,717
Less: Accumulated Depreciation	(126,685)	(93,215)
Net Real Estate	1,659,028	1,874,502
Other Assets	159,659	186,881
Total Assets	<u>\$1,818,687</u>	<u>\$2,061,383</u>
Debt	\$1,452,339	\$1,442,464
Other Liabilities	70,544	130,407
Equity	295,804	488,512
Total Liabilities and Equity	<u>\$1,818,687</u>	<u>\$2,061,383</u>
Company's share of Equity	\$ 34,310	\$ 56,066
Basis Differentials(1)	(28,507)	(39,767)
Carrying Value of the Company's investments in Joint Ventures	<u>\$ 5,803</u>	<u>\$ 16,299</u>

- (1) This amount represents the aggregate difference between our historical cost basis and the basis reflected at the joint venture level. Basis differentials are primarily comprised of impairments we recorded to reduce certain of our investments in Joint Ventures to fair value, a gain deferral related to a property we sold to the 2003 Net Lease Joint Venture, deferred fees and certain equity costs which are not reflected at the joint venture level.

	<u>Year Ended December 31,</u>		
	<u>2009</u>	<u>2008</u>	<u>2007</u>
Condensed Combined Statements of Operations			
Total Revenues	\$ 94,143	\$ 87,900	\$ 80,917
Expenses:			
Operating and Other	42,968	37,331	27,070
Interest	42,880	53,617	46,974
Depreciation and Amortization	50,956	46,944	43,887
Impairment Loss	150,804	9,951	—
Total Expenses	287,608	147,843	117,931
Income from Discontinued Operations (Including Gain on Sale of Real Estate of \$1,177, \$34,885 and \$92,652 for the years ended December 31, 2009, 2008 and 2007, respectively) . . .	1,291	24,932	85,687
Gain on Sale of Real Estate	8,603	17,093	15,523
Net (Loss) Income	<u>\$(183,571)</u>	<u>\$(17,918)</u>	<u>\$ 64,196</u>
Company's Share of Net (Loss) Income	(1,276)	6,661	30,045
Impairment on the Company's Investments in Joint Ventures . .	(5,194)	(39,839)	—
Equity in (Loss) Income of Joint Ventures	<u>\$ (6,470)</u>	<u>\$ (33,178)</u>	<u>\$ 30,045</u>

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

6. Mortgage and Other Loans Payable, Net, Senior Unsecured Notes, Net and Unsecured Line of Credit

The following table discloses certain information regarding our mortgage and other loans, senior unsecured notes and Unsecured Line of Credit:

	Outstanding Balance at		Interest Rate at December 31, 2009	Effective Interest Rate at December 31, 2009	Maturity Date
	December 31, 2009	(As Adjusted) December 31, 2008			
Mortgage and Other Loans					
Payable, Net	\$ 402,974	\$ 77,396	5.92% - 9.25%	4.93% - 9.25%	December 2010 - September 2024
<i>Unamortized Premiums</i>	(1,025)	(1,717)			
Mortgage Loans Payable, Gross	<u>\$ 401,949</u>	<u>\$ 75,679</u>			
Senior Unsecured Notes, Net					
2016 Notes	\$ 159,843	\$ 194,524	5.750%	5.91%	01/15/16
2017 Notes	87,187	99,914	7.500%	7.52%	12/01/17
2027 Notes	13,559	15,056	7.150%	7.11%	05/15/27
2028 Notes	189,862	199,846	7.600%	8.13%	07/15/28
2011 Notes	143,447	199,868	7.375%	7.39%	03/15/11
2012 Notes	143,837	199,546	6.875%	6.85%	04/15/12
2032 Notes	34,651	49,480	7.750%	7.87%	04/15/32
2009 Notes	—	124,980	5.250%	4.10%	06/15/09
2014 Notes	105,253	114,921	6.420%	6.54%	06/01/14
2011 Exchangeable Notes*	144,870	195,657	4.625%	4.63%	09/15/11
2017 II Notes	117,605	118,163	5.950%	6.37%	05/15/17
Subtotal	<u>\$1,140,114</u>	<u>\$1,511,955</u>			
<i>Unamortized Discounts</i>	11,191	16,545			
Senior Unsecured Notes, Gross	<u>\$1,151,305</u>	<u>\$1,528,500</u>			
Unsecured Line of Credit	<u>\$ 455,244</u>	<u>\$ 443,284</u>	1.256%	1.256%	09/28/12

* The 2011 Exchangeable Notes have an initial exchange rate of 19.6356 shares of our common stock per \$1,000 principal amount, representing an exchange price of approximately \$50.93 per common share which is an exchange premium of approximately 20% based on the last reported sale price of \$42.44 per share of our common stock on September 19, 2006. In connection with our offering of the 2011 Exchangeable Notes, we entered into capped call transactions (the “capped call transactions”) with affiliates of two of the initial purchasers of the 2011 Exchangeable Notes (the “option counterparties”) in order to increase the effective exchange price of the 2011 Exchangeable Notes to \$59.42 per share of our common stock, which represents an exchange premium of approximately 40% based on the last reported sale price of \$42.44 per share of the our common stock on September 19, 2006. The aggregate cost of the capped call transactions was approximately \$6,835. The capped call transactions are expected to reduce the potential dilution with respect to our common stock upon exchange of the 2011 Exchangeable Notes to the extent the then market value per share of our common stock does not exceed the cap price of the capped call transaction during the observation period relating to an exchange. The cost of the capped call is accounted for as a hedge and included in First Industrial Realty Trust, Inc.’s Stockholders’ Equity because the derivative is indexed to our own stock and meets the scope exception within the derivative guidance.

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Mortgage and Other Loans Payable, Net

During year ended December 31, 2009, we obtained the following mortgage loans:

Mortgage Financing	Principal Balance at December 31, 2009	Interest Rate	Origination Date	Maturity Date	Amortization Period	Number of Industrial Properties Collateralizing Mortgage	GLA (In millions)	Property Carrying Value at December 31, 2009
I	\$ 14,680	7.50%	May 7, 2009	June 5, 2016	25-year	1	0.6	\$ 21,992
II	\$ 62,500	7.75%	May 8, 2009	June 1, 2016	25-year	26	3.1	\$ 92,982
III	\$ 77,000	7.87%	June 3, 2009	July 1, 2019	30-year	28	2.6	\$125,691
IV	\$ 2,000	7.50%	August 27, 2009	September 5, 2014	22-year	1	0.1	\$ 3,582
	\$ 5,850	7.60%	August 27, 2009	September 5, 2016	25-year	1	0.2	\$ 9,862
	\$ 5,000	7.60%	August 26, 2009	September 5, 2016	25-year	1	0.2	\$ 6,562
V	\$ 7,350	6.95%	September 21, 2009	October 15, 2014	25-year	7	0.2	\$ 8,271
	\$ 4,100	7.05%	September 21, 2009	October 15, 2014	25-year	1	0.1	\$ 5,020
	\$ 8,900	7.05%	September 21, 2009	October 15, 2014	25-year	5	0.5	\$ 11,885
VI	\$ 13,880	6.42%	September 24, 2009	November 1, 2014	25-year	5	0.3	\$ 17,812
VII	\$ 27,780	7.50%	October 1, 2009	October 1, 2014	30-year	8	0.7	\$ 34,505
VIII	\$ 14,818	6.75%	October 1, 2009	September 30, 2012 *	25-year	5	0.8	\$ 19,725
IX	\$ 11,375	7.60%	October 15, 2009	November 5, 2014	25-year	1	0.4	\$ 14,929
X	\$ 38,200	7.50%	December 4, 2009	January 1, 2020	30-year	11	1.2	\$ 56,261
XI	\$ 27,500	6.70%	December 18, 2009	January 1, 2015	25-year	10	0.8	\$ 33,814
XII	<u>\$ 18,850</u>	7.50%	December 29, 2009	December 29, 2014	30-year	14	0.6	<u>\$ 27,249</u>
	<u>\$339,783</u>							<u>\$490,142</u>

* This mortgage loan has two one-year extension options.

For Mortgage Financings I, II, III, IV, VII, IX, X and XI, principal prepayments are prohibited for certain time periods up to 60 months after loan origination, depending on the agreement. For Mortgage Financings V, VI, VIII and XII, principal prepayments are allowed at any time. Prepayment premiums range from 5% to 0.5% of the loan balance (or a yield maintenance amount), typically decreasing as the loan matures.

On June 1, 2009 we paid off and retired our secured mortgage debt maturing in July 2009 in the amount of \$5,025.

On December 11, 2009 we prepaid and retired without penalty our secured mortgage debt maturing in December 2019 in the amount of \$4,550.

As of December 31, 2009, mortgage and other loans payable of \$402,974 are collateralized by industrial properties with a net carrying value of \$583,300 and one letter of credit. Additionally, the industrial properties that are the collateral for Mortgage Financing V are cross-collateralized. We believe the Operating Partnership and the Company were in compliance with all covenants relating to mortgage loans payable as of December 31, 2009.

Senior Unsecured Notes, Net

On June 15, 2009, we paid off and retired our 2009 Notes in the amount of \$105,721.

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

During the years ended December 31, 2009 and December 31, 2008, we repurchased and retired the following senior unsecured debt prior to its maturity:

	Principal Amount Repurchased		Purchase Price	
	For the Year Ended December 31, 2009	For the Year Ended December 31, 2008	For the Year Ended December 31, 2009	For the Year Ended December 31, 2008
2009 Notes	\$ 19,279	\$ —	\$ 19,064	\$ —
2011 Notes	56,502	—	52,465	—
2011 Exchangeable Notes	53,100	—	48,938	—
2012 Notes	55,935	—	48,519	—
2014 Notes	12,000	—	8,810	—
2016 Notes	34,821	5,000	24,511	4,488
2017 Notes	12,747	—	10,399	—
2017 II Notes	590	31,570	439	28,037
2027 Notes	1,500	—	1,078	—
2028 Notes	10,000	—	7,548	—
2032 Notes	15,000	—	11,313	—
	<u>\$271,474</u>	<u>\$36,570</u>	<u>\$233,084</u>	<u>\$32,525</u>

In connection with these repurchases prior to maturity, we recognized \$34,562 and \$2,749 as gain on early retirement of debt for the years ended December 31, 2009 and December 31, 2008, respectively, which is the difference between the repurchase amount of \$233,084 and \$32,525, respectively, and the principal amount retired of \$271,474 and \$36,570, respectively, net of the pro rata write off of the unamortized debt issue discount, the unamortized loan fees and the unamortized settlement amount of the interest rate protection agreements related to the repurchases of \$2,052, \$1,286 and \$523, respectively, and \$89, \$376 and \$831, respectively. In addition, we allocated \$33 of the purchase price for our 2011 Exchangeable Notes to the reacquisition of the 2011 Exchangeable Notes equity component for the year ended December 31, 2009.

All of our senior unsecured debt (except for the 2011 Exchangeable Notes) contains certain covenants, including limitations on incurrence of debt and debt service coverage. We believe the Operating Partnership and the Company were in compliance with all covenants relating to senior unsecured debt as of December 31, 2009. However, these financial covenants are complex and there can be no assurance that these provisions would not be interpreted by our noteholders in a manner that could impose and cause us to incur material costs.

Unsecured Line of Credit

We have maintained our Unsecured Line of Credit since 1997. The Unsecured Line of Credit matures on September 28, 2012, has a borrowing capacity of \$500,000 and bears interest at a floating rate of LIBOR plus 1.0%, or the prime rate plus 0.15%, at our election. At December 31, 2009, borrowings under the Unsecured Line of Credit bore interest at a weighted average interest rate of 1.256%. The portion of the Unsecured Line of Credit available in multiple currencies is \$161,000. The Unsecured Line of Credit contains certain covenants, including limitations on incurrence of debt and debt service coverage. Under the Unsecured Line of Credit, an event of default can also occur if the lenders, in their good faith judgment, determine that a material adverse change has occurred which could prevent timely repayment or materially impair our ability to perform our obligations under the loan agreement. We believe that the Operating Partnership and the Company were in compliance with all covenants relating to the Unsecured Line of Credit as of December 31, 2009. However, these financial covenants are complex and there can be no assurance that these provisions would not be interpreted by our lenders in a manner that could impose and cause us to incur material costs.

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Our belief that we will continue to meet our financial covenants through 2010 is based on internal projections of EBITDA, as defined in our Unsecured Line of Credit and our unsecured notes, which include a number of assumptions, including, among others, assumptions regarding occupancy rates, tenant retention and rental rates as well as internal projections of interest expense and preferred dividends.

The following is a schedule of the stated maturities and scheduled principal payments of the mortgage and other loans payable, senior unsecured debt and Unsecured Line of Credit, exclusive of premiums and discounts, for the next five years ending December 31, and thereafter:

	Amount
2010	\$ 18,650
2011	301,691
2012	622,463
2013	6,912
2014	228,440
Thereafter	830,342
Total	<u>\$2,008,498</u>

Fair Value

At December 31, 2009 and 2008, the fair value of our mortgage and other loans payable, senior unsecured debt and Unsecured Line of Credit were as follows:

	December 31, 2009		December 31, 2008	
	Carrying Amount	Fair Value	(As Adjusted) Carrying Amount	Fair Value
Mortgage and Other Loans Payable	\$ 402,974	\$ 407,706	\$ 77,396	\$ 75,817
Senior Unsecured Debt	1,140,114	960,452	1,511,955	1,101,217
Unsecured Line of Credit	455,244	422,561	443,284	400,849
Total	<u>\$1,998,332</u>	<u>\$1,790,719</u>	<u>\$2,032,635</u>	<u>\$1,577,883</u>

The fair values of our mortgage loans payable were determined by discounting the future cash flows using the current rates at which similar loans would be made to borrowers with similar credit ratings and for the same remaining maturities. The fair value of the senior unsecured debt was determined by quoted market prices. The fair value of the Unsecured Line of Credit was determined by discounting the future cash flows using current rates at which similar loans would be made to borrowers with similar credit ratings and for the same remaining term, assuming no repayment until maturity.

7. Stockholders' Equity

Preferred Stock

On June 6, 1997, we issued 2,000,000 Depositary Shares, each representing 1/100th of a share of our 8⁵/₈%, \$0.01 par value, Series C Cumulative Preferred Stock (the "Series C Preferred Stock"), at an initial offering price of \$25.00 per Depositary Share. On June 6, 2007, the Series C Preferred Stock became redeemable for cash at our option, in whole or in part, at a redemption price equivalent to \$25 per Depositary Share, or \$50,000 in the aggregate, plus dividends accrued and unpaid to the redemption date. We redeemed the Series C Preferred Stock on June 7, 2007, at a redemption price of \$25.00 per Depositary Share, and paid a prorated second quarter dividend of \$0.40729 per Depositary Share, totaling approximately \$815. Due to the redemption of the Series C Preferred Stock, the initial offering costs associated with the issuance of the Series C Preferred Stock of \$2,017 were reflected

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

as a deduction from net income to arrive at net income available to common stockholders in determining earnings per share for the year ended December 31, 2007.

On May 27, 2004, we issued 50,000 Depositary Shares, each representing 1/100th of a share of our 6.236%, \$0.01 par value, Series F Flexible Cumulative Redeemable Preferred Stock (the “Series F Preferred Stock”), at an initial offering price of \$1,000.00 per Depositary Share. Dividends on the Series F Preferred Stock are cumulative from the date of initial issuance and are payable semi-annually in arrears for the period from the date of original issuance through March 31, 2009 (the “Series F Initial Fixed Rate Period”), commencing on September 30, 2004, at a rate of 6.236% per annum of the liquidation preference (the “Series F Initial Distribution Rate”) (equivalent to \$62.36 per Depositary Share). The coupon rate of our Series F Preferred Stock resets every quarter beginning March 31, 2009 at 2.375% plus the greater of (i) the 30 year U.S. Treasury rate, (ii) the 10 year U.S. Treasury rate or (iii) 3-month LIBOR. On October 1, 2009, the new coupon rate was 6.405%. Dividends on the Series F Preferred Stock are payable semi-annually in arrears for fixed rate periods subsequent to the Series F Initial Fixed Rate Period and quarterly in arrears for floating rate periods. With respect to the payment of dividends and amounts upon liquidation, dissolution or winding up, the Series F Preferred Stock ranks senior to payments on our Common Stock and *pari passu* with our Series G Preferred Stock (hereinafter defined), Series J Preferred Stock (hereinafter defined) and Series K Preferred Stock (hereinafter defined). On or after March 31, 2009, subject to any conditions on redemption applicable in any fixed rate period subsequent to the Series F Initial Fixed Rate Period, the Series F Preferred Stock is redeemable for cash at our option, in whole or in part, at a redemption price equivalent to \$1,000.00 per Depositary Share, or \$50,000 in the aggregate, plus dividends accrued and unpaid to the redemption date. The Series F Preferred Stock has no stated maturity and is not convertible into any other securities of the Company. In October 2008, we entered into an interest rate swap agreement to mitigate our exposure to floating interest rates related to the forecasted reset rate of the coupon rate of our Series F Preferred Stock (see Note 17 for further information on the agreement).

On May 27, 2004, we issued 25,000 Depositary Shares, each representing 1/100th of a share our 7.236%, \$0.01 par value, Series G Flexible Cumulative Redeemable Preferred Stock (the “Series G Preferred Stock”), at an initial offering price of \$1,000.00 per Depositary Share. Dividends on the Series G Preferred Stock are cumulative from the date of initial issuance and are payable semi-annually in arrears for the period from the date of original issuance of the Series G Preferred Stock through March 31, 2014 (the “Series G Initial Fixed Rate Period”), commencing on September 30, 2004, at a rate of 7.236% per annum of the liquidation preference (the “Series G Initial Distribution Rate”) (equivalent to \$72.36 per Depositary Share). On or after March 31, 2014, the Series G Initial Distribution Rate is subject to reset, at our option, subject to certain conditions and parameters, at fixed or floating rates and periods. Fixed rates and periods will be determined through a remarketing procedure. Floating rates during floating rate periods will equal 2.500% (the initial credit spread), plus the greater of (i) the 3-month LIBOR Rate, (ii) the 10-year Treasury CMT Rate (as defined in the Articles Supplementary), and (iii) the 30-year Treasury CMT Rate (the adjustable rate) (as defined in the Articles Supplementary), reset quarterly. Dividends on the Series G Preferred Stock are payable semi-annually in arrears for fixed rate periods subsequent to the Series G Initial Fixed Rate Period and quarterly in arrears for floating rate periods. With respect to the payment of dividends and amounts upon liquidation, dissolution or winding up, the Series G Preferred Stock ranks senior to payments on our Common Stock and *pari passu* with our Series F Preferred Stock, Series J Preferred Stock (hereinafter defined) and Series K Preferred Stock (hereinafter defined). On or after March 31, 2014, subject to any conditions on redemption applicable in any fixed rate period subsequent to the Series G Initial Fixed Rate Period, the Series G Preferred Stock is redeemable for cash at our option, in whole or in part, at a redemption price equivalent to \$1,000.00 per Depositary Share, or \$25,000 in the aggregate, plus dividends accrued and unpaid to the redemption date. The Series G Preferred Stock has no stated maturity and is not convertible into any other securities of the Company.

On January 13, 2006, we issued 6,000,000 Depositary Shares, each representing 1/10,000th of a share of our 7.25%, \$0.01 par value, Series J Cumulative Redeemable Preferred Stock (the “Series J Preferred Stock”), at an initial offering price of \$25.00 per Depositary Share. Dividends on the Series J Preferred Stock, represented by the Depositary Shares, are cumulative from the date of initial issuance and are payable quarterly in arrears. However, during any period that both (i) the depositary shares are not listed on the NYSE or AMEX, or quoted on NASDAQ, and

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

(ii) we are not subject to the reporting requirements of the Exchange Act, but the preferred shares are outstanding, we will increase the dividend on the preferred shares to a rate of 8.25% of the liquidation preference per year. However, if at any time both (i) the depositary shares cease to be listed on the NYSE or the AMEX, or quoted on NASDAQ, and (ii) we cease to be subject to the reporting requirements of the Exchange Act, but the preferred shares are outstanding, then the preferred shares will be redeemable, in whole but not in part at our option, within 90 days of the date upon which the depositary shares cease to be listed and we cease to be subject to such reporting requirements, at a redemption price equivalent to \$25.00 per Depositary Share, plus all accrued and unpaid dividends to the date of redemption. With respect to the payment of dividends and amounts upon liquidation, dissolution or winding up, the Series J Preferred Stock ranks senior to payments on our Common Stock and pari passu with our Series F Preferred Stock, Series G Preferred Stock and Series K Preferred Stock (hereinafter defined). The Series J Preferred Stock is not redeemable prior to January 15, 2011. On or after January 15, 2011, the Series J Preferred Stock is redeemable for cash at our option, in whole or in part, at a redemption price equivalent to \$25.00 per Depositary Share, or \$150,000 in the aggregate, plus dividends accrued and unpaid to the redemption date. The Series J Preferred Stock has no stated maturity and is not convertible into any other securities of the Company.

On August 21, 2006, we issued 2,000,000 Depositary Shares, each representing 1/10,000th of a share of our 7.25%, \$.01 par value, Series K Flexible Cumulative Redeemable Preferred Stock (the “Series K Preferred Stock”), at an initial offering price of \$25.00 per Depositary Share. Dividends on the Series K Preferred Stock, represented by the Depositary Shares, are cumulative from the date of initial issuance and are payable quarterly in arrears. With respect to the payment of dividends and amounts upon liquidation, dissolution or winding up, the Series K Preferred Stock ranks senior to payments on our Common Stock and pari passu with our Series F Preferred Stock, Series G Preferred Stock and Series J Preferred Stock. The Series K Preferred Stock is not redeemable prior to August 15, 2011. On or after August 15, 2011, the Series K Preferred Stock is redeemable for cash at our option, in whole or in part, at a redemption price equivalent to \$25.00 per Depositary Share, or \$50,000 in the aggregate, plus dividends accrued and unpaid to the redemption date. The Series K Preferred Stock has no stated maturity and is not convertible into any other securities of the Company.

The following table summarizes certain information regarding our preferred stock:

	Stated Value at	
	December 31, 2009	December 31, 2008
Series F Preferred Stock	\$ 50,000	\$ 50,000
Series G Preferred Stock	25,000	25,000
Series J Preferred Stock	150,000	150,000
Series K Preferred Stock	50,000	50,000
Total	\$275,000	\$275,000

Shares of Common Stock

For the years ended December 31, 2009, 2008 and 2007, 415,466, 632,492, and 119,747, shares of common stock, respectively, were converted from an equivalent number of limited partnership interests in the Operating Partnership (“Units”), resulting in a reclassification of \$7,817, \$14,581 and \$2,855, respectively, of noncontrolling interest to First Industrial Realty Trust Inc.’s Stockholders’ Equity.

On August 8, 2008, the Company’s DRIP became effective. Under the terms of the DRIP, stockholders who participate may reinvest all or part of their dividends in additional shares of the Company at a discount from the market price, at our discretion, when the shares are issued and sold directly by us from authorized but unissued shares of the Company’s common stock. Stockholders and non-stockholders may also purchase additional shares at a discounted price, at our discretion, when the shares are issued and sold directly by us from authorized but unissued shares of the Company’s common stock, by making optional cash payments, subject to certain dollar thresholds.

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

During the year ended December 31, 2009, we issued 3,034,120 shares under the direct stock purchase component of the DRIP for \$15,920.

On October 5, 2009, we sold in an underwritten public offering 13,635,700 shares of the Company's common stock at a price of \$5.25 per share. Gross offering proceeds from the issuance were \$71,587 in the aggregate. Proceeds to us, net of underwriters' discount of \$3,042 and total expenses of \$765, were approximately \$67,780.

During the year ended December 31, 2009, we awarded 50,445 shares of common stock to certain directors. The common stock shares had a fair value of approximately \$240 upon issuance.

Treasury Stock

In March 2000 and in September 2007, our Board of Directors authorized a stock repurchase plan pursuant to which we are permitted to purchase up to \$100,000 (the "March 2000 Program") and \$100,000, respectively, of our outstanding common stock. We may make purchases from time to time in the open market or in privately negotiated transactions, depending on market and business conditions. During the year ended December 31, 2007, we repurchased 1,797,714 shares at an average price per share of \$38.62, including brokerage commissions. During November 2007, we completed the March 2000 Program.

Non-Qualified Employee Stock Options

For the year ended December 31, 2007, certain employees of the Company exercised 19,600 non-qualified employee stock options. Proceeds to us were approximately \$613.

For the year ended December 31, 2008, certain employees of the Company exercised 6,300 non-qualified employee stock options. Proceeds to us were approximately \$174.

Restricted Stock/Units

During the years ended December 31, 2009, 2008, and 2007 we awarded 0, 583,871, and 442,008 restricted shares of common stock, respectively, as well as 1,473,600, 4,757, and 0 restricted stock units, respectively, to certain employees of the Company and 35,145, 21,945, and 17,139 restricted shares of common stock, respectively, to certain directors of the Company. See Note 16 for further disclosure on our stock based compensation.

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table is a roll-forward of our shares of common stock outstanding, including unvested restricted shares of common stock for the three years ended December 31, 2009:

	<u>Shares of Common Stock Outstanding</u>
Balance at December 31, 2006	45,010,630
Stock Option Exercises	19,600
Issuance of Restricted Stock Shares	459,147
Repurchase of Treasury Shares	(1,797,714)
Repurchase and Retirement of Restricted Stock Shares	(139,261)
Conversion of Operating Partnership Units	<u>119,747</u>
Balance at December 31, 2007	<u>43,672,149</u>
Stock Option Exercises	6,300
Issuance of Common Stock	138
Issuance of Restricted Stock Shares	605,816
Repurchase and Retirement of Restricted Stock Shares	(264,713)
Conversion of Operating Partnership Units	<u>632,492</u>
Balance at December 31, 2008	<u>44,652,182</u>
Issuance of Common Stock	16,874,884
Issuance of Restricted Stock Shares	35,145
Repurchase and Retirement of Restricted Stock Shares	(132,463)
Conversion of Operating Partnership Units	<u>415,466</u>
Balance at December 31, 2009	<u><u>61,845,214</u></u>

Dividends/Distributions

The coupon rate of our Series F Preferred Stock resets every quarter beginning March 31, 2009 at 2.375% plus the greater of (i) the 30 year U.S. Treasury rate, (ii) the 10 year U.S. Treasury rate or (iii) 3-month LIBOR. On October 1, 2009, the new coupon rate was 6.405%. See Note 16 for additional derivative information related to the Series F Preferred Stock coupon rate reset.

The following table summarizes dividends/distributions declared for the past three years:

	Year Ended 2009		Year Ended 2008		Year Ended 2007	
	Dividend/ Distribution per Share/ Unit	Total Dividend/ Distribution	Dividend/ Distribution per Share/ Unit	Total Dividend/ Distribution	Dividend/ Distribution per Share/ Unit	Total Dividend/ Distribution
Common Stock/Operating Partnership Units	\$ 0.0000	\$ —	\$ 2.4100	\$121,882	\$ 2.8500	\$146,126
Series C Preferred Stock	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ 94.6353	\$ 1,893
Series F Preferred Stock	\$ 6,414.5700	\$ 3,207	\$ 6,236.0000	\$ 3,118	\$ 6,236.0000	\$ 3,118
Series G Preferred Stock	\$ 7,236.0000	\$ 1,809	\$ 7,236.0000	\$ 1,809	\$ 7,236.0000	\$ 1,809
Series J Preferred Stock	\$18,125.2000	\$10,875	\$18,125.2000	\$ 10,875	\$18,125.2000	\$ 10,875
Series K Preferred Stock	\$18,125.2000	\$ 3,625	\$18,125.2000	\$ 3,625	\$18,125.2000	\$ 3,625

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table summarizes the changes in Noncontrolling Interest for the years ended December 31, 2009, 2008 and 2007:

	Year Ended		
	December 31, 2009	(As Adjusted) December 31, 2008	(As Adjusted) December 31, 2007
Noncontrolling Interest, Beginning of Year	\$122,117	\$150,117	\$152,497
Net (Loss) Income	(1,547)	2,990	18,841
Other Comprehensive Loss (Income)	248	(1,391)	142
Comprehensive Loss (Income)	(1,299)	1,599	18,983
Conversion of Units to Common Stock	(7,817)	(14,581)	(2,855)
Reallocation — Additional Paid In Capital	(49,126)	—	—
Reallocation — Other Comprehensive Income	931	—	—
Distributions	—	(15,018)	(18,508)
Noncontrolling Interest, End of Year	<u>\$ 64,806</u>	<u>\$122,117</u>	<u>\$150,117</u>

8. Acquisition and Development of Real Estate

In 2007, we acquired 105 industrial properties comprising, in the aggregate, approximately 8.6 million square feet of GLA and several land parcels, including 41 industrial properties comprising approximately 1.3 million square feet of GLA in connection with the purchase of the 90% equity interest from the institutional investor of the 1998 Core Joint Venture and one industrial property comprising 0.3 million square feet of GLA in connection with the redemption of the 85% equity interest in one property from the institutional investor in the 2003 Net Lease Joint Venture. The purchase price of these acquisitions totaled approximately \$470,784, excluding costs incurred in conjunction with the acquisition of the industrial properties and land parcels. We also substantially completed development of 15 properties comprising approximately 3.7 million square feet of GLA at a cost of approximately \$144,790. We reclassified the costs of the substantially completed developments from construction in progress to building, tenant improvements and leasing commissions.

In 2008, we acquired 26 industrial properties comprising, in the aggregate, approximately 3.1 million square feet of GLA and several land parcels. The purchase price of these acquisitions totaled approximately \$339,650, excluding costs incurred in conjunction with the acquisition of the industrial properties and land parcels. We also substantially completed development of eight properties comprising approximately 4.5 million square feet of GLA at a cost of approximately \$148,236. We reclassified the costs of the substantially completed developments from construction in progress to building, tenant improvements and leasing commissions.

In 2009, we acquired one land parcel. The purchase price of the land parcel was approximately \$208, excluding costs incurred in conjunction with the acquisition of the land parcel. We also substantially completed the development of two industrial properties comprising approximately 1.1 million square feet of GLA at a cost of approximately \$41,258. We reclassified the costs of the substantially completed developments from construction in progress to building, tenant improvements and leasing commissions.

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Intangible Assets Subject To Amortization in the Period of Acquisition

The fair value of in-place leases, above market leases, tenant relationships and below market leases recorded due to real estate properties acquired for the years ended December 31, 2009 and 2008 is as follows:

	Year Ended December 31, 2009	Year Ended December 31, 2008
In-Place Leases	\$—	\$21,054
Above Market Leases	\$—	\$ 61
Tenant Relationships	\$—	\$ 7,163
Below Market Leases	\$—	\$(7,070)

The weighted average life in months of in-place leases, above market leases, tenant relationships and below market leases recorded as a result of the real estate properties acquired for the years ended December 31, 2009 and 2008 is as follows:

	Year Ended December 31, 2009	Year Ended December 31, 2008
In-Place Leases	N/A	115
Above Market Leases	N/A	43
Tenant Relationships	N/A	99
Below Market Leases	N/A	137

9. Sale of Real Estate, Real Estate Held for Sale and Discontinued Operations

In 2007, we sold 164 industrial properties comprising approximately 13.7 million square feet of GLA and several land parcels. Gross proceeds from the sales of the 164 industrial properties and several land parcels were approximately \$881,278. The gain on sale of real estate was approximately \$254,387, of which \$244,962 is shown in discontinued operations. One-hundred sixty-one of the 164 sold industrial properties meet the criteria to be included in discontinued operations. Therefore the results of operations and gain on sale of real estate for the 161 sold industrial properties are included in discontinued operations. The results of operations and gain on sale of real estate for the three industrial properties and several land parcels that do not meet the criteria to be included in discontinued operations are included in continuing operations.

In 2008, we sold 114 industrial properties comprising approximately 9.1 million square feet of GLA and several land parcels. Gross proceeds from the sales of the 114 industrial properties and several land parcels were approximately \$583,211. The gain on sale of real estate was approximately \$184,175, of which \$172,167 is shown in discontinued operations. One-hundred thirteen of the 114 sold industrial properties meet the criteria to be included in discontinued operations. Therefore the results of operations and gain on sale of real estate for the 113 sold industrial properties that meet the criteria are included in discontinued operations. The results of operations and gain on sale of real estate for the one industrial property and several land parcels that do not meet the criteria to be included in discontinued operations are included in continuing operations.

In 2009, we sold 15 industrial properties comprising approximately 1.9 million square feet of GLA and several land parcels. Gross proceeds from the sales of the 15 industrial properties and several land parcels were approximately \$100,194. The gain on sale of real estate was approximately \$24,580, of which \$24,206 is shown in discontinued operations. The 15 sold industrial properties meet the criteria to be included in discontinued operations. Therefore the results of operations and gain on sale of real estate for the 15 sold industrial properties are included in discontinued operations. The results of operations and gain on sale of real estate for the several land parcels that do not meet the criteria to be included in discontinued operations are included in continuing operations.

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

At December 31, 2009, we had seven industrial properties comprising approximately 0.6 million square feet of GLA held for sale. The results of operations of the seven industrial properties held for sale at December 31, 2009 are included in discontinued operations. There can be no assurance that such industrial properties held for sale will be sold.

The following table discloses certain information regarding the industrial properties included in our discontinued operations for the years ended December 31, 2009, 2008 and 2007.

	Year Ended December 31,		
	2009	2008	2007
Total Revenues	\$ 9,464	\$ 40,966	\$109,022
Property Expenses	(2,427)	(13,880)	(35,856)
Depreciation and Amortization	(2,647)	(11,902)	(34,178)
Gain on Sale of Real Estate	24,206	172,167	244,962
Provision for Income Taxes	(1,816)	(4,887)	(38,673)
Income from Discontinued Operations	\$26,780	\$182,464	\$245,277

At December 31, 2009 and 2008, we had notes receivables outstanding of approximately \$60,029 and \$37,512, net of a discount of \$449 and \$0, respectively, which is included as a component of Prepaid Expenses and Other Assets, Net. At December 31, 2009 and 2008, the fair value of the notes receivables were \$56,812 and \$31,061, respectively. The fair values of our notes receivables were determined by discounting the future cash flows using the current rates at which similar loans with similar remaining maturities would be made to other borrowers.

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

10. Supplemental Information to Statements of Cash Flows

Supplemental disclosure of cash flow information:

	<u>Year Ended December 31, 2009</u>	<u>(As Adjusted) Year Ended December 31, 2008</u>	<u>(As Adjusted) Year Ended December 31, 2007</u>
Interest paid, net of capitalized interest	<u>\$115,990</u>	<u>\$113,062</u>	<u>\$118,909</u>
Capitalized Interest	<u>\$ 281</u>	<u>\$ 7,775</u>	<u>\$ 8,413</u>
Income Taxes (Refunded) Paid	<u>\$(54,173)</u>	<u>\$ 2,355</u>	<u>\$ 42,169</u>
Supplemental schedule of noncash investing and financing activities:			
Distribution payable on common stock/Units	<u>\$ —</u>	<u>\$ 12,614</u>	<u>\$ 36,079</u>
Distribution payable on preferred stock	<u>\$ 452</u>	<u>\$ 1,232</u>	<u>\$ 1,232</u>
Exchange of units for common stock:			
Noncontrolling interest	\$ (7,817)	\$(14,581)	\$ (2,855)
Common stock	4	6	—
Additional paid-in-capital	<u>7,813</u>	<u>14,575</u>	<u>2,855</u>
	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
In conjunction with property and land acquisitions, the following liabilities were assumed:			
Accounts payable and accrued expenses	<u>\$ —</u>	<u>\$ (464)</u>	<u>\$ (6,095)</u>
Mortgage debt	<u>\$ —</u>	<u>\$ (7,852)</u>	<u>\$ (38,590)</u>
Write-off of fully depreciated assets	<u>\$(55,089)</u>	<u>\$(72,406)</u>	<u>\$(45,031)</u>
In conjunction with certain property sales, we provided seller financing or assigned a mortgage loan payable:			
Notes receivable	<u>\$ 20,645</u>	<u>\$ 62,613</u>	<u>\$ 48,282</u>
Mortgage Note Payable	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 769</u>

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

11. Earnings Per Share (“EPS”)

The computation of basic and diluted EPS is presented below:

	<u>Year Ended December 31, 2009</u>	<u>(As Adjusted) Year Ended December 31, 2008</u>	<u>(As Adjusted) Year Ended December 31, 2007</u>
Numerator:			
Loss from Continuing Operations, Net of Income Tax	\$ (22,825)	\$ (148,103)	\$ (79,074)
Noncontrolling Interest Allocable to Continuing Operations	<u>4,297</u>	<u>20,656</u>	<u>12,964</u>
Loss from Continuing Operations, Net of Noncontrolling Interest and Income Tax	(18,528)	(127,447)	(66,110)
Gain on Sale of Real Estate	374	12,008	9,425
Income Tax Provision Allocable to Gain on Sale of Real Estate	(143)	(3,782)	(3,082)
Noncontrolling Interest Allocable to Gain on Sale of Real Estate	(24)	(1,020)	(802)
Preferred Stock Dividends	(19,516)	(19,428)	(21,320)
Redemption of Preferred Stock	<u>—</u>	<u>—</u>	<u>(2,017)</u>
Loss from Continuing Operations Available to First Industrial Realty Trust, Inc.’s Common Stockholders	<u>\$ (37,837)</u>	<u>\$ (139,669)</u>	<u>\$ (83,906)</u>
Income from Discontinued Operations	\$ 28,596	\$ 187,351	\$ 283,950
Income Tax Provision Allocable to Discontinued Operations	(1,816)	(4,887)	(38,673)
Noncontrolling Interest Allocable to Discontinued Operations	(2,726)	(22,626)	(31,003)
Discontinued Operations Allocable to Participating Securities	<u>—</u>	<u>(2,553)</u>	<u>(2,597)</u>
Discontinued Operations Attributable to First Industrial Realty Trust, Inc.	<u>\$ 24,054</u>	<u>\$ 157,285</u>	<u>\$ 211,677</u>
Net (Loss) Income Available	(13,783)	20,169	130,368
Net Income Allocable to Participating Securities	<u>—</u>	<u>(2,553)</u>	<u>(2,597)</u>
Net (Loss) Income Available to First Industrial Realty Trust, Inc.’s Common Stockholders	<u>\$ (13,783)</u>	<u>\$ 17,616</u>	<u>\$ 127,771</u>
Denominator:			
Weighted Average Shares — Basic and Diluted	48,695,317	43,192,969	44,085,998
Basic and Diluted EPS:			
Loss from Continuing Operations Available to First Industrial Realty Trust, Inc.’s Common Stockholders	<u>\$ (0.78)</u>	<u>\$ (3.23)</u>	<u>\$ (1.90)</u>
Discontinued Operations Attributable to First Industrial Realty Trust, Inc.’s Common Stockholders	<u>\$ 0.49</u>	<u>\$ 3.64</u>	<u>\$ 4.80</u>
Net (Loss) Income Available to First Industrial Realty Trust, Inc.’s Common Stockholders	<u>\$ (0.28)</u>	<u>\$ 0.41</u>	<u>\$ 2.90</u>

Participating securities include unvested restricted stock awards and restricted unit awards outstanding that participate in non-forfeitable dividends of the Company.

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	Unvested Awards Outstanding at December 31, 2009	Allocation of Net Income Available to Participating Securities For the Year Ended December 31, 2009	Unvested Awards Outstanding at December 31, 2008	Allocation of Net Income Available to Participating Securities For the Year Ended December 31, 2008	Unvested Awards Outstanding at December 31, 2007	Allocation of Net Income Available to Participating Securities For the Year Ended December 31, 2007
Participating Securities:						
Restricted Stock Awards	355,645		757,041		909,966	
Restricted Unit Awards	<u>—</u>		<u>4,619</u>		<u>—</u>	
	355,645	\$—	761,660	\$482	909,966	\$2,597

Participating security holders are not obligated to share in losses, therefore, none of the loss was allocated to participating securities for the year ended December 31, 2009.

The number of weighted average shares — diluted is the same as the number of weighted average shares — basic for the years ended December 31, 2009, 2008 and 2007 as the effect of stock options and restricted stock/unit awards was excluded as its inclusion would have been antidilutive to the loss from continuing operations available to First Industrial Realty Trust, Inc.'s common stockholders. The following awards were anti-dilutive and could be dilutive in future periods:

	Number of Awards Outstanding At December 31, 2009	Number of Awards Outstanding At December 31, 2008	Number of Awards Outstanding At December 31, 2007
Non-Participating Securities:			
Restricted Unit Awards	1,218,800	—	—
Options	139,700	278,601	355,901

The 2011 Exchangeable Notes are convertible into common shares of the Company at a price of \$50.93 and were not included in the computation of diluted EPS as our average stock price did not exceed the strike price of the conversion feature.

12. Income Taxes

For income tax purposes, distributions paid to common shareholders are classified as ordinary income, capital gain, return of capital or qualified dividends. We did not pay common share distributions for the year ended December 31, 2009. For the years ended December 31, 2008 and 2007, the distributions per common share were classified as follows:

	2008	As a Percentage of Distributions	2007	As a Percentage of Distributions
Ordinary income	\$0.1127	4.68%	\$0.6158	21.61%
Long-term capital gains	1.3166	54.63%	1.2950	45.44%
Unrecaptured Section 1250 gain	0.8141	33.78%	0.6721	23.58%
Return of capital	—	0.00%	0.2671	9.37%
Qualified Dividends	<u>0.1666</u>	<u>6.91%</u>	<u>—</u>	<u>0.00%</u>
	<u>\$2.4100</u>	<u>100.00%</u>	<u>\$2.8500</u>	<u>100.00%</u>

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

For income tax purposes, distributions paid to preferred shareholders are classified as ordinary income, capital gain, or qualified dividends. For the years ended December 31, 2009, 2008 and 2007, the preferred distributions per depositary share were classified as follows:

<u>Series C Preferred Stock</u>	<u>2007</u>	<u>As a Percentage of Distributions</u>
Ordinary income	\$0.1285	23.84%
Long-term capital gains	0.2703	50.14%
Unrecaptured Section 1250 gain	0.1403	26.02%
Qualified Dividends	<u>—</u>	<u>0.00%</u>
	<u>\$0.5391</u>	<u>100.00%</u>

<u>Series J Preferred Stock</u>	<u>2009</u>	<u>As a Percentage of Distributions</u>	<u>2008</u>	<u>As a Percentage of Distributions</u>	<u>2007</u>	<u>As a Percentage of Distributions</u>
Ordinary income	\$ —	0.00%	\$0.0847	4.68%	\$0.4322	23.84%
Long-term capital gains	1.3697	75.57%	0.9902	54.63%	0.9087	50.14%
Unrecaptured Section 1250 gain	0.4428	24.43%	0.6123	33.78%	0.4716	26.02%
Qualified Dividends	<u>—</u>	<u>0.00%</u>	<u>0.1253</u>	<u>6.91%</u>	<u>—</u>	<u>0.00%</u>
	<u>\$1.8125</u>	<u>100.00%</u>	<u>\$1.8125</u>	<u>100.00%</u>	<u>\$1.8125</u>	<u>100.00%</u>

<u>Series K Preferred Stock</u>	<u>2009</u>	<u>As a Percentage of Distributions</u>	<u>2008</u>	<u>As a Percentage of Distributions</u>	<u>2007</u>	<u>As a Percentage of Distributions</u>
Ordinary income	\$ —	0.00%	\$0.0847	4.68%	\$0.4322	23.84%
Long-term capital gains	1.3697	75.57%	0.9902	54.63%	0.9087	50.14%
Unrecaptured Section 1250 gain	0.4428	24.43%	0.6123	33.78%	0.4716	26.02%
Qualified Dividends	<u>—</u>	<u>0.00%</u>	<u>0.1253</u>	<u>6.91%</u>	<u>—</u>	<u>0.00%</u>
	<u>\$1.8125</u>	<u>100.00%</u>	<u>\$1.8125</u>	<u>100.00%</u>	<u>\$1.8125</u>	<u>100.00%</u>

The components of income tax benefit (expense) for the TRSs for the years ended December 31, 2009, 2008 and 2007 are comprised of the following:

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Current:			
Federal	\$ 38,703	\$5,114	\$(28,209)
State	372	814	(4,934)
Foreign	(835)	(649)	—
Deferred:			
Federal	(15,816)	(526)	3,977
State	(557)	(107)	571
Foreign	<u>9</u>	<u>671</u>	<u>—</u>
	<u>\$ 21,876</u>	<u>\$5,317</u>	<u>\$(28,595)</u>

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

In addition to income tax benefit (expense) recognized by the TRSs, \$1,320, \$(1,028) and \$(1,960) of state income tax benefit (expense) was recognized by the Company and is included in income tax benefit (expense) on the consolidated statement of operations for the years ended December 31, 2009, 2008 and 2007, respectively.

On August 24, 2009, we received a private letter ruling from the IRS granting favorable loss treatment under Sections 331 and 336 of the Code on the tax liquidation of our old TRS. As a result, the Company completed a transaction on September 1, 2009 whereby approximately 75% of the assets formerly held by the old TRS are now held by FI LLC (which is wholly owned by the Operating Partnership). The remaining 25% of the assets are now held by FRIP (which is 99% owned by the new TRS). On November 6, 2009, legislation was signed that allows businesses with net operating losses for 2008 or 2009 to carry back those losses for up to five years. As a result, we received a refund from the IRS of \$40,418 in the fourth quarter of 2009 due to the tax liquidation of the old TRS.

Deferred income taxes represent the tax effect of the temporary differences between the book and tax basis of assets and liabilities. Deferred tax assets (liabilities) of the TRSs include the following as of December 31, 2009 and 2008.

	<u>2009</u>	<u>2008</u>
Bad debt expense	\$ 1	\$ 196
Investment in Joint Ventures	1,679	19,621
Fixed assets	1,074	9,625
Prepaid rent	114	494
Capitalized general and administrative expense under 263A	—	3,711
Deferred losses/gains	—	71
Accrued contingency loss	—	377
Restricted stock	34	2,326
Accrual for Restructuring Costs	—	751
Abandoned Project Costs	—	1,150
Federal net operating loss carrying forward	345	—
State net operating loss carrying forward	11	131
Foreign net operating loss carrying forward	77	—
Valuation Allowance	(1,299)	(19,501)
Other	752	836
Total deferred tax assets	<u>\$ 2,788</u>	<u>\$ 19,788</u>
Straight-line rent	(507)	(1,936)
Fixed assets	(1,358)	(53)
Capitalized interest under 263A	—	(362)
Other	(3)	(243)
Total deferred tax liabilities	<u>\$(1,868)</u>	<u>\$ (2,594)</u>
Total net deferred tax asset	<u>\$ 920</u>	<u>\$ 17,194</u>

As of December 31, 2009 and 2008, the TRSs had net deferred tax assets of \$920 and \$17,194, after valuation allowances of \$1,299 and \$19,501, respectively. Included in net income for the old TRS for the year ended December 31, 2008 is \$39,073 of impairment loss in Equity in Income of Joint Ventures. We recorded a valuation allowance to offset the deferred tax asset that was created by these impairments during the year ended December 31, 2008. The deferred tax assets and liabilities of the old TRS were eliminated on September 1, 2009 as FI LLC is a nontaxable entity. The deferred tax assets and liabilities as of December 31, 2009 represent those of the new TRS, and we have recorded a valuation allowance to offset the net deferred tax assets of the new TRS.

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The new TRS has a net operating loss carryforward related to federal, state and foreign taxes of \$433 and a tax credit carryforward of \$684 at December 31, 2009.

The TRSs' components of income tax benefit (expense) for the years ended December 31, 2009, 2008 and 2007 are as follows:

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Tax expense associated with income from operations on sold properties which is included in discontinued operations	\$ (354)	\$ (1,155)	\$ (2,641)
Tax expense associated with gains and losses on the sale of real estate which is included in discontinued operations	(1,462)	(3,732)	(36,032)
Tax expense associated with gains and losses on the sale of real estate	(143)	(3,782)	(3,082)
Income tax benefit	<u>23,835</u>	<u>13,986</u>	<u>13,160</u>
Income tax benefit (expense)	<u>\$21,876</u>	<u>\$ 5,317</u>	<u>\$(28,595)</u>

The income tax benefit pertaining to income from continuing operations and gain on sale of real estate for the TRSs differs from the amounts computed by applying the applicable federal statutory rate as follows:

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Tax benefit at federal rate related to continuing operations	\$ 8,343	\$ 28,377	\$ 8,659
State tax (expense) benefit, net of federal benefit	493	2,799	1,066
Non-deductible permanent items	(1,652)	(1,852)	(121)
Prior year provision to return adjustments	—	7	436
Change in valuation allowance	16,269	(19,501)	—
Foreign taxes, net	345	344	—
Old TRS liquidation	70	—	—
Other	<u>(176)</u>	<u>30</u>	<u>38</u>
Net income tax benefit	<u>\$23,692</u>	<u>\$ 10,204</u>	<u>\$10,078</u>

Michigan Tax Issue

As of December 31, 2008, we had paid approximately \$1,400 (representing tax and interest for the years 1997-2000) to the State of Michigan regarding business loss carryforwards the appropriateness of which is the subject of current litigation initiated by us. On December 11, 2007, the Michigan Court of Claims rendered a decision against us regarding the business loss carryforwards. Also, the court ruled against us on an alternative position involving Michigan's Capital Acquisition Deduction. We filed an appeal to the Michigan Appeals Court in January 2008; however, as a result of the lower court's decision approximately \$800 (representing tax and interest for the year 2001) had been accrued through June 30, 2009 for both tax and financial statement purposes.

On August 18, 2009, the Michigan Appeals Court issued a decision in our favor on the business loss carryforward issue. The Michigan Department of Treasury appealed the decision to the Michigan Supreme Court on September 29, 2009; however, we believe there is a very low probability that the Michigan Supreme Court will accept the case. Therefore, in September 2009 the Company reversed its accrual of \$800 (related to the 2001 tax year) and set up a receivable of \$1,400 for the amount paid in 2006 (related to the 1997-2000 tax years), resulting in an aggregate reversal of prior tax expense of \$2,200.

We had no unrecognized tax benefits as of December 31, 2009 and 2008. To the extent we have unrecognized tax benefits in the future, it will be our policy to recognize interest and penalties related to unrecognized tax benefits in income tax expense.

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

13. Impairment Charges

We adopted the fair value measurement provisions as of January 1, 2009, for the impairment of long-lived assets recorded at fair value. The new guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include: Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions.

In connection with our periodic review of the carrying values of our properties and due to continuing softness of the economy in certain markets, we determined in the third quarter of 2009 that an impairment loss in the amount of \$6,934 should be recorded to a certain property comprised of 0.2 million square feet of GLA in the Inland Empire market in California (“Inland Empire Property”).

Additionally, during the year ended December 31, 2009, we recorded \$5,194 in impairment charges on our interest in the 2006 Net Lease Co-Investment Program and the 2003 Net Lease Joint Venture (see Note 5).

The following table presents information about our impairment charges that were measured on a fair value basis for the year ended December 31, 2009. The table indicates the fair value hierarchy of the valuation techniques we utilized to determine fair value.

<u>Description</u>	<u>December 31, 2009</u>	<u>Fair Value Measurements at December 31, 2009 Using:</u>			<u>Total Gains (Losses)</u>
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Unobservable Inputs (Level 3)</u>	
Inland Empire Property	\$3,830	—	—	\$3,830	\$(6,934)
Unconsolidated Joint Venture investments	\$3,910	—	—	\$3,910	\$(5,194)

The non-cash impairment charge related to the Inland Empire Property is based upon the difference between the fair value of the property and its carrying value. The non-cash impairment charge related to our unconsolidated Joint Venture investments is based upon the difference between the fair value of our equity interest and our carrying value. The valuation of impaired real estate assets and investments is determined using widely accepted valuation techniques including discounted cash flow analysis on expected cash flows, the income capitalization approach considering prevailing market capitalization rates, analysis of recent comparable sale transactions and/or consideration of the amount that currently would be required to replace the asset, as adjusted for obsolescence. In general, we consider multiple valuation techniques when measuring the fair value of an investment, however; in certain circumstances, a single valuation technique may be appropriate.

The following table presents a reconciliation for our impairment charges classified as Level 3 at December 31, 2009:

	<u>Fair Value Measurements Using Significant Unobservable Inputs (Level 3) Impairment Charges</u>
Beginning balance at December 31, 2008	\$ —
Total unrealized losses:	
Impairment on Real Estate	<u>(12,128)</u>
Ending balance at December 31, 2009	<u><u>\$(12,128)</u></u>

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

14. Restructuring Costs

We committed to a plan to reduce organizational and overhead costs in October 2008 and have subsequently modified that plan with the goal of further reducing these costs. On February 25 and September 25, 2009, we committed to additional modifications to the plan consisting of further organizational and overhead cost reductions.

For the year ended December 31, 2009, we recorded as restructuring costs a pre-tax charge of \$7,806 to provide for employee severance and benefits (\$5,186), costs associated with the termination of certain office leases (\$1,867) and other costs (\$753) associated with implementing the restructuring plan. Included in employee severance costs is \$2,931 of non-cash costs which represents the accelerated recognition of restricted stock expense for certain employees for the year ended December 31, 2009. At December 31, 2009, we have \$2,884 included in Accounts Payable, Accrued Expenses and Other Liabilities, Net related to severance obligations, remaining lease payments and other costs incurred but not yet paid.

For the year ended December 31, 2008, we recorded as reorganization costs, a pre-tax charge of \$27,349 to provide for employee severance and benefits (\$24,825), costs associated with the termination of certain office leases (\$1,162) and contract cancellation and other costs (\$1,362) associated with implementing the restructuring plan. Included in employee severance costs is \$9,585 of non-cash costs which represents the accelerated recognition of restricted stock for certain employees. At December 31, 2008 the Company has \$6,695 included in Accounts Payable, Accrued Expenses and Other Liabilities, Net related to severance obligations, remaining lease payments and other costs incurred but not yet paid.

15. Future Rental Revenues

Our properties are leased to tenants under net and semi-net operating leases. Minimum lease payments receivable, excluding tenant reimbursements of expenses, under non-cancelable operating leases in effect as of December 31, 2009 are approximately as follows:

2010	\$ 239,435
2011	198,847
2012	157,722
2013	120,792
2014	88,445
Thereafter	<u>407,387</u>
Total	<u>\$1,212,628</u>

16. Stock Based Compensation

We maintain four stock incentive plans (the “Stock Incentive Plans”) which are administered by the Compensation Committee of the Board of Directors. There are approximately 10.4 million shares reserved under the Stock Incentive Plans. Only officers, certain employees, our Independent Directors and our affiliates generally are eligible to participate in the Stock Incentive Plans.

The Stock Incentive Plans authorize (i) the grant of stock options that qualify as incentive stock options under Section 422 of the Code, (ii) the grant of stock options that do not so qualify, (iii) restricted stock/Unit awards, (iv) performance share awards and (v) dividend equivalent rights. The exercise price of the stock options is determined by the Compensation Committee. Special provisions apply to awards granted under the Stock Incentive Plans in the event of a change in control in the Company. As of December 31, 2009, stock options and restricted stock/Units covering 1.7 million shares were outstanding and 1.4 million shares were available under the Stock

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Incentive Plans. At December 31, 2009, all outstanding stock options are vested. Stock option transactions are summarized as follows:

	<u>Shares</u>	<u>Weighted Average Exercise Price</u>	<u>Exercise Price per Share</u>	<u>Aggregate Intrinsic Value</u>
Outstanding at December 31, 2007	355,901	\$31.68	\$25.13-\$33.15	\$3,669
Exercised	(6,300)	\$27.58	\$25.13-\$31.13	\$ 24
Expired or Terminated.	<u>(71,000)</u>	\$31.13	\$31.13-\$31.13	
Outstanding at December 31, 2008	278,601	\$31.92	\$27.25-\$33.15	\$ —
Expired or Terminated.	<u>(138,901)</u>	\$31.94	\$27.69-\$33.13	
Outstanding at December 31, 2009	<u>139,700</u>	\$31.89	\$27.25-\$33.15	\$ —

The following table summarizes currently outstanding and exercisable options as of December 31, 2009:

<u>Range of Exercise Price</u>	<u>Number Outstanding and Exercisable</u>	<u>Weighted Average Remaining Contractual Life</u>	<u>Weighted Average Exercise Price</u>
\$27.25-\$30.53	42,900	1.18	\$30.07
\$31.05-\$33.15	96,800	1.40	\$32.70

In September 1994, the Board of Directors approved and we adopted a 401(k)/Profit Sharing Plan. Under our 401(k)/Profit Sharing Plan, all eligible employees may participate by making voluntary contributions. We may make, but are not required to make, matching contributions. For the years ended December 31, 2009, 2008 and 2007, we made matching contributions of \$0, \$0, and \$542, respectively.

For the years ended December 31, 2009, 2008 and 2007, we awarded 1,473,600, 588,628, and 442,008 restricted stock and unit awards to our employees having a fair value at grant date of \$7,406, \$18,860, and \$20,882, respectively. We also awarded 35,145, 21,945, and 17,139 restricted stock awards to our directors having a fair value at grant date of \$149, \$603, and \$688, respectively. Restricted stock awards granted to employees generally vest over a period of three to four years and restricted stock awards granted to directors generally vest over a period of five years. For the years ended December 31, 2009, 2008 and 2007, we recognized \$13,015, \$25,883, and \$14,150 in restricted stock amortization related to restricted stock awards, of which \$45, \$1,519, and \$1,707, respectively, was capitalized in connection with development activities. At December 31, 2009, we have \$9,747 in unearned compensation related to unvested restricted stock awards. The weighted average period that the unrecognized compensation is expected to be incurred is 1.22 years. We did not award options to our employees or our directors during the years ended December 31, 2009, 2008 and 2007 and all outstanding options are fully vested; therefore, no stock-based employee compensation expense related to options is included in Net (Loss) Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders and Participating Securities.

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Restricted stock award and restricted stock unit award transactions for the years ended December 31, 2009 and 2008 are summarized as follows:

	Shares	Weighted Average Grant Date Fair Value
Outstanding at December 31, 2007	909,966	\$41.88
Issued	610,573	\$31.88
Vested	(733,666)	\$22.97
Forfeited	(25,213)	\$35.17
Outstanding at December 31, 2008	761,660	\$36.00
Issued	1,508,745	\$ 5.01
Vested	(571,149)	\$28.79
Forfeited	(124,811)	\$ 7.51
Outstanding at December 31, 2009	1,574,445	\$11.17

During the year ended December 31, 2009, we made a grant of 1,000,000 restricted stock units to our Chief Executive Officer. These restricted stock units had a fair value of approximately \$6,014 on the date of issuance. Of these restricted stock units, a total of 600,000 (the “Service Awards”) vest in four equal installments on the first, second, third and fourth year anniversary of December 31, 2008, and a total of 400,000 (the “Performance Awards I”) vest in four installments of up to 100,000 on the first, up to 200,000 on the second, up to 300,000 on the third and up to 400,000 on the fourth year anniversary of December 31, 2008, to the extent certain market conditions are met. The market conditions are met when certain stock price levels are achieved and maintained for certain time periods between the award issuance date and December 31, 2013. Both the Service Awards and Performance Awards I require the Chief Executive Officer to be employed by the Company at the applicable vesting dates, subject to certain clauses in the award agreement. The Service Awards are amortized over the four year service period. The Performance Awards I are amortized over the service period of each installment.

During the year ended December 31, 2009, we made a grant of 473,600 restricted stock units to certain members of management (the “Performance Awards II”). The Performance Awards II had a fair value of approximately \$1,392 on the date of issuance and will vest in four installments on the first, second, third and fourth anniversary of June 30, 2009, to the extent certain service periods and market conditions are both met. The market conditions are met when certain stock price levels are achieved and maintained for certain time periods between the award issuance date and June 30, 2014. The Performance Awards II are amortized over the service period of each installment. In conjunction with the issuance of the Performance Awards II, the members of management were also granted cash awards with a fair value of \$792. The cash awards vest on June 30, 2010 and compensation expense is recognized on a straight-line basis over the service period. In order to receive the Performance Awards II and the cash awards, the members of management are required to be employed by the Company at the applicable vesting dates, subject to certain clauses in the award agreements.

The fair value of the Performance Awards I and the Performance Awards II at issuance was determined using a Monte Carlo simulation model with the following assumptions:

	Performance Awards I	Performance Awards II
Expected dividend yield	0.0%	0.0%
Expected stock volatility	57.18% to 119.55%	76.29% to 162.92%
Risk-free interest rate	0.40% to 1.84%	0.43% to 2.38%
Expected life (years)	1-4	1-4
Fair value	\$4.49	\$2.94

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

On October 23, 2008, we granted stock appreciation rights (“SARs”) to our former interim Chief Executive Officer (who is currently Chairman of the Board of Directors of the Company) that entitles him to a special cash payment equal to the appreciation in value of 75,000 shares of our common stock. The payment is to be based on the excess of the closing price of our common stock on October 22, 2009 over \$7.94, the closing price on the grant date. The award fully vested during the three months ended December 31, 2008 upon his acceptance of the position. Since the closing price of our stock on October 22, 2009 was less than \$7.94, no payment was made. During the years ended December 31, 2009 and 2008, we recognized compensation expense of \$(197) and \$197 relating to the SARs.

17. Derivatives

Our objectives in using interest rate derivatives are to add stability to interest expense and to manage our cash flow volatility exposure to interest rate movements. To accomplish this objective, we primarily use interest rate swaps as part of our interest rate risk management strategy. Interest rate swaps designated as cash flow hedges involve the receipt of variable-rate amounts from a counterparty in exchange for fixed-rate payments over the life of the agreements without exchange of the underlying notional amount.

In January 2008, we entered into two forward starting swaps each with a notional value of \$59,750, which fixed the interest rate on forecasted debt offerings. We designated both swaps as cash flow hedges. The rates on the forecasted debt issuances underlying the swaps locked on March 20, 2009 (the “Forward Starting Agreement 1”) and on April 6, 2009 (the “Forward Starting Agreement 2”), and as such, the swaps ceased to qualify for hedge accounting. On March 20, 2009, the fair value of Forward Starting Agreement 1 was a liability of \$4,442 and on April 6, 2009, the fair value of Forward Starting Agreement 2 was a liability of \$4,023. These amounts are included in Other Comprehensive Income (“OCI”) and will be amortized over five years, which was the original life of the Forward Starting Agreement 1 and Forward Starting Agreement 2, as an increase to interest expense. On May 8, 2009, we settled the Forward Starting Agreement 1 and paid the counterparty \$4,105 and on June 3, 2009 we settled the Forward Starting Agreement 2 and paid the counterparty \$3,386. The change in value of Forward Starting Agreement 1 and Forward Starting Agreement 2 from the respective day the interest rate on the underlying debt was locked until settlement is \$974 for the year ended December 31, 2009 and is included in Mark-to-Market Gain (Loss) on Interest Rate Protection Agreements in the statement of operations.

The effective portion of changes in the fair value of derivatives designated and that qualify as cash flow hedges is recorded in OCI and is subsequently reclassified to earnings through interest expense over the life of the derivative or over the life of the debt. In the next 12 months, we will amortize approximately \$2,026 into net income by increasing interest expense for the Forward Starting Agreement 1 and Forward Starting Agreement 2 and similar interest rate protection agreements we settled in previous periods.

As of December 31, 2009, we also have an interest rate swap agreement with a notional value of \$50,000 which fixed the LIBOR rate on a portion of our outstanding borrowings on our Unsecured Line of Credit at 2.4150% (the “Interest Rate Swap Agreement”). Monthly payments or receipts are treated as a component of interest expense. We designated the Interest Rate Swap Agreement as a cash flow hedge. We anticipate, based on ongoing evaluation of effectiveness, that the Interest Rate Swap Agreement has been and will continue to be highly effective, and, as a result, the change in the fair value is shown in OCI.

The coupon rate of our Series F Preferred Stock resets every quarter beginning March 31, 2009 at 2.375% plus the greater of (i) the 30 year U.S. Treasury rate, (ii) the 10 year U.S. Treasury rate or (iii) 3-month LIBOR. On October 1, 2009, the new coupon rate was 6.405% (see Note 7). In October 2008, we entered into an interest rate swap agreement with a notional value of \$50,000 to mitigate our exposure to floating interest rates related to the forecasted reset rate of the coupon rate of our Series F Preferred Stock (the “Series F Agreement”). This Series F Agreement fixes the 30-year U.S. Treasury rate at 5.2175%. Accounting guidance for derivatives does not permit hedge accounting treatment related to equity instruments and therefore the mark to market gains or losses related to this agreement are recorded in the statement of operations. Quarterly payments or receipts are treated as a

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

component of the mark to market gains or losses and for the year ended December 31, 2009, and we incurred \$472, of which \$152 was outstanding at December 31, 2009.

The following is a summary of the terms of the forward starting swaps and the interest rate swaps and their fair values, which are included in Accounts Payable, Accrued Expenses and Other Liabilities, Net on the accompanying consolidated balance sheet as of December 31, 2009:

<u>Hedge Product</u>	<u>Notional Amount</u>	<u>Fixed Pay Rate</u>	<u>Trade Date</u>	<u>Maturity Date</u>	<u>Fair Value As of December 31, 2009</u>	<u>Fair Value As of December 31, 2008</u>
Derivatives designated as hedging instruments:						
Forward-Starting Agreement 1	\$ 59,750	4.0725%	January 2008	May 8, 2009	\$ —	\$ (3,429)
Forward-Starting Agreement 2	59,750	4.0770%	January 2008	June 3, 2009	—	(3,452)
Interest Rate Swap Agreement	<u>50,000</u>	2.4150%	March 2008	April 1, 2010	<u>(267)</u>	<u>(858)</u>
Total derivatives designated as hedging instruments:	\$169,500				\$(267)	\$ (7,739)
Derivatives not designated as hedging instruments:						
Series F Agreement*	<u>50,000</u>	5.2175%	October 2008	October 1, 2013	<u>93</u>	<u>(3,073)</u>
Total Derivatives	<u>\$219,500</u>			Total	<u>\$(174)</u>	<u>\$(10,812)</u>

* Fair value excludes quarterly settlement payment due on Series F Agreement. As of December 31, 2009, the outstanding payable was \$152.

The following is a summary of the impact of the derivatives in cash flow hedging relationships on the statement of operations and the statement of OCI for the years ended December 31, 2009 and December 31, 2008.

<u>Interest Rate Products</u>	<u>Location on Statement</u>	<u>Year Ended</u>	
		<u>December 31, 2009</u>	<u>December 31, 2008</u>
Loss Recognized in OCI (Effective Portion)	Mark-to-Market on Interest Rate Protection Agreements (OCI)	\$(993)	\$(7,739)
Amortization Reclassified from OCI into Income	Interest Expense	\$(796)	\$ 792
Gain Recognized in Income (Unhedged Position)	Mark-to-Market Gain on Interest Rate Protection Agreements	\$ 974	\$ —

Additionally as of December 31, 2009, one of the Joint Ventures has interest rate protection agreements outstanding which effectively convert floating rate debt to fixed rate debt on a portion of its total variable debt. The hedge relationships are considered highly effective and as such, for the years ended December 31, 2009 and 2008, we recorded \$1,060 and \$(1,547) in unrealized gain (loss), respectively, representing our 10% share, offset by \$(450) and \$610 of income tax (provision) benefit, respectively, which is shown in Mark-to-Market on Interest Rate Protection Agreements, Net of Income Tax, in OCI.

Our agreements with our derivative counterparties contain provisions where if we default on any of our indebtedness, then we could also be declared in default on our derivative obligations subject to certain thresholds.

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

We adopted the fair value measurement provisions as of January 1, 2008, for financial instruments recorded at fair value. The new guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include: Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions.

The following table sets forth our financial liabilities that are accounted for at fair value on a recurring basis as of December 31, 2009:

<u>Description</u>	<u>Fair Value Measurements at Reporting Date Using:</u>			
	<u>December 31, 2009</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Unobservable Inputs (Level 3)</u>
Liabilities:				
Interest Rate Swap Agreement	\$267	—	\$267	—
Series F Agreement	\$ 59	—	—	\$59

The valuation of the Interest Rate Swap Agreement is determined using widely accepted valuation techniques including discounted cash flow analysis on the expected cash flows of the instrument. This analysis reflects the contractual terms of the agreements including the period to maturity, and uses observable market-based inputs, including interest rate curves and implied volatilities. In adjusting the fair value of the interest rate protection agreements for the effect of nonperformance risk, we have considered the impact of netting and any applicable credit enhancements. To comply with the provisions of fair value measurement, we incorporated a credit valuation adjustment (“CVA”) to appropriately reflect both our own nonperformance risk and the respective counterparty’s nonperformance risk in the fair value measurements. However, assessing significance of inputs is a matter of judgment that should consider a variety of factors. One factor we consider is the CVA and its materiality to the overall valuation of the derivatives on the balance sheet and to their related changes in fair value. We believe the inputs obtained related to our CVAs are observable and therefore fall under Level 2 of the fair value hierarchy. Accordingly, the liabilities related to the Interest Rate Swap Agreement are classified as Level 2 amounts.

The valuation of the Series F Agreement utilizes the same valuation technique as the Interest Rate Swap Agreement, however, we consider the Series F Agreement to be classified as Level 3 in the fair value hierarchy due to a significant number of unobservable inputs. The Series F Agreement swaps a fixed rate 5.2175% for floating rate payments based on 30-year Treasury. No market observable prices exist for long-dated Treasuries past 30 years. Therefore, we have classified the Series F Agreement in its entirety as a Level 3.

The following table presents a reconciliation for our liabilities classified as Level 3 at December 31, 2009:

	<u>Fair Value Measurements Using Significant Unobservable Inputs (Level 3) Derivatives</u>
Beginning liability balance at December 31, 2008	\$(3,073)
Total realized gains:	
Mark-to-Market on Series F Agreement	<u>3,014</u>
Ending liability balance at December 31, 2009	<u>\$ (59)</u>

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

18. Related Party Transactions

We periodically engage in transactions for which CB Richard Ellis, Inc. acts as a broker. A relative of Michael W. Brennan, the former President and Chief Executive Officer and a former director of the Company, is an employee of CB Richard Ellis, Inc. For the years ended December 31, 2008 and 2007 this relative received approximately \$95 and \$240, respectively, in brokerage commissions or other fees for transactions with the Company and the Joint Ventures.

19. Commitments and Contingencies

Currently, we are the defendant in a suit brought in February 2009 by the trustee in the bankruptcy of a former tenant. The trustee is seeking the return of \$5,000 related to letters of credit that we drew down when the tenant defaulted on its leases. The suit is in the early stages and, at this time, we are not in a position to assess what, if any, ultimate liability we may have to the bankruptcy estate. We plan to vigorously defend the suit. In addition, in the normal course of business, we are involved in other legal actions arising from the ownership of our industrial properties. Except as disclosed herein, in our opinion, the liabilities, if any, that may ultimately result from such legal actions are not expected to have a materially adverse effect on our consolidated financial position, operations or liquidity.

At December 31, 2008 our investment in the 2005 Development/Repositioning Joint Venture was \$0. This investment balance was written down to \$0 due to impairment losses we recorded in the year ended December 31, 2008. At December 31, 2009 our investment in the 2005 Development/Repositioning Joint Venture is \$(2,785) and is included within Accounts Payable, Accrued Expenses and Other Liabilities, Net due to our current commitment to fund operations to this venture.

Ten properties have leases granting the tenants options to purchase the property. Such options are exercisable at various times at appraised fair market value or at a fixed purchase price in excess of our depreciated cost of the asset. We have no notice of any exercise of any tenant purchase option.

At December 31, 2009, we had 17 letters of credit outstanding in the aggregate amount of \$6,230. These letters of credit expire between January 2010 and November 2010.

Ground and Operating Lease Agreements

For the years ended December 31, 2009, 2008 and 2007, we recognized \$4,181, \$4,072 and \$3,102 in operating and ground lease expense.

Future minimum rental payments under the terms of all non-cancelable ground and operating leases under which we are the lessee, offset by sub-lease rental payments under non-cancelable operating leases, as of December 31, 2009, are as follows:

2010	\$ 3,001
2011	2,121
2012	1,640
2013	1,541
2014	1,328
Thereafter	<u>29,326</u>
Total	<u>\$38,957</u>

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

20. Subsequent Events

From January 1, 2010 to February 26, 2010, we sold two industrial properties comprising approximately 0.2 million square feet of GLA and several land parcels. Gross proceeds from the sale of the two industrial properties and several land parcels were approximately \$27,433. There were no industrial properties acquired during this period.

On February 8, 2010, we consummated a tender offer pursuant to which we purchased \$72,702 of our 2011 Notes, \$66,236 of our 2012 Notes and \$21,062 of our 2014 Notes. In connection with the tender offer, we will recognize approximately \$0.4 million as gain on early retirement of debt.

Subsequent to January 1, 2010, we obtained four mortgage loans in the amounts of \$7,780, \$7,200, \$4,300 and \$8,250. The mortgages are collateralized by four industrial properties totaling approximately 0.8 million square feet of GLA. The mortgages bear interest at a fixed rate of 7.40%. The mortgages mature between February, 2015 and March, 2015.

On February 26, 2010, the IRS notified us of its intent to examine the tax returns filed by the old TRS for the years ended December 31, 2008 and December 31, 2009.

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

21. Quarterly Financial Information (unaudited)

The following table summarizes our quarterly financial information. The first, second and third fiscal quarters of 2009 and all fiscal quarters in 2008 have been revised in accordance with guidance on accounting for discontinued operations.

Net income available to common stockholders and basic and diluted EPS from net income available to common stockholders has not been affected.

	<u>Year Ended December 31, 2009</u>			
	<u>First Quarter</u>	<u>Second Quarter</u>	<u>Third Quarter</u>	<u>Fourth Quarter</u>
Total Revenues	\$110,881	\$106,529	\$104,428	\$90,120
Equity in Income (Loss) of Joint Ventures	29	1,551	(5,889)	(2,161)
Noncontrolling Interest Allocable to Continuing Operations	2,658	1,457	1,039	(857)
(Loss) Income from Continuing Operations, Net of Income Tax and Noncontrolling Interest	(15,755)	(7,138)	(4,041)	8,406
Income from Discontinued Operations, Net of Income Tax	5,410	4,784	7,751	8,835
Noncontrolling Interest Allocable to Discontinued Operations	(626)	(532)	(839)	(729)
Gain (Loss) on Sale of Real Estate, Net of Income Tax	477	—	101	(347)
Noncontrolling Interest Allocable to Gain (Loss) on Sale of Real Estate	<u>(50)</u>	<u>—</u>	<u>(7)</u>	<u>33</u>
Net (Loss) Income Attributable to First Industrial Realty Trust, Inc.	(10,544)	(2,886)	2,965	16,198
Preferred Stock Dividends	<u>(4,857)</u>	<u>(4,824)</u>	<u>(4,913)</u>	<u>(4,922)</u>
Net (Loss) Income Available	\$ (15,401)	\$ (7,710)	\$ (1,948)	\$11,276
Income from Continuing Operations Allocable to Participating Securities	—	—	—	(18)
Discontinued Operations Allocable to Participating Securities	<u>—</u>	<u>—</u>	<u>—</u>	<u>(48)</u>
Net (Loss) Income Available to Common Stockholders	<u>\$ (15,401)</u>	<u>\$ (7,710)</u>	<u>\$ (1,948)</u>	<u>\$11,210</u>
Basic and Diluted Earnings Per Share:				
(Loss) Income From Continuing Operations Available	<u>\$ (0.46)</u>	<u>\$ (0.27)</u>	<u>\$ (0.20)</u>	<u>\$ 0.05</u>
Income from Discontinued Operations	<u>\$ 0.11</u>	<u>\$ 0.10</u>	<u>\$ 0.15</u>	<u>\$ 0.13</u>
Net (Loss) Income Available to Common Stockholders	<u>\$ (0.35)</u>	<u>\$ (0.17)</u>	<u>\$ (0.04)</u>	<u>\$ 0.18</u>
Weighted Average Shares Outstanding	<u>44,147</u>	<u>44,439</u>	<u>45,360</u>	<u>60,690</u>

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	(As Adjusted)			
	Year Ended December 31, 2008			
	<u>First Quarter</u>	<u>Second Quarter</u>	<u>Third Quarter</u>	<u>Fourth Quarter</u>
Total Revenues	\$109,301	\$126,421	\$136,047	\$145,552
Equity in Income (Loss) of Joint Ventures	3,302	3,268	725	(40,473)
Noncontrolling Interest Allocable to Continuing Operations	3,794	3,482	2,549	11,134
Loss from Continuing Operations, Net of Income Tax and Noncontrolling Interest	(21,090)	(19,349)	(12,734)	(73,971)
Income from Discontinued Operations, Net of Income Tax	79,744	71,600	24,196	6,924
Noncontrolling Interest Allocable to Discontinued Operations	(10,175)	(8,900)	(3,003)	(831)
Gain on Sale of Real Estate, Net of Income Tax . .	5,438	2,788	—	—
Noncontrolling Interest Allocable to Gain Sale of Real Estate	<u>(694)</u>	<u>(346)</u>	<u>—</u>	<u>—</u>
Net Income (Loss) Attributable to First Industrial Realty Trust, Inc	53,223	45,793	8,459	(67,878)
Preferred Stock Dividends	<u>(4,857)</u>	<u>(4,857)</u>	<u>(4,857)</u>	<u>(4,857)</u>
Net Income (Loss) Available	<u>\$ 48,366</u>	<u>\$ 40,936</u>	<u>\$ 3,602</u>	<u>\$ (72,735)</u>
Discontinued Operations Allocable to Participating Securities	<u>(1,016)</u>	<u>(1,087)</u>	<u>(841)</u>	<u>—</u>
Net Income (Loss) Available to Common Stockholders	<u>\$ 47,350</u>	<u>\$ 39,849</u>	<u>\$ 2,761</u>	<u>\$ (72,735)</u>
Basic and Diluted Earnings Per Share:				
Loss From Continuing Operations Available	<u>\$ (0.49)</u>	<u>\$ (0.50)</u>	<u>\$ (0.41)</u>	<u>\$ (1.81)</u>
Income from Discontinued Operations	<u>\$ 1.59</u>	<u>\$ 1.43</u>	<u>\$ 0.47</u>	<u>\$ 0.14</u>
Net Income (Loss) Available to Common Stockholders	<u>\$ 1.10</u>	<u>\$ 0.92</u>	<u>\$ 0.06</u>	<u>\$ (1.67)</u>
Weighted Average Shares Outstanding	<u>42,984</u>	<u>43,128</u>	<u>43,151</u>	<u>43,506</u>

22. Pro Forma Financial Information (unaudited)

The following Pro Forma Condensed Statements of Operations for the years ended December 31, 2008 and 2007 (the “Pro Forma Statements”) are presented as if the acquisition of 20 operating industrial properties between January 1, 2008 and December 31, 2008 had occurred at the beginning of each year. The Pro Forma Statements do not include acquisitions between January 1, 2008 and December 31, 2008 for industrial properties that were vacant upon purchase, were leased back to the sellers upon purchase or were subsequently sold before December 31, 2008. The Pro Forma Condensed Statements of Operations include all necessary adjustments to reflect the occurrence of purchases and sales of properties during 2008 as of January 1, 2008 and 2007.

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The Pro Forma Statements are not necessarily indicative of what our results of operations would have been for the years ended December 31, 2008 and 2007, nor do they purport to present our future results of operations.

Pro Forma Condensed Statements of Operations

	(As Adjusted) Year Ended December 31, 2008	(As Adjusted) Year Ended December 31, 2007
Pro Forma Revenues	\$ 519,691	\$387,662
Pro Forma Loss from Continuing Operations Available to Common Stockholders, Net of Noncontrolling Interest and Income Taxes	\$(136,468)	\$ (64,859)
Pro Forma Net Income Available to Common Stockholders	\$ 23,371	\$149,415
Per Share Data:		
Pro Forma Basic and Diluted Earnings Per Share Data:		
Loss from Continuing Operations Available to Common Stockholders	<u>\$ (3.16)</u>	<u>\$ (1.47)</u>
Net Income Available to Common Stockholders	<u>\$ 0.48</u>	<u>\$ 3.32</u>

FIRST INDUSTRIAL REALTY TRUST, INC.
SCHEDULE III:
REAL ESTATE AND ACCUMULATED DEPRECIATION
As Of December 31, 2009

Building Address	Location (City/State)	(c) Costs Capitalized Subsequent to Acquisition or Completion and Valuation Provision (Dollars in thousands)										Year Acquired/ Constructed	Depreciable Lives (Years)
		(a) Encumbrances		(b) Initial Cost		Gross Amount Carried At Close of Period 12/31/09		Accumulated Depreciation 12/31/2009	Total	Year Acquired/ Constructed	Depreciable Lives (Years)		
		Land	Buildings	Land	Buildings	Land	Improvements						
Atlanta													
4250 River Green Parkway	Duluth, GA	\$ —	\$ 264	\$ 1,522	\$ 209	\$ 264	\$ 1,731	\$ 1,995	\$ 648	1994	(1)		
3450 Corporate Parkway	Duluth, GA	—	506	2,904	459	506	3,363	3,869	1,412	1994	(1)		
1650 Highway 155	McDonough, GA	—	788	4,544	366	788	4,910	5,698	1,855	1994	(1)		
1665 Dogwood Drive	Conyers, GA	—	635	3,662	314	635	3,976	4,611	1,491	1994	(1)		
1715 Dogwood	Conyers, GA	—	288	1,675	1,287	288	2,962	3,250	766	1994	(1)		
11235 Harland Drive	Covington, GA	—	125	739	183	125	922	1,047	325	1994	(1)		
4051 Southmeadow Parkway	Atlanta, GA	—	726	4,130	875	726	5,005	5,731	1,765	1994	(1)		
4071 Southmeadow Parkway	Atlanta, GA	—	750	4,460	1,301	828	5,683	6,511	2,100	1994	(1)		
4081 Southmeadow Parkway	Atlanta, GA	—	1,012	5,918	1,652	1,157	7,425	8,582	2,691	1994	(1)		
5570 Tulane Dr(d).	Atlanta, GA	2,112	527	2,984	699	546	3,664	4,210	1,241	1996	(1)		
955 Cobb Place	Kennesaw, GA	2,952	780	4,420	684	804	5,080	5,884	1,666	1997	(1)		
1005 Sigman Road	Conyers, GA	2,246	566	3,134	419	574	3,545	4,119	871	1999	(1)		
2050 East Park Drive	Conyers, GA	—	452	2,504	184	459	2,681	3,140	671	1999	(1)		
1256 Oakbrook Drive	Norcross, GA	1,268	336	1,907	286	339	2,190	2,529	544	2001	(1)		
1265 Oakbrook Drive	Norcross, GA	1,348	307	1,742	637	309	2,377	2,686	661	2001	(1)		
1280 Oakbrook Drive	Norcross, GA	1,227	281	1,592	275	283	1,865	2,148	429	2001	(1)		
1300 Oakbrook Drive	Norcross, GA	1,738	420	2,381	241	423	2,619	3,042	539	2001	(1)		
1325 Oakbrook Drive	Norcross, GA	1,437	332	1,879	304	334	2,181	2,515	550	2001	(1)		
1351 Oakbrook Drive	Norcross, GA	—	370	2,099	375	373	2,471	2,844	569	2001	(1)		
1346 Oakbrook Drive	Norcross, GA	—	740	4,192	693	744	4,881	5,625	1,032	2001	(1)		
1412 Oakbrook Drive	Norcross, GA	—	313	1,776	262	315	2,036	2,351	480	2001	(1)		
3060 South Park Blvd	Ellenwood, GA	—	1,600	12,464	1,743	1,603	14,204	15,807	2,560	2003	(1)		
Greenwood Industrial Park	McDonough, GA	4,533	1,550	—	7,485	1,550	7,485	9,035	1,007	2004	(1)		
46 Kent Drive	Cartersville GA	1,761	794	2,252	6	798	2,254	3,052	387	2005	(1)		
100 Dorris Williams	Villa Rica GA	2,235	401	3,754	42	406	3,791	4,197	993	2005	(1)		
605 Stonehill Drive	Atlanta, GA	1,621	485	1,979	(38)	490	1,936	2,426	792	2005	(1)		
5095 Phillip Lee Drive	Atlanta, GA	—	735	3,627	254	740	3,876	4,616	1,175	2005	(1)		
6514 Warren Drive	Norcross, GA	—	510	1,250	(66)	513	1,181	1,694	182	2005	(1)		
6544 Warren Drive	Norcross, GA	—	711	2,310	(49)	715	2,257	2,972	374	2005	(1)		

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		Land	Buildings	Land	Buildings		Land	Improvements	Total			
720 Industrial Blvd	Dublin, GA	—	2,632	250	2,632	40	255	2,667	2,922	1,371	2005	(1)
5356 E. Ponce De Leon	Stone Mountain, GA	2,855	3,888	604	3,888	227	610	4,109	4,719	1,018	2005	(1)
5390 E. Ponce De Leon	Stone Mountain, GA	—	1,791	397	1,791	31	402	1,817	2,219	392	2005	(1)
195 & 197 Collins Boulevard	Athens, GA	—	5,344	1,410	5,344	(553)	1,426	4,775	6,201	1,809	2005	(1)
1755 Enterprise Drive	Buford, GA	1,596	2,118	712	2,118	60	716	2,174	2,890	412	2006	(1)
4555 Atwater Court	Buford, GA	2,612	3,550	881	3,550	591	885	4,137	5,022	768	2006	(1)
80 Liberty Industrial Parkway	McDonough, GA	—	3,695	756	3,695	213	763	3,901	4,664	473	2007	(1)
596 Bonnie Valentine	Pendergrass, GA	—	21,730	2,580	21,730	1,434	2,594	23,150	25,744	1,596	2007	(1)
11415 Old Roswell Road	Alpharetta, GA	—	1,912	2,403	1,912	46	2,428	1,933	4,361	160	2008	(1)
Baltimore												
1820 Portal	Baltimore, MD	—	4,891	884	4,891	454	899	5,330	6,229	1,551	1998	(1)
9700 Martin Luther King Hwy	Lanham, MD	—	1,920	700	1,920	513	700	2,433	3,133	638	2003	(1)
9730 Martin Luther King Hwy	Lanham, MD	—	955	500	955	498	500	1,453	1,953	431	2003	(1)
4621 Boston Way	Lanham, MD	—	3,070	1,100	3,070	605	1,100	3,675	4,775	921	2003	(1)
4720 Boston Way	Lanham, MD	—	2,174	1,200	2,174	575	1,200	2,749	3,949	784	2003	(1)
9800 Martin Luther King Hwy	Lanham, MD	—	2,457	1,200	2,457	298	1,200	2,755	3,955	662	2003	(1)
22520 Randolph Drive	Dulles, VA	7,950	8,187	3,200	8,187	(162)	3,208	8,017	11,225	1,314	2004	(1)
22630 Dulles Summit Court	Dulles, VA	—	9,346	2,200	9,346	133	2,206	9,473	11,679	1,796	2004	(1)
4201 Forbes Boulevard	Lanham, MD	—	1,823	356	1,823	323	375	2,127	2,502	365	2005	(1)
4370-4383 Lottsford Vista Rd.	Lanham, MD	—	1,358	279	1,358	215	296	1,556	1,852	287	2005	(1)
4400 Lottsford Vista Rd	Lanham, MD	—	1,955	351	1,955	174	372	2,108	2,480	330	2005	(1)
4420 Lottsford Vista Road	Lanham, MD	—	2,196	539	2,196	327	568	2,494	3,062	491	2005	(1)
11204 McCormick Road	Hunt Valley, MD	—	3,132	1,017	3,132	67	1,038	3,178	4,216	623	2005	(1)
11110 Pepper Road	Hunt Valley, MD	—	2,529	918	2,529	258	938	2,767	3,705	567	2005	(1)
11100-11120 Gilroy Road	Hunt Valley, MD	—	1,455	901	1,455	57	919	1,494	2,413	404	2005	(1)
318 Clubhouse Lane	Hunt Valley, MD	—	1,691	701	1,691	14	718	1,688	2,406	476	2005	(1)
10709 Gilroy Road	Hunt Valley, MD	—	2,705	913	2,705	46	913	2,751	3,664	737	2005	(1)
10707 Gilroy Road	Hunt Valley, MD	—	3,819	1,111	3,819	127	1,136	3,921	5,057	1,031	2005	(1)
38 Loveton Circle	Sparks, MD	—	2,151	1,648	2,151	(250)	1,690	1,859	3,549	326	2005	(1)
7120-7132 Ambassador Road	Baltimore, MD	—	1,329	829	1,329	255	847	1,566	2,413	445	2005	(1)
7142 Ambassador Road	Hunt Valley, MD	—	2,876	924	2,876	444	942	3,302	4,244	464	2005	(1)

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		Land	Buildings	Land	Buildings		Land	Improvements				Total
7144-7162 Ambassador Road	Baltimore, MD	—	979	1,672	1,000	1,839	2,839	480	2005	(1)		
7223-7249 Ambassador Road	Woodlawn, MD	—	1,283	2,674	1,311	2,738	4,049	764	2005	(1)		
7200 Rutherford Road	Baltimore, MD	—	1,032	2,150	1,054	2,150	3,204	411	2005	(1)		
2700 Lord Baltimore Road	Baltimore, MD	—	875	1,826	897	2,557	3,454	625	2005	(1)		
1225 Bengies Road	Baltimore, MD	—	2,640	270	2,823	13,353	16,176	949	2008	(1)		
Central Pennsylvania												
1214-B Freedom Road	Cranberry Township, PA	—	31	994	200	1,438	1,638	986	1994	(1)		
401 Russell Drive	Middletown, PA	1,280	262	857	287	2,502	2,789	1,549	1994	(1)		
2700 Commerce Drive	Middletown, PA	—	196	997	206	1,701	1,907	1,078	1994	(1)		
2701 Commerce Drive	Middletown, PA	—	141	859	164	2,010	2,174	1,109	1994	(1)		
2780 Commerce Drive	Middletown, PA	—	113	743	209	1,865	2,074	1,187	1994	(1)		
350 Old Silver Spring Road	Mechanicsburg, PA	—	510	2,890	541	8,637	9,178	2,484	1997	(1)		
16522 Hunters Green Parkway	Hagerstown, MD	13,538	1,390	13,104	1,863	16,534	18,397	2,719	2003	(1)		
18212 Shawley Drive	Hagerstown, MD	—	1,000	5,847	1,016	7,398	8,414	1,214	2004	(1)		
37 Valleyview Business Park	Jessup, PA	—	542	—	532	2,972	3,504	374	2004	(1)		
301 Railroad Avenue	Shiremanstown, PA	—	1,181	4,447	1,328	5,862	7,190	1,760	2005	(1)		
431 Railroad Avenue	Shiremanstown, PA	—	1,293	7,164	1,341	8,985	10,326	1,815	2005	(1)		
6951 Allentown Blvd	Harrisburg, PA	—	585	3,176	601	3,292	3,893	569	2005	(1)		
320 Museum Road	Washington, PA	—	201	1,819	208	1,869	2,077	457	2005	(1)		
1351 Eisenhower Blvd., Bldg 1	Harrisburg, PA	2,070	382	2,343	387	2,436	2,823	342	2006	(1)		
1351 Eisenhower Blvd., Bldg 2	Harrisburg, PA	1,421	436	1,587	443	1,602	2,045	250	2006	(1)		
1490 Commerce Avenue	Carlisle, PA	—	1,500	—	2,341	12,005	14,346	760	2008	(1)		
600 First Avenue	Gouldsboro, PA	—	7,022	—	7,019	57,416	64,435	1,896	2008	(1)		
225 Cross Farm Lane	York, PA	—	4,718	—	4,715	23,569	28,284	1,332	2008	(1)		
Chicago												
720-730 Landwehr Road	Northbrook, IL	—	521	2,982	521	4,100	4,621	1,754	1994	(1)		
20W201 101st Street	Lemont, IL	4,000	967	5,554	968	6,369	7,337	2,338	1994	(1)		
3600 West Pratt Avenue	Lincolnwood, IL	—	1,050	5,767	1,050	6,967	8,017	2,649	1994	(1)		
6750 South Sayre Avenue	Bedford Park, IL	—	224	1,309	224	1,951	2,175	834	1994	(1)		
585 Slawin Court	Mount Prospect, IL	3,299	611	3,505	615	5,566	6,181	1,922	1994	(1)		
2300 Windsor Court	Addison, IL	—	688	3,943	696	4,947	5,643	1,716	1994	(1)		

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								Land			
3505 Thayer Court	Aurora, IL	—	2,472	430	2,563	91	430	2,993	980	1994	(1)
305-311 Era Drive	Northbrook, IL	—	1,154	205	2,084	935	205	2,289	527	1994	(1)
3150-3160 MacArthur Boulevard	Northbrook, IL	—	2,518	429	2,551	33	429	2,980	992	1994	(1)
365 North Avenue	Carol Stream, IL	—	6,882	1,111	10,749	3,897	1,111	11,860	4,232	1994	(1)
12241 Melrose Street	Franklin Park, IL	—	1,931	332	3,101	1,307	469	3,570	1,084	1995	(1)
11939 S Central Avenue	Alsip, IL	—	6,843	1,208	8,937	2,191	1,305	10,242	2,577	1997	(1)
405 East Shawmut	LaGrange, IL	—	2,083	368	2,665	602	388	3,053	760	1997	(1)
1010-50 Sesame Street	Bensenville, IL	—	5,546	979	8,310	2,833	1,048	9,358	2,190	1997	(1)
7501 South Pulaski	Chicago, IL	—	2,038	318	3,554	1,516	318	3,872	952	1997	(1)
2120-24 Roberts	Broadview, IL	—	1,248	231	1,716	479	231	1,947	707	1998	(1)
800 Business Center Drive	Mount Prospect, IL	—	3,493	631	3,750	292	666	4,416	840	2000	(1)
580 Slawin Court	Mount Prospect, IL	—	1,292	233	1,596	325	254	1,850	349	2000	(1)
1150 Feehanville Drive	Mount Prospect, IL	—	1,437	260	1,593	169	273	1,866	363	2000	(1)
19W661 101st Street	Lemont, IL	5,407	6,643	1,200	8,909	2,286	1,220	10,129	2,461	2001	(1)
175 Wall Street	Glendale Heights, IL	1,482	2,363	427	2,520	163	433	2,953	517	2002	(1)
800-820 Thorndale Avenue	Bensenville, IL	4,409	4,159	751	6,252	2,103	761	7,013	1,387	2002	(1)
251 Airport Road	North Aurora, IL	—	—	983	6,767	676	983	7,750	1,247	2002	(1)
1661 Feehanville Drive	Mount Prospect, IL	—	5,455	985	7,449	2,053	1,044	8,493	1,980	2004	(1)
1850 Touhy & 1158 McCage Ave	Elk Grove Village, IL	—	4,842	1,500	4,627	(201)	1,514	6,141	846	2004	(1)
1088-1130 Thorndale Avenue	Bensenville, IL	—	3,674	2,103	3,814	145	2,108	5,922	926	2005	(1)
855-891 Busse Rd	Bensenville, IL	—	2,767	1,597	2,546	(217)	1,601	4,147	538	2005	(1)
1060-1074 W. Thorndale Ave	Bensenville, IL	—	2,108	1,704	2,286	183	1,709	3,995	639	2005	(1)
400 Crossroads Pkwy	Bolingbrook, IL	5,824	9,453	1,178	10,702	1,252	1,181	11,883	2,159	2005	(1)
7609 W. Industrial Drive	Forest Park, IL	—	2,343	1,207	2,637	300	1,213	3,850	640	2005	(1)
7801 W. Industrial Drive	Forest Park, IL	—	3,020	1,215	3,035	20	1,220	4,255	776	2005	(1)
825 E. 26th Street	LaGrange, IL	—	2,078	1,547	4,769	2,761	1,617	6,386	1,193	2005	(1)
725 Kimberly Drive	Carol Stream, IL	—	1,395	793	1,636	249	801	2,437	318	2005	(1)
17001 S. Vincennes	Thornton, IL	—	504	497	591	103	513	1,104	233	2005	(1)
1111 Davis Road	Elgin, IL	—	1,859	998	2,644	833	1,046	3,690	977	2006	(1)
2900 W. 166th Street	Markham, IL	—	4,293	1,132	5,037	746	1,134	6,171	822	2007	(1)
555 W. Algonquin Rd	Arlington Heights, IL	1,988	741	574	2,789	2,053	579	3,368	286	2007	(1)

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		Land	Buildings	Land	Buildings		Land	Building and Improvements					Total
								Land	Buildings				
7000 W. 60th Street	Chicago, IL	1,044	609	932	106	667	980	1,647	298	2007	(1)		
9501 Nevada	Franklin Park, IL	—	2,721	5,630	502	2,737	6,116	8,853	673	2008	(1)		
1501 Oakton Street	Elk Grove Village, IL	—	3,369	6,121	139	3,482	6,147	9,629	586	2008	(1)		
16500 W. 103rd Street	Woodridge, IL	—	744	2,458	140	760	2,583	3,343	231	2008	(1)		
Cincinnati													
9900-9970 Princeton	Cincinnati, OH	—	545	3,088	1,836	566	4,903	5,469	1,862	1996	(1)		
2940 Highland Avenue	Cincinnati, OH	—	1,717	9,730	2,263	1,772	11,938	13,710	3,922	1996	(1)		
4700-4750 Creek Road	Blue Ash, OH	—	1,080	6,118	998	1,109	7,087	8,196	2,332	1996	(1)		
901 Pleasant Valley Drive	Springboro, OH	—	304	1,721	333	316	2,042	2,358	630	1998	(1)		
4436 Mulhauser Road	Hamilton, OH	—	630	—	5,046	630	5,046	5,676	982	2002	(1)		
4438 Mulhauser Road	Hamilton, OH	—	779	—	6,792	779	6,792	7,571	1,504	2002	(1)		
420 Wards Corner Road	Loveland, OH	—	600	1,083	932	606	2,009	2,615	662	2003	(1)		
422 Wards Corner Road	Loveland, OH	—	600	1,811	155	605	1,961	2,566	647	2003	(1)		
4663 Dues Drive	Westchester, OH	—	858	2,273	1,265	875	3,521	4,396	1,605	2005	(1)		
9345 Princeton-Glendale Road	Westchester, OH	1,691	818	1,648	428	840	2,054	2,894	617	2006	(1)		
9525 Glades Drive	Westchester, OH	—	347	1,323	87	355	1,402	1,757	237	2007	(1)		
9776-9876 Windisch Road	Westchester, OH	—	392	1,744	24	394	1,766	2,160	208	2007	(1)		
9810-9822 Windisch Road	Westchester, OH	—	395	2,541	6	397	2,545	2,942	212	2007	(1)		
9842-9862 Windisch Road	Westchester, OH	—	506	3,148	31	508	3,177	3,685	309	2007	(1)		
9872-9898 Windisch Road	Westchester, OH	—	546	3,039	65	548	3,102	3,650	296	2007	(1)		
9902-9922 Windisch Road	Westchester, OH	—	623	4,003	173	627	4,172	4,799	496	2007	(1)		
Cleveland													
2368 E. Enterprise Pkwy	Twinsburg, OH	—	294	1,857	(153)	298	1,700	1,998	361	2006	(1)		
30311 Emerald Valley Pkwy	Glenwillow, OH	—	681	11,838	1,055	691	12,883	13,574	1,767	2006	(1)		
30333 Emerald Valley Pkwy	Glenwillow, OH	—	466	5,447	103	475	5,541	6,016	840	2006	(1)		
7800 Cochran Road	Glenwillow, OH	—	972	7,033	146	991	7,160	8,151	1,077	2006	(1)		
7900 Cochran Road	Glenwillow, OH	—	775	6,244	136	792	6,363	7,155	909	2006	(1)		
7905 Cochran Road	Glenwillow, OH	—	920	6,174	103	945	6,252	7,197	873	2006	(1)		
30600 Carter Street	Solon, OH	—	989	3,042	805	1,022	3,814	4,836	1,346	2006	(1)		
8181 Darrow Road	Twinsburg, OH	—	2,478	6,791	604	2,496	7,378	9,874	640	2008	(1)		

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								Land			
Columbus											
3800 Lockbourne Industrial Pkwy	Columbus, OH	—	6,421	647	1,045	7,068	8,113	2,260	1996	(1)	
3880 Groveport Road	Columbus, OH	—	12,154	311	1,955	12,465	14,420	4,062	1996	(1)	
1819 North Walcutt Road	Columbus, OH	—	4,590	474	634	5,067	5,701	1,540	1997	(1)	
4115 Leap Road(d)	Hilliard, OH	—	4,297	1,413	756	5,710	6,466	1,622	1998	(1)	
3300 Lockbourne	Columbus, OH	—	3,920	1,234	710	5,152	5,862	1,392	1998	(1)	
1076 Pittsburgh Drive	Delaware, OH	—	4,733	(234)	2,273	4,491	6,764	1,053	2005	(1)	
6150 Huntly Road	Columbus, OH	—	4,810	8	925	4,813	5,738	724	2005	(1)	
4985 Frusta Drive	Obetz, OH	—	837	255	326	1,084	1,410	242	2006	(1)	
4311 Jamitrol Road	Columbus, OH	—	5,941	(221)	670	5,731	6,401	723	2006	(1)	
4600 S. Hamilton Road	Groveport, OH	—	4,332	1,114	675	5,433	6,108	819	2007	(1)	
Dallas/Fort Worth											
2406-2416 Walnut Ridge	Dallas, TX	—	1,006	558	172	1,570	1,742	367	1997	(1)	
2401-2419 Walnut Ridge	Dallas, TX	—	839	278	142	1,123	1,265	314	1997	(1)	
900-906 Great Southwest Pkwy	Arlington, TX	—	1,342	575	270	1,884	2,154	651	1997	(1)	
3000 West Commerce	Dallas, TX	—	2,584	723	469	3,294	3,763	915	1997	(1)	
3030 Hansboro	Dallas, TX	—	1,510	535	276	2,035	2,311	561	1997	(1)	
405-407 113th	Arlington, TX	—	1,026	475	185	1,497	1,682	383	1997	(1)	
816 111th Street	Arlington, TX	873	1,421	128	258	1,542	1,800	466	1997	(1)	
7427 Dogwood Park	Richland Hills, TX	—	532	572	102	1,098	1,200	387	1998	(1)	
7348-54 Tower Street	Richland Hills, TX	—	489	225	94	708	802	188	1998	(1)	
7339-41 Tower Street	Richland Hills, TX	—	541	175	104	710	814	189	1998	(1)	
7437-45 Tower Street	Richland Hills, TX	—	563	113	108	670	778	178	1998	(1)	
7331-59 Airport Freeway	Richland Hills, TX	—	1,958	381	372	2,321	2,693	683	1998	(1)	
7338-60 Dogwood Park	Richland Hills, TX	—	587	128	112	709	821	194	1998	(1)	
7450-70 Dogwood Park	Richland Hills, TX	—	584	157	112	735	847	197	1998	(1)	
7423-49 Airport Freeway	Richland Hills, TX	—	1,621	387	308	1,993	2,301	572	1998	(1)	
7400 Whitehall Street	Richland Hills, TX	—	603	61	115	658	773	182	1998	(1)	
1602-1654 Terre Colony	Dallas, TX	1,870	2,596	801	468	3,387	3,855	739	2000	(1)	
3330 Duncanville Road	Dallas, TX	—	1,114	69	199	1,181	1,380	280	2000	(1)	
2351-2355 Merritt Drive	Garland, TX	—	574	129	103	701	804	158	2000	(1)	

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Building Address	Location (City/State)	(a) Encumbrances		(b) Initial Cost		(c) Costs Capitalized Subsequent to Acquisition or Completion and Valuation Provision (Dollars in thousands)	Gross Amount Carried At Close of Period 12/31/09		Accumulated Depreciation 12/31/2009	Year Acquired/ Constructed	Depreciable Lives (Years)
		Land	Buildings	Land	Buildings and Improvements		Total				
								Land			
701-735 North Plano Road	Richardson, TX	—	3,944	530	705	4,465	5,170	1,023	2000	(1)	
2220 Merritt Drive	Garland, TX	—	1,993	1,069	356	3,058	3,414	790	2000	(1)	
2010 Merritt Drive	Garland, TX	—	1,981	559	357	2,533	2,890	692	2000	(1)	
2363 Merritt Drive	Garland, TX	—	412	191	74	602	676	129	2000	(1)	
2447 Merritt Drive	Garland, TX	—	395	77	71	471	542	109	2000	(1)	
2465-2475 Merritt Drive	Garland, TX	—	514	145	92	658	750	143	2000	(1)	
2485-2505 Merritt Drive	Garland, TX	—	431	547	436	2,982	3,418	677	2000	(1)	
2081 Hutton Drive — Bldg 1(e)	Carrollton, TX	1,875	2,540	460	453	2,995	3,448	654	2001	(1)	
2110 Hutton Drive	Carrollton, TX	—	2,117	436	377	2,550	2,927	698	2001	(1)	
2025 McKenzie Drive	Carrollton, TX	1,583	2,478	348	442	2,821	3,263	666	2001	(1)	
2019 McKenzie Drive	Carrollton, TX	1,891	2,843	553	507	3,391	3,898	780	2001	(1)	
1420 Valwood Parkway — Bldg 1(d)	Carrollton, TX	—	2,608	751	466	3,353	3,819	732	2001	(1)	
1620 Valwood Parkway(e)	Carrollton, TX	—	6,173	1,354	1,100	7,516	8,616	1,633	2001	(1)	
1505 Luna Road — Bldg II	Carrollton, TX	—	948	68	169	1,014	1,183	230	2001	(1)	
1625 West Crosby Road	Carrollton, TX	—	3,498	584	631	4,068	4,699	951	2001	(1)	
2029-2035 McKenzie Drive	Carrollton, TX	—	1,870	698	306	2,568	2,874	919	2001	(1)	
1840 Hutton Drive(d)	Carrollton, TX	—	4,597	849	819	5,438	6,257	1,228	2001	(1)	
1420 Valwood Pkwy — Bldg II	Carrollton, TX	—	2,116	348	377	2,460	2,837	582	2001	(1)	
2015 McKenzie Drive	Carrollton, TX	2,086	2,891	434	516	3,319	3,835	772	2001	(1)	
2009 McKenzie Drive	Carrollton, TX	—	2,699	431	481	3,125	3,606	749	2001	(1)	
1505 Luna Road — Bldg I	Carrollton, TX	—	2,953	505	529	3,450	3,979	896	2001	(1)	
2104 Hutton Drive	Carrollton, TX	—	1,393	184	249	1,574	1,823	340	2001	(1)	
900-1100 Avenue S	Grand Prairie, TX	2,668	3,528	1,349	629	4,871	5,500	853	2002	(1)	
Plano Crossing(f)	Plano, TX	7,474	11,112	672	1,981	11,764	13,745	2,294	2002	(1)	
7413A-C Dogwood Park	Richland Hills, TX	—	623	150	111	772	883	140	2002	(1)	
7450 Tower Street	Richland Hills, TX	—	204	191	36	395	431	134	2002	(1)	
7436 Tower Street	Richland Hills, TX	—	324	162	58	485	543	147	2002	(1)	
7426 Tower Street	Richland Hills, TX	—	429	59	76	488	564	84	2002	(1)	
7427-7429 Tower Street	Richland Hills, TX	—	427	130	76	556	632	86	2002	(1)	
2840-2842 Handley Ederville Rd.	Richland Hills, TX	—	635	59	113	693	806	134	2002	(1)	

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		Land	Buildings	Land	Improvements		Total				
								Land			
7451-7477 Airport Freeway	Richland Hills, TX	—	1,453	256	1,453	235	1,685	1,944	342	2002	(1)
7415 Whitehall Street	Richland Hills, TX	—	2,107	372	2,107	425	2,529	2,904	505	2002	(1)
7450 Whitehall Street	Richland Hills, TX	—	591	104	591	110	700	805	122	2002	(1)
300 Wesley Way	Richland Hills, TX	916	1,181	208	1,181	18	1,196	1,407	217	2002	(1)
7451 Dogwood Park	Richland Hills, TX	—	753	133	753	43	795	929	155	2002	(1)
825-827 Avenue H(d)	Arlington, TX	—	3,006	600	3,006	229	3,231	3,835	808	2004	(1)
1013-31 Avenue M	Grand Prairie, TX	—	1,504	300	1,504	89	1,591	1,893	418	2004	(1)
1172-84 113th Street(d)	Grand Prairie, TX	2,321	3,509	700	3,509	156	3,661	4,365	827	2004	(1)
1200-16 Avenue H(d)	Arlington, TX	1,885	2,846	600	2,846	136	2,978	3,582	731	2004	(1)
1322-66 N. Carrier Parkway(e)	Grand Prairie, TX	—	5,012	1,000	5,012	223	5,229	6,235	1,164	2004	(1)
2401-2407 Centennial Dr	Arlington, TX	1,951	2,534	600	2,534	217	2,747	3,351	713	2004	(1)
3111 West Commerce Street	Dallas, TX	—	3,364	1,000	3,364	63	3,416	4,427	872	2004	(1)
9150 West Royal Lane	Irving, TX	—	3,767	818	3,767	351	4,116	4,936	828	2005	(1)
13800 Senlac Drive	Farmers Ranch, TX	—	4,042	823	4,042	12	4,052	4,877	1,084	2005	(1)
801-831 S Great Southwest Pky(g)	Grand Prairie, TX	—	16,556	2,581	16,556	(1,307)	15,244	17,830	3,659	2005	(1)
801-842 Heinz Way	Grand Prairie, TX	—	3,327	599	3,327	293	3,618	4,219	814	2005	(1)
901-937 Heinz Way	Grand Prairie, TX	—	2,758	493	2,758	(14)	2,756	3,237	694	2005	(1)
2900 Avenue E	Arlington, TX	—	—	296	—	2,139	2,139	2,435	325	2005	(1)
3730 Wheeler Avenue	Fort Smith, AR	—	2,800	720	2,800	28	2,822	3,548	356	2006	(1)
3301 Century Circle	Irving, TX	2,589	3,856	760	3,856	204	4,049	4,820	336	2007	(1)
First Garland Dist Ctr	Garland, TX	—	—	1,912	—	14,612	14,577	16,524	847	2008	(1)
202-210 N. Great Southwest Pkwy	Grand Prairie, TX	—	2,754	870	2,754	75	2,807	3,699	659	2008	(1)
Denver											
4785 Elati	Denver, CO	—	981	173	981	109	1,088	1,263	344	1997	(1)
4770 Fox Street	Denver, CO	—	750	132	750	72	820	954	245	1997	(1)
3871 Revere	Denver, CO	1,465	2,047	361	2,047	612	2,652	3,020	932	1997	(1)
4570 Ivy Street	Denver, CO	1,045	1,239	219	1,239	145	1,383	1,603	434	1997	(1)
5855 Stapleton Drive North	Denver, CO	1,421	1,630	288	1,630	262	1,890	2,180	611	1997	(1)
5885 Stapleton Drive North	Denver, CO	1,885	2,129	376	2,129	388	2,513	2,893	768	1997	(1)
5977-5995 North Broadway	Denver, CO	—	1,518	268	1,518	350	1,865	2,136	568	1997	(1)

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				Land	Buildings		Land	Improvements				Total
2952-5978 North Broadway	Denver, CO	—	414	2,346	795	422	3,133	3,555	925	1997	(1)	
4721 Ironton Street	Denver, CO	—	232	1,313	7	236	1,316	1,552	458	1997	(1)	
East 47th Drive — A	Denver, CO	—	441	2,689	(34)	441	2,655	3,096	850	1997	(1)	
9500 West 49th Street — A	Wheatridge, CO	—	283	1,625	8	287	1,629	1,916	539	1997	(1)	
9500 West 49th Street — B	Wheatridge, CO	—	225	1,272	108	227	1,378	1,605	438	1997	(1)	
9500 West 49th Street — C	Wheatridge, CO	—	600	3,409	93	601	3,501	4,102	1,116	1997	(1)	
9500 West 49th Street — D	Wheatridge, CO	—	246	1,537	294	247	1,830	2,077	565	1997	(1)	
451-591 East 124th Avenue	Littleton, CO	—	383	2,145	518	383	2,663	3,046	990	1997	(1)	
608 Garrison Street	Lakewood, CO	—	265	1,501	355	269	1,852	2,121	573	1997	(1)	
610 Garrison Street	Lakewood, CO	—	264	1,494	341	268	1,831	2,099	561	1997	(1)	
15000 West 6th Avenue	Golden, CO	—	913	5,174	859	918	6,028	6,946	1,919	1997	(1)	
14998 West 6th Avenue Bldg E	Golden, CO	—	565	3,199	173	570	3,367	3,937	1,029	1997	(1)	
14998 West 6th Avenue Bldg F	Englewood, CO	—	269	1,525	31	273	1,552	1,825	475	1997	(1)	
12503 East Euclid Drive	Denver, CO	—	1,208	6,905	1,165	1,208	8,070	9,278	2,529	1997	(1)	
6547 South Racine Circle	Englewood, CO	2,996	739	4,241	400	739	4,641	5,380	1,495	1997	(1)	
1600 South Abilene	Aurora, CO	—	465	2,633	72	467	2,703	3,170	832	1997	(1)	
1620 South Abilene	Aurora, CO	—	268	1,520	64	270	1,582	1,852	486	1997	(1)	
1640 South Abilene	Aurora, CO	—	368	2,085	108	382	2,179	2,561	669	1997	(1)	
13900 East Florida Ave	Aurora, CO	—	189	1,071	113	190	1,183	1,373	381	1997	(1)	
11701 East 53rd Avenue	Denver, CO	—	416	2,355	193	422	2,542	2,964	836	1997	(1)	
5401 Oswego Street	Denver, CO	—	273	1,547	222	278	1,764	2,042	569	1997	(1)	
14818 West 6th Avenue Bldg A	Golden, CO	—	468	2,799	372	468	3,171	3,639	1,023	1997	(1)	
14828 West 6th Avenue Bldg B	Golden, CO	—	503	2,942	375	503	3,317	3,820	1,120	1997	(1)	
445 Bryant Street	Denver, CO	6,856	1,829	10,219	2,083	1,829	12,302	14,131	3,615	1998	(1)	
3811 Joliet	Denver, CO	—	735	4,166	448	752	4,597	5,349	1,330	1998	(1)	
12055 E 49th Ave/4955 Peoria	Denver, CO	—	298	1,688	446	305	2,127	2,432	638	1998	(1)	
4940-4950 Paris	Denver, CO	—	152	861	184	156	1,041	1,197	313	1998	(1)	
4970 Paris	Denver, CO	—	95	537	121	97	656	753	188	1998	(1)	
7367 South Revere Parkway	Englewood, CO	3,299	926	5,124	750	934	5,866	6,800	1,765	1998	(1)	
8200 East Park Meadows Drive(d)	Lone Tree, CO	—	1,297	7,348	861	1,304	8,202	9,506	2,019	2000	(1)	
3250 Quantin(d)	Aurora, CO	—	1,220	6,911	669	1,230	7,570	8,800	1,797	2000	(1)	

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		Encumbrances		Initial Cost			Land	Building and Improvements				Total
		Land	Buildings	Land	Buildings							
Highpoint Bus Ctr B	Littleton, CO	—	739	—	3,566	781	3,524	4,305	871	2000	(1)	
1130 W. 124th Ave	Westminster, CO	—	441	—	4,489	441	4,489	4,930	1,697	2000	(1)	
1070 W. 124th Ave	Westminster, CO	—	374	—	3,042	374	3,042	3,416	650	2000	(1)	
1020 W. 124th Ave	Westminster, CO	—	374	—	2,924	374	2,924	3,298	747	2000	(1)	
Jeffco Bus Ctr Phase I	Broomfield, CO	—	312	—	1,403	370	1,345	1,715	289	2001	(1)	
960 W. 124th Ave	Westminster, CO	—	441	—	3,753	441	3,753	4,194	1,075	2001	(1)	
8820 W. 116th Street	Broomfield, CO	—	338	1,918	282	372	2,166	2,538	386	2003	(1)	
8835 W. 116th Street	Broomfield, CO	—	1,151	6,523	1,106	1,304	7,476	8,780	1,361	2003	(1)	
18150 E. 32nd Street	Aurora, CO	2,217	563	3,188	819	572	3,998	4,570	1,183	2004	(1)	
3400 Fraser Street	Aurora, CO	2,492	616	3,593	9	620	3,598	4,218	697	2005	(1)	
7005 E. 46th Avenue Drive	Denver, CO	1,513	512	2,025	60	517	2,080	2,597	331	2005	(1)	
4001 Salazar Way	Frederick, CO	—	1,271	6,508	26	1,276	6,529	7,805	1,006	2006	(1)	
1690 S. Abilene	Aurora, CO	—	406	2,814	47	411	2,856	3,267	467	2006	(1)	
5909-5915 N. Broadway	Denver, CO	1,047	495	1,268	176	500	1,439	1,939	317	2006	(1)	
555 Corporate Circle	Golden, CO	—	499	2,673	63	559	2,676	3,235	392	2006	(1)	
Detroit												
1731 Thorncroft	Troy, MI	—	331	1,904	143	331	2,047	2,378	793	1994	(1)	
1653 E. Maple	Troy, MI	—	192	1,104	156	192	1,260	1,452	477	1994	(1)	
47461 Clipper	Plymouth Township, MI	—	122	723	103	122	826	948	338	1994	(1)	
238 Executive Drive	Troy, MI	—	52	173	514	100	639	739	546	1994	(1)	
301 Executive Drive	Troy, MI	—	71	293	657	133	888	1,021	823	1994	(1)	
449 Executive Drive	Troy, MI	—	125	425	944	218	1,276	1,494	1,169	1994	(1)	
501 Executive Drive	Troy, MI	—	71	236	616	129	794	923	546	1994	(1)	
451 Robbins Drive	Troy, MI	—	96	448	861	192	1,213	1,405	1,082	1994	(1)	
1095 Crooks Road	Troy, MI	—	331	1,017	2,238	360	3,226	3,586	1,706	1994	(1)	
1416 Meijer Drive	Troy, MI	—	94	394	520	121	887	1,008	684	1994	(1)	
1624 Meijer Drive	Troy, MI	—	236	1,406	940	373	2,209	2,582	1,660	1994	(1)	
1972 Meijer Drive	Troy, MI	—	315	1,301	738	372	1,982	2,354	1,400	1994	(1)	
1621 Northwood Drive	Troy, MI	—	85	351	1,014	215	1,235	1,450	1,134	1994	(1)	
1707 Northwood Drive	Troy, MI	—	95	262	1,383	239	1,501	1,740	1,117	1994	(1)	
1788 Northwood Drive	Troy, MI	—	50	196	507	103	650	753	574	1994	(1)	

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1821 Northwood Drive	Troy, MI	—	132	523	744	220	1,179	1,399	1,149	1994	(1)
1826 Northwood Drive	Troy, MI	—	55	208	472	103	632	735	541	1994	(1)
1864 Northwood Drive	Troy, MI	—	57	190	489	107	629	736	560	1994	(1)
2277 Elliott Avenue	Troy, MI	—	48	188	536	104	668	772	567	1994	(1)
2451 Elliott Avenue	Troy, MI	—	78	319	766	164	999	1,163	912	1994	(1)
2730 Research Drive	Rochester Hills, MI	—	903	4,215	1,402	903	5,617	6,520	3,446	1994	(1)
2791 Research Drive	Rochester Hills, MI	—	557	2,731	719	560	3,447	4,007	2,106	1994	(1)
2871 Research Drive	Rochester Hills, MI	—	324	1,487	824	327	2,308	2,635	1,344	1994	(1)
3011 Research Drive	Rochester Hills, MI	—	457	2,104	376	457	2,480	2,937	1,671	1994	(1)
2870 Technology Drive	Rochester Hills, MI	—	275	1,262	280	279	1,538	1,817	1,028	1994	(1)
2900 Technology Drive	Rochester Hills, MI	—	214	977	536	219	1,508	1,727	935	1994	(1)
2930 Technology Drive	Rochester Hills, MI	—	131	594	379	138	966	1,104	545	1994	(1)
2950 Technology Drive	Rochester Hills, MI	—	178	819	374	185	1,186	1,371	706	1994	(1)
23014 Commerce Drive	Farmington Hills, MI	—	39	203	216	56	402	458	260	1994	(1)
23028 Commerce Drive	Farmington Hills, MI	—	98	507	278	125	758	883	550	1994	(1)
23035 Commerce Drive	Farmington Hills, MI	—	71	355	247	93	580	673	419	1994	(1)
23042 Commerce Drive	Farmington Hills, MI	—	67	277	273	89	528	617	397	1994	(1)
23065 Commerce Drive	Farmington Hills, MI	—	71	408	207	93	593	686	425	1994	(1)
23070 Commerce Drive	Farmington Hills, MI	—	112	442	346	125	775	900	573	1994	(1)
23079 Commerce Drive	Farmington Hills, MI	—	68	301	289	79	579	658	373	1994	(1)
23093 Commerce Drive	Farmington Hills, MI	—	211	1,024	844	295	1,784	2,079	1,375	1994	(1)
23135 Commerce Drive	Farmington Hills, MI	—	146	701	377	158	1,066	1,224	653	1994	(1)
23163 Commerce Drive	Farmington Hills, MI	—	111	513	341	138	827	965	547	1994	(1)
23177 Commerce Drive	Farmington Hills, MI	—	175	1,007	593	254	1,521	1,775	1,034	1994	(1)
23206 Commerce Drive	Farmington Hills, MI	—	125	531	307	137	826	963	572	1994	(1)
23370 Commerce Drive	Farmington Hills, MI	—	59	233	175	66	401	467	333	1994	(1)
6515 Cobb Drive	Sterling Heights, MI	—	305	1,753	258	305	2,011	2,316	744	1994	(1)
1451 East Lincoln Avenue	Madison Heights, MI	—	299	1,703	273	306	1,969	2,275	747	1995	(1)
4400 Purks Drive	Auburn Hills, MI	—	602	3,410	3,201	612	6,601	7,213	2,204	1995	(1)
32450 N Avis Drive	Madison Heights, MI	—	281	1,590	193	286	1,778	2,064	604	1996	(1)
12707 Eckles Road	Plymouth Township, MI	—	255	1,445	237	267	1,670	1,937	529	1996	(1)

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										(Dollars in thousands)		
9300-9328 Harrison Rd.	Romulus, MI	—	147	834	395	154	1,222	1,376	358	1996	(1)	
9330-9358 Harrison Rd.	Romulus, MI	—	81	456	280	85	732	817	246	1996	(1)	
28420-28448 Highland Rd.	Romulus, MI	—	143	809	113	149	916	1,065	292	1996	(1)	
28450-28478 Highland Rd.	Romulus, MI	—	81	461	500	85	957	1,042	233	1996	(1)	
28421-28449 Highland Rd.	Romulus, MI	—	109	617	385	114	997	1,111	305	1996	(1)	
28451-28479 Highland Rd.	Romulus, MI	—	107	608	335	112	938	1,050	314	1996	(1)	
28825-28909 Highland Rd.	Romulus, MI	—	70	395	306	73	698	771	235	1996	(1)	
28933-29017 Highland Rd.	Romulus, MI	—	112	634	286	117	915	1,032	298	1996	(1)	
28824-28908 Highland Rd.	Romulus, MI	—	134	760	220	140	974	1,114	321	1996	(1)	
28932-29016 Highland Rd.	Romulus, MI	—	123	694	315	128	1,004	1,132	341	1996	(1)	
9710-9734 Harrison Rd.	Romulus, MI	—	125	706	172	130	873	1,003	260	1996	(1)	
9740-9772 Harrison Rd.	Romulus, MI	—	132	749	219	138	962	1,100	288	1996	(1)	
9840-9868 Harrison Rd.	Romulus, MI	—	144	815	169	151	977	1,128	337	1996	(1)	
9800-9824 Harrison Rd.	Romulus, MI	—	117	664	165	123	823	946	281	1996	(1)	
29265-29285 Airport Dr.	Romulus, MI	—	140	794	226	147	1,013	1,160	333	1996	(1)	
29185-29225 Airport Dr.	Romulus, MI	—	140	792	323	146	1,109	1,255	366	1996	(1)	
29149-29165 Airport Dr.	Romulus, MI	—	216	1,225	265	226	1,480	1,706	500	1996	(1)	
29101-29115 Airport Dr.	Romulus, MI	—	130	738	272	136	1,004	1,140	341	1996	(1)	
29031-29045 Airport Dr.	Romulus, MI	—	124	704	166	130	864	994	301	1996	(1)	
29050-29062 Airport Dr.	Romulus, MI	—	127	718	153	133	865	998	287	1996	(1)	
29120-29134 Airport Dr.	Romulus, MI	—	161	912	296	169	1,200	1,369	410	1996	(1)	
29200-29214 Airport Dr.	Romulus, MI	—	170	963	297	178	1,252	1,430	426	1996	(1)	
9301-9339 Middlebelt Rd.	Romulus, MI	—	124	703	239	130	936	1,066	327	1996	(1)	
26980 Trolley Industrial Drive	Taylor, MI	—	450	2,550	926	463	3,463	3,926	1,155	1997	(1)	
32975 Capitol Avenue	Livonia, MI	—	135	748	332	144	1,071	1,215	382	1998	(1)	
2725 S. Industrial Highway	Ann Arbor, MI	—	660	3,654	497	704	4,107	4,811	1,212	1998	(1)	
32920 Capitol Avenue	Livonia, MI	—	76	422	103	82	519	601	148	1998	(1)	
11923 Brookfield Avenue	Livonia, MI	—	120	665	278	128	935	1,063	326	1998	(1)	
11965 Brookfield Avenue	Livonia, MI	—	120	665	67	128	724	852	210	1998	(1)	
13405 Stark Road	Livonia, MI	—	46	254	85	49	336	385	89	1998	(1)	
1170 Chicago Road	Troy, MI	—	249	1,380	255	266	1,618	1,884	464	1998	(1)	

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		Land	Buildings	Land	Improvements		Total				
								Land			
1200 Chicago Road	Troy, MI	—	1,483	268	1,749	284	286	2,035	494	1998	(1)
450 Robbins Drive	Troy, MI	—	920	166	1,086	260	178	1,264	340	1998	(1)
1230 Chicago Road	Troy, MI	—	1,498	271	1,769	156	289	1,925	474	1998	(1)
12886 Westmore Avenue	Livonia, MI	—	1,050	190	1,240	194	202	1,434	355	1998	(1)
12898 Westmore Avenue	Livonia, MI	—	1,050	190	1,240	244	202	1,484	348	1998	(1)
33025 Industrial Road	Livonia, MI	—	442	80	522	108	85	630	153	1998	(1)
47711 Clipper Street	Plymouth Township, MI	—	2,983	539	3,522	265	575	3,787	932	1998	(1)
32975 Industrial Road	Livonia, MI	—	887	160	1,047	196	171	1,243	311	1998	(1)
32985 Industrial Road	Livonia, MI	—	761	137	898	154	147	1,052	271	1998	(1)
32995 Industrial Road	Livonia, MI	—	887	160	1,047	187	171	1,234	302	1998	(1)
12874 Westmore Avenue	Livonia, MI	—	761	137	898	206	147	1,104	314	1998	(1)
33067 Industrial Road	Livonia, MI	—	887	160	1,047	324	171	1,371	395	1998	(1)
1775 Bellingham	Troy, MI	—	1,902	344	2,246	365	367	2,611	618	1998	(1)
1785 East Maple	Troy, MI	—	507	92	599	162	98	761	172	1998	(1)
1807 East Maple	Troy, MI	—	1,775	321	2,096	375	342	2,471	593	1998	(1)
980 Chicago	Troy, MI	—	1,141	206	1,347	176	220	1,523	363	1998	(1)
1840 Enterprise Drive	Rochester Hills, MI	—	3,170	573	3,743	323	611	4,066	994	1998	(1)
1885 Enterprise Drive	Rochester Hills, MI	—	1,158	209	1,367	146	223	1,513	375	1998	(1)
1935-55 Enterprise Drive	Rochester Hills, MI	—	7,144	1,285	8,429	664	1,371	9,093	2,253	1998	(1)
5500 Enterprise Court	Warren, MI	—	3,737	675	4,412	636	721	5,048	1,308	1998	(1)
750 Chicago Road	Troy, MI	—	1,790	323	2,113	483	345	2,596	651	1998	(1)
800 Chicago Road	Troy, MI	—	1,567	283	1,850	351	302	2,201	530	1998	(1)
850 Chicago Road	Troy, MI	—	1,016	183	1,200	261	196	1,460	367	1998	(1)
2805 S. Industrial Highway	Ann Arbor, MI	—	1,762	318	2,080	689	340	2,769	720	1998	(1)
6833 Center Drive	Sterling Heights, MI	—	2,583	467	3,050	218	493	3,268	826	1998	(1)
32201 North Avis Drive	Madison Heights, MI	—	1,911	345	2,256	232	349	2,488	629	1998	(1)
1100 East Mandoline Road	Madison Heights, MI	—	4,915	888	5,803	1,686	897	7,489	1,753	1998	(1)
30081 Stephenson Highway	Madison Heights, MI	—	1,499	271	1,770	353	274	2,123	544	1998	(1)
1120 John A. Papalas Drive(e)	Lincoln Park, MI	—	3,241	366	3,607	1,351	469	4,958	1,296	1998	(1)
4872 S. Lapeer Road	Lake Orion Twsp, MI	—	5,441	1,342	6,783	792	1,412	7,575	1,882	1999	(1)
22701 Trolley Industrial	Taylor, MI	—	—	795	795	7,366	849	8,161	1,738	1999	(1)

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		Encumbrances		Initial Cost			Land	Building and Improvements				Total
		Land	Buildings	Land	Buildings							
1400 Allen Drive	Troy, MI	—	1,154	209	338	212	1,489	1,701	399	2000	(1)	
1408 Allen Drive	Troy, MI	—	834	151	133	153	965	1,118	226	2000	(1)	
1305 Stephenson Hwy	Troy, MI	—	1,907	345	255	350	2,157	2,507	471	2000	(1)	
32505 Industrial Drive	Madison Heights, MI	—	1,910	345	695	351	2,599	2,950	817	2000	(1)	
1799-1813 Northfield Drive(d)	Rochester Hills, MI	—	2,665	481	282	490	2,938	3,428	672	2000	(1)	
28435 Automation Blvd	Wixom, MI	—	—	621	3,810	628	3,803	4,431	577	2004	(1)	
32200 N Avis Drive	Madison Heights, MI	—	3,367	503	1,370	503	4,737	5,240	563	2005	(1)	
100 Kay Industrial Drive	Rton Township, MI	—	2,018	677	404	685	2,414	3,099	840	2005	(1)	
1849 West Maple Road	Troy, MI	—	2,790	1,688	(99)	1,700	2,679	4,379	402	2005	(1)	
35000 Capitol Avenue	Livonia, MI	—	1,032	258	324	260	1,354	1,614	134	2005	(1)	
32650 Capitol Avenue	Livonia, MI	—	1,128	282	55	284	1,181	1,465	148	2005	(1)	
11800 Sears Drive	Livonia, MI	—	1,507	693	2,053	703	3,550	4,253	755	2005	(1)	
1099 Chicago Road	Troy, MI	—	1,332	1,277	183	1,316	1,476	2,792	530	2005	(1)	
42555 Merrill Road	Sterling Heights, MI	—	2,300	1,080	3,702	1,090	5,992	7,082	1,032	2006	(1)	
2441 N. Opdyke Road	Auburn Hills, MI	—	737	530	16	538	745	1,283	212	2006	(1)	
200 Northpointe Drive	Orion Township, MI	—	2,063	723	36	734	2,088	2,822	348	2006	(1)	
Houston												
2102-2314 Edwards Street	Houston, TX	—	1,973	348	1,547	382	3,486	3,868	1,017	1997	(1)	
3351 Rauch St	Houston, TX	—	1,541	272	267	278	1,802	2,080	523	1997	(1)	
3851 Yale St	Houston, TX	—	2,343	413	584	425	2,915	3,340	1,003	1997	(1)	
3337-3347 Rauch Street	Houston, TX	943	1,287	227	220	233	1,501	1,734	443	1997	(1)	
8505 N Loop East	Houston, TX	1,724	2,489	439	626	449	3,105	3,554	885	1997	(1)	
4749-4799 Eastpark Dr	Houston, TX	2,459	3,368	594	1,107	611	4,458	5,069	1,295	1997	(1)	
4851 Homestead Road	Houston, TX	—	2,782	491	899	504	3,668	4,172	1,083	1997	(1)	
3365-3385 Rauch Street	Houston, TX	—	1,611	284	398	290	2,003	2,293	596	1997	(1)	
5050 Campbell Road	Houston, TX	1,685	2,610	461	401	470	3,002	3,472	899	1997	(1)	
4300 Pine Timbers	Houston, TX	—	2,769	489	666	499	3,425	3,924	1,031	1997	(1)	
2500-2530 Fairway Park Drive	Houston, TX	3,174	4,342	766	1,434	792	5,750	6,542	1,595	1997	(1)	
6550 Longpointe	Houston, TX	1,393	2,050	362	458	370	2,500	2,870	731	1997	(1)	
1815 Turning Basin Dr	Houston, TX	1,885	2,761	487	637	531	3,354	3,885	988	1997	(1)	
1819 Turning Basin Dr	Houston, TX	—	1,308	231	489	251	1,777	2,028	585	1997	(1)	

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			Land	Buildings	Land		Improvements	Total			
1805 Turning Basin Drive	Houston, TX	2,201	564	3,197	616	775	3,920	4,536	1,160	1997	(1)
9835A Genard Road	Houston, TX	—	1,505	8,333	1,581	3,100	11,357	12,938	2,548	1999	(1)
9835B Genard Road	Houston, TX	—	245	1,357	256	646	1,992	2,248	485	1999	(1)
11505 State Highway 225	LaPorte City, TX	4,769	940	4,675	940	615	5,290	6,230	910	2005	(1)
1500 E. Main Street	Houston, TX	—	201	1,328	204	24	1,349	1,553	432	2005	(1)
700 Industrial Blvd	Sugar Land, TX	—	608	3,679	617	341	4,011	4,628	444	2007	(1)
7230-7238 Wynnwood	Houston, TX	—	254	764	259	79	838	1,097	159	2007	(1)
7240-7248 Wynnwood	Houston, TX	—	271	726	276	77	798	1,074	150	2007	(1)
7250-7260 Wynnwood	Houston, TX	—	200	481	203	35	513	716	86	2007	(1)
6400 Long Point	Houston, TX	802	188	898	188	(6)	892	1,080	159	2007	(1)
12705 S. Kirkwood, Ste 100-150	Stafford, TX	—	154	626	155	20	645	800	103	2007	(1)
12705 S. Kirkwood, Ste 200-220	Stafford, TX	—	404	1,698	413	109	1,798	2,211	288	2007	(1)
8850 Jameel	Houston, TX	—	171	826	171	70	896	1,067	164	2007	(1)
8800 Jameel	Houston, TX	—	163	798	163	—	798	961	113	2007	(1)
8700 Jameel	Houston, TX	—	170	1,020	170	190	1,210	1,380	161	2007	(1)
8600 Jameel	Houston, TX	—	163	818	163	(30)	788	951	105	2007	(1)
Indianapolis											
2900 N Shadeland Avenue	Indianapolis, IN	—	2,057	13,565	2,057	4,106	17,671	19,728	6,249	1996	(1)
1445 Brookville Way	Indianapolis, IN	—	459	2,603	476	693	3,279	3,755	1,101	1996	(1)
1440 Brookville Way	Indianapolis, IN	—	665	3,770	685	1,091	4,841	5,526	1,898	1996	(1)
1240 Brookville Way	Indianapolis, IN	—	247	1,402	258	346	1,737	1,995	616	1996	(1)
1345 Brookville Way	Indianapolis, IN	—	586	3,321	601	808	4,114	4,715	1,443	1996	(1)
1350 Brookville Way	Indianapolis, IN	—	205	1,161	212	308	1,462	1,674	482	1996	(1)
1341 Sadlier Circle E Dr.	Indianapolis, IN	—	131	743	136	197	935	1,071	313	1996	(1)
1322-1438 Sadlier Circle E Dr.	Indianapolis, IN	—	145	822	152	188	1,003	1,155	328	1996	(1)
1327-1441 Sadlier Circle E Dr.	Indianapolis, IN	—	218	1,234	225	383	1,610	1,835	595	1996	(1)
1304 Sadlier Circle E Dr.	Indianapolis, IN	—	71	405	75	181	582	657	169	1996	(1)
1402 Sadlier Circle E Dr.	Indianapolis, IN	—	165	934	171	349	1,277	1,448	485	1996	(1)
1504 Sadlier Circle E Dr.	Indianapolis, IN	—	219	1,238	226	391	1,622	1,848	519	1996	(1)
1311 Sadlier Circle E Dr.	Indianapolis, IN	—	54	304	57	109	410	467	151	1996	(1)
1365 Sadlier Circle E Dr.	Indianapolis, IN	—	121	688	126	295	978	1,104	357	1996	(1)

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		Land	Buildings	Land	Improvements		Total				
								Land			
1352-1354 Sadtler Circle E Dr	Indianapolis, IN	—	1,008	184	1,350	348	1,534	488	1996	(1)	
1335 Sadtler Circle E Dr	Indianapolis, IN	—	460	85	782	326	867	295	1996	(1)	
1327 Sadtler Circle E Dr	Indianapolis, IN	—	295	55	343	51	398	116	1996	(1)	
1425 Sadtler Circle E Dr	Indianapolis, IN	—	117	23	154	39	177	53	1996	(1)	
6951 E 30th St	Indianapolis, IN	—	1,449	265	1,662	222	1,927	574	1996	(1)	
6701 E 30th St	Indianapolis, IN	—	443	82	498	59	580	167	1996	(1)	
6737 E 30th St	Indianapolis, IN	—	2,181	307	2,475	398	2,873	921	1996	(1)	
6555 E 30th St	Indianapolis, IN	3,611	4,760	484	6,281	484	6,765	2,286	1996	(1)	
8402-8440 E 33rd St	Indianapolis, IN	—	1,260	230	1,794	542	2,024	595	1996	(1)	
8520-8630 E 33rd St	Indianapolis, IN	—	1,848	336	2,433	595	2,769	832	1996	(1)	
8710-8768 E 33rd St	Indianapolis, IN	—	993	187	1,487	506	1,674	471	1996	(1)	
3316-3346 N. Pagosa Court	Indianapolis, IN	1,430	1,842	335	2,344	512	2,679	924	1996	(1)	
7901 West 21st St	Indianapolis, IN	—	6,027	1,048	6,275	248	7,323	1,959	1997	(1)	
1225 Brookville Way	Indianapolis, IN	—	—	68	453	461	521	153	1997	(1)	
6751 E 30th St	Indianapolis, IN	—	2,837	741	3,095	271	3,836	934	1997	(1)	
9200 East 146th Street	Noblesville, IN	—	1,221	181	2,093	872	2,274	625	1998	(1)	
6575 East 30th Street	Indianapolis, IN	—	—	128	2,071	2,081	2,199	589	1998	(1)	
6585 East 30th Street	Indianapolis, IN	—	—	196	3,192	3,192	3,388	944	1998	(1)	
9210 E. 146th Street	Noblesville, IN	—	684	66	1,502	818	1,568	751	1998	(1)	
5705-97 Park Plaza Ct	Indianapolis, IN	2,236	2,194	609	2,594	409	3,203	554	2003	(1)	
9319-9341 Castlegate Drive	Indianapolis, IN	—	530	544	2,304	1,083	2,848	698	2003	(1)	
1133 Northwest L. Street	Richmond, IN	1,254	1,358	208	1,261	(90)	1,469	432	2006	(1)	
14425 Bergen Blvd	Noblesville, IN	—	—	743	3,765	3,861	4,508	310	2007	(1)	
Inland Empire											
3411 N. Perris Boulevard	Riverside, CA	—	7,150	8,560	6,814	99	15,374	1,423	2007	(1)	
100 West Sinclair	Riverside, CA	—	4,298	2,245	2,306	(5,789)	4,551	754	2007	(1)	
14050 Day Street	Moreno Valley, CA	—	2,538	2,565	2,798	288	5,363	222	2008	(1)	
12925 Marlay Avenue	Fontana, CA	—	7,891	6,090	7,845	(28)	13,935	771	2008	(1)	
Los Angeles											
1944 Vista Bella Way	Rancho Domingue, CA	3,444	3,148	1,822	3,656	584	5,478	729	2005	(1)	
2000 Vista Bella Way	Rancho Domingue, CA	1,397	1,673	853	1,932	295	2,785	382	2005	(1)	

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		Land	Buildings	Land	Buildings		Land	Improvements				Total
2835 East Ana Street	Rancho Domingue, CA	3,015	2,750	1,682	2,750	141	1,772	2,801	4,573	708	2005	(1)
665 N. Baldwin Park Blvd.	City of Industry, CA	4,575	5,219	2,124	5,219	1,662	2,143	6,862	9,005	873	2006	(1)
27801 Avenue Scott	Santa Clarita, CA	—	7,020	2,890	7,020	580	2,902	7,588	10,490	927	2006	(1)
2610&2660 Columbia St.	Torrance, CA	4,749	5,826	3,008	5,826	344	3,031	6,147	9,178	717	2006	(1)
433 Alaska Avenue	Torrance, CA	—	168	681	168	5	684	170	854	78	2006	(1)
4020 S. Compton Ave	Los Angeles, CA	—	7,330	3,800	7,330	71	3,825	7,376	11,201	760	2006	(1)
21730-21748 Marilla St.	Chatsworth, CA	3,129	3,210	2,585	3,210	149	2,608	3,336	5,944	415	2007	(1)
8015 Paramount	Pico Rivera, CA	—	3,902	3,616	3,902	61	3,657	3,922	7,579	495	2007	(1)
3365 E. Slauson	Vernon, CA	—	3,243	2,367	3,243	40	2,396	3,254	5,650	433	2007	(1)
3015 East Ana	Rancho Domingue, CA	—	9,321	19,678	9,321	7,451	20,144	16,306	36,450	1,522	2007	(1)
19067 Reyes Ave	Rancho Domingue, CA	—	3,920	9,281	3,920	119	9,381	3,939	13,320	602	2007	(1)
1250 Rancho Conejo Blvd.	Thousand Oaks, CA	—	779	1,435	779	36	1,441	809	2,250	111	2007	(1)
1260 Rancho Conejo Blvd.	Thousand Oaks, CA	—	722	1,353	722	227	1,359	943	2,302	102	2007	(1)
1270 Rancho Conejo Blvd.	Thousand Oaks, CA	—	716	1,224	716	21	1,229	732	1,961	116	2007	(1)
1280 Rancho Conejo Blvd.	Thousand Oaks, CA	3,213	3,408	2,043	3,408	40	2,051	3,440	5,491	397	2007	(1)
1290 Rancho Conejo Blvd.	Thousand Oaks, CA	2,769	2,949	1,754	2,949	35	1,761	2,977	4,738	346	2007	(1)
18201-18291 Santa Fe	Rancho Domingue, CA	—	—	6,720	—	8,946	6,897	8,769	15,666	451	2008	(1)
1011 Rancho Conejo	Thousand Oaks, CA	6,249	2,518	7,717	2,518	46	7,752	2,528	10,280	447	2008	(1)
2300 Corporate Center Drive	Thousand Oaks, CA	—	4,885	6,506	4,885	51	6,541	4,901	11,442	624	2008	(1)
20700 Denker Avenue	Rancho Domingue, CA	—	2,538	5,767	2,538	2,458	5,964	4,800	10,764	317	2008	(1)
18408 Laurel Park Road	Rancho Domingue, CA	—	2,850	2,850	2,850	643	2,874	3,469	6,343	204	2008	(1)
19021 S. Reyes Ave.	Rancho Domingue, CA	—	7,501	8,183	7,501	549	8,545	7,688	16,233	310	2008	(1)
Miami												
4700 NW 15th Ave	Ft. Lauderdale, FL	—	1,883	908	1,883	155	912	2,034	2,946	234	2007	(1)
4710 NW 15th Ave	Ft. Lauderdale, FL	—	2,722	830	2,722	194	834	2,912	3,746	296	2007	(1)
4720 NW 15th Ave	Ft. Lauderdale, FL	—	2,455	937	2,455	105	942	2,555	3,497	262	2007	(1)
4740 NW 15th Ave	Ft. Lauderdale, FL	—	3,111	1,107	3,111	209	1,112	3,315	4,427	328	2007	(1)
4750 NW 15th Ave	Ft. Lauderdale, FL	—	3,079	947	3,079	521	951	3,596	4,547	346	2007	(1)
4800 NW 15th Ave	Ft. Lauderdale, FL	—	3,308	1,092	3,308	367	1,097	3,670	4,767	542	2007	(1)
Medley Industrial Center	Medley, FL	—	3,428	857	3,428	2,826	864	6,247	7,111	383	2007	(1)
Pan American Business Park	Medley, FL	—	—	2,521	—	7,105	2,588	7,038	9,626	—	2008	(1)

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		Land	Buildings	Land	Building and Improvements		Total					
								Land				Buildings
Milwaukee												
N25 W23050 Paul Road	Pewaukee, WI	—	2,723	474	2,723	1,937	485	4,649	5,134	1,906	1994	(1)
N25 W23255 Paul Road	Pewaukee, WI	2,231	3,270	569	3,270	379	573	3,645	4,218	1,329	1994	(1)
6523 N Sydney Place	Glendale, WI	—	976	172	976	356	176	1,328	1,504	482	1995	(1)
5355 South Westridge Drive	New Berlin, WI	5,674	7,058	1,630	7,058	46	1,646	7,088	8,734	1,197	2004	(1)
320-334 W. Vogel Avenue	Milwaukee, WI	—	3,199	506	3,199	46	508	3,243	3,751	938	2005	(1)
4950 South 6th Avenue	Milwaukee, WI	—	1,565	299	1,565	47	301	1,610	1,911	556	2005	(1)
1711 Paramount Court	Waukesha, WI	1,327	1,762	308	1,762	41	311	1,800	2,111	317	2005	(1)
17005 W. Ryerson Road	New Berlin, WI	—	3,647	403	3,647	16	405	3,661	4,066	860	2005	(1)
W140 N9059 Lilly Road	Menomonee Falls, WI	—	1,153	343	1,153	248	366	1,378	1,744	383	2005	(1)
200 W. Vogel Avenue-Bldg B	Milwaukee, WI	—	2,150	301	2,150	—	302	2,149	2,451	537	2005	(1)
4921 S. 2nd Street	Milwaukee, WI	—	713	101	713	15	101	728	829	182	2005	(1)
1500 Peebles Drive	Richland Center, WI	—	1,018	1,577	1,018	(211)	1,603	781	2,384	620	2005	(1)
16600 West Glendale Ave	New Berlin, WI	—	1,923	704	1,923	436	715	2,348	3,063	658	2006	(1)
2905 S. 160th Street	New Berlin, WI	—	672	261	672	153	265	821	1,086	157	2007	(1)
2855 S. 160th Street	New Berlin, WI	—	628	221	628	128	225	752	977	163	2007	(1)
2485 Commerce Drive	New Berlin, WI	—	1,516	483	1,516	216	491	1,724	2,215	267	2007	(1)
14518 Whittaker Way	Menomonee Falls, WI	—	1,082	437	1,082	83	445	1,157	1,602	254	2007	(1)
Rust-Oleum BTS	Kenosha, WI	14,561	—	4,100	—	18,448	3,212	19,336	22,548	556	2008	(1)
Menomonee Falls-Barry Land	Menomonee Falls, WI	11,349	—	1,188	—	14,076	1,204	14,060	15,264	335	2008	(1)
Minneapolis/St. Paul												
6201 West 111th Street	Bloomington, MN	4,700	8,622	1,358	8,622	5,013	1,499	13,494	14,993	7,867	1994	(1)
7251-7267 Washington Avenue	Edina, MN	—	382	129	382	624	182	953	1,135	736	1994	(1)
7301-7325 Washington Avenue	Edina, MN	—	391	174	391	(55)	193	317	510	79	1994	(1)
7101 Winnetka Avenue North	Brooklyn Park, MN	5,955	6,084	2,195	6,084	3,996	2,228	10,047	12,275	5,913	1994	(1)
9901 West 74th Street	Eden Prairie, MN	3,484	3,289	621	3,289	3,271	639	6,542	7,181	4,371	1994	(1)
1030 Lone Oak Road	Eagan, MN	2,326	2,703	456	2,703	541	456	3,244	3,700	1,168	1994	(1)
1060 Lone Oak Road	Eagan, MN	3,118	3,700	624	3,700	635	624	4,335	4,959	1,747	1994	(1)
5400 Nathan Lane	Plymouth, MN	2,981	4,461	749	4,461	935	757	5,388	6,145	1,983	1994	(1)
6655 Wedgewood Road	Maple Grove, MN	6,878	8,342	1,466	8,342	3,196	1,466	11,538	13,004	3,942	1994	(1)
10120 W 76th Street	Eden Prairie, MN	—	1,804	315	1,804	1,404	315	3,208	3,523	845	1995	(1)

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		Land	Buildings	Land	Buildings	Land	Buildings and Improvements	Total	Accumulated Depreciation 12/31/2009			
										Dollars in thousands		
12155 Nicollet Ave	Burnsville, MN	—	286	—	1,731	288	1,729	2,017	619	1995	(1)	
4100 Peavey Road	Chaska, MN	—	277	2,261	843	277	3,104	3,381	1,047	1996	(1)	
5205 Highway 169	Plymouth, MN	—	446	2,525	988	740	3,219	3,959	1,059	1996	(1)	
7100-7198 Shady Oak Road	Eden Prairie, MN	—	715	4,054	1,209	736	5,242	5,978	1,628	1996	(1)	
7500-7546 Washington Square	Eden Prairie, MN	—	229	1,300	830	235	2,124	2,359	613	1996	(1)	
7550-7558 Washington Square	Eden Prairie, MN	—	153	867	203	157	1,066	1,223	325	1996	(1)	
5240-5300 Valley Industrial Blvd S	Shakopee, MN	—	362	2,049	801	371	2,841	3,212	1,015	1996	(1)	
500-530 Kasota Avenue SE	Minneapolis, MN	—	415	2,354	775	434	3,110	3,544	935	1998	(1)	
2530-2570 Kasota Avenue	St. Paul, MN	—	407	2,308	972	467	3,220	3,687	975	1998	(1)	
5775 12th Avenue	Shakopee, MN	4,034	590	—	5,827	590	5,827	6,417	1,389	1998	(1)	
1157 Valley Park Drive	Shakopee, MN	4,487	760	—	6,377	888	6,249	7,137	1,627	1999	(1)	
9600 West 76th Street	Eden Prairie, MN	—	1,000	2,450	48	1,034	2,464	3,498	464	2004	(1)	
9700 West 76th Street	Eden Prairie, MN	—	1,000	2,709	170	1,038	2,841	3,879	532	2004	(1)	
7600 69th Avenue	Greenfield, MN	—	1,500	8,328	1,808	1,510	10,126	11,636	2,041	2004	(1)	
5017 Boone Avenue North	New Hope, MN	1,676	1,000	1,599	(57)	1,009	1,533	2,542	400	2005	(1)	
2300 West Highway 13	Burnsville, MN	—	2,517	6,069	(499)	2,524	5,563	8,087	1,936	2005	(1)	
1087 Park Place	Shakopee, MN	—	1,195	4,891	(114)	1,198	4,774	5,972	968	2005	(1)	
5391 12th Avenue SE	Shakopee, MN	4,995	1,392	8,149	(10)	1,395	8,136	9,531	1,405	2005	(1)	
4701 Valley Industrial Blvd S	Shakopee, MN	—	1,296	7,157	(99)	1,299	7,055	8,354	1,598	2005	(1)	
316 Lake Hazelle Drive	Chaska, MN	—	714	944	84	729	1,013	1,742	317	2006	(1)	
6455 City West Parkway	Eden Prairie, MN	—	659	3,189	(304)	665	2,879	3,544	405	2006	(1)	
1225 Highway 169 North	Plymouth, MN	—	1,190	1,979	391	1,207	2,353	3,560	508	2006	(1)	
7102 Winnetka Avenue North	Brooklyn Park, MN	4,524	1,275	—	6,849	1,343	6,781	8,124	628	2007	(1)	
9200 10th Avenue	Golden Valley, MN	—	892	2,306	102	902	2,398	3,300	467	2007	(1)	
139 Eva Street	St. Paul, MN	—	2,132	3,105	90	2,175	3,152	5,327	201	2008	(1)	
Nashville												
1621 Heil Quaker Boulevard	Nashville, TN	2,451	413	2,383	1,699	430	4,065	4,495	1,666	1995	(1)	
3099 Barry Drive	Portland, TN	—	418	2,368	162	421	2,527	2,948	836	1996	(1)	
3150 Barry Drive	Portland, TN	—	941	5,333	5,954	981	11,247	12,228	2,096	1996	(1)	
5599 Highway 31 West	Portland, TN	—	564	3,196	288	571	3,477	4,048	1,104	1996	(1)	
1650 Elm Hill Pike	Nashville, TN	—	329	1,867	349	332	2,213	2,545	698	1997	(1)	

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		Land	Buildings	Land	Buildings		Land	Improvements				Total
1931 Air Lane Drive	Nashville, TN	—	2,785	489	276	493	3,057	3,550	940	1997	(1)	
4640 Cummings Park	Nashville, TN	—	2,040	360	375	365	2,410	2,775	587	1999	(1)	
1740 River Hills Drive	Nashville, TN	3,223	4,383	848	1,161	888	5,504	6,392	1,812	2005	(1)	
211 Ellery Court	Nashville, TN	2,884	3,192	606	488	616	3,670	4,286	586	2007	(1)	
Rockdale BTS	Gallatin, TN	—	—	1,778	24,216	1,778	24,216	25,994	584	2008	(1)	
Northern New Jersey												
14 World's Fair Drive	Franklin, NJ	—	2,735	483	574	503	3,289	3,792	1,091	1997	(1)	
12 World's Fair Drive	Franklin, NJ	—	3,240	572	554	593	3,773	4,366	1,153	1997	(1)	
22 World's Fair Drive	Franklin, NJ	—	2,064	364	614	375	2,667	3,042	855	1997	(1)	
26 World's Fair Drive	Franklin, NJ	—	2,048	361	423	377	2,455	2,832	778	1997	(1)	
24 World's Fair Drive	Franklin, NJ	—	1,968	347	519	362	2,472	2,834	873	1997	(1)	
20 World's Fair Drive Lot 13	Sumerset, NJ	—	—	9	2,544	691	1,862	2,553	446	1999	(1)	
45 Route 46	Pine Brook, NJ	—	5,491	969	948	978	6,430	7,408	1,619	2000	(1)	
43 Route 46	Pine Brook, NJ	—	2,686	474	273	479	2,954	3,433	662	2000	(1)	
39 Route 46	Pine Brook, NJ	—	1,471	260	198	262	1,667	1,929	394	2000	(1)	
26 Chapin Road	Pine Brook, NJ	—	5,415	956	759	965	6,165	7,130	1,467	2000	(1)	
30 Chapin Road	Pine Brook, NJ	—	5,440	960	778	969	6,209	7,178	1,605	2000	(1)	
20 Hook Mountain Road	Pine Brook, NJ	—	8,542	1,507	2,892	1,534	11,407	12,941	2,597	2000	(1)	
30 Hook Mountain Road	Pine Brook, NJ	—	2,206	389	377	396	2,576	2,972	654	2000	(1)	
55 Route 46	Pine Brook, NJ	—	2,244	396	157	403	2,394	2,797	575	2000	(1)	
16 Chapin Road	Pine Brook, NJ	3,804	5,015	885	412	901	5,411	6,312	1,229	2000	(1)	
20 Chapin Road	Pine Brook, NJ	4,861	6,426	1,134	506	1,154	6,912	8,066	1,688	2000	(1)	
Sayville Lot 4	Sayreville, NJ	3,632	—	944	4,630	944	4,630	5,574	867	2002	(1)	
Sayville Lot 3	Sayreville, NJ	—	—	996	5,337	996	5,337	6,333	741	2003	(1)	
309-319 Pierce Street	Somerset, NJ	3,891	4,628	1,300	1,069	1,309	5,688	6,997	1,160	2004	(1)	
Philadelphia												
230-240 Welsh Pool Road	Exton, PA	—	851	154	294	170	1,129	1,299	297	1998	(1)	
264 Welsh Pool Road	Exton, PA	—	811	147	293	162	1,089	1,251	303	1998	(1)	
254 Welsh Pool Road	Exton, PA	—	842	152	403	184	1,213	1,397	329	1998	(1)	
251 Welsh Pool Road	Exton, PA	—	796	144	498	159	1,279	1,438	381	1998	(1)	
253-255 Welsh Pool Road	Exton, PA	—	626	113	152	125	766	891	213	1998	(1)	

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		Land	Buildings	Land	Improvements		Total					
								Land				Buildings
151-161 Philips Road	Exton, PA	—	1,059	191	1,059	257	229	1,278	1,507	391	1998	(1)
216 Philips Road	Exton, PA	—	1,100	199	1,100	218	220	1,297	1,517	379	1998	(1)
14 McFadden Road	Palmer, PA	1,686	1,349	600	1,349	56	625	1,380	2,005	420	2004	(1)
2801 Red Lion Road	Philadelphia, PA	—	5,916	950	5,916	(542)	964	5,360	6,324	1,188	2005	(1)
3240 S. 78th Street	Philadelphia, PA	—	1,245	515	1,245	71	540	1,291	1,831	260	2005	(1)
200 Cascade Drive, Bldg. 1	Allen Town, PA	—	17,562	2,133	17,562	902	2,769	17,828	20,597	2,476	2007	(1)
200 Cascade Drive, Bldg. 2	Allen Town, PA	—	2,268	310	2,268	117	316	2,379	2,695	285	2007	(1)
6300 Bristol Pike	Levittown, PA	—	2,642	1,074	2,642	71	1,077	2,710	3,787	556	2008	(1)
2455 Boulevard of Generals	Norristown, PA	3,556	4,800	1,200	4,800	1,088	1,226	5,862	7,088	571	2008	(1)
Phoenix												
1045 South Edward Drive	Tempe, AZ	—	2,160	390	2,160	164	396	2,318	2,714	586	1999	(1)
50 South 56th Street	Chandler, AZ	—	3,218	1,206	3,218	98	1,207	3,315	4,522	590	2004	(1)
4701 W. Jefferson	Phoenix, AZ	—	2,195	926	2,195	443	929	2,635	3,564	685	2005	(1)
7102 W. Roosevelt	Phoenix, AZ	—	6,451	1,613	6,451	1,028	1,620	7,472	9,092	1,229	2006	(1)
4137 West Adams Street	Phoenix, AZ	—	2,661	990	2,661	146	1,033	2,764	3,797	385	2006	(1)
245 W. Lodge	Tempe, AZ	—	3,066	898	3,066	78	914	3,128	4,042	281	2007	(1)
1590 E Riverview Dr.	Phoenix, AZ	—	5,950	1,293	5,950	69	1,292	6,020	7,312	392	2008	(1)
14131 N. Rio Vista Dr.	Peoria, AZ	—	9,388	2,563	9,388	676	2,563	10,064	12,627	722	2008	(1)
8716 W. Ludlow Drive	Peoria, AZ	—	10,970	2,709	10,970	160	2,709	11,130	13,839	654	2008	(1)
3815 W. Washington St.	Phoenix, AZ	4,199	4,514	1,675	4,514	146	1,719	4,616	6,335	231	2008	(1)
690 91st Avenue	Tolleson, AZ	—	6,805	1,904	6,805	2,101	1,923	8,887	10,810	549	2008	(1)
Salt Lake City												
512 Lawndale Drive(i)	Salt Lake City, UT	—	15,749	2,705	15,749	2,746	2,705	18,495	21,200	5,610	1997	(1)
1270 West 2320 South	West Valley, UT	—	784	138	784	142	143	921	1,064	308	1998	(1)
1275 West 2240 South	West Valley, UT	—	2,241	395	2,241	474	408	2,702	3,110	878	1998	(1)
1288 West 2240 South	West Valley, UT	—	672	119	672	111	123	779	902	236	1998	(1)
2235 South 1300 West	West Valley, UT	—	1,120	198	1,120	270	204	1,384	1,588	530	1998	(1)
1293 West 2200 South	West Valley, UT	—	896	158	896	99	163	990	1,153	299	1998	(1)
1279 West 2200 South	West Valley, UT	—	1,120	198	1,120	156	204	1,270	1,474	355	1998	(1)
1272 West 2240 South	West Valley, UT	—	1,905	336	1,905	258	347	2,152	2,499	609	1998	(1)
1149 West 2240 South	West Valley, UT	—	1,232	217	1,232	100	225	1,324	1,549	405	1998	(1)

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		Land	Buildings	Land	Buildings		Land	Improvements	Total			
1142 West 2320 South	West Valley, UT	—	217	1,232	225	77	1,301	1,526	401	1998	(1)	
1152 West 2240 South	West Valley, UT	—	2,067	—	1,083	2,517	3,501	4,584	884	2000	(1)	
2323 South 900 W	Salt Lake City, UT	—	886	2,995	898	59	3,042	3,940	822	2006	(1)	
1815-1957 South 4650 West	Salt Lake City, UT	7,240	1,707	10,873	1,713	116	10,983	12,696	1,259	2006	(1)	
2100 Alexander Street	West Valley, UT	1,225	376	1,670	376	—	1,670	2,046	170	2007	(1)	
1815-1957 South 4650 West	West Valley, UT	2,102	864	2,771	869	82	2,848	3,717	308	2007	(1)	
San Diego												
16275 Technology Drive	San Diego, CA	—	2,848	8,641	2,859	42	8,672	11,531	1,376	2005	(1)	
6305 El Camino Real	Carlsbad, CA	—	1,590	6,360	7,497	7,497	13,857	15,447	1,187	2006	(1)	
2325 Camino Vida Roble	Carlsbad, CA	—	1,441	1,239	1,446	651	1,885	3,331	230	2006	(1)	
2335 Camino Vida Roble	Carlsbad, CA	—	817	762	821	97	855	1,676	162	2006	(1)	
2345 Camino Vida Roble	Carlsbad, CA	—	562	456	565	58	511	1,076	104	2006	(1)	
2355 Camino Vida Roble	Carlsbad, CA	—	481	365	483	70	433	916	100	2006	(1)	
2365 Camino Vida Roble	Carlsbad, CA	—	1,098	630	1,102	(16)	610	1,712	123	2006	(1)	
2375 Camino Vida Roble	Carlsbad, CA	—	1,210	874	1,214	149	1,019	2,233	213	2006	(1)	
6451 El Camino Real	Carlsbad, CA	—	2,885	1,931	2,895	344	2,265	5,160	378	2006	(1)	
8572 Spectrum Lane	San Diego, CA	2,237	806	3,225	807	429	3,653	4,460	323	2007	(1)	
13100 Gregg Street	Poway, CA	—	1,040	4,160	1,073	474	4,601	5,674	531	2007	(1)	
Seattle												
1901 Raymond Ave SW	Renton, WA	2,228	4,458	2,659	4,594	197	2,720	7,314	215	2008	(1)	
19014 64th Avenue South	Kent, WA	3,382	1,990	3,979	2,042	177	4,105	6,147	309	2008	(1)	
18640 68th Ave. South	Kent, WA	889	1,218	1,950	1,258	84	1,994	3,252	164	2008	(1)	
Southern New Jersey												
8 Springdale Road	Cherry Hill, NJ	—	258	1,436	258	771	2,207	2,465	647	1998	(1)	
111 Whittendale Drive	Morrestown, NJ	1,781	522	2,916	522	112	3,028	3,550	787	2000	(1)	
7851 Airport Highway	Pennsauken, NJ	—	160	508	163	368	873	1,036	268	2003	(1)	
103 Central	Mt. Laurel, NJ	—	610	1,847	619	1,143	2,981	3,600	772	2003	(1)	
999 Grand Avenue	Hammonton, NJ	5,555	969	8,793	979	1,018	9,801	10,780	2,151	2005	(1)	
7890 Airport Hwy/7015 Central	Pennsauken, NJ	1,331	300	989	425	511	1,375	1,800	401	2006	(1)	
600 Creek Road	Delanco, NJ	—	2,125	6,504	2,127	(5)	6,497	8,624	1,259	2007	(1)	
1070 Thomas Busch Mem Hwy	Pennsauken, NJ	—	1,054	2,278	1,084	318	2,566	3,650	449	2007	(1)	

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		Land	Buildings	Land	Buildings and Improvements		Total				
								Land			
1601 Schlumberger Drive	Moorestown, NJ	—	2,240	733	608	2,925	3,533	335	2007	(1)	
St. Louis											
8921-8971 Foster Avenue	Hazelwood, MO	—	2,479	437	431	2,916	3,347	983	1994	(1)	
9043-9083 Frost Avenue	Hazelwood, MO	—	1,838	2,210	319	4,048	4,367	975	1994	(1)	
10431-10449 Midwest Industrial Blvd.	Olivette, MO	—	1,360	373	237	1,733	1,970	616	1994	(1)	
10751 Midwest Industrial Boulevard	Olivette, MO	—	1,119	570	194	1,688	1,882	735	1994	(1)	
6951 N Hanley(d)	Hazelwood, MO	—	2,295	1,480	419	3,761	4,180	1,139	1996	(1)	
1067 Warson-Bldg A	St. Louis, MO	—	1,359	696	251	2,050	2,301	453	2002	(1)	
1067 Warson-Bldg B	St. Louis, MO	—	2,103	1,975	388	4,070	4,458	809	2002	(1)	
1067 Warson-Bldg C	St. Louis, MO	—	1,680	1,256	310	2,929	3,239	691	2002	(1)	
1067 Warson-Bldg D	St. Louis, MO	—	1,952	949	360	2,894	3,254	605	2002	(1)	
6821-6857 Hazelwood Avenue	Berkeley, MO	4,977	6,205	917	985	7,122	8,107	1,545	2003	(1)	
13701 Rider Trail North	Earth City, MO	—	2,099	700	804	2,795	3,599	732	2003	(1)	
1908-2000 Innerbelt(d)	Overland, MO	—	9,026	984	1,591	10,009	11,600	2,719	2004	(1)	
9060 Latty Avenue	Berkeley, MO	—	1,947	30	694	1,970	2,664	938	2006	(1)	
21-25 Gateway Commerce Center	Edwardsville, IL	24,416	31,958	191	1,928	32,095	34,023	3,052	2006	(1)	
601 Cannonball Lane	O'Fallon, MO	—	2,336	522	595	2,847	3,442	208	2007	(1)	
6647 Romiss Court	St. Louis, MO	—	681	72	241	742	983	97	2008	(1)	
Tampa											
5313 Johns Road.	Tampa, FL	—	1,159	231	257	1,337	1,594	431	1997	(1)	
5525 Johns Road.	Tampa, FL	—	1,086	355	200	1,433	1,633	478	1997	(1)	
5709 Johns Road.	Tampa, FL	—	1,086	165	200	1,243	1,443	377	1997	(1)	
5711 Johns Road.	Tampa, FL	—	1,376	172	255	1,536	1,791	470	1997	(1)	
5453 W Waters Avenue	Tampa, FL	—	402	135	82	526	608	153	1997	(1)	
5455 W Waters Avenue	Tampa, FL	—	1,742	390	326	2,113	2,439	643	1997	(1)	
5553 W Waters Avenue	Tampa, FL	—	1,742	423	326	2,146	2,472	659	1997	(1)	
5501 W Waters Avenue	Tampa, FL	—	871	446	242	1,290	1,532	380	1997	(1)	
5503 W Waters Avenue	Tampa, FL	—	402	162	110	552	662	159	1997	(1)	
5555 W Waters Avenue	Tampa, FL	—	1,206	215	221	1,413	1,634	416	1997	(1)	

FIRST INDUSTRIAL REALTY TRUST, INC.
SCHEDULE III:
REAL ESTATE AND ACCUMULATED DEPRECIATION
As Of December 31, 2009

Building Address	Location (City/State)	(a) Encumbrances		(b) Initial Cost		(c) Costs Capitalized Subsequent to Acquisition or Completion and Valuation Provision (Dollars in thousands)	Gross Amount Carried At Close of Period 12/31/09			Accumulated Depreciation 12/31/2009	Year Acquired/Constructed	Depreciable Lives (Years)
			Land	Buildings	Land		Improvements	Total				
5557 W Waters Avenue	Tampa, FL	—	59	335	62	44	376	438	111	1997	(1)	
5463 W Waters Avenue	Tampa, FL	—	497	2,751	560	647	3,335	3,895	945	1998	(1)	
5461 W Waters	Tampa, FL	—	261	—	265	1,438	1,434	1,699	436	1998	(1)	
5481 W. Waters Avenue	Tampa, FL	—	558	—	561	2,496	2,493	3,054	596	1999	(1)	
4515-4519 George Road	Tampa, FL	2,528	633	3,587	640	820	4,400	5,040	995	2001	(1)	
6089 Johns Road.	Tampa, FL	898	180	987	186	77	1,058	1,244	217	2004	(1)	
6091 Johns Road.	Tampa, FL	715	140	730	144	134	860	1,004	187	2004	(1)	
6103 Johns Road.	Tampa, FL	1,133	220	1,160	226	148	1,302	1,528	253	2004	(1)	
6201 Johns Road.	Tampa, FL	1,028	200	1,107	205	124	1,226	1,431	278	2004	(1)	
6203 Johns Road.	Tampa, FL	1,314	300	1,460	311	118	1,567	1,878	446	2004	(1)	
6205 Johns Road.	Tampa, FL	1,342	270	1,363	278	75	1,430	1,708	213	2004	(1)	
6101 Johns Road.	Tampa, FL	901	210	833	216	107	934	1,150	238	2004	(1)	
4908 Tampa West Blvd.	Tampa, FL	—	2,622	8,643	2,635	(337)	8,293	10,928	1,592	2005	(1)	
7201-7245 Bryan Dairy Road(d)	Largo, FL	—	1,895	5,408	1,879	570	5,994	7,873	984	2006	(1)	
11701 Belcher Road South	Largo, FL	—	1,657	2,768	1,669	628	3,384	5,053	551	2006	(1)	
4900-4914 Creekside Drive(h)	Clearwater, FL	—	3,702	7,338	3,730	645	7,955	11,685	1,276	2006	(1)	
12345 Starkey Road.	Largo, FL	—	898	2,078	905	395	2,466	3,371	374	2006	(1)	
Toronto												
135 Dundas Street	Cambridge, ON	—	3,128	4,958	3,179	(700)	4,207	7,386	1,420	2005	(1)	
678 Erie Street	Stratford, ON	—	786	557	829	(236)	278	1,107	205	2005	(1)	
114 Packham Rd.	Stratford, ON	—	1,000	3,526	1,012	525	4,039	5,051	1,275	2007	(1)	
Other												
3501 Maple Street	Abilene, TX	—	67	1,057	266	1,478	2,336	2,602	1,269	1994	(1)	
4200 West Harry Street(e)	Wichita, KS	—	193	2,224	532	1,777	3,662	4,194	2,407	1994	(1)	
5050 Kendrick Court	Grand Rapids, MI	—	1,721	11,433	1,721	7,579	19,012	20,733	7,310	1994	(1)	
5015 52nd Street SE	Grand Rapids, MI	—	234	1,321	234	70	1,391	1,625	547	1994	(1)	
2250 Delaware Ave	Des Moines, IA	—	277	1,609	277	591	2,200	2,477	598	1998	(1)	
9601A Dessau Road.	Austin, TX	1,139	255	—	366	1,782	1,671	2,037	421	1999	(1)	
9601C Dessau Road.	Austin, TX	1,406	248	—	355	2,265	2,158	2,513	967	1999	(1)	
9601B Dessau Road.	Austin, TX	1,175	248	—	355	1,852	1,745	2,100	459	2000	(1)	
6266 Hurt Road	Horn Lake, MS	—	427	—	427	3,537	3,537	3,964	361	2004	(1)	

FIRST INDUSTRIAL REALTY TRUST, INC.
SCHEDULE III:
REAL ESTATE AND ACCUMULATED DEPRECIATION
As Of December 31, 2009

Building Address	Location (City/State)	(a) Encumbrances		(b) Initial Cost		(c) Costs Capitalized Subsequent to Acquisition or Completion and Valuation Provision (Dollars in thousands)	Gross Amount Carried At Close of Period 12/31/09		Accumulated Depreciation 12/31/2009	Year Acquired/ Constructed	Depreciable Lives (Years)
		Land	Buildings	Land	Buildings		Land	Improvements			
6266 Hurt Road Building B	Horn Lake, MS	—	—	—	—	868	99	769	868	2004	(1)
6301 Hazeltine National Drive	Orlando, FL	4,090	4,613	909	4,613	262	920	4,864	5,784	2005	(1)
12626 Silicon Drive	San Antonio, TX	3,270	3,448	768	3,448	266	779	3,703	4,482	2005	(1)
3100 Pinson Valley Parkway	Birmingham, AL	—	742	303	742	22	310	757	1,067	2005	(1)
1021 W. First Street, Hwy 93	Sumner, IA	—	2,540	99	2,540	(96)	101	2,442	2,543	2005	(1)
1245 N. Hearne Avenue	Shreveport, LA	—	1,263	99	1,263	34	102	1,294	1,396	2005	(1)
10330 I Street	Omaha, NE	—	8,340	1,808	8,340	15	1,809	8,354	10,163	2006	(1)
3200 Pond Station	Jefferson County, KY	—	—	2,074	—	9,679	2,119	9,634	11,753	2007	(1)
Ozbum Hessey Logistics	Winchester, VA	—	—	2,320	—	10,855	2,401	10,774	13,175	2007	(1)
Pure Fishing BTS	Kansas City, MO	—	—	4,152	—	13,602	4,228	13,526	17,754	2008	(1)
600 Greene Drive	Greenville, KY	—	8,570	294	8,570	3	296	8,571	8,867	2008	(1)
Redevelopments											
/Developments/Developable											
Land(j)		—	183,630	—	1,048	7,675(m)	186,848	5,508	192,356		
Total		\$402,057	\$753,454	\$1,860,763		\$712,694	\$767,724(k)	\$2,559,190(k)	\$3,326,914		
									\$597,461(k)		

FIRST INDUSTRIAL REALTY TRUST, INC.
SCHEDULE III:
REAL ESTATE AND ACCUMULATED DEPRECIATION
As Of December 31, 2009

NOTES:

- (a) See description of encumbrances in Note 6 to Notes to Consolidated Financial Statements.
- (b) Initial cost for each respective property is tangible purchase price allocated in accordance with FASB's guidance on business combinations.
- (c) Improvements are net of write-off of fully depreciated assets.
- (d) Comprised of two properties.
- (e) Comprised of three properties.
- (f) Comprised of four properties.
- (g) Comprised of five properties.
- (h) Comprised of eight properties.
- (i) Comprised of 28 properties.
- (j) These properties represent developable land and redevelopments that have not been placed in service.
- (k)

	<u>Amounts Included in Real Estate Held for Sale</u>	<u>Amounts Within Net Investment in Real Estate*</u>	<u>Gross Amount Carried At Close of Period December 31, 2009*</u>
Land	\$16,245	\$ 751,479	\$ 767,724
Buildings & Improvements	15,617	2,543,573	2,559,190
Accumulated Depreciation	<u>(2,566)</u>	<u>(594,895)</u>	<u>(597,461)</u>
Subtotal	29,296	2,700,157	2,729,453
Construction in Progress	<u>—</u>	<u>24,712</u>	<u>24,712</u>
Net Investment in Real Estate	<u>29,296</u>	<u>2,724,869</u>	<u>2,754,165</u>
Leasing Commissions, Net, Deferred Leasing Intangibles, Net and Deferred Rent Receivable, Net	<u>8,009</u>		
Total at December 31, 2009	<u>\$37,305</u>		

* Amounts exclude \$60,160 of above market and other deferred leasing intangibles, net.

- (l) Depreciation is computed based upon the following estimated lives:
 - Buildings and Improvements 8 to 50 years
 - Tenant Improvements, Leasehold Improvements Life of lease
- (m) Includes foreign currency translation adjustments.

FIRST INDUSTRIAL REALTY TRUST, INC.
SCHEDULE III:
REAL ESTATE AND ACCUMULATED DEPRECIATION
As Of December 31, 2009

At December 31, 2009, the aggregate cost of land and buildings and equipment for federal income tax purpose was approximately \$3.1 billion (excluding construction in progress.)

The changes in total real estate assets, including real estate held for sale, for the three years ended December 31, 2009 are as follows:

	<u>2009</u>	<u>2008</u>	<u>2007</u>
	(Dollars in thousands)		
Balance, Beginning of Year	\$3,406,729	\$3,365,500	\$3,331,382
Acquisition of Real Estate Assets	208	319,431	440,664
Construction Costs and Improvements	47,716	186,997	237,135
Disposition of Real Estate Assets	(73,015)	(429,106)	(619,785)
Write-off of Fully Depreciated Assets	<u>(30,012)</u>	<u>(36,093)</u>	<u>(23,896)</u>
Balance, End of Year	<u>\$3,351,626</u>	<u>\$3,406,729</u>	<u>\$3,365,500</u>

The changes in accumulated depreciation, including accumulated depreciation for real estate held for sale, for the three years ended December 31, 2009 are as follows:

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Balance, Beginning of Year	\$524,865	\$512,781	\$473,882
Depreciation for Year	112,241	114,795	121,714
Disposition of Assets	(9,633)	(66,618)	(58,919)
Write-off of Fully Depreciated Assets	<u>(30,012)</u>	<u>(36,093)</u>	<u>(23,896)</u>
Balance, End of Year	<u>\$597,461</u>	<u>\$524,865</u>	<u>\$512,781</u>

[End of Consolidated Financial Statements]

MARKET INFORMATION

The following table sets forth for the periods indicated the high and low closing prices per share and distributions declared per share for our common stock, which trades on the New York Stock Exchange under the trading symbol “FR.”

<u>Quarter Ended</u>	<u>High</u>	<u>Low</u>	<u>Distribution Declared</u>
December 31, 2009	\$ 5.95	\$ 4.06	\$0.0000
September 30, 2009	\$ 6.79	\$ 3.68	\$0.0000
June 30, 2009	\$ 6.30	\$ 2.40	\$0.0000
March 31, 2009	\$ 7.42	\$ 1.91	\$0.0000
December 31, 2008	\$28.39	\$ 5.10	\$0.2500
September 30, 2008	\$32.13	\$21.94	\$0.7200
June 30, 2008	\$32.68	\$27.47	\$0.7200
March 31, 2008	\$36.54	\$28.83	\$0.7200

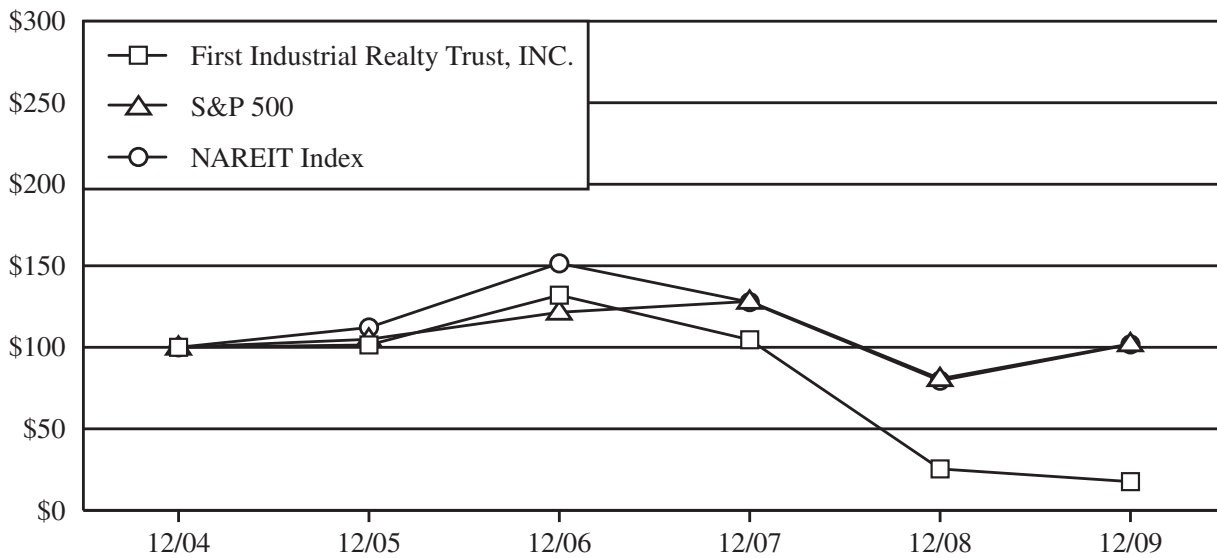
The Company had 667 common stockholders of record registered with our transfer agent as of February 26, 2010.

Performance Graph*

The following graph provides a comparison of the cumulative total stockholder return among the Company, the NAREIT Equity REIT Total Return Index (the “NAREIT Index”) and the Standard & Poor’s 500 Index (“S&P 500”). The comparison is for the periods from December 31, 2004 to December 31, 2009 and assumes the reinvestment of any dividends. The closing price for our Common Stock quoted on the NYSE at the close of business on December 31, 2004 was \$40.73 per share. The NAREIT Index includes REITs with 75% or more of their gross invested book value of assets invested directly or indirectly in the equity ownership of real estate. Upon written request, we will provide stockholders with a list of the REITs included in the NAREIT Index. The historical information set forth below is not necessarily indicative of future performance. The following graph was prepared at our request by Research Data Group, Inc., San Francisco, California.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*

Among First Industrial Realty Trust, Inc., The S&P 500 Index
And The FTSE NAREIT Equity REITs Index



*\$100 invested on 12/31/04 in stock or index, including reinvestment of dividends.
Fiscal year ending December 31.

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	12/04	12/05	12/06	12/07	12/08	12/09
FIRST INDUSTRIAL REALTY TRUST, INC.	\$100.00	\$101.45	\$131.97	\$104.62	\$25.42	\$ 17.61
S&P 500	100.00	104.91	121.48	128.16	80.74	102.11
FTSE NAREIT Equity REITs	100.00	112.16	151.49	127.72	79.53	101.79

* The information provided in this performance graph shall not be deemed to be “soliciting material,” to be “filed” or to be incorporated by reference into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934 unless specifically treated as such.

CORPORATE MANAGEMENT AND DIRECTORS

CORPORATE MANAGEMENT

Bruce W. Duncan
President and Chief Executive Officer

Scott A. Musil
Acting Chief Financial Officer, Chief Accounting Officer, Treasurer and Assistant Secretary

Johannson L. Yap
Chief Investment Officer and Executive Vice President — West Region

David G. Harker
Executive Vice President — Central Region

Peter O. Schultz
Executive Vice President — East Region

Christopher M. Schneider
Chief Information Officer and Senior Vice President — Operations

Donald Stoffle
Executive Director — Dispositions

Robert Walter
Senior Vice President — Capital Markets

Arthur J. Harmon
Director — Investor Relations and Corporate Communications

John H. Clayton
Vice President — Corporate Legal and Secretary

DIRECTORS

W. Ed Tyler§†
Chairman
First Industrial Realty Trust, Inc.
Chief Executive Officer
Ideapoint Ventures
Former Chief Executive Officer and Director
Moore Corporation Limited

Bruce W. Duncan‡#
President and Chief Executive Officer
First Industrial Realty Trust, Inc.
Chairman
Starwood Hotels & Resorts Worldwide, Inc.

Michael G. Damone‡
Director of Strategic Planning
First Industrial Realty Trust, Inc.

Matthew S. Dominski*‡#
Principal
Polaris Capital, LLC

H. Patrick Hackett, Jr.*§
Chief Executive Officer
HHS Co.

Kevin W. Lynch†§
Principal
The Townsend Group
Director
Lexington Realty Trust

John Rau*§#
President, Chief Executive Officer and Director
Miami Corporation
Director
Nicor Inc.
Harris Financial Corp.
Harris Bank, N.A.

Jay H. Shidler
Managing Partner
The Shidler Group
Chairman
Corporate Office Properties Trust
Chairman
Pacific Office Properties Trust, Inc.

Robert J. Slater†
Former President
Jackson Consulting, Inc.

J. Steven Wilson
Chairman, President and Chief Executive Officer
Riverside Group, Inc.
Managing Member
Besco Engineering, LLC
Managing Director
London Manhattan Company
President
AIP Group, LLC

§ Nominating/Corporate Governance Committee
† Compensation Committee
* Audit Committee
‡ Investment Committee
Special Committee

CORPORATE AND STOCKHOLDER INFORMATION

Executive Office

First Industrial Realty Trust, Inc.
311 South Wacker Drive, Suite 3900
Chicago, IL 60606
Phone: 312.344.4300
Fax: 312.922.6320
www.firstindustrial.com
info@firstindustrial.com

Stock Exchange Listing

New York Stock Exchange
Symbol: FR

Registrar and Transfer Agent

Computershare Trust Company, N.A.
P.O. Box 43078
Providence, RI 02940-3078
800.446.2617

Independent Registered Public Accounting Firm

PricewaterhouseCoopers LLP
Chicago, Illinois

General Counsel

Barack Ferrazzano Kirschbaum &
Nagelberg LLP
Chicago, Illinois

10-K Report

A copy of the Company's Form 10-K as filed with the Securities and Exchange Commission is available on the Company's website and may also be obtained free of charge by contacting the Director of Investor Relations and Corporate Communications, First Industrial Realty Trust, Inc. Included in such report were the certifications required by Section 302 of the Sarbanes-Oxley Act.

Annual Meeting

The Annual Meeting of Stockholders of First Industrial Realty Trust, Inc., will be held on Wednesday, May 5, 2010, at 9:00 A.M. CDT at the 10th Floor Conference Room, 311 South Wacker Drive, Chicago, Illinois.

To contact First Industrial's Audit Committee:

Chairman of the Audit Committee
c/o First Industrial Realty Trust, Inc.
311 South Wacker Drive, Suite 3900
Chicago, IL 60606

To contact First Industrial's Nominating/Corporate Governance Committee:

Chairman of the Nominating/Corporate Governance Committee
c/o First Industrial Realty Trust, Inc.
311 South Wacker Drive, Suite 3900
Chicago, IL 60606



LETTER TO STOCKHOLDERS
FROM THE PRESIDENT AND CEO
NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
PROXY STATEMENT
2009 ANNUAL REPORT