



**FIRST**  
INDUSTRIAL  
REALTY-TRUST

Fourth Quarter 2017



First Park 94 - Building II | Somers, WI  
602,348 Square Feet

## SUPPLEMENTAL INFORMATION

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](http://www.firstindustrial.com)

**FR**  
LISTED  
**NYSE**



First Park McDonough-BTS | McDonough, GA



First Park @ PV 303 | Goodyear, AZ



First Florence Logistics Center | Florence Township, NJ

**Cover Photo: First Park 94 - Building II**  
**Occupancy: 50%**  
**Tenant: Madden Communications, Inc.**

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## NON-GAAP FINANCIAL MEASURES

This supplemental information package presents funds from operations, net operating income, adjusted EBITDA, adjusted funds from operations and same store net operating income, which are standard REIT industry financial measures that are not calculated in accordance with generally accepted accounting principles ("GAAP"). Please see page 27 for a definition of these supplemental performance measures, which are denoted with tickmark (A). Please see the Statements of Operations Reconciliation for a reconciliation of Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders and Participating Securities to the non-GAAP financial measures.

## FORWARD-LOOKING STATEMENTS

This supplemental information may contain 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 for 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. Forward-looking statements are based on certain assumptions and describe our future plans, strategies and expectations, and are generally identifiable by use of the words "believe," "expect," "plan," "intend," "anticipate," "estimate," "project," "seek," "target," "potential," "focus," "may," "will," "should" or similar words. Although we believe the expectations reflected in forward-looking statements are based upon reasonable assumptions, we can give no assurance that our expectations will be attained or that results will not materially differ. 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 real estate investment trusts) and actions of regulatory authorities; our ability to qualify and maintain our status as a real estate investment trust; the availability and attractiveness of financing (including both public and private capital) and changes in interest rates; the availability and attractiveness of terms of additional debt repurchases; changes in our credit agency ratings; our ability to comply with applicable financial covenants; our competitive environment; changes in supply, demand and valuation of industrial properties and land in our current and potential market areas; difficulties in identifying and consummating acquisitions and dispositions; our ability to manage the integration of properties we acquire; potential liability relating to environmental matters; defaults on or non-renewal of leases by our tenants; decreased rental rates or increased vacancy rates; higher-than-expected real estate construction costs and delays in development or lease-up schedules; changes in general accounting principles, policies and guidelines applicable to real estate investment trusts; and other risks and uncertainties described under the heading "Risk Factors" and elsewhere in our annual report on Form 10-K for the year ended December 31, 2016, as well as those risks and uncertainties discussed from time to time in our other Exchange Act reports and in our other public filings with the Securities and Exchange Commission. 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 supplemental information or the dates indicated in the statements. We assume no obligation to update or supplement forward-looking statements. For further information on these and other factors that could impact us and the statements contained herein, reference should be made to our filings with the Securities and Exchange Commission.

# BALANCE SHEETS

(UNAUDITED) (IN 000'S)



|   | December 31,<br>2017 | December 31,<br>2016 | December 31,<br>2015 |
|---|----------------------|----------------------|----------------------|
| <b>ASSETS</b>   |                      |                      |                      |
| Investment in Real Estate   |                      |                      |                      |
| Land  | \$ 864,813           | \$ 794,821           | \$ 745,912           |
| Buildings and Improvements  | 2,521,457            | 2,523,015            | 2,511,737            |
| Construction in Progress  | 109,475              | 67,078               | 36,319               |
|   | <b>3,495,745</b>     | <b>3,384,914</b>     | <b>3,293,968</b>     |
| Less: Accumulated Depreciation                                    | (789,919)            | (796,492)            | (791,330)            |
|   | <b>2,705,826</b>     | <b>2,588,422</b>     | <b>2,502,638</b>     |
|   |                      |                      |                      |
| Real Estate and Other Assets Held for Sale, Net                   | -                    | 2,354                | 2,510                |
| Cash and Cash Equivalents   | 21,146               | 9,859                | 3,987                |
| Restricted Cash   | 25,336               | 11,602               | 23,005               |
| Tenant Accounts Receivable, Net                                   | 4,873                | 4,757                | 5,612                |
| Deferred Rent Receivable, Net                                     | 70,254               | 67,382               | 62,335               |
| Deferred Leasing Intangibles, Net                                 | 30,481               | 29,499               | 33,326               |
| Prepaid Expenses and Other Assets, Net <sup>(1)</sup>             | 83,146               | 79,388               | 76,395               |
|   | <b>\$ 2,941,062</b>  | <b>\$ 2,793,263</b>  | <b>\$ 2,709,808</b>  |
| <b>LIABILITIES AND EQUITY</b>                                     |                      |                      |                      |
| <i>Liabilities</i>  |                      |                      |                      |
| Mortgage Loans Payable, Net                                       | \$ 450,056           | \$ 495,956           | \$ 561,241           |
| Senior Unsecured Notes, Net                                       | 246,673              | 204,998              | 364,457              |
| Unsecured Term Loans, Net   | 455,768              | 456,638              | 455,970              |
| Unsecured Credit Facility   | 144,500              | 189,500              | 52,500               |
| Accounts Payable, Accrued Expenses and Other Liabilities          | 86,532               | 84,412               | 93,699               |
| Deferred Leasing Intangibles, Net                                 | 10,355               | 10,400               | 11,841               |
| Rents Received in Advance and Security Deposits                   | 44,285               | 43,300               | 40,153               |
| Dividends and Distributions Payable                               | 27,016               | 23,434               | 14,812               |
|   | <b>1,465,185</b>     | <b>1,508,638</b>     | <b>1,594,673</b>     |
|   |                      |                      |                      |
| Commitments and Contingencies                                     | -                    | -                    | -                    |
| <i>Equity</i>   |                      |                      |                      |
| <i>First Industrial Realty Trust, Inc.'s Stockholders' Equity</i> |                      |                      |                      |
| Common Stock  | 1,199                | 1,172                | 1,111                |
| Additional Paid-in-Capital  | 1,967,110            | 1,886,771            | 1,756,415            |
| Distributions in Excess of Accumulated Earnings                   | (541,847)            | (641,859)            | (674,759)            |
| Accumulated Other Comprehensive Loss                              | 1,338                | (4,643)              | (9,667)              |
|   | <b>1,427,800</b>     | <b>1,241,441</b>     | <b>1,073,100</b>     |
|   |                      |                      |                      |
| Noncontrolling Interest   | 48,077               | 43,184               | 42,035               |
|   | <b>1,475,877</b>     | <b>1,284,625</b>     | <b>1,115,135</b>     |
|   |                      |                      |                      |
| <b>Total Liabilities and Equity</b>                               | <b>\$ 2,941,062</b>  | <b>\$ 2,793,263</b>  | <b>\$ 2,709,808</b>  |

<sup>(1)</sup> Prepaid Expenses and Other Assets, Net of December 31, 2017, are comprised as follows: Furniture, Fixtures, Leasehold Improvements and Equipment, Net of \$1,108, Prepaid Real Estate Taxes of \$2,750, Earnest Money, Escrow and Other Deposits of \$4,647, Unsecured Credit Facility Debt Issuance Costs, Net of \$4,781, Acquired Leasing Commissions, Net of \$6,362, Leasing Commissions, Net and Lease Inducements, Net of \$56,776, and Other of \$6,722.

# GAAP STATEMENTS OF OPERATIONS

(UNAUDITED) (IN 000'S)



|   | Three Months Ended   |                      | Twelve Months Ended  |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | December 31,<br>2017 | December 31,<br>2016 | December 31,<br>2017 | December 31,<br>2016 |
| <b>REVENUES</b>   |                      |                      |                      |                      |
| Rental Income   | \$ 76,657            | \$ 73,743            | \$ 303,874           | \$ 289,858           |
| Tenant Recoveries and Other Income  | 25,473               | 24,233               | 92,528               | 88,162               |
| <b>Total Revenues</b>   | <b>102,130</b>       | <b>97,976</b>        | <b>396,402</b>       | <b>378,020</b>       |
| <b>EXPENSES</b>   |                      |                      |                      |                      |
| Property Expenses   | 29,659               | 29,543               | 113,494              | 112,324              |
| General and Administrative  | 6,769                | 6,613                | 28,079               | 26,703               |
| Acquisition Costs <sup>(1)</sup>  | -                    | 153                  | -                    | 491                  |
| Depreciation of Corporate FF&E  | 246                  | 196                  | 747                  | 776                  |
| Depreciation and Other Amortization of Real Estate  | 28,888               | 28,418               | 115,617              | 116,506              |
| <b>Total Expenses</b>   | <b>65,562</b>        | <b>64,923</b>        | <b>257,937</b>       | <b>256,800</b>       |
| <b>OTHER INCOME/(EXPENSE)</b>   |                      |                      |                      |                      |
| Gain on Sale of Real Estate   | 79,129               | 7,374                | 131,269              | 68,202               |
| Interest Expense  | (13,539)             | (14,175)             | (57,199)             | (59,430)             |
| Amortization of Debt Issuance Costs   | (826)                | (782)                | (3,162)              | (3,219)              |
| Settlement Gain on Interest Rate Protection Agreements <sup>(2)</sup>   | 48                   | -                    | 1,896                | -                    |
| Loss from Retirement of Debt  | (122)                | -                    | (1,775)              | -                    |
| <b>Total Other Income/(Expense)</b>   | <b>64,690</b>        | <b>(7,583)</b>       | <b>71,029</b>        | <b>5,553</b>         |
| <b>INCOME FROM OPERATIONS BEFORE INCOME TAX BENEFIT (PROVISION)</b>   | <b>101,258</b>       | <b>25,470</b>        | <b>209,494</b>       | <b>126,773</b>       |
| Income Tax Benefit (Provision)  | 43                   | (857)                | (1,193)              | (1,089)              |
| <b>NET INCOME</b>   | <b>101,301</b>       | <b>24,613</b>        | <b>208,301</b>       | <b>125,684</b>       |
| Less: Net Income Attributable to the Noncontrolling Interest  | (3,314)              | (817)                | (6,845)              | (4,452)              |
| <b>NET INCOME AVAILABLE TO FIRST INDUSTRIAL REALTY TRUST, INC.'s<br/>COMMON STOCKHOLDERS AND PARTICIPATING SECURITIES</b> | <b>\$ 97,987</b>     | <b>\$ 23,796</b>     | <b>\$ 201,456</b>    | <b>\$ 121,232</b>    |
| Less: Allocation to Participating Securities  | (331)                | (82)                 | (646)                | (411)                |
| <b>NET INCOME AVAILABLE TO FIRST INDUSTRIAL REALTY TRUST, INC.'s<br/>COMMON STOCKHOLDERS</b>                              | <b>\$ 97,656</b>     | <b>\$ 23,714</b>     | <b>\$ 200,810</b>    | <b>\$ 120,821</b>    |
| Weighted Average Shares - Basic   | 119,462              | 116,636              | 118,272              | 115,030              |
| Weighted Average Shares - Diluted   | 120,076              | 117,042              | 118,787              | 115,370              |
| EPS - Basic   | \$ 0.82              | \$ 0.20              | \$ 1.70              | \$ 1.05              |
| EPS - Diluted   | \$ 0.81              | \$ 0.20              | \$ 1.69              | \$ 1.05              |

<sup>(1)</sup> Effective January 1, 2017, we adopted Accounting Standards Update ("ASU") No. 2017-01, "Business Combinations (Topic 805): Clarifying the Definition of a Business" ("ASU 2017-01"), which clarifies the framework for determining whether an integrated set of assets and activities meets the definition of a business. Acquisitions of integrated sets of assets and activities that do not meet the definition of a business are accounted for as asset acquisitions. We anticipate that our acquisitions of real estate in the future will generally not meet the definition of a business combination; and accordingly, transaction costs which have historically been expensed, will be capitalized as part of the basis of the real estate assets acquired. ASU 2017-01 was applied prospectively.

<sup>(2)</sup> In September 2017, the Company entered into interest rate protection agreements (the "Treasury Locks") with an aggregate notional value of \$100,000 in order to fix the interest rate on an anticipated unsecured debt offering. The Treasury Locks fixed the 10-year U.S. Treasury rate at a weighted average interest rate of 2.18%. Due to the strict requirements surrounding the application of hedge accounting, the Company elected not to designate the Treasury Locks as hedges. As such, the full change in the fair value of the Treasury Locks for the year ended December 31, 2017 is recorded as a Settlement Gain on Interest Rate Protection Agreements within the income statement as opposed being recorded in other comprehensive income.

**SUPPLEMENTAL STATEMENTS OF OPERATIONS <sup>(A)</sup>**  
 (UNAUDITED) (IN 000'S EXCEPT PER SHARE/UNIT DATA)



|   | Three Months Ended   |                      | Twelve Months Ended  |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | December 31,<br>2017 | December 31,<br>2016 | December 31,<br>2017 | December 31,<br>2016 |
| <b>REVENUES</b>   |                      |                      |                      |                      |
| Rental Income   | \$ 76,657            | \$ 73,743            | \$ 303,874           | \$ 289,858           |
| Tenant Recoveries and Other Income  | 25,473               | 24,233               | 92,528               | 88,162               |
| <b>Total Revenues</b>   | <b>102,130</b>       | <b>97,976</b>        | <b>396,402</b>       | <b>378,020</b>       |
| <b>EXPENSES</b>   |                      |                      |                      |                      |
| Property Expenses   | 29,659               | 29,543               | 113,494              | 112,324              |
| <b>Total Property Expenses</b>  | <b>29,659</b>        | <b>29,543</b>        | <b>113,494</b>       | <b>112,324</b>       |
| <b>NET OPERATING INCOME <sup>(A)</sup></b>  | <b>72,471</b>        | <b>68,433</b>        | <b>282,908</b>       | <b>265,696</b>       |
| General and Administrative Acquisition Costs  | (6,769)              | (6,613)              | (28,079)             | (26,703)             |
|   | -                    | (153)                | -                    | (491)                |
| <b>ADJUSTED EBITDA <sup>(A)</sup></b>   | <b>65,702</b>        | <b>61,667</b>        | <b>254,829</b>       | <b>238,502</b>       |
| Gain on Sale of Non-Depreciable Real Estate   | 211                  | -                    | 211                  | -                    |
| Interest Expense  | (13,539)             | (14,175)             | (57,199)             | (59,430)             |
| Income Tax Benefit (Provision)  | 43                   | (857)                | (1,193)              | (1,089)              |
| Loss from Retirement of Debt  | (122)                | -                    | (1,775)              | -                    |
| Preferred Dividends   | -                    | -                    | -                    | -                    |
| Redemption of Preferred Stock   | -                    | -                    | -                    | -                    |
| Settlement Gain on Interest Rate Protection Agreements  | 48                   | -                    | 1,896                | -                    |
| Amortization of Debt Issuance Costs   | (826)                | (782)                | (3,162)              | (3,219)              |
| Depreciation of Corporate FF&E  | (246)                | (196)                | (747)                | (776)                |
| <b>FUNDS FROM OPERATIONS - FFO (NAREIT) <sup>(A)</sup></b>  | <b>51,271</b>        | <b>45,657</b>        | <b>192,860</b>       | <b>173,988</b>       |
| Depreciation and Other Amortization of Real Estate  | (28,888)             | (28,418)             | (115,617)            | (116,506)            |
| Gain on Sale of Depreciable Real Estate   | 78,918               | 7,374                | 131,058              | 68,202               |
| <b>NET INCOME</b>   | <b>101,301</b>       | <b>24,613</b>        | <b>208,301</b>       | <b>125,684</b>       |
| Less: Net Income Attributable to the Noncontrolling Interest  | (3,314)              | (817)                | (6,845)              | (4,452)              |
| <b>NET INCOME AVAILABLE TO FIRST INDUSTRIAL REALTY TRUST, INC.'s COMMON STOCKHOLDERS AND PARTICIPATING SECURITIES</b> | <b>\$ 97,987</b>     | <b>\$ 23,796</b>     | <b>\$ 201,456</b>    | <b>\$ 121,232</b>    |
| <b>ADJUSTED EBITDA <sup>(A)</sup></b>   | <b>\$ 65,702</b>     | <b>\$ 61,667</b>     | <b>\$ 254,829</b>    | <b>\$ 238,502</b>    |
| Interest Expense  | (13,539)             | (14,175)             | (57,199)             | (59,430)             |
| Capitalized Interest  | (1,339)              | (1,244)              | (4,353)              | (3,523)              |
| Capitalized Overhead  | (121)                | (118)                | (355)                | (507)                |
| Amortization of Debt (Premiums) Discounts and Hedge Costs   | (15)                 | 64                   | 59                   | 264                  |
| Income Tax Benefit (Provision)  | 43                   | (857)                | (1,193)              | (1,089)              |
| Straight-Line Rent, Amortization of Above (Below) Market Leases and Lease Inducements                                 | (1,276)              | (1,473)              | (5,632)              | (6,623)              |
| Restricted Stock/Unit Amortization  | 1,844                | 1,473                | 8,611                | 7,371                |
| Non-incremental Building Improvements <sup>(1)</sup>  | (4,561)              | (7,267)              | (14,982)             | (16,301)             |
| Non-incremental Leasing Costs <sup>(1)</sup>  | (7,526)              | (6,614)              | (23,505)             | (26,170)             |
| <b>ADJUSTED FUNDS FROM OPERATIONS - AFFO <sup>(A)</sup></b>   | <b>\$ 39,212</b>     | <b>\$ 31,456</b>     | <b>\$ 156,280</b>    | <b>\$ 132,494</b>    |
| FFO (NAREIT)  | \$ 51,271            | \$ 45,657            | \$ 192,860           | \$ 173,988           |
| Less: Allocation to Participating Securities  | (168)                | (154)                | (600)                | (568)                |
| <b>FFO (NAREIT) ALLOCABLE TO COMMON STOCKHOLDERS AND UNITHOLDERS</b>  | <b>\$ 51,103</b>     | <b>\$ 45,503</b>     | <b>\$ 192,260</b>    | <b>\$ 173,420</b>    |
| <b>Weighted Average Shares/Units - Basic</b>  | <b>123,483</b>       | <b>120,740</b>       | <b>122,306</b>       | <b>119,274</b>       |
| <b>Weighted Average Shares/Units - Diluted</b>  | <b>124,097</b>       | <b>121,146</b>       | <b>122,821</b>       | <b>119,614</b>       |
| <b>EPS - Basic</b>  | <b>\$ 0.82</b>       | <b>\$ 0.20</b>       | <b>\$ 1.70</b>       | <b>\$ 1.05</b>       |
| <b>EPS - Diluted</b>  | <b>\$ 0.81</b>       | <b>\$ 0.20</b>       | <b>\$ 1.69</b>       | <b>\$ 1.05</b>       |
| <b>FFO (NAREIT) Per Share/Unit - Basic</b>  | <b>\$ 0.41</b>       | <b>\$ 0.38</b>       | <b>\$ 1.57</b>       | <b>\$ 1.45</b>       |
| <b>FFO (NAREIT) Per Share/Unit - Diluted</b>  | <b>\$ 0.41</b>       | <b>\$ 0.38</b>       | <b>\$ 1.57</b>       | <b>\$ 1.45</b>       |
| <b>COMMON DIVIDENDS/DISTRIBUTIONS PER SHARE/UNIT</b>  | <b>\$ 0.21</b>       | <b>\$ 0.19</b>       | <b>\$ 0.84</b>       | <b>\$ 0.76</b>       |

(1) Non-incremental capital expenditures refer to building improvements and leasing costs required to maintain current revenues plus tenant improvements amortized back to the tenant over the lease term. Excluded are first generation leasing costs, capital expenditures underwritten at acquisition and development/redevelopment costs.

# STATEMENTS OF OPERATIONS RECONCILIATION

(UNAUDITED) (IN 000'S)



|   | Three Months Ended   |                      | Twelve Months Ended  |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | December 31,<br>2017 | December 31,<br>2016 | December 31,<br>2017 | December 31,<br>2016 |
| <b>NET INCOME AVAILABLE TO FIRST INDUSTRIAL REALTY TRUST, INC.'s<br/>COMMON STOCKHOLDERS AND PARTICIPATING SECURITIES</b> | <b>\$ 97,987</b>     | <b>\$ 23,796</b>     | <b>\$ 201,456</b>    | <b>\$ 121,232</b>    |
| Depreciation and Other Amortization of Real Estate  | 28,888               | 28,418               | 115,617              | 116,506              |
| Noncontrolling Interest   | 3,314                | 817                  | 6,845                | 4,452                |
| Gain on Sale of Depreciable Real Estate   | (78,918)             | (7,374)              | (131,058)            | (68,202)             |
| <b>FUNDS FROM OPERATIONS - FFO (NAREIT)<sup>(A)</sup></b>   | <b>\$ 51,271</b>     | <b>\$ 45,657</b>     | <b>\$ 192,860</b>    | <b>\$ 173,988</b>    |
| Loss from Retirement of Debt  | 122                  | -                    | 1,775                | -                    |
| Restricted Stock/Unit Amortization  | 1,844                | 1,473                | 8,611                | 7,371                |
| Amortization of Debt (Premiums) Discounts and Hedge Costs   | (15)                 | 64                   | 59                   | 264                  |
| Amortization of Debt Issuance Costs   | 826                  | 782                  | 3,162                | 3,219                |
| Depreciation of Corporate FF&E  | 246                  | 196                  | 747                  | 776                  |
| Settlement Gain on Interest Rate Protection Agreements  | (48)                 | -                    | (1,896)              | -                    |
| Gain on Sale of Non-Depreciable Real Estate   | (211)                | -                    | (211)                | -                    |
| Non-incremental Building Improvements   | (4,561)              | (7,267)              | (14,982)             | (16,301)             |
| Non-incremental Leasing Costs   | (7,526)              | (6,614)              | (23,505)             | (26,170)             |
| Capitalized Interest  | (1,339)              | (1,244)              | (4,353)              | (3,523)              |
| Capitalized Overhead  | (121)                | (118)                | (355)                | (507)                |
| Straight-Line Rent, Amortization of Above (Below) Market Leases<br>and Lease Inducements                                  | (1,276)              | (1,473)              | (5,632)              | (6,623)              |
| <b>ADJUSTED FUNDS FROM OPERATIONS - AFFO<sup>(A)</sup></b>  | <b>\$ 39,212</b>     | <b>\$ 31,456</b>     | <b>\$ 156,280</b>    | <b>\$ 132,494</b>    |
| <b>NET INCOME AVAILABLE TO FIRST INDUSTRIAL REALTY TRUST, INC.'s<br/>COMMON STOCKHOLDERS AND PARTICIPATING SECURITIES</b> | <b>\$ 97,987</b>     | <b>\$ 23,796</b>     | <b>\$ 201,456</b>    | <b>\$ 121,232</b>    |
| Interest Expense  | 13,539               | 14,175               | 57,199               | 59,430               |
| Depreciation and Other Amortization of Real Estate  | 28,888               | 28,418               | 115,617              | 116,506              |
| Income Tax (Benefit) Provision  | (43)                 | 857                  | 1,193                | 1,089                |
| Noncontrolling Interest   | 3,314                | 817                  | 6,845                | 4,452                |
| Loss from Retirement of Debt  | 122                  | -                    | 1,775                | -                    |
| Settlement Gain on Interest Rate Protection Agreements  | (48)                 | -                    | (1,896)              | -                    |
| Amortization of Debt Issuance Costs   | 826                  | 782                  | 3,162                | 3,219                |
| Depreciation of Corporate FF&E  | 246                  | 196                  | 747                  | 776                  |
| Gain on Sale of Non-Depreciable Real Estate   | (211)                | -                    | (211)                | -                    |
| Gain on Sale of Depreciable Real Estate   | (78,918)             | (7,374)              | (131,058)            | (68,202)             |
| <b>ADJUSTED EBITDA<sup>(A)</sup></b>  | <b>\$ 65,702</b>     | <b>\$ 61,667</b>     | <b>\$ 254,829</b>    | <b>\$ 238,502</b>    |
| General and Administrative<br>Acquisition Costs   | 6,769                | 6,613                | 28,079               | 26,703               |
|   | -                    | 153                  | -                    | 491                  |
| <b>NET OPERATING INCOME<sup>(A)</sup></b>   | <b>\$ 72,471</b>     | <b>\$ 68,433</b>     | <b>\$ 282,908</b>    | <b>\$ 265,696</b>    |

# EQUITY ANALYSIS

(UNAUDITED) (IN 000'S EXCEPT PER SHARE/UNIT DATA)



|   | Three Months Ended |                   | Twelve Months Ended |                     |
|---|--------------------|-------------------|---------------------|---------------------|
|   | December 31, 2017  | December 31, 2016 | December 31, 2017   | December 31, 2016   |
| <b>WEIGHTED AVG. COMMON STOCK/UNITS</b>                               |                    |                   |                     |                     |
| Basic   |                    |                   |                     |                     |
| Weighted Avg. Shares/Units Outstanding                                | 123,483            | 120,740           | 122,306             | 119,274             |
| Weighted Avg. Shares Outstanding                                      | 119,462            | 116,636           | 118,272             | 115,030             |
| Diluted   |                    |                   |                     |                     |
| Weighted Avg. Shares/Units Outstanding                                | 124,097            | 121,146           | 122,821             | 119,614             |
| Weighted Avg. Shares Outstanding                                      | 120,076            | 117,042           | 118,787             | 115,370             |
| <b>COMMON DIVIDEND/UNIT DISTRIBUTION PAYOUT RATIOS PER SHARE/UNIT</b> |                    |                   |                     |                     |
| Dividends/Distributions per Share/Unit                                | \$ 0.21            | \$ 0.19           | \$ 0.84             | \$ 0.76             |
| Payout - FFO (NAREIT)<br>(Common Dividends/Unit Distributions/FFO)    | 51.0%              | 50.6%             | 53.7%               | 52.4%               |
| <b>COMMON STOCK DIVIDEND YIELDS</b>                                   |                    |                   |                     |                     |
| Dividend Yield  |                    |                   | 2.67%               | 2.71%               |
| Spread Over 5 Year U.S. Treasury                                      |                    |                   | 0.46%               | 0.78%               |
| Spread Over 10 Year U.S. Treasury                                     |                    |                   | 0.27%               | 0.26%               |
| <b>COMMON STOCK/UNITS OUTSTANDING</b>                                 |                    |                   |                     |                     |
| Common Shares   |                    |                   |                     |                     |
| Partnership Units (Exchangeable for Common Shares 1 to 1)             |                    |                   |                     |                     |
| <b>Total</b>  |                    |                   | <b>123,891</b>      | <b>121,147</b>      |
| End of Quarter Common Share Price                                     |                    |                   | \$ 31.47            | \$ 28.05            |
| <b>CAPITALIZATION</b>   |                    |                   |                     |                     |
| Market Value of Common Equity   |                    |                   | \$ 3,898,850        | \$ 3,398,173        |
| Total Debt (Adjusted for Debt Issuance Costs, Net)                    |                    |                   | 1,304,849           | 1,353,679           |
| <b>Total Market Capitalization</b>                                    |                    |                   | <b>\$ 5,203,699</b> | <b>\$ 4,751,852</b> |

## ANALYST COVERAGE

Green Street Advisors — *Eric Frankel*  
 Janney Montgomery Scott - *Robert Stevenson*  
 Jefferies LLC - *Jonathan Petersen*  
 J.P. Morgan Securities — *Michael Mueller*  
 Keybank Capital Markets — *Craig Mailman*  
 Raymond James & Associates — *Bill Crow*  
 Robert W. Baird & Co. — *David Rodgers*  
 Stifel, Nicholas & Co. — *John Guinee*  
 SunTrust Robinson Humphrey — *Ki Bin Kim*



# DEBT ANALYSIS, CONTINUED <sup>(1)</sup>

(UNAUDITED) (IN 000'S)



## DEBT MATURITY AND SCHEDULED PRINCIPAL AMORTIZATION <sup>(7)</sup>

|                   | Mortgage Loans Payable <sup>(2)</sup> |                   | Unsecured Credit Facility <sup>(3)</sup> | Unsecured Term Loans <sup>(4)</sup> | Senior Unsecured Notes <sup>(5)</sup> | Total               | Weighted Average Coupon Interest Rates |
|-------------------|---------------------------------------|-------------------|--|-------------------------------------|---------------------------------------|---------------------|--|
|                   | Principal Amortization                | Maturities        |  |                                     |                                       |                     |  |
| 2018              | 8,679                                 | 156,770           | -  | -                                   | -                                     | 165,449             | 4.55%                                  |
| 2019              | 6,621                                 | 72,708            | -  | -                                   | -                                     | 79,329              | 7.66%                                  |
| 2020              | 4,512                                 | 54,250            | -  | -                                   | -                                     | 58,762              | 6.92%                                  |
| 2021              | 3,824                                 | 62,994            | 144,500                                  | 200,000                             | -                                     | 411,318             | 3.34% <sup>(4)</sup>                   |
| 2022              | 1,693                                 | 79,551            | -  | 260,000                             | -                                     | 341,244             | 3.24% <sup>(4)</sup>                   |
| Thereafter        | -                                     | -                 | -  | -                                   | 248,571                               | 248,571             | 4.97%                                  |
| <b>Total Debt</b> | <b>\$ 25,329</b>                      | <b>\$ 426,273</b> | <b>\$ 144,500</b>                        | <b>\$ 460,000</b>                   | <b>\$ 248,571</b>                     | <b>\$ 1,304,673</b> |  |

<sup>(1)</sup> All debt balances are adjusted for debt issuance costs, net.

<sup>(2)</sup> Mortgage Loans Payable, Net consists of 34 first mortgage loans totaling \$451,602 of outstanding principal, which have interest rates ranging from 4.03% to 8.26%, maturities ranging between June 2018 through September 2022 and are collateralized by 133 properties.

<sup>(3)</sup> The unsecured line of credit consists of a \$725,000 unsecured revolving credit facility (the "Unsecured Credit Facility"). The Unsecured Credit Facility matures on October 29, 2021 with an option to extend an additional one year at our election, subject to certain restrictions. The weighted average interest rate at December 31, 2017 is 2.46%. Excludes one-year extension option.

<sup>(4)</sup> We entered into unsecured term loans with a syndicate of financial institutions in January 2014 (\$200,000) and September 2015 (\$260,000) (collectively, the "Unsecured Term Loans"). Each loan has a seven-year term, requires interest only payments and bears interest at a variable rate based on LIBOR, as defined in the loan agreements, plus a specified spread based on our leverage ratio or credit ratings. We also entered into interest rate protection agreements, with an aggregate notional value of \$460,000, to effectively convert the Unsecured Term Loans' LIBOR rates to fixed rates. Weighted average coupon interest rate is the swapped rate for the Unsecured Term Loans.

<sup>(5)</sup> During April 2017, we issued ten-year, \$125,000 private placement notes at a rate of 4.30% and twelve-year, \$75,000 private placement notes at a rate of 4.40% (collectively the "Private Placement Notes"). The remaining amount includes our senior unsecured bonds.

<sup>(6)</sup> Weighted average maturity includes the Unsecured Term Loans, Senior Unsecured Notes and Mortgage Loans Payable, and excludes the Unsecured Credit Facility.

<sup>(7)</sup> Payments by year as of December 31, 2017. The debt maturity schedule reflects the maturity dates and amounts with respect to principal and scheduled amortization payments. The schedule excludes premiums, discounts and debt issuance costs.

# DEBT COVENANT ANALYSIS AND CREDIT RATINGS

(UNAUDITED)



|  | <u>Current<br/>Covenant</u> | <u>December 31,<br/>2017</u> |
|--|-----------------------------|------------------------------|
| <b>SENIOR UNSECURED BONDS</b>  |                             |                              |
| Indebtedness to Total Assets   | ≤ 60.0%                     | 36.3%                        |
| Total Unencumbered Assets to Unsecured Indebtedness  | ≥ 150.0%                    | 321.6%                       |
| Indebtedness Subject to Encumbrance  | ≤ 40.0%                     | 12.5%                        |
| Consolidated Income Available for Debt Service to the Annual Service Charge                  | ≥ 1.50                      | 4.47                         |
| <b>UNSECURED CREDIT FACILITY/UNSECURED TERM LOANS/PRIVATE PLACEMENT NOTES <sup>(1)</sup></b> |                             |                              |
| Fixed Charge Coverage Ratio  | ≥ 1.50                      | 3.53                         |
| Consolidated Leverage Ratio  | ≤ 60.0%                     | 27.6%                        |
| Ratio of Value of Unencumbered Assets to Outstanding Consolidated Senior Unsecured Debt      | ≥ 1.67                      | 4.18                         |
| Consolidated Secured Debt Ratio  | ≤ 40.0%                     | 9.5%                         |
| Property Operating Income Ratio on Unencumbered Assets                                       | ≥ 1.75                      | 5.86                         |
| <b>CREDIT RATINGS <sup>(2)</sup></b>   |                             |                              |
|  | <u>Ratings</u>              |                              |
| Fitch  | BBB / Stable                |                              |
| Moody's  | Baa3 / Positive             |                              |
| Standard & Poor's  | BBB- / Positive             |                              |

<sup>(1)</sup> On October 31, 2017, the Unsecured Credit Facility was amended and restated. The above covenant calculations are based on the amended terms which include a decrease in the cap rate from 7.0% to 6.25%, which is used to value the asset base of the Company for the leverage ratio covenants. The Unsecured Term Loans and Private Placement Notes were also amended. Changes to the covenant calculations for the Unsecured Term Loans and Private Placement Notes conform to the amended covenants under the Unsecured Credit Facility and are calculated above based on the amended terms. As a result, covenant calculations are the same under the Unsecured Credit Facility, Unsecured Term Loans, and Private Placement Notes.

<sup>(2)</sup> The above ratings relate to our Senior Unsecured Notes (including Private Placement Notes), our Unsecured Term Loans, and our Unsecured Credit Facility. A securities rating is not a recommendation to buy, sell or hold securities and is subject to revision or withdrawal at any time by the rating organization.



# SAME STORE ANALYSIS <sup>(1)</sup>

(UNAUDITED)



|   | For the Three Months Ended |                  |             | For the Twelve Months Ended |                   |             |
|---|----------------------------|------------------|-------------|-----------------------------|-------------------|-------------|
|   | 2017                       | 2016             | % Change    | 2017                        | 2016              | % Change    |
| <b>Same Store Property Information</b>  |                            |                  |             |                             |                   |             |
| Number of Properties  | 455                        | 455              |             | 455                         | 455               |             |
| Square Feet As Of Period End  | 52,973,549                 | 52,973,549       |             | 52,973,549                  | 52,973,549        |             |
| Average Occupancy   | 96.7%                      | 96.4%            | 0.3%        | 96.2%                       | 96.4%             | (0.2%)      |
| <b>Same Store Portfolio Analysis (Straight-Line Basis) <sup>(1) (2)</sup></b> |                            |                  |             |                             |                   |             |
| Same Store Revenues   | \$ 86,747                  | \$ 84,060        | 3.2%        | \$ 339,403                  | \$ 329,704        | 2.9%        |
| Same Store Property Expenses  | (23,784)                   | (23,275)         | 2.2%        | (90,755)                    | (88,218)          | 2.9%        |
| <b>Same Store NOI Straight-Line Basis</b>                                     | <b>\$ 62,963</b>           | <b>\$ 60,785</b> | <b>3.6%</b> | <b>\$ 248,648</b>           | <b>\$ 241,486</b> | <b>3.0%</b> |
| Less: Lease Termination Fees  | (138)                      | (188)            |             | (806)                       | (394)             |             |
| <b>Same Store NOI Straight-Line Basis (less Termination Fees)</b>             | <b>\$ 62,825</b>           | <b>\$ 60,597</b> | <b>3.7%</b> | <b>\$ 247,842</b>           | <b>\$ 241,092</b> | <b>2.8%</b> |
| <b>Same Store Adjustments:</b>  |                            |                  |             |                             |                   |             |
| Lease Termination Fees  | 138                        | 188              |             | 806                         | 394               |             |
| Lease Inducement Amortization   | 181                        | 214              |             | 719                         | 862               |             |
| Straight-Line Rent  | 42                         | (62)             |             | 1,015                       | (2,903)           |             |
| Above (Below) Market Rent Amortization  | (241)                      | (278)            |             | (1,035)                     | (1,088)           |             |
| Total Same Store Adjustments  | 120                        | 62               |             | 1,505                       | (2,735)           |             |
| <b>Same Store NOI Cash Basis</b>  | <b>\$ 62,945</b>           | <b>\$ 60,659</b> | <b>3.8%</b> | <b>\$ 249,347</b>           | <b>\$ 238,357</b> | <b>4.6%</b> |
| Less: Lease Termination Fees  | (138)                      | (188)            |             | (806)                       | (394)             |             |
| <b>Same Store NOI Cash Basis (less Termination Fees)</b>                      | <b>\$ 62,807</b>           | <b>\$ 60,471</b> | <b>3.9%</b> | <b>\$ 248,541</b>           | <b>\$ 237,963</b> | <b>4.4%</b> |

<sup>(1)</sup> We consider cash-basis same store NOI ("SS NOI") to be a useful supplemental measure of our operating performance. Same store properties include all properties owned prior to January 1, 2016 and held as an in service property through the end of the current reporting period, and developments and redevelopments that were placed in service or were substantially completed for 12 months prior to January 1, 2016 (the "Same Store Pool"). Properties which are at least 75% occupied at acquisition are placed in service, unless we anticipate the tenants to move out in the first year of ownership. Acquisitions that are less than 75% occupied at the date of acquisition, developments and redevelopments 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/redevelopment construction completion. Acquired properties with occupancy greater than 75% at acquisition, but with tenants that we anticipate will move out in the first year of ownership, will be placed in service upon the earlier of reaching 90% occupancy or twelve months after move out. We define SS NOI as NOI, less NOI of properties not in the Same Store Pool, less the impact of straight-line rent, the amortization of lease inducements, the amortization of above (below) market rent and the impact of lease termination fees. We exclude straight-line rent, amortization of lease inducements and above (below) market rent in calculating SS NOI because we believe it provides a better measure of actual cash basis rental growth for a year-over-year comparison. In addition, we believe that SS NOI helps the investing public compare the operating performance of a company's real estate as compared to other companies. While SS NOI is a relevant and widely used measure of operating performance of real estate investment trusts, it does not represent cash flow from operations or net income as defined by GAAP and should not be considered as an alternative to those measures in evaluating our liquidity or operating performance. SS NOI also does not reflect general and administrative expense, acquisition costs, interest expense, depreciation and amortization, income tax benefit and expense, gains and losses on retirement of debt, mark-to-market gains and losses on interest rate protection agreements, sale of real estate, capital expenditures and leasing costs, or trends in development and construction activities that could materially impact our results from operations. Further, our computation of SS NOI may not be comparable to that of other real estate companies, as they may use different methodologies for calculating SS NOI.

<sup>(2)</sup> Same store percentages are calculated using the same store population as of the latest balance sheet date, which includes nine land parcels that are leased under ground lease arrangements.

# SAME STORE PROPERTY STATISTICS

(UNAUDITED)



| <b>SAME PROPERTY OCCUPANCY RATES</b>           | <b>December 31,<br/>2017</b> | <b>December 31,<br/>2016</b> |
|--|------------------------------|------------------------------|
| <b>Average Daily Occupancy Rates by Market</b> |                              |                              |
| Atlanta  | 92.0%                        | 94.6%                        |
| Baltimore/D.C.                                 | 97.3%                        | 98.1%                        |
| Central/Eastern Pennsylvania <sup>(1)</sup>    | 97.3%                        | 94.5%                        |
| Chicago  | 99.8%                        | 96.4%                        |
| Cincinnati                                     | 96.3%                        | 95.5%                        |
| Cleveland                                      | 99.4%                        | 100.0%                       |
| Dallas/Ft. Worth                               | 98.0%                        | 96.5%                        |
| Denver   | 99.4%                        | 99.1%                        |
| Detroit  | 100.0%                       | 100.0%                       |
| Houston  | 99.4%                        | 98.5%                        |
| Indianapolis                                   | 83.5%                        | 95.7%                        |
| Miami  | 96.6%                        | 100.0%                       |
| Milwaukee                                      | 100.0%                       | 100.0%                       |
| Minneapolis/St. Paul                           | 97.0%                        | 93.8%                        |
| Nashville                                      | 100.0%                       | 97.2%                        |
| New Jersey <sup>(1)</sup>                      | 97.1%                        | 96.7%                        |
| Orlando  | 100.0%                       | 100.0%                       |
| Phoenix  | 90.2%                        | 85.3%                        |
| Seattle  | 100.0%                       | 77.6%                        |
| Southern California <sup>(1)</sup>             | 96.8%                        | 98.8%                        |
| St. Louis                                      | 97.9%                        | 94.9%                        |
| Tampa  | 94.7%                        | 95.0%                        |
| Other  | 100.0%                       | 100.0%                       |
| <b>Weighted Average Occupancy</b>              | <b>96.7%</b>                 | <b>96.4%</b>                 |

## SAME PROPERTY RENTAL INCOME

Annual Net Rental Income per Average Occupied Square Foot by Market <sup>(2)</sup>

|   |                |                |
|---|----------------|----------------|
| Atlanta   | \$ 2.99        | \$ 2.90        |
| Baltimore/D.C.                                  | 6.51           | 6.39           |
| Central/Eastern Pennsylvania <sup>(1)</sup>     | 4.53           | 4.42           |
| Chicago   | 4.01           | 3.89           |
| Cincinnati                                      | 4.63           | 4.42           |
| Cleveland                                       | 4.97           | 4.90           |
| Dallas/Ft. Worth                                | 3.96           | 3.80           |
| Denver  | 6.21           | 6.02           |
| Detroit   | 5.55           | 5.42           |
| Houston   | 4.08           | 3.92           |
| Indianapolis                                    | 2.97           | 3.02           |
| Miami   | 5.51           | 5.27           |
| Milwaukee                                       | 3.86           | 3.79           |
| Minneapolis/St. Paul                            | 5.23           | 5.33           |
| Nashville                                       | 3.80           | 3.71           |
| New Jersey <sup>(1)</sup>                       | 8.55           | 8.39           |
| Orlando   | 10.28          | 10.13          |
| Phoenix   | 5.06           | 5.10           |
| Seattle   | 5.61           | 5.42           |
| Southern California <sup>(1)</sup>              | 6.54           | 6.20           |
| St. Louis                                       | 4.00           | 3.95           |
| Tampa   | 7.58           | 7.32           |
| Other   | 4.31           | 4.22           |
| <b>Weighted Average Rental Income / Sq. Ft.</b> | <b>\$ 4.79</b> | <b>\$ 4.66</b> |

<sup>(1)</sup> Southern California includes the markets of Los Angeles, the Inland Empire and San Diego. Central/Eastern PA includes the markets of Central Pennsylvania and Philadelphia. New Jersey includes the markets of Northern and Southern New Jersey.

<sup>(2)</sup> Annualized net rental income per average occupied square foot is based on multiplying the current net rent by twelve and dividing by the average occupied GLA. This is used as a benchmark and does not necessarily reflect increases or decreases in NOI.

# LEASING ACTIVITY

(UNAUDITED)



## PORTFOLIO LEASING STATISTICS<sup>(1)</sup>

2017

### For the Three Months Ended December 31

|                               | Number of Leases Commenced <sup>(2)</sup> | Square Feet Commenced <sup>(2)</sup><br>(in 000's) | Lease Term (Years) | Cash Basis Rent Growth <sup>(3)</sup> | Straight-line Basis Rent Growth <sup>(3)</sup> | Lease Costs Per Square Foot <sup>(3)</sup> | Tenant Retention (By Square Feet) |
|-------------------------------|---|--|--------------------|---------------------------------------|--|--|-----------------------------------|
| New                           | 30  | 980  | 5.4                | 14.5%                                 | 23.6%  | \$ 3.64                                    | N/A                               |
| Renewal                       | 50  | 763  | 4.0                | 9.4%                                  | 18.6%  | 0.94                                       | 53.7%                             |
| Developments/<br>Acquisitions | 3   | 136  | 6.2                | N/A                                   | N/A  | N/A  | N/A                               |
| <b>Total/Average</b>          | <b>83</b>                                 | <b>1,879</b>                                       | <b>4.9</b>         | <b>11.7%</b>                          | <b>20.8%</b>                                   | <b>\$ 2.46</b>                             | <b>N/A</b>                        |

### For the Twelve Months Ended December 31

|                               | Number of Leases Commenced <sup>(2)</sup> | Square Feet Commenced <sup>(2)</sup><br>(in 000's) | Lease Term (Years) | Cash Basis Rent Growth <sup>(3)</sup> | Straight-line Basis Rent Growth <sup>(3)</sup> | Lease Costs Per Square Foot <sup>(3)</sup> | Tenant Retention (By Square Feet) |
|-------------------------------|---|--|--------------------|---------------------------------------|--|--|-----------------------------------|
| New                           | 140                                       | 3,066  | 5.4                | 12.4%                                 | 23.0%  | \$ 4.11                                    | N/A                               |
| Renewal                       | 196                                       | 6,332  | 3.8                | 6.8%                                  | 15.9%  | 0.91                                       | 76.4%                             |
| Developments/<br>Acquisitions | 12  | 1,638  | 7.0                | N/A                                   | N/A  | N/A  | N/A                               |
| <b>Total/Average</b>          | <b>348</b>                                | <b>11,036</b>                                      | <b>4.7</b>         | <b>8.6%</b>                           | <b>18.2%</b>                                   | <b>\$ 1.96</b>                             | <b>N/A</b>                        |

<sup>(1)</sup> Leasing excludes short term and month-to-month leases.

<sup>(2)</sup> During the three and twelve months ended December 31, 2017, 20 and 95 new leases commenced with free rent periods during the lease term with such leases constituting 0.9 million and 2.4 million square feet of GLA, respectively. Total free rent concessions of \$0.9 million and \$2.5 million were associated with these new leases. During the three and twelve months ended December 31, 2017, 0 and 2 renewal leases commenced with a free rent period during the lease term with such lease constituting 0 and 0.1 million square feet of GLA. Total free rent concessions of \$0 and \$22 thousand were associated with these renewal leases. Additionally, during the three and twelve months ended December 31, 2017, 3 and 12 development and acquisition leases commenced with free rent periods during the lease term with such leases constituting 0.1 million and 1.6 million square feet of GLA, respectively. Total free rent concessions of \$0.2 million and \$2.7 million were associated with these development and acquisition leases.

<sup>(3)</sup> Excludes first generation leases in developed or acquired properties.

# PORTFOLIO INFORMATION

(UNAUDITED) (AS OF DECEMBER 31, 2017)



| MARKET                                      | GLA               | % OF TOTAL    | RENTAL INCOME PERCENTAGE | OCCUPANCY RATES |
|---|-------------------|---------------|--------------------------|-----------------|
| Atlanta                                     | 4,910,435         | 8.3%          | 5.3%                     | 89.5%           |
| Baltimore/D.C.                              | 2,268,680         | 3.8%          | 4.6%                     | 97.7%           |
| Central/Eastern Pennsylvania <sup>(1)</sup> | 6,882,874         | 11.6%         | 10.0%                    | 97.9%           |
| Chicago                                     | 4,801,094         | 8.1%          | 6.9%                     | 98.0%           |
| Cincinnati                                  | 1,371,739         | 2.3%          | 2.0%                     | 97.7%           |
| Cleveland                                   | 1,127,611         | 1.9%          | 1.7%                     | 100.0%          |
| Dallas/Ft. Worth                            | 5,680,858         | 9.6%          | 7.3%                     | 98.0%           |
| Denver                                      | 2,498,697         | 4.2%          | 5.0%                     | 99.6%           |
| Detroit                                     | 1,725,359         | 2.9%          | 3.3%                     | 100.0%          |
| Houston                                     | 3,438,722         | 5.8%          | 5.7%                     | 99.2%           |
| Indianapolis                                | 2,769,823         | 4.7%          | 3.7%                     | 94.7%           |
| Miami                                       | 741,730           | 1.3%          | 1.8%                     | 98.0%           |
| Milwaukee                                   | 962,733           | 1.6%          | 1.3%                     | 100.0%          |
| Minneapolis/St. Paul                        | 3,651,756         | 6.2%          | 6.6%                     | 98.0%           |
| Nashville                                   | 1,143,421         | 1.9%          | 1.5%                     | 100.0%          |
| New Jersey <sup>(1)</sup>                   | 2,268,515         | 3.8%          | 5.7%                     | 97.9%           |
| Orlando                                     | 592,680           | 1.0%          | 1.2%                     | 100.0%          |
| Phoenix                                     | 2,197,064         | 3.7%          | 3.8%                     | 97.0%           |
| Seattle                                     | 227,414           | 0.4%          | 0.7%                     | 100.0%          |
| Southern California <sup>(1)</sup>          | 5,995,277         | 10.1%         | 14.6%                    | 97.2%           |
| St. Louis                                   | 1,811,900         | 3.1%          | 2.4%                     | 97.7%           |
| Tampa                                       | 776,587           | 1.3%          | 2.2%                     | 95.4%           |
| Other                                       | 1,440,264         | 2.4%          | 2.7%                     | 100.0%          |
| <b>Total In Service GLA</b>                 | <b>59,285,233</b> | <b>100.0%</b> | <b>100.0%</b>            | <b>97.3%</b>    |

<sup>(1)</sup> Southern California includes the markets of Los Angeles, the Inland Empire and San Diego. Central/Eastern PA includes the markets of Central Pennsylvania and Philadelphia. New Jersey includes the markets of Northern and Southern New Jersey.

# PORTFOLIO STATISTICS

(UNAUDITED)



|   | December 31,<br>2017 | December 31,<br>2016 |
|---|----------------------|----------------------|
| <b>NUMBER OF PROPERTIES</b>                                     |                      |                      |
| Number of In Service Properties by Property Type <sup>(1)</sup> |                      |                      |
| Bulk Warehouse  | 164                  | 170                  |
| Regional Warehouse  | 92                   | 97                   |
| Light Industrial  | 183                  | 215                  |
| R&D/Flex  | 45                   | 53                   |
| <b>Total In Service Properties</b>                              | <b>484</b>           | <b>535</b>           |
| <b>BASE RENT</b>  |                      |                      |
| Base Rent Rate by Property Type                                 |                      |                      |
| Bulk Warehouse  | 62%                  | 59%                  |
| Regional Warehouse  | 13%                  | 14%                  |
| Light Industrial  | 19%                  | 21%                  |
| R&D/Flex  | 6%                   | 6%                   |
| <b>Total</b>  | <b>100%</b>          | <b>100%</b>          |
| <b>OCCUPANCY</b>  |                      |                      |
| Occupancy by Product Type                                       |                      |                      |
| Bulk Warehouse  | 98.1%                | 96.2%                |
| Regional Warehouse  | 98.3%                | 98.3%                |
| Light Industrial  | 94.4%                | 94.4%                |
| R&D/Flex  | 90.8%                | 91.9%                |
| <b>Total Occupancy</b>  | <b>97.3%</b>         | <b>96.0%</b>         |
| <b>GLA</b>  |                      |                      |
| In Service Gross Leasable Area by Property Type                 |                      |                      |
| Bulk Warehouse  | 42,037,738           | 43,197,754           |
| Regional Warehouse  | 6,933,548            | 7,328,548            |
| Light Industrial  | 8,401,072            | 9,576,091            |
| R&D/Flex  | 1,912,875            | 2,092,874            |
| <b>Total In Service GLA</b>                                     | <b>59,285,233</b>    | <b>62,195,267</b>    |
| In Service Gross Leasable Area by Property Type                 |                      |                      |
| Bulk Warehouse  | 71%                  | 69%                  |
| Regional Warehouse  | 12%                  | 13%                  |
| Light Industrial  | 14%                  | 15%                  |
| R&D/Flex  | 3%                   | 3%                   |
| <b>Total</b>  | <b>100%</b>          | <b>100%</b>          |
| Average In Service Property Size (GLA)                          |                      |                      |
| Bulk Warehouse  | 256,328              | 254,104              |
| Regional Warehouse  | 75,365               | 75,552               |
| Light Industrial  | 45,907               | 44,540               |
| R&D/Flex  | 42,508               | 39,488               |
| <b>Average In Service GLA</b>                                   | <b>122,490</b>       | <b>116,253</b>       |

<sup>(1)</sup> We use the following general criteria to classify buildings by property type. While some properties may have characteristics of more than one property type, we determine the most dominating characteristic(s) to categorize a building. Individual properties may be reclassified over time due to changes in building characteristics such as tenant use and office space build out.

| Property Type      | Property<br>Square Feet   | Ceiling<br>Height | Office<br>Space |
|--------------------|---------------------------|-------------------|-----------------|
| Bulk Warehouse     | More than 100,000 sq. ft. | 22 ft. or more    | 5% to 15%       |
| Regional Warehouse | Less than 100,000 sq. ft. | 22 ft. or more    | 5% to 15%       |
| Light Industrial   | Less than 100,000 sq. ft. | 16 to 21 ft.      | 5% to 50%       |
| R&D/Flex           | Less than 100,000 sq. ft. | Less than 16 ft.  | 50% or more     |

# LARGEST TENANTS

(UNAUDITED) (AS OF DECEMBER 31, 2017)



## LARGEST TENANTS

### Twenty Largest Tenants By Annualized Lease Net Rent <sup>(1)</sup>

|     |  |              |
|-----|--|--------------|
| 1.  | Adesa  |              |
| 2.  | Quidsi   |              |
| 3.  | United Parcel Service                                |              |
| 4.  | Geodis   |              |
| 5.  | Karma Automotive                                     |              |
| 6.  | United Natural Foods                                 |              |
| 7.  | Harbor Freight Tools                                 |              |
| 8.  | Federal-Mogul Motorparts                             |              |
| 9.  | Tri Cap International                                |              |
| 10. | Michelin North America                               |              |
|     | <b>% of Total Annualized Lease Net Rent - Top 10</b> | <b>14.6%</b> |
| 11. | B&H Foto & Electronics                               |              |
| 12. | General Services Administration                      |              |
| 13. | Rust-Oleum   |              |
| 14. | Pier 1 Imports                                       |              |
| 15. | Best Buy   |              |
| 16. | Vi-Jon   |              |
| 17. | Ariens Company                                       |              |
| 18. | Vadata   |              |
| 19. | McCormick & Company                                  |              |
| 20. | Jacobson Warehouse                                   |              |
|     | <b>% of Total Annualized Lease Net Rent - Top 20</b> | <b>23.2%</b> |

The twenty largest tenants by annualized lease net rent range from 0.8% to 2.6% of the total net rent.

|     |                                  | Gross Leasable Area |              |
|-----|----------------------------------|---------------------|--------------|
|     |                                  | Occupied            | % of Total   |
| 1.  | Geodis                           | 1,357,823           | 2.3%         |
| 2.  | Quidsi                           | 1,279,350           | 2.1%         |
| 3.  | United Parcel Service            | 1,005,422           | 1.7%         |
| 4.  | Karma Automotive                 | 921,787             | 1.6%         |
| 5.  | Rust-Oleum                       | 850,243             | 1.4%         |
| 6.  | Federal-Mogul Motorparts         | 708,000             | 1.2%         |
| 7.  | Vi-Jon                           | 700,000             | 1.2%         |
| 8.  | Jacobson Warehouse               | 698,258             | 1.2%         |
| 9.  | Harbor Freight Tools             | 691,960             | 1.2%         |
| 10. | United Natural Foods             | 675,000             | 1.1%         |
| 11. | Michelin North America           | 663,821             | 1.1%         |
| 12. | Pier 1 Imports                   | 644,000             | 1.1%         |
| 13. | Integrated Merchandising Systems | 626,784             | 1.1%         |
| 14. | Best Buy                         | 620,429             | 1.0%         |
| 15. | Ariens Company                   | 601,439             | 1.0%         |
| 16. | B&H Foto & Electronics           | 577,200             | 1.0%         |
| 17. | Quad/Graphics                    | 478,889             | 0.8%         |
| 18. | Lion Vallen                      | 477,000             | 0.8%         |
| 19. | McCormick & Company              | 471,346             | 0.8%         |
| 20. | Mott's                           | 428,601             | 0.7%         |
|     |                                  | <b>14,477,352</b>   | <b>24.4%</b> |

<sup>(1)</sup> Annualized net rental income per average occupied square foot is based on multiplying the current net rent by twelve and dividing by the average occupied GLA. This is used as a benchmark and does not necessarily reflect increases or decreases in NOI.

# LEASE EXPIRATION SCHEDULE

(UNAUDITED)



## LEASE EXPIRATION SCHEDULE <sup>(1)</sup>

| By Net Rent    | Amount<br>(in 000's) <sup>(2)</sup> | Average<br>Net Rent | % of Total    |
|----------------|-------------------------------------|---------------------|---------------|
| Month to Month | \$ 894                              | \$ 3.80             | 0.3%          |
| 2018           | 23,103                              | 4.93                | 8.3%          |
| 2019           | 42,538                              | 5.08                | 15.4%         |
| 2020           | 40,541                              | 4.98                | 14.6%         |
| 2021           | 46,935                              | 4.78                | 16.9%         |
| 2022           | 30,321                              | 5.14                | 11.0%         |
| 2023           | 26,046                              | 4.83                | 9.4%          |
| 2024           | 15,208                              | 4.50                | 5.5%          |
| 2025           | 13,555                              | 4.79                | 4.9%          |
| 2026           | 14,151                              | 4.30                | 5.1%          |
| Thereafter     | 23,803                              | 4.94                | 8.6%          |
|                | <b>\$ 277,095</b>                   | <b>\$ 4.87</b>      | <b>100.0%</b> |

| By GLA         | GLA               | Average<br>Lease (GLA) | % of Total    |
|----------------|-------------------|------------------------|---------------|
| Month to Month | 235,537           | 19,628                 | 0.4%          |
| 2018           | 4,684,453         | 23,900                 | 8.2%          |
| 2019           | 8,366,318         | 29,356                 | 14.7%         |
| 2020           | 8,145,276         | 32,068                 | 14.3%         |
| 2021           | 9,827,533         | 47,706                 | 17.3%         |
| 2022           | 5,902,494         | 36,435                 | 10.4%         |
| 2023           | 5,390,628         | 49,006                 | 9.5%          |
| 2024           | 3,378,055         | 84,451                 | 5.9%          |
| 2025           | 2,830,726         | 80,878                 | 5.0%          |
| 2026           | 3,289,380         | 91,372                 | 5.8%          |
| Thereafter     | 4,817,519         | 145,985                | 8.5%          |
|                | <b>56,867,919</b> | <b>41,540</b>          | <b>100.0%</b> |

| By Number of Leases | Number       | % of Total    |
|---------------------|--------------|---------------|
| Month to Month      | 12           | 0.9%          |
| 2018                | 196          | 14.3%         |
| 2019                | 285          | 20.8%         |
| 2020                | 254          | 18.6%         |
| 2021                | 206          | 15.1%         |
| 2022                | 162          | 11.8%         |
| 2023                | 110          | 8.0%          |
| 2024                | 40           | 2.9%          |
| 2025                | 35           | 2.6%          |
| 2026                | 36           | 2.6%          |
| Thereafter          | 33           | 2.4%          |
|                     | <b>1,369</b> | <b>100.0%</b> |

<sup>(1)</sup> Excludes December 31, 2017 move-outs of 832,394 square feet. Leases which rollover the first day of a calendar year are included in the respective year.

<sup>(2)</sup> Expiring net rent is annualized as of the end of the current reporting period.

# 2017 PROPERTY ACQUISITION SUMMARY

(UNAUDITED)



| PORTFOLIO   | MARKET           | SQUARE FEET      | GROSS LAND ACREAGE | PURCHASE PRICE (in millions) | WEIGHTED AVERAGE EXPECTED CAP RATE <sup>(1)</sup> |
|---|------------------|------------------|--------------------|------------------------------|---|
| First Redwood Logistics Center                          | Inland Empire    |                  | 19.1               | 15.0                         |   |
| <b>1st Quarter Land Acquisitions</b>                    |                  |                  | <b>19.1</b>        | <b>\$ 15.0</b>               |   |
| <b>Total First Quarter Acquisitions</b>                 |                  | <b>N/A</b>       | <b>19.1</b>        | <b>\$ 15.0</b>               |   |
| 21301 East 33rd Drive                                   | Denver           | 181,348          |                    | 11.2                         |   |
| 2777 Loker Avenue West                                  | San Diego        | 123,454          |                    | 21.5                         |   |
| 550 Gills Drive   | Orlando          | 102,568          |                    | 8.0                          |   |
| 10586 Tamarind Avenue                                   | Inland Empire    | 106,455          |                    | 12.5                         |   |
| <b>2nd Quarter Property Acquisitions</b>                |                  | <b>513,825</b>   |                    | <b>\$ 53.2</b>               | <b>5.5%</b>                                       |
| First Park at PV303-Additional Phase I Land             | Phoenix          |                  | 65.6               | 11.6                         |   |
| First Park at PV303-Phase II                            | Phoenix          |                  | 96.8               | 14.7                         |   |
| <b>2nd Quarter Land Acquisitions</b>                    |                  |                  | <b>162.4</b>       | <b>\$ 26.3</b>               |   |
| <b>Total Second Quarter Acquisitions</b>                |                  | <b>513,825</b>   | <b>162.4</b>       | <b>\$ 79.5</b>               |   |
| 301 Bordentown-Hedding Road                             | New Jersey       | 213,000          |                    | 20.9                         |   |
| 2500 N.W. 19th Street                                   | Miami            | 172,120          |                    | 22.7                         |   |
| <b>3rd Quarter Property Acquisitions</b>                |                  | <b>385,120</b>   |                    | <b>\$ 43.6</b>               | <b>6.2%</b>                                       |
| First Mountain Creek Distribution Center <sup>(2)</sup> | Dallas/Ft. Worth |                  | 41.3               | 0.5                          |   |
| First Logistics Center @ I-78/81                        | Central PA       |                  | 109.0              | 16.6                         |   |
| First Joliet Logistics Center                           | Chicago          |                  | 26.9               | 2.5                          |   |
| First 290 @ Guhn Road                                   | Houston          |                  | 9.6                | 1.3                          |   |
| <b>3rd Quarter Land Acquisitions</b>                    |                  |                  | <b>186.8</b>       | <b>\$ 20.9</b>               |   |
| <b>Total Third Quarter Acquisitions</b>                 |                  | <b>385,120</b>   | <b>186.8</b>       | <b>\$ 64.5</b>               |   |
| 450 Gills Drive   | Orlando          | 86,240           |                    | 8.2                          |   |
| 10680 88th Avenue                                       | Chicago          | 99,838           |                    | 7.0                          |   |
| <b>4th Quarter Property Acquisitions</b>                |                  | <b>186,078</b>   |                    | <b>\$ 15.2</b>               | <b>5.9%</b>                                       |
| <b>Total Fourth Quarter Acquisitions</b>                |                  | <b>186,078</b>   |                    | <b>\$ 15.2</b>               |   |
| <b>Total 2017 Acquisitions</b>                          |                  | <b>1,085,023</b> | <b>368.3</b>       | <b>\$ 174.2</b>              |   |

<sup>(1)</sup> Weighted average expected cap rate of building acquisitions (excluding land acquisitions) represents the expected stabilized cash yield (first year cash NOI divided by the total expected investment stated as GAAP book value). Straight-line rents are not included in cash NOI.

<sup>(2)</sup> This additional land parcel is included in the basis of the original land parcel disclosed as First Mountain Creek Distribution Center in the developable site inventory on page 24.

# 2016 PROPERTY ACQUISITION SUMMARY

(UNAUDITED)



| PORTFOLIO   | MARKET           | SQUARE FEET    | GROSS LAND ACREAGE | PURCHASE PRICE (in millions) | WEIGHTED AVERAGE EXPECTED CAP RATE <sup>(1)</sup> |
|---|------------------|----------------|--------------------|------------------------------|---|
| 8751 Skinner Court<br><b>1st Quarter Property Acquisitions</b>              | Orlando          | <u>125,775</u> |                    | <u>9.3</u>                   | 7.8%  |
|   |                  | <u>125,775</u> |                    | <u>\$ 9.3</u>                |   |
| First Perry Logistics Center  | Inland Empire    |                | 11.0               | 1.7                          |   |
| The Ranch by First Industrial   | Inland Empire    |                | 50.1               | 22.8                         |   |
| First Park @ PV 303   | Phoenix          |                | 72.5               | 12.9                         |   |
| First Sycamore 215 Logistics Center<br><b>1st Quarter Land Acquisitions</b> | Inland Empire    |                | <u>13.4</u>        | <u>4.8</u>                   |   |
|   |                  |                | <u>147.0</u>       | <u>\$ 42.2</u>               |   |
| <b>Total First Quarter Acquisitions</b>                                     |                  | <u>125,775</u> | <u>147.0</u>       | <u>\$ 51.5</u>               |   |
| 4473 Shader Road<br><b>2nd Quarter Property Acquisitions</b>                | Orlando          | <u>199,100</u> |                    | <u>14.0</u>                  | 6.6%  |
|   |                  | <u>199,100</u> |                    | <u>\$ 14.0</u>               |   |
| First Florence Logistics Center<br><b>2nd Quarter Land Acquisitions</b>     | New Jersey       |                | <u>33.6</u>        | <u>9.2</u>                   |   |
|   |                  |                | <u>33.6</u>        | <u>\$ 9.2</u>                |   |
| <b>Total Second Quarter Acquisitions</b>                                    |                  | <u>199,100</u> | <u>33.6</u>        | <u>\$ 23.2</u>               |   |
| 1445 Engineer Street  | San Diego        | 99,307         |                    | 11.9                         |   |
| 81 Paragon Drive<br><b>3rd Quarter Property Acquisitions</b>                | Chicago          | <u>121,142</u> |                    | <u>9.0</u>                   | 6.3%  |
|   |                  | <u>220,449</u> |                    | <u>\$ 20.9</u>               |   |
| First I-20/35 Distribution Center<br><b>3rd Quarter Land Acquisitions</b>   | Dallas/Ft. Worth |                | <u>26.3</u>        | <u>3.0</u>                   |   |
|   |                  |                | <u>26.3</u>        | <u>\$ 3.0</u>                |   |
| <b>Total Third Quarter Acquisitions</b>                                     |                  | <u>220,449</u> | <u>26.3</u>        | <u>\$ 23.9</u>               |   |
| 1351 NW 78th Avenue   | Miami            | 63,389         |                    | 8.4                          |   |
| 6635 E 30th Street<br><b>4th Quarter Property Acquisitions</b>              | Indianapolis     | <u>99,877</u>  |                    | <u>4.1</u>                   | 7.6%  |
|   |                  | <u>163,266</u> |                    | <u>\$ 12.5</u>               |   |
| <b>Total Fourth Quarter Acquisitions</b>                                    |                  | <u>163,266</u> | <u>N/A</u>         | <u>\$ 12.5</u>               |   |
| <b>Total 2016 Acquisitions</b>  |                  | <u>708,590</u> | <u>206.9</u>       | <u>\$ 111.1</u>              |   |

<sup>(1)</sup> Weighted average expected cap rate of building acquisitions (excluding land acquisitions) represents the expected stabilized cash yield (first year cash NOI divided by the total expected investment stated as GAAP book value). Straight-line rents are not included in cash NOI.

# PROPERTY DEVELOPMENT SUMMARY

(UNAUDITED)



## DEVELOPMENTS PLACED IN SERVICE - TWELVE MONTHS ENDED DECEMBER 31, 2017

| DEVELOPMENT                    | MARKET       | PLACED<br>IN SERVICE<br>DATE                      | SQUARE<br>FEET | ESTIMATED<br>INVESTMENT<br>(in millions) | PERCENT<br>LEASED | PERCENT<br>FUNDED |
|--------------------------------|--------------|---|----------------|--|-------------------|-------------------|
| First Park @ PV 303            | Goodyear, AZ | Q2 2017   | 618,350        | 45.4                                     | 100%              | 100%              |
| <b>Total Placed In Service</b> |              |   | <b>618,350</b> | <b>\$ 45.4</b>                           | <b>100%</b>       | <b>100%</b>       |
|                                |              | Weighted Average Expected Cap Rate <sup>(1)</sup> |                | 7.2%                                     |                   |                   |

## DEVELOPMENTS COMPLETED - NOT IN SERVICE AT DECEMBER 31, 2017

| DEVELOPMENT  | MARKET        | BUILDING<br>COMPLETION                            | SQUARE<br>FEET | INVESTMENT<br>(in millions) | PERCENT<br>LEASED | PERCENT<br>FUNDED |
|--|---------------|---|----------------|-----------------------------|-------------------|-------------------|
| First Park 94 - Building II                        | Somers, WI    | Q2 2017   | 602,348        | 31.2                        | 50%               | 92%               |
| First Sycamore 215 Logistics Center <sup>(2)</sup> | Riverside, CA | Q2 2017   | 242,580        | 17.9                        | 0%                | 90%               |
| <b>Total Completed - Not In Service</b>            |               |   | <b>844,928</b> | <b>\$ 49.1</b>              | <b>36%</b>        | <b>91%</b>        |
|  |               | Weighted Average Expected Cap Rate <sup>(1)</sup> |                | 7.5%                        |                   |                   |

## DEVELOPMENTS UNDER CONSTRUCTION AT DECEMBER 31, 2017

| DEVELOPMENT                                    | MARKET             | ESTIMATED<br>BUILDING<br>COMPLETION               | SQUARE<br>FEET   | ESTIMATED<br>INVESTMENT<br>(in millions) | PERCENT<br>LEASED | PERCENT<br>FUNDED |
|--|--------------------|---|------------------|--|-------------------|-------------------|
| The Ranch by First Industrial <sup>(3)</sup>   | Eastvale, CA       | Q2 2018   | 936,000          | 86.7                                     | 0%                | 66%               |
| First Park @ PV 303 Building B                 | Goodyear, AZ       | Q2 2018   | 640,000          | 35.8                                     | 0%                | 29%               |
| First Joliet Logistics Center                  | Joliet, IL         | Q2 2018   | 355,199          | 21.2                                     | 0%                | 23%               |
| First 290 @ Guhn Road                          | Houston, TX        | Q3 2018   | 126,000          | 9.1                                      | 0%                | 19%               |
| First Logistics Center @ I-78/81 Building A    | Union Township, PA | Q4 2018   | 738,720          | 48.9                                     | 0%                | 32%               |
| First Nandina Logistics Center @ Moreno Valley | Moreno Valley, CA  | Q4 2018   | 1,387,899        | 89.3                                     | 0%                | 29%               |
| <b>Total Under Construction</b>                |                    |   | <b>4,183,818</b> | <b>\$ 291.0</b>                          | <b>0%</b>         | <b>40%</b>        |
|  |                    | Weighted Average Expected Cap Rate <sup>(1)</sup> |                  | 7.2%                                     |                   |                   |

## DEVELOPMENTS PLACED IN SERVICE - TWELVE MONTHS ENDED DECEMBER 31, 2016

| DEVELOPMENT                               | MARKET                | PLACED<br>IN SERVICE<br>DATE                      | SQUARE<br>FEET   | ESTIMATED<br>INVESTMENT<br>(in millions) | PERCENT<br>LEASED<br>AT DECEMBER<br>31, 2017 |
|---|-----------------------|---|------------------|--|--|
| First Park @ Ocean Ranch - III            | Ocean Ranch, CA       | Q1 2016   | 65,600           | 7.5                                      | 100%   |
| First San Michele Logistics Center        | Moreno Valley, CA     | Q2 2016   | 187,985          | 13.2                                     | 100%   |
| First 33 Commerce Center - Building A     | Easton, PA            | Q2 2016   | 341,400          | 23.7                                     | 100%   |
| First Arlington Commerce Center @ I-20    | Arlington, TX         | Q2 2016   | 153,200          | 9.5                                      | 100%   |
| First 33 Commerce Center - Building B     | Easton, PA            | Q3 2016   | 243,360          | 18.1                                     | 100%   |
| First Park 94 - Building I                | Somers, WI            | Q3 2016   | 601,439          | 27.6                                     | 100%   |
| First Arlington Commerce Center II @ I-20 | Arlington, TX         | Q4 2016   | 234,100          | 12.4                                     | 100%   |
| First Florence Logistics Center           | Florence Township, NJ | Q4 2016   | 577,200          | 38.6                                     | 100%   |
| First Reyes Logistics Center - BTS        | Rancho Dominguez, CA  | Q4 2016   | 63,450           | 17.0                                     | 100%   |
| First Park McDonough - BTS                | McDonough, GA         | Q4 2016   | 409,559          | 20.3                                     | 100%   |
| First Park Tolleson                       | Tolleson, AZ          | Q4 2016   | 386,100          | 22.6                                     | 100%   |
| <b>Total Placed In Service</b>            |                       |   | <b>3,263,393</b> | <b>\$ 210.5</b>                          | <b>100%</b>                                  |
|   |                       | Weighted Average Expected Cap Rate <sup>(1)</sup> |                  | 7.5%                                     |  |

<sup>(1)</sup> Weighted average expected cap rate of developments placed in service represents the expected stabilized cash yield (first year cash NOI divided by the total expected investment stated as GAAP book value). Straight-line rents are not included in cash NOI.

<sup>(2)</sup> A lease for 100% of the building was executed after December 31, 2017 and commences February 1, 2018. Accordingly, the building will be placed in service in Q1 2018.

<sup>(3)</sup> Project includes the development of six buildings.

Note: A development project is transferred to developments completed - not in service once the building is considered substantially complete. It remains in that category until the earlier of 90% occupancy is achieved, or one year following construction completion.

# 2017 PROPERTY SALES SUMMARY

(UNAUDITED)



| ADDRESS/PORTFOLIO                 | MARKET               | SQUARE FEET      | LAND ACREAGE | SALE PRICE<br>(in millions) | WEIGHTED AVERAGE CAP RATE <sup>(1)</sup> | CAP RATE AT SALE <sup>(1)</sup> |
|-----------------------------------|----------------------|------------------|--------------|-----------------------------|--|---------------------------------|
| Welsh Pool Portfolio              | Philadelphia         | 74,058           |              | 5.5                         |  |                                 |
| Metro Business Park               | Salt Lake City       | 183,772          |              | 15.0                        |  |                                 |
| <b>1st Quarter Property Sales</b> |                      | <b>257,830</b>   |              | <b>\$ 20.5</b>              | <b>7.7%</b>                              | <b>7.3%</b>                     |
| <b>Total First Quarter Sales</b>  |                      | <b>257,830</b>   | <b>N/A</b>   | <b>\$ 20.5</b>              |  |                                 |
| 216 Philips Road                  | Philadelphia         | 39,037           |              | 3.2                         |  |                                 |
| 3730 Wheeler Avenue               | Other                | 130,098          |              | 4.9                         |  |                                 |
| 2064-2100 Alexander Street        | Salt Lake City       | 98,000           |              | 6.2                         |  |                                 |
| 6647 Romiss Court                 | St. Louis            | 22,411           |              | 2.0                         |  |                                 |
| 30600 Carter Street               | Cleveland            | 190,188          |              | 7.0                         |  |                                 |
| 7101 Winnetka Avenue North        | Minneapolis/St. Paul | 221,661          |              | 13.4                        |  |                                 |
| 4970 Paris                        | Denver               | 15,767           |              | 1.9                         |  |                                 |
| <b>2nd Quarter Property Sales</b> |                      | <b>717,162</b>   |              | <b>\$ 38.6</b>              | <b>6.6%</b>                              | <b>4.7%</b>                     |
| <b>Total Second Quarter Sales</b> |                      | <b>717,162</b>   | <b>N/A</b>   | <b>\$ 38.6</b>              |  |                                 |
| 4701 W. Jefferson                 | Phoenix              | 131,000          |              | 7.2                         |  |                                 |
| 46 Kent Drive                     | Atlanta              | 140,250          |              | 5.1                         |  |                                 |
| 1100 East Mandoline Road          | Detroit              | 117,903          |              | 6.0                         |  |                                 |
| 1451 East Lincoln                 | Detroit              | 75,000           |              | 3.4                         |  |                                 |
| 11800 Sears Drive                 | Detroit              | 99,937           |              | 4.6                         |  |                                 |
| 9900-9970 Princeton               | Cincinnati           | 185,580          |              | 5.5                         |  |                                 |
| 12626 Silicon Drive               | Other                | 109,165          |              | 5.6                         |  |                                 |
| 32975 Industrial Road             | Detroit              | 21,000           |              | 1.3                         |  |                                 |
| 32920 Capitol Avenue              | Detroit              | 8,000            |              | 0.5                         |  |                                 |
| 1788 Northwood Drive              | Detroit              | 12,480           |              | 0.9                         |  |                                 |
| <b>3rd Quarter Property Sales</b> |                      | <b>900,315</b>   |              | <b>\$ 40.1</b>              | <b>7.6%</b>                              | <b>6.7%</b>                     |
| <b>Total Third Quarter Sales</b>  |                      | <b>900,315</b>   | <b>N/A</b>   | <b>\$ 40.1</b>              |  |                                 |
| 1133 Northwest L Street           | Indianapolis         | 209,380          |              | 5.1                         |  |                                 |
| 3100 Pinson Valley Parkway        | Other                | 24,000           |              | 1.3                         |  |                                 |
| 2323 South 900 W                  | Salt Lake City       | 124,892          |              | 5.2                         |  |                                 |
| 585 Slawin Court                  | Chicago              | 38,793           |              | 4.2                         |  |                                 |
| SW Industrial Portfolio           | Minneapolis/St. Paul | 845,622          |              | 38.4                        |  |                                 |
| 7450 Whitehall Street             | Dallas/Ft. Worth     | 25,000           |              | 1.9                         |  |                                 |
| 23065 Commerce Drive              | Detroit              | 12,705           |              | 0.9                         |  |                                 |
| 23206 Commerce Drive              | Detroit              | 19,822           |              | 1.3                         |  |                                 |
| 1099 Chicago Road                 | Detroit              | 40,000           |              | 3.2                         |  |                                 |
| 12886 Westmore Avenue             | Detroit              | 18,000           |              | 1.1                         |  |                                 |
| 301 Railroad Avenue               | Central Pennsylvania | 254,449          |              | 15.6                        |  |                                 |
| 9835A Genard Road                 | Houston              | 417,350          |              | 26.0                        |  |                                 |
| W140 N9059 Lilly Road             | Milwaukee            | 36,608           |              | 2.1                         |  |                                 |
| 2060 Springdale Road              | Southern New Jersey  | 45,054           |              | 2.6                         |  |                                 |
| 9835B Genard Road                 | Houston              | 66,600           |              | 5.4                         |  |                                 |
| I-20 East Portfolio               | Atlanta              | 330,361          |              | 11.4                        |  |                                 |
| 3240 S. 78th Street               | Philadelphia         | 21,512           |              | 2.2                         |  |                                 |
| Lincoln Business Park             | Indianapolis         | 242,700          |              | 8.2                         |  |                                 |
| <b>4th Quarter Property Sales</b> |                      | <b>2,772,848</b> |              | <b>\$ 136.1</b>             | <b>6.8%</b>                              | <b>7.9%</b>                     |
| Skyway Corp Center - Lot 9        | Denver               |                  | 1.5          | 0.8                         |  |                                 |
| <b>4th Quarter Land Sales</b>     |                      |                  | <b>1.5</b>   | <b>\$ 0.8</b>               |  |                                 |
| <b>Total Fourth Quarter Sales</b> |                      | <b>2,772,848</b> | <b>1.5</b>   | <b>\$ 136.9</b>             |  |                                 |
| <b>Total 2017 Sales</b>           |                      | <b>4,648,155</b> | <b>1.5</b>   | <b>\$ 236.1</b>             | <b>7.0%</b>                              | <b>7.1%</b>                     |

<sup>(1)</sup> Weighted average cap rate on building sales (excluding land sales) represents the stabilized cash yield (stabilized cash NOI divided by the total expected stabilized investment). Cap rate at building sale (excluding land sales) represents the actual NOI for the previous twelve months prior to sale divided by the sales price. Straight-line rents are not included in cash NOI.

# 2016 PROPERTY SALES SUMMARY

(UNAUDITED)



| ADDRESS/PORTFOLIO                 | MARKET           | SQUARE FEET      | LAND ACREAGE | SALE PRICE<br>(in millions) | WEIGHTED AVERAGE CAP RATE <sup>(1)</sup> | CAP RATE AT SALE <sup>(1)</sup> |
|-----------------------------------|------------------|------------------|--------------|-----------------------------|--|---------------------------------|
| 7609 W. Industrial Drive          | Chicago          | 153,546          |              | 5.1                         |  |                                 |
| 9319-9341 Castlegate Drive        | Indianapolis     | 72,000           |              | 4.5                         |  |                                 |
| 23079 Commerce Drive              | Detroit          | 10,830           |              | 0.7                         |  |                                 |
| 2250 Delaware Avenue              | Other            | 88,498           |              | 1.6                         |  |                                 |
| 5705-5797 Park Plaza              | Indianapolis     | 95,080           |              | 4.4                         |  |                                 |
| <b>1st Quarter Property Sales</b> |                  | <b>419,954</b>   |              | <b>\$ 16.3</b>              | <b>7.8%</b>                              | <b>8.6%</b>                     |
| <b>Total First Quarter Sales</b>  |                  | <b>419,954</b>   | <b>N/A</b>   | <b>\$ 16.3</b>              |  |                                 |
| 3030 Hansboro                     | Dallas/Ft. Worth | 100,000          |              | 2.0                         |  |                                 |
| 1799-1855 Northfield Drive        | Detroit          | 67,360           |              | 3.2                         |  |                                 |
| 23042 Commerce Drive              | Detroit          | 8,790            |              | 0.6                         |  |                                 |
| 365 North Avenue                  | Chicago          | 229,903          |              | 9.6                         |  |                                 |
| West Sixth Avenue Business Park   | Denver           | 214,116          |              | 24.0                        |  |                                 |
| Merritt Drive Portfolio           | Dallas/Ft. Worth | 115,472          |              | 5.9                         |  |                                 |
| 800-820 Thorndale Avenue          | Chicago          | 73,249           |              | 9.3                         |  |                                 |
| Starkey/Bryan Dairy               | Tampa            | 146,778          |              | 6.9                         |  |                                 |
| 32450 N Avis Drive                | Detroit          | 55,820           |              | 3.3                         |  |                                 |
| Milwaukee Airport Portfolio       | Milwaukee        | 370,972          |              | 9.3                         |  |                                 |
| 3811 Joliet Street                | Denver           | 124,290          |              | 7.5                         |  |                                 |
| 3011 Research Drive               | Detroit          | 32,637           |              | 2.6                         |  |                                 |
| <b>2nd Quarter Property Sales</b> |                  | <b>1,539,387</b> |              | <b>\$ 84.2</b>              | <b>7.4%</b>                              | <b>7.3%</b>                     |
| <b>Total Second Quarter Sales</b> |                  | <b>1,539,387</b> | <b>N/A</b>   | <b>\$ 84.2</b>              |  |                                 |
| SE Troy Portfolio                 | Detroit          | 89,843           |              | 5.0                         |  |                                 |
| 32995 Industrial Road             | Detroit          | 14,280           |              | 0.8                         |  |                                 |
| 4201 Forbes Boulevard             | Baltimore/D.C.   | 28,570           |              | 3.2                         |  |                                 |
| 605 Stonehill Drive               | Atlanta          | 152,819          |              | 3.8                         |  |                                 |
| 111 Whittendale Drive             | New Jersey       | 79,329           |              | 4.0                         |  |                                 |
| 32505 Industrial Road             | Detroit          | 47,013           |              | 2.9                         |  |                                 |
| 4900-4914 Creekside Drive         | Tampa            | 120,894          |              | 9.1                         |  |                                 |
| 2485 S Commerce Drive             | Milwaukee        | 64,146           |              | 3.5                         |  |                                 |
| N25 W23255 Paul Road              | Milwaukee        | 55,940           |              | 6.2                         |  |                                 |
| <b>3rd Quarter Property Sales</b> |                  | <b>652,834</b>   |              | <b>\$ 38.5</b>              | <b>7.5%</b>                              | <b>6.3%</b>                     |
| <b>Total Third Quarter Sales</b>  |                  | <b>652,834</b>   | <b>N/A</b>   | <b>\$ 38.5</b>              |  |                                 |
| 6266 Hurt Road                    | Other            | 397,300          |              | 7.1                         |  |                                 |
| 1080-1180 John Papalas Drive      | Detroit          | 115,395          |              | 4.0                         |  |                                 |
| St. Louis Portfolio               | St. Louis        | 473,839          |              | 10.9                        |  |                                 |
| 9060 Latty Avenue                 | St. Louis        | 128,600          |              | 4.1                         |  |                                 |
| 825 E. 26th Street                | Chicago          | 156,621          |              | 2.8                         |  |                                 |
| 5313 Johns Road                   | Tampa            | 25,690           |              | 2.0                         |  |                                 |
| <b>4th Quarter Property Sales</b> |                  | <b>1,297,445</b> |              | <b>\$ 30.9</b>              | <b>7.9%</b>                              | <b>5.5%</b>                     |
| <b>Total Fourth Quarter Sales</b> |                  | <b>1,297,445</b> | <b>N/A</b>   | <b>\$ 30.9</b>              |  |                                 |
| <b>Total 2016 Sales</b>           |                  | <b>3,909,620</b> | <b>N/A</b>   | <b>\$ 169.9</b>             | <b>7.6%</b>                              | <b>6.9%</b>                     |

<sup>(1)</sup> Weighted average cap rate on building sales (excluding land sales) represents the stabilized cash yield (stabilized cash NOI divided by the total expected stabilized investment). Cap rate at building sale (excluding land sales) represents the actual NOI for the previous twelve months prior to sale divided by the sales price. Straight-line rents are not included in cash NOI.

# DEVELOPABLE SITE INVENTORY

(UNAUDITED) (AS OF DECEMBER 31, 2017)



| Market/Location   | Useable<br>Land Area <sup>(1)</sup><br>(Acres) | Industrial<br>Developable<br>GLA (Est.) <sup>(1)</sup> |
|---|--|--|
| <b>OWNED LAND</b>   |  |  |
| First Park Fairburn<br><b>Atlanta</b>   | 68.7<br><b>68.7</b>                            | 1,260,000<br><b>1,260,000</b>                          |
| First Logistics Center @ I-78/81 Building B<br>Covington Land-Gouldsboro, PA<br><b>Central/Eastern Pennsylvania</b> | 19.7<br>35.9<br><b>55.6</b>                    | 250,200<br>502,000<br><b>752,200</b>                   |
| First Park 94<br><b>Chicago</b>   | 154.0<br><b>154.0</b>                          | 3,200,000<br><b>3,200,000</b>                          |
| First Mountain Creek Distribution Center<br>First I-20/35 Distribution Center<br><b>Dallas/Ft. Worth</b>            | 104.5<br>26.3<br><b>130.8</b>                  | 1,200,000<br>420,000<br><b>1,620,000</b>               |
| First Grand Parkway Commerce Center - Katy, TX<br><b>Houston</b>  | 46.7<br><b>46.7</b>                            | 676,000<br><b>676,000</b>                              |
| First Perry Logistics Center<br>First Redwood Logistics Center<br><b>Inland Empire</b>                              | 11.0<br>19.1<br><b>30.1</b>                    | 236,000<br>401,820<br><b>637,820</b>                   |
| Rockdale Land-Wilson County, TN<br><b>Nashville</b>   | 101.7<br><b>101.7</b>                          | 1,200,000<br><b>1,200,000</b>                          |
| First Park @ PV 303 <sup>(2)</sup><br><b>Phoenix</b>  | 56.3<br><b>56.3</b>                            | 900,000<br><b>900,000</b>                              |
| Stockton, CA<br><b>San Francisco</b>  | 57.9<br><b>57.9</b>                            | 1,200,000<br><b>1,200,000</b>                          |
| Other Land Sites<br><b>Various</b>  | 118.6<br><b>118.6</b>                          | 847,000<br><b>847,000</b>                              |
| <b>TOTAL OF OWNED LAND</b>  | <b>820.4</b>                                   | <b>12,293,020</b>                                      |

(1) Developable land area represents land acquired for future development or potential land sales. The developable GLA is based on the developable land area and a parcel by parcel estimate of the land to building ratio. Useable land area and developable/expandable GLA are estimated and can change periodically due to changes in the site design, road and storm water requirements, trailer parking, staging areas, type of building, condemnation, etc. Actual build out can be influenced by a number of factors including renegotiations with existing tenants, negotiations with new tenants, and in certain instances, zoning restrictions, assessments of market conditions and physical constraints for development.

(2) We also hold an option to acquire up to 75 additional acres.

# COMPONENTS OF NAV

(UNAUDITED) (IN 000'S)



|   | At December 31,<br>2017 |     |
|---|-------------------------|-----|
| Quarterly NOI   | 71,150                  | (1) |
| Sales/Acquisitions/Developments Placed in Service Run Rate Adjustment             | (1,303)                 | (2) |
| Stabilized Occupancy Adjustment (96.5% Occupancy)                                 | (264)                   | (3) |
| Stabilized Completed Developments Not in Service Adjustment (100% Occupancy)      | 842                     | (4) |
| Stabilized Acquisitions/Redevelopments Not in Service Adjustment (100% Occupancy) | 310                     | (5) |
| <b>Adjusted NOI</b>   | <b>\$ 70,735</b>        |     |
|   | X 4                     |     |
| <b>Annualized NOI</b>   | <b>\$ 282,940</b>       |     |
| CIP and Associated Land for Developments Under Construction                       | 145,700                 |     |
| Cash and Cash Equivalents   | 21,146                  |     |
| Restricted Cash   | 25,336                  |     |
| Tenant Accounts Receivable, Net   | 4,873                   |     |
| Furniture, Fixtures, Leasehold Improvements and Equipment, Net                    | 1,108                   |     |
| Prepaid Real Estate Taxes   | 2,750                   |     |
| Earnest Money, Escrows and Other Deposits   | 4,647                   |     |
| Developable Land Inventory  | 135,820                 |     |
| <b>Total Other Assets</b>   | <b>\$ 341,380</b>       |     |
| <b>Total Liabilities</b>  | <b>\$ 1,465,185</b>     |     |
| <b>Shares &amp; Units Outstanding</b>   | <b>123,891</b>          |     |

(1) Represents quarterly NOI from page 5, reduced by \$1,321 related to a one-time casualty gain related to insurance proceeds that was recorded in other income during the three months ended December 31, 2017.

(2) Adjustment reflects the NOI for any acquisitions or developments placed in service during the quarter, net of a deduction for the NOI realized from any properties that were sold during the quarter. See page 19 for acquisitions completed, page 21 for developments placed in service and page 22 for sales consummated during the quarter.

(3) Adjustment reflects the potential NOI impact of leasing the in service portfolio to an average daily occupancy of 96.5%. This will add NOI when occupancy is below 96.5% and subtract from NOI when occupancy is above 96.5%. This adjustment excludes the impact of any future acquisitions or sales.

(4) Adjustment reflects potential additional NOI impact of leasing completed developments not in service to 100% occupancy. See page 21 for a list of the completed developments not in service.

(5) Adjustment reflects potential additional NOI impact of leasing acquisitions and redevelopments not in service to 100% occupancy.

## OUTLOOK

(UNAUDITED) (DOLLAR AMOUNTS IN MILLIONS, EXCEPT PER SHARE AND UNIT DATA)



|   | 2018 Estimate                                       |  |
|---|---|--|
|   | Current Guidance                                    |  |
|   | Low End of<br>Guidance for 2018<br>(Per share/unit) | High End of<br>Guidance for 2018<br>(Per share/unit) |
| Net Income Available to Common Stockholders | 0.61  | 0.71   |
| Real Estate Depreciation/Amortization       | 0.93  | 0.93   |
| <b>FFO (NAREIT Definition)</b>              | <b>\$ 1.54</b>                                      | <b>\$ 1.64</b>                                       |
| Plus: Restructuring Charge                  | 0.01  | 0.01   |
| <b>FFO Before Restructuring Charge</b>      | <b>\$ 1.55</b>                                      | <b>\$ 1.65</b>                                       |

### ASSUMPTIONS: <sup>(1)</sup>

|  | Low     | High    |
|--|---------|---------|
| Average Quarter-End In Service Occupancy                   | 96.5%   | 97.5%   |
| Same-Store NOI Growth - Cash Basis Before Termination Fees | 3.5%    | 5.0%    |
| General and Administrative Expense <sup>(2)</sup>          | \$ 26.0 | \$ 27.0 |
| Capitalized Interest ( <i>per share</i> ) <sup>(3)</sup>   | \$ 0.04 | \$ 0.04 |

<sup>(1)</sup> Guidance does not include the impact of:

- any future debt repurchases prior to maturity or future debt issuances, other than the issuance of \$300 million of fixed rate senior unsecured notes in a private placement offering at a weighted average interest rate of 3.91% on February 15, 2018, and the planned payoff of approximately \$158 million of secured debt maturities at a weighted average interest rate of 4.50% on or about March 1, 2018;
- any future investments or property sales, other than the January 2018 acquisitions of a 35,000 square-foot building in Seattle for \$5.6 million and a developable land site in Dallas for \$10 million;
- any future NAREIT-compliant gains or losses;
- any future impairment gains or losses;
- any future gains related to the final settlement of two insurance claims for damaged facilities, or
- any future equity issuance.

<sup>(2)</sup> Excludes \$1 million restructuring charge.

<sup>(3)</sup> Guidance includes the anticipated incremental 2018 costs related to our Company's developments completed and under construction as of December 31, 2017.



<sup>(A)</sup> Investors in, and analysts following, the real estate industry utilize funds from operations ("FFO"), net operating income ("NOI"), adjusted EBITDA and adjusted funds from operations ("AFFO"), variously defined below, as supplemental performance measures. While we believe net income available to First Industrial Realty Trust, Inc.'s common stockholders and participating securities, as defined by GAAP, is the most appropriate measure, we consider FFO, NOI, adjusted EBITDA and AFFO, given their wide use by, and relevance to investors and analysts, appropriate supplemental performance measures. FFO, reflecting the assumption that real estate asset values rise or fall with market conditions, principally adjusts for the effects of GAAP depreciation and amortization of real estate assets. NOI provides a measure of rental operations, and does not factor in depreciation and amortization and non-property specific expenses such as general and administrative expenses. Adjusted EBITDA provides a tool to further evaluate the ability to incur and service debt and to fund dividends and other cash needs. AFFO provides a tool to further evaluate the ability to fund dividends. In addition, FFO, NOI, adjusted EBITDA and AFFO are commonly used in various ratios, pricing multiples/yields and returns and valuation calculations used to measure financial position, performance and value.

As used herein, we calculate FFO to be equal to net income available to First Industrial Realty Trust, Inc.'s common stockholders and participating securities, plus depreciation and other amortization of real estate, minus gain on sale of depreciable real estate.

NOI is defined as our revenues, minus property expenses such as real estate taxes, repairs and maintenance, property management, utilities, insurance and other expenses.

Adjusted EBITDA is defined as NOI, minus general and administrative expenses and acquisition costs.

AFFO is defined as adjusted EBITDA minus GAAP interest expense, minus capitalized interest and overhead, plus amortization of debt (premiums)/discounts and hedge costs, minus straight-line rental income, amortization of above (below) market leases and lease inducements, minus provision for income taxes or plus benefit for income taxes, plus restricted stock/unit amortization, minus non-incremental capital expenditures. Non-incremental capital expenditures refer to building improvements and leasing costs required to maintain current revenues plus tenant improvements amortized back to the tenant over the lease term. Excluded are first generation leasing costs, capital expenditures underwritten at acquisition and development/redevelopment costs.

FFO, NOI, adjusted EBITDA and AFFO do not represent cash generated from operating activities in accordance with GAAP and are not necessarily indicative of cash available to fund cash needs, including the repayment of principal on debt and payment of dividends and distributions. FFO, NOI, adjusted EBITDA and AFFO should not be considered as substitutes for net income available to common stockholders and participating securities (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, NOI, adjusted EBITDA and AFFO as currently calculated by us may not be comparable to similarly titled, but variously calculated, measures of other REITs.