



REITWorld 2014 NAREIT's Annual Convention

November 2014



Safe Harbor

This presentation contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934. We intend 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 and are including this statement for purposes of complying with those safe harbor provisions. Forward-looking statements, which are based on certain assumptions and describe future plans, strategies and expectations of the Company, are generally identifiable by use of the words “believe,” “expect,” “intend,” “plan,” “anticipate,” “estimate,” “project,” “seek,” “target,” “potential,” “focus,” “may,” “should” or similar expressions. Our ability to predict results or the actual effect of future plans or strategies is inherently uncertain. Factors which could have a materially adverse effect on our operations and future prospects include, but are not limited to: changes in national, international, regional and local economic conditions generally and real estate markets specifically; changes in legislation/regulation (including changes to laws governing the taxation of 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) to us and to our potential counterparties; the availability and attractiveness of terms of additional debt repurchases; interest rates; our credit agency ratings; our ability to comply with applicable financial covenants; competition; changes in supply and demand for industrial properties (including land, the supply and demand for which is inherently more volatile than other types of industrial property) in the Company’s current and proposed market areas; difficulties in identifying and consummating acquisitions and dispositions; our ability to manage the integration of properties we acquire; risks related to our investments in properties through joint ventures; environmental liabilities; slippages in development or lease-up schedules; tenant creditworthiness; higher-than-expected costs; changes in asset valuations and related impairment charges; changes in general accounting principles, policies and guidelines applicable to real estate investment trusts; and those additional factors described under the “Risk Factors” and elsewhere in the Company’s annual report on Form 10-K for the year ended December 31, 2013 and in the Company’s subsequent Exchange Act reports. 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 press release 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 the Company and the statements contained herein, reference should be made to the Company’s filings with the Securities and Exchange Commission.

Why FR?

Tested Leadership and Platform

- Focused strategy: Deliver sustainable cash flow growth through leasing and disciplined portfolio and capital management
- Local market experts execute management, leasing, acquisitions, development and targeted sales
- Track record of industry-leading customer service

Strengthened Capital Structure

- Reduced net debt + preferred stock to EBITDA ratio to 6.2x as of 3Q14 ⁽¹⁾
- Net debt plus preferreds reduced by \$979 million since 4Q08
- Returned to investment grade rating by all three agencies

Diversified, In-fill Portfolio

- 65.3 million square feet owned, managed and under development as of 9/30/14
- Nation's top industrial markets
- Predominantly concentrated in distribution and light industrial facilities
- 93.9% occupied as of 9/30/14

Favorable Industrial Fundamentals

- 3Q14 was the 17th consecutive quarter of positive net absorption
- GDP growth drives tenant demand
- New supply still below historical levels
- Cash rental rate spreads positive three consecutive quarters; GAAP = 11 consecutive

Cash Flow Growth Opportunity – Potential Drivers

- Lower capital costs
- Small tenant leasing
- Key bulk warehouse lease-up opportunities
- Rental rate escalations
- Lower TI/LC/Cap Ex
- Future development/acquisitions

⁽¹⁾ Normalizing G&A and excluding one-time restoration fee per earnings conference call dated October 30, 2014

3Q14 and 4Q14 Actions ⁽¹⁾

3Q14

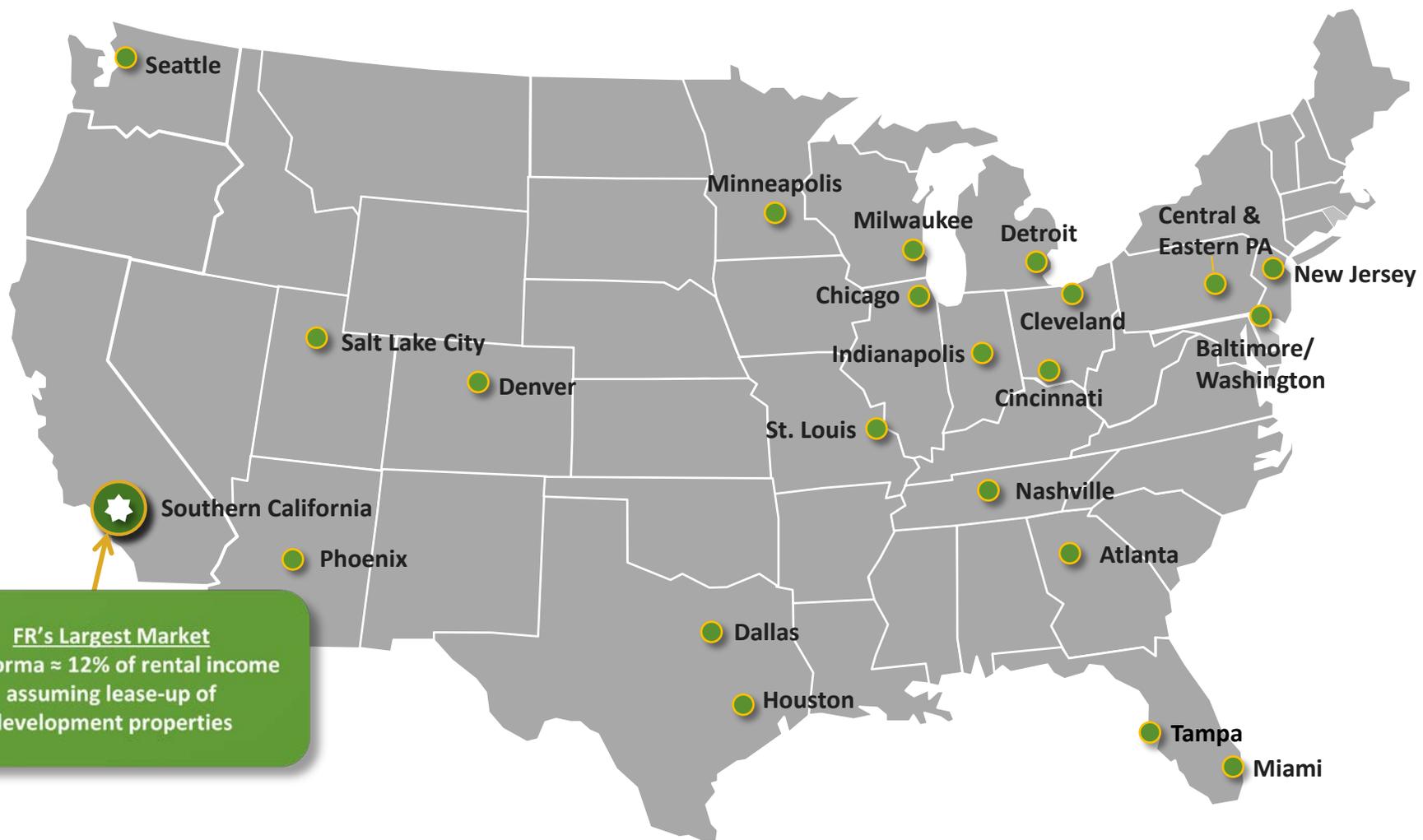
- Signed a long-term lease for a 376,601 SF facility at the First Pinnacle Industrial Center development in Dallas; expected commencement in 2Q15
- Leased 245,143 SF at the First Bandini Logistics Center in Los Angeles on a long-term basis to FAM, LLC; lease start date of December 31, 2014
- Sold 15 properties comprised of 925,000 SF for a total of \$54.2 million
 - Largest sale was a portfolio of six light industrial and flex buildings totaling 370,000 SF plus one land parcel in Baltimore for \$28.5 million
 - Also sold a 119,000 square-foot vacant facility in Chicago for \$10.5 million
- Acquired sites in Houston and Southern California, comprised of 47 and 16 developable acres, respectively, for a total of \$21.8 million

4Q14

- Sold two buildings totaling 35,000 SF in Detroit and one land parcel in Toronto for a total of \$3.3 million⁽¹⁾

⁽¹⁾ Through earnings conference call dated October 30, 2014

Broad Platform and Presence



FR's Largest Market
Pro-forma \approx 12% of rental income
assuming lease-up of
development properties

Size and Diversification: 63 MSF on balance sheet, Top Tenant \approx 2.8% of Net Rent, Top 20: 22.0%

Where We've Been...

2009 – 2010

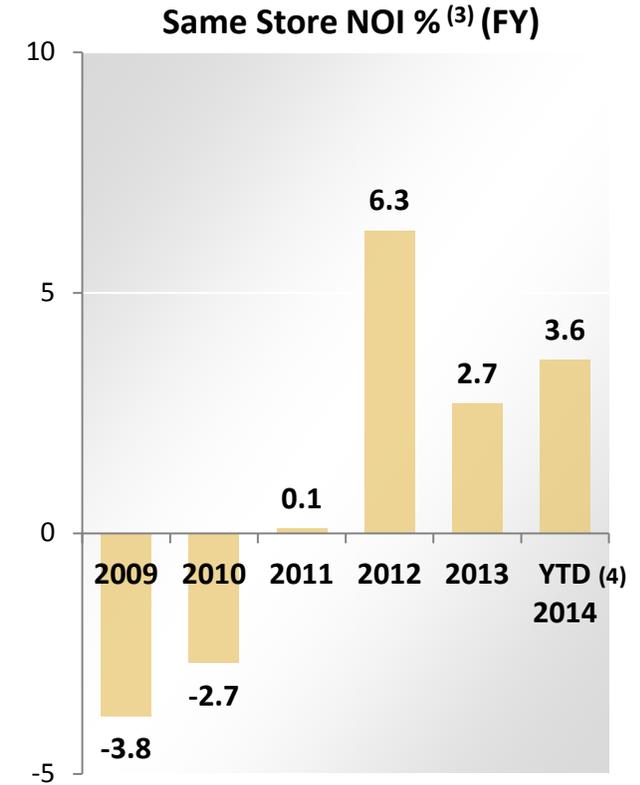
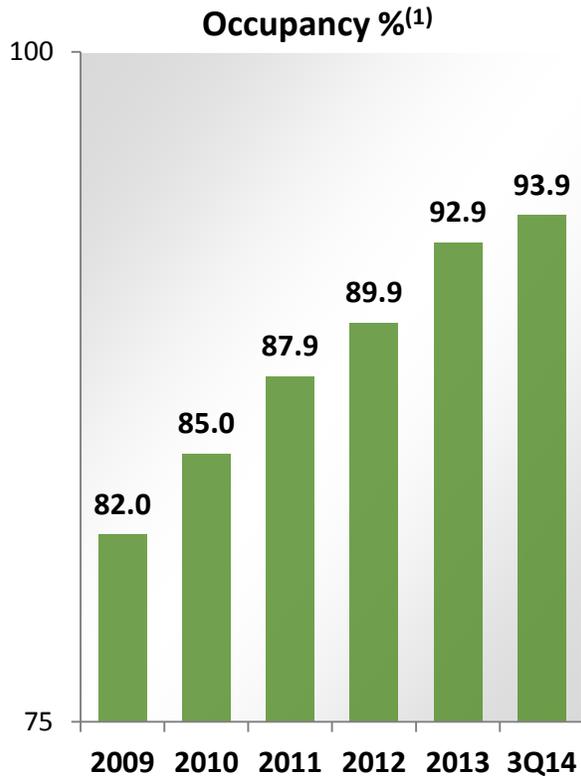
- Addressed liquidity and maturities
- Redefined strategy
- Rationalized G&A
- Set the stage for portfolio refinement

2011 – 3Q14

- Drove occupancy and NOI
- Strengthened balance sheet
- Executed targeted sales
- Initiated selective growth
- Re-initiated and grew common dividend



Key Portfolio Cash Flow Metrics



(1) Period End

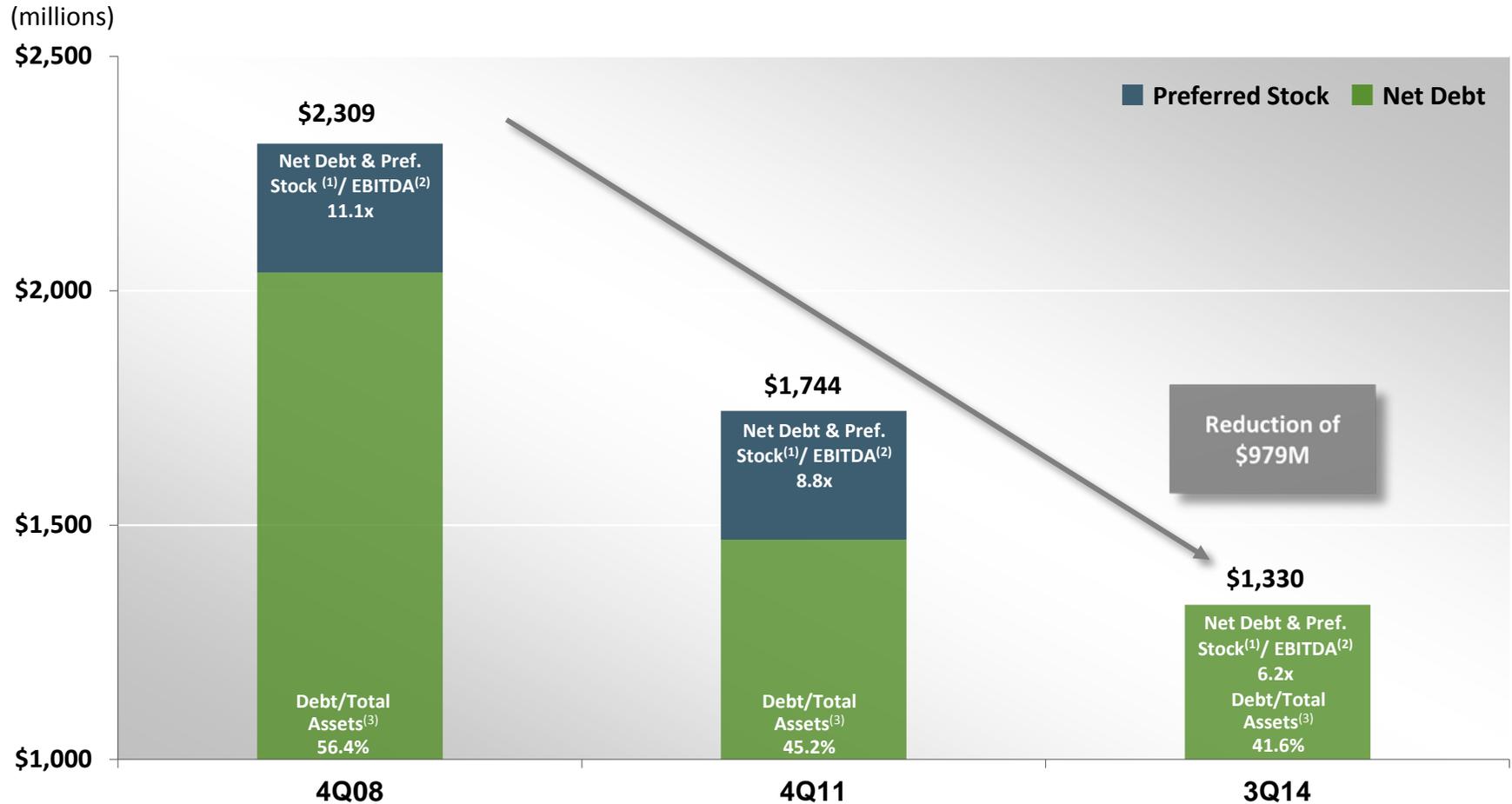
(2) Period Average

(3) Excludes lease termination fees; reflects period ending population

(4) Excludes the impact of the portions of a one-time restoration fee recognized during the first three quarters of 2014

Where We've Been...

Capital Management Progress



Unsecured notes now rated investment grade by all three agencies
 Within target range: (Debt + Preferred) to EBITDA ratio of 6x to 7x

(1) Net Debt and Preferred = Debt plus book value of preferred stock, net of cash
 (2) EBITDA adjusted for one-time items and normalized G&A
 (3) Per unsecured note indentures

Where We're Going...

Strategy for Success



Leasing and Operations Management

- Drive to ±95% by YE 2015
- Grow Rents
- Normalize TI/LC/CapEx
- Customer Service Focus

Capital Management

- Conservative and Flexible Balance Sheet
- Return to Investment Grade
- Optimize Cost of Capital

Portfolio Management

- Selective Acquisitions
- Targeted Development Opportunities
- Disciplined Asset Sales

Grow dividend consistent with sustainable cash flow, close the value gap to public peers and replacement cost.

Drive to ±95%!

Ten Key Bulk Opportunities

Per Investor Day November 2013

Market	Property	Vacant SF as of 9/30/13	Vacant SF as of 9/30/14
Los Angeles	First Dominguez Gateway Center	213,544	0
Chicago	9501 Nevada	118,670	Sold
Atlanta	596 Bonnie Valentine	212,525	159,525
Central & Eastern PA	18212 Shawley	150,000	120,000
Central & Eastern PA	200 Cascade	127,400	111,300
Central & Eastern PA	301 Railroad	139,960	36,752
Atlanta	3060 South Park	159,193	159,193
Phoenix	9180 Buckeye	98,230	0
Miami	6891 Northwest 74 th	72,304	72,304
St. Louis	8921-8957 Frost	<u>80,000</u>	<u>0</u>
TOTAL		1,371,826 SF	659,074 SF

Development – Pennsylvania

First Logistics Center @ I-83



Summary	
Square Feet:	708,000
Investment:	\$35M
GAAP Yield ⁽¹⁾ :	8.4%
Completed:	4Q13
Lease Start Date:	9/15/14
NOI Impact:	\$2.9M

First 33 Commerce Center – Planned 4Q14 Start



Summary	
Square Feet:	584,000
Estimated Investment ⁽²⁾ :	\$44M
Estimated GAAP Yield ⁽²⁾ :	6.4%
Completion Date:	3Q15
Potential NOI Impact:	\$2.8M

⁽¹⁾ GAAP yield represents the first year stabilized cash NOI over the GAAP basis.

⁽²⁾ Incremental investment \$37M, yield 7.6%.

Development – Southern California

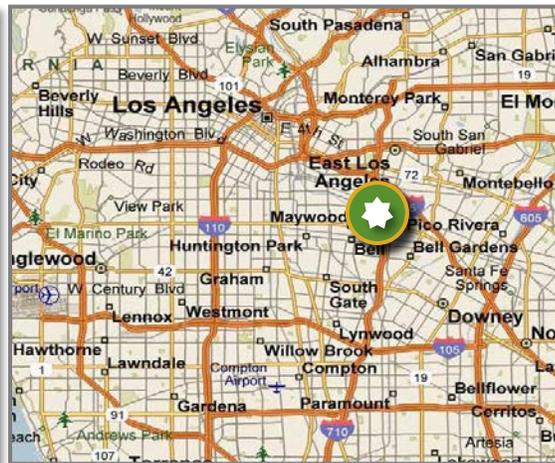
First Figueroa Logistics Center



Summary

Square Feet:	43,000
Investment ⁽¹⁾ :	\$9M
GAAP Yield:	3.8%
Completion Date:	2Q14
Lease Start Date:	6/1/14
NOI Impact:	\$0.3M

First Bandini Logistics Center



Summary

Square Feet:	489,000
Estimated Investment:	\$54M
Estimated GAAP Yield:	6.5%
Completed:	4Q13
Potential NOI Impact:	\$3.5M

⁽¹⁾ Incremental investment \$5M, yield 7.1%

Development – Southern California

First 36 Logistics Center



Summary	
Square Feet:	555,000
Estimated Investment:	\$32M
Estimated GAAP Yield:	6.8%
Completed:	2Q14
Potential NOI Impact:	\$2.2M

Development – Dallas

First Pinnacle Industrial Center



Summary

Square Feet:	598,000
Estimated Investment ⁽¹⁾ :	\$26M
Estimated GAAP Yield ⁽¹⁾ :	7.5%
Targeted Completion Date:	1Q15
Potential NOI Impact:	\$1.9M

First Arlington Commerce Center @ I-20 – Planned 4Q14 Start



Summary

Square Feet:	153,000
Estimated Investment:	\$9.5M
Estimated Yield:	6.4%
Completion Date:	3Q15
Potential NOI Impact:	\$0.6M

⁽¹⁾ Incremental investment \$23M, yield 8.3%

Development – Houston

First Northwest Commerce Center



Summary

Square Feet:	351,000
Investment:	\$20M
GAAP Yield:	8.1%
Targeted Completion Date:	4Q14
Potential NOI Impact:	\$1.6M

Development – Minneapolis

Interstate North Business Park



Summary	
Square Feet:	239,000
Estimated Investment:	\$19M
Estimated GAAP Yield:	7.4%
Completion Date:	4Q14
Potential NOI Impact:	\$1.4M

Development – Chicago

Rust-Oleum - Chicago



Summary	
Square Feet:	250,000
Investment:	\$9M
GAAP Yield:	6.5%
Completed:	2Q14
NOI Impact:	\$0.6M

Acquisitions – Chicago

4100 Rock Creek Road



Summary	
Square Feet:	509,216
Investment:	\$22M
GAAP Yield:	7.3%
NOI Impact:	\$1.6M

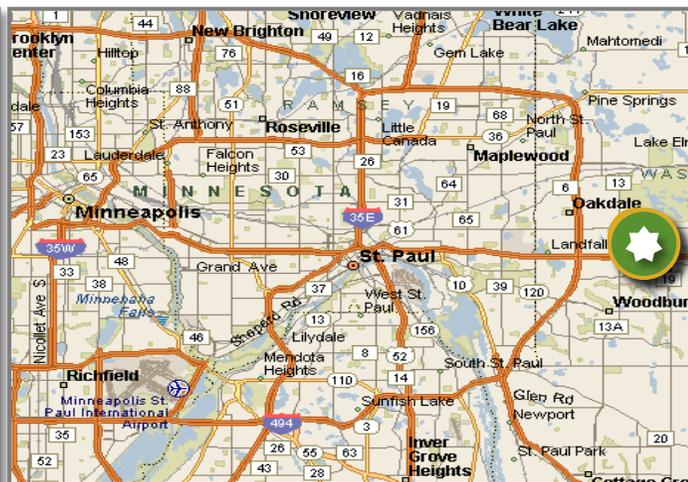
401 Airport Road



Summary	
Square Feet:	53,260
Investment:	\$3M
In-place GAAP Yield:	7.1%

Acquisitions – Minneapolis

375 Rivertown



Summary

Square Feet: 251,968

Investment: \$13M

In-place GAAP Yield: 7.3%

Acquisitions – Southern California

16875 Heacock Street



Summary	
Square Feet:	225,450
Investment ⁽¹⁾ :	\$10M
In-place GAAP Yield:	6.4%

⁽¹⁾ Leasehold interest with 40 years remaining plus two 10-year options.

Developable Land Inventory

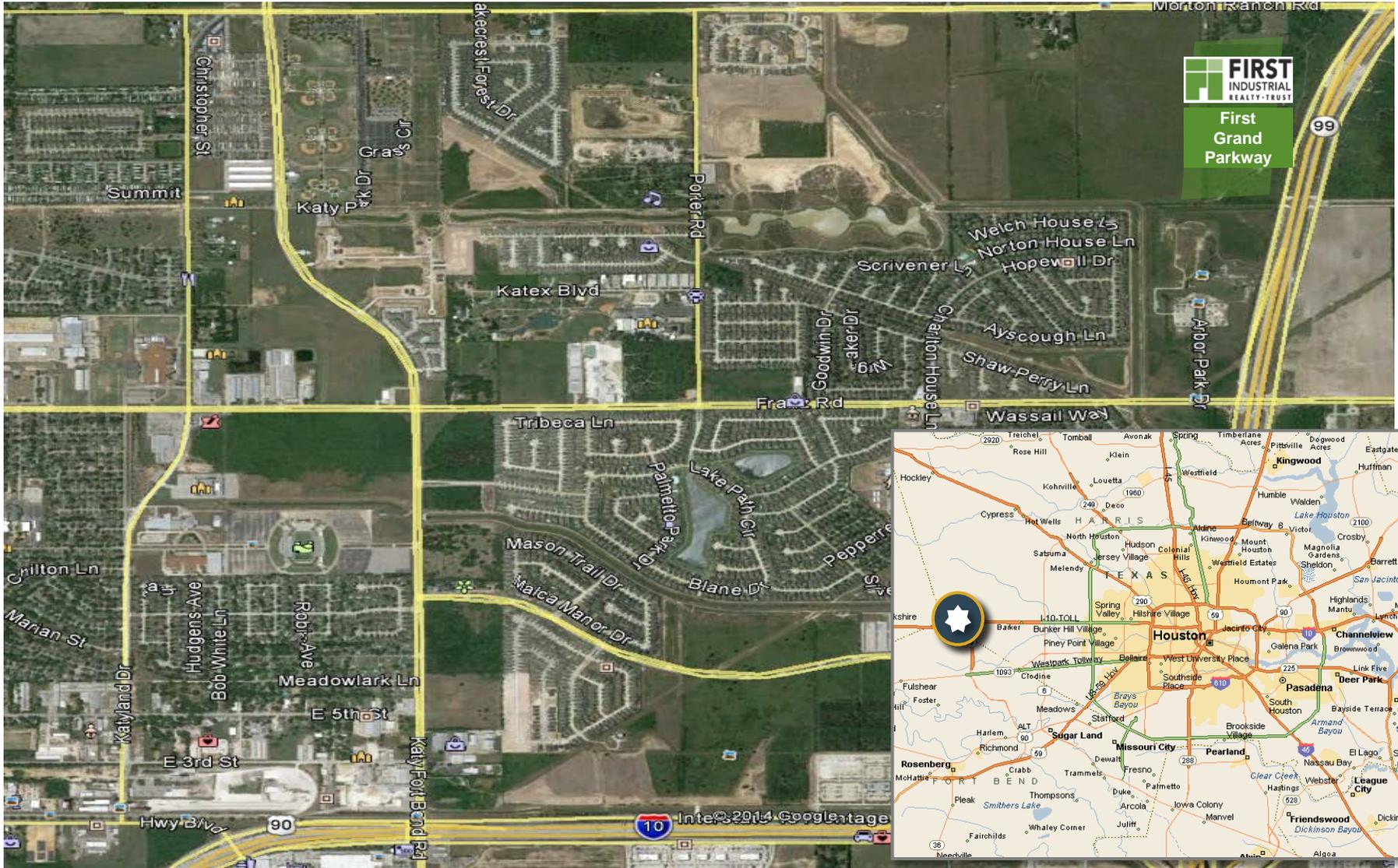
Key Sites	Market	Developable SF
First Grand Parkway Commerce Center	Houston, TX	828,000
First Park @ Ocean Ranch	San Diego, CA	237,000
First Nandina Logistics Center	Inland Empire, CA	Up to 1,450,000
First San Michelle Logistics Center	Inland Empire, CA	189,000
Covington Land	Covington, PA	502,000
Rockdale Land	Nashville, TN	1,500,000
Stockton Land	Stockton, CA	<u>1,200,000</u>
Key Sites - Total		5.9 MSF

Total Developable Land Inventory: 539 acres, ≈ 7.9 MSF developable⁽¹⁾

⁽¹⁾ Includes land related to planned 4Q14 starts of First Arlington Commerce Center @ I-20 and First 33 Commerce Center

First Grand Parkway Commerce Center • Houston

Developable Land – 828,000 SF



First Park @ Ocean Ranch • Southern California

Developable Land – 237,000 SF



First Nandina Logistics Center • Southern California

Developable Land – Up to 1,450,000 SF



First San Michelle Logistics Center • Southern California

Developable Land – 189,000 SF



First San Michelle



Covington Land • Central & Eastern Pennsylvania

Developable Land – 502,000 SF



Rockdale Land • Nashville

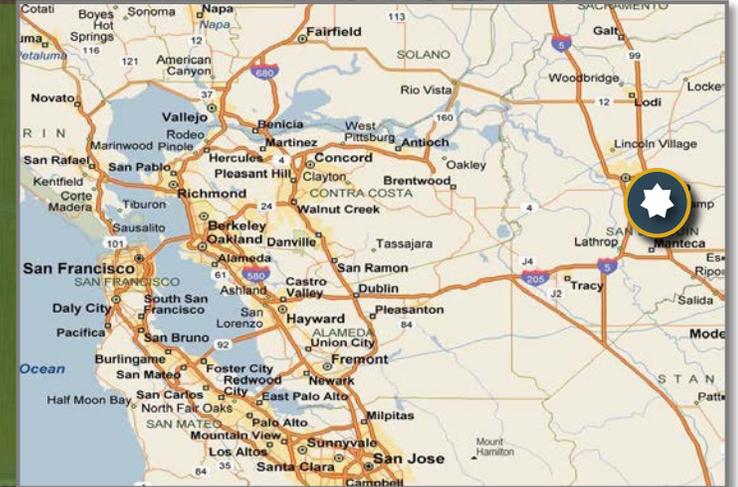
Developable Land – 1,500,000 SF



FIRST
INDUSTRIAL
REALTY TRUST
Rockdale, TN

Stockton Land • Northern California

Developable Land – 1,200,000 SF



FR Value Propositions

- Opportunity to deliver AFFO growth of as much as 70% to 90% by YE 2017 from YE 2013
- Valuation discount relative to:
 - Peers
 - Sales comparables
 - Replacement cost

Team and strategy in place to realize the value within our current portfolio.



Q&A