



Investor Presentation

Citi 2015 Global Property CEO Conference

March 2015

Safe Harbor

This presentation 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 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 future plans, strategies and expectations of the Company. 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) 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) in the Company's current and potential 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; delays 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, 2014 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 expertise for management, leasing, acquisitions, development and sales
- Track record of industry-leading customer service

Strong Capital Structure

- Net debt to EBITDA ratio of 6.2x as of 4Q14⁽¹⁾
- 2014 Fixed Charge Coverage of 2.45x
- Returned to investment grade by all three agencies

Diversified, In-fill Portfolio

- 64.8 million square feet owned and under development as of 12/31/14
- Nation's top industrial markets
- Top tenant = 2.8% of rental income; Top 20 tenants = 21.3%
- 94.3% occupied as of 12/31/14, 30 bps ahead of guidance for year end

Favorable Industrial Fundamentals

- 4Q14 was the 18th consecutive quarter of positive net absorption
- GDP growth drives tenant demand
- New supply still below historical levels
- FR cash rental rate spreads positive 4 consecutive quarters; GAAP = 12 consecutive

Cash Flow Growth Opportunity – Potential Drivers

- Drive occupancy to 95% by year-end 2015
- Rental rate escalations and rate growth
- Lower capital costs
- Lower TI/LC/Cap Ex
- Future development/acquisitions

⁽¹⁾ Normalizing G&A, excluding one-time restoration fee and adding back acquisition costs.

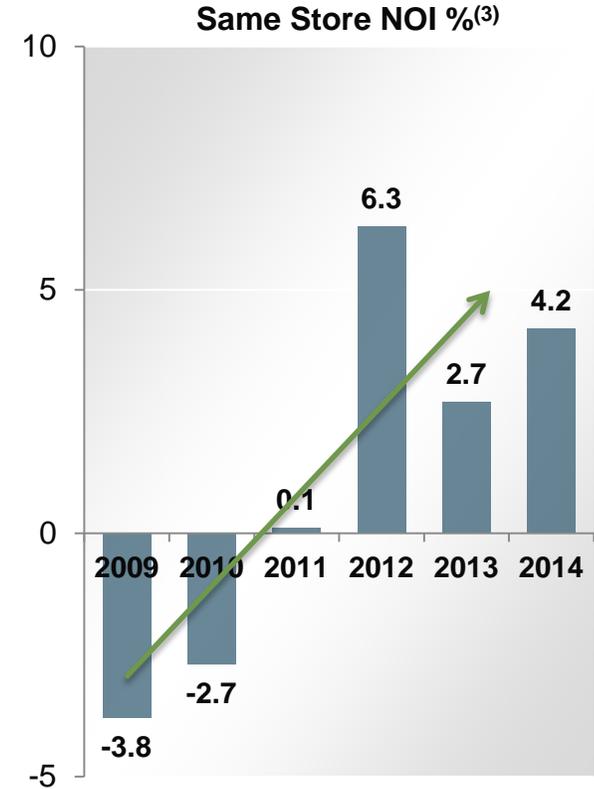
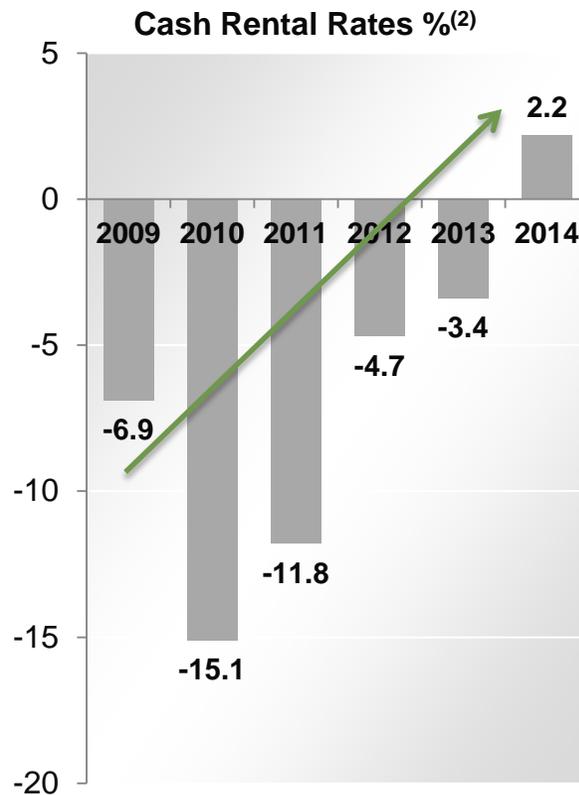
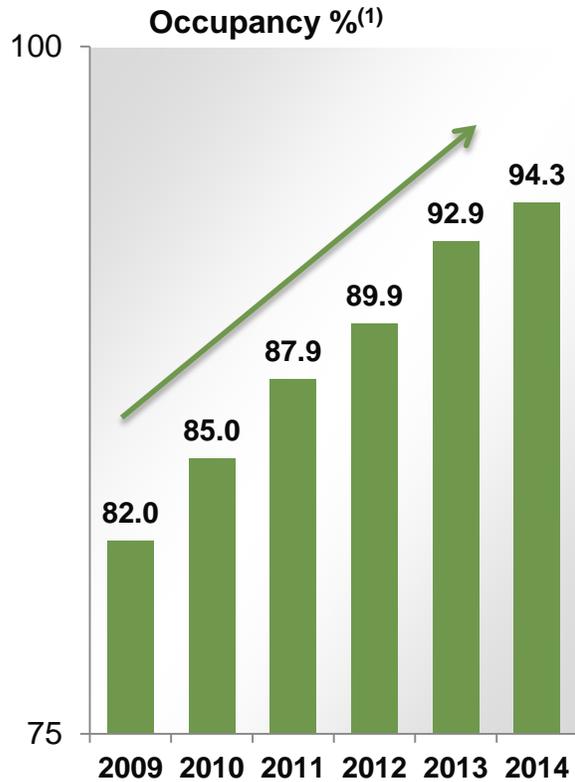
Broad Platform and Presence



**Allocating new capital to higher growth markets/submarkets
Southern California is largest market – and growing**

⁽¹⁾ Top five markets based on percentage of rental income as of December 31, 2014.

Key Portfolio Cash Flow Metrics



Reflects FR execution and improved market fundamentals

⁽¹⁾ Period End.

⁽²⁾ Period Average.

⁽³⁾ End of year population. Excludes one-time restoration fee in 2014.

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 12/31/14
Los Angeles	First Dominguez Gateway Center	213,544	0
Chicago	9501 Nevada	118,670	Sold
Atlanta	596 Bonnie Valentine	212,525	106,525
Central & Eastern PA	18212 Shawley	150,000	0
Central & Eastern PA	200 Cascade	127,400	48,400
Central & Eastern PA	301 Railroad	139,960	36,752
Atlanta	3060 South Park	159,193	0
Phoenix	9180 Buckeye	98,230	0
Miami	6891 Northwest 74 th	72,304	0
St. Louis	8921-8957 Frost	<u>80,000</u>	<u>32,000</u>
TOTAL		1,371,826 SF	223,677 SF

2014 Property Acquisitions

Name	Market	SF	Purchase Price	Price Per SF	GAAP Yield
First Arrowhead Business Center	Phoenix	220,324	\$18.2M ⁽²⁾	\$83	6.7%
Rivertown Distribution Center	Minneapolis	251,968	\$13.4M	\$53	7.3%
Aldrin Distribution Center	Minneapolis	200,000	\$12.0M	\$60	6.7%
4710 Guasti Road	Inland Empire West	133,342	\$10.6M	\$79	5.6%
16875 Heacock ⁽¹⁾	Inland Empire East	225,450	\$10.0M	\$44	6.4%
401 Airport Road	Chicago	53,260	\$3.2M	\$60	7.1%
Subtotal/Average		1,084,344	\$67.4	\$62	6.6%

⁽¹⁾ Leasehold interest approximately 60 years.

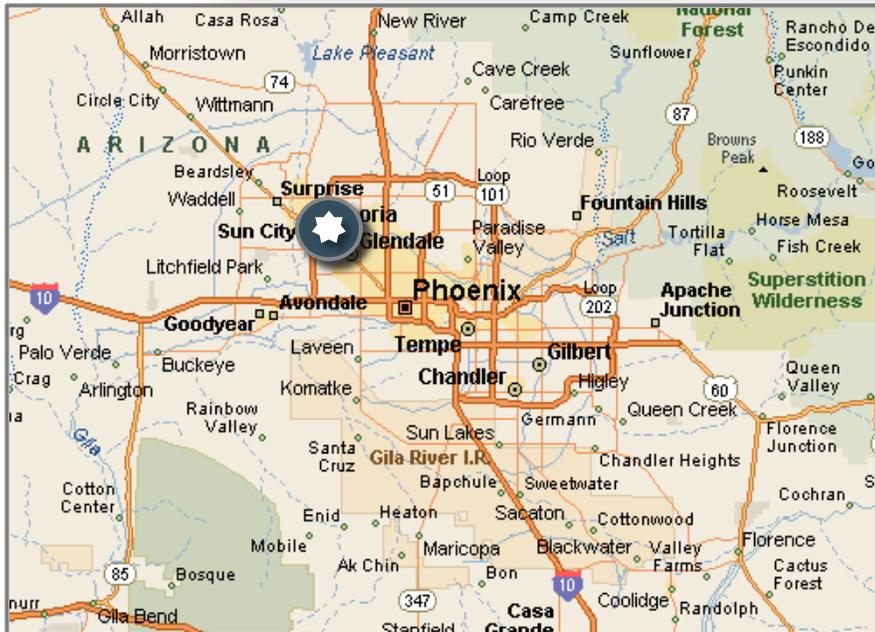
⁽²⁾ Estimated total investment is expected to be \$20.2M due to costs related to stabilizing the vacant building in this three-building acquisition.

First Arrowhead Business Center



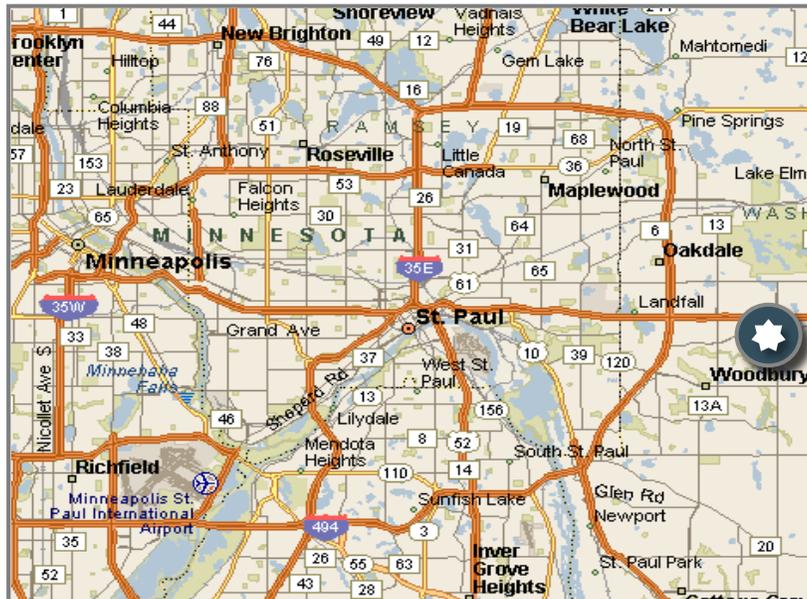
Summary

Square Feet:	220,324
Investment:	\$18.2M ⁽¹⁾ / \$83/SF
In-Place Yield:	4.6%
In-Place Occupancy:	71%
Stabilized Yield:	6.7%
Potential Annual NOI Impact:	\$1.3M



⁽¹⁾ Estimated total investment is expected to be \$20.2M due to costs related to stabilizing the vacant building in this three-building acquisition. Total investment per square foot expected to be \$92/SF.

Rivertown Distribution Center



Summary

Square Feet: 251,968

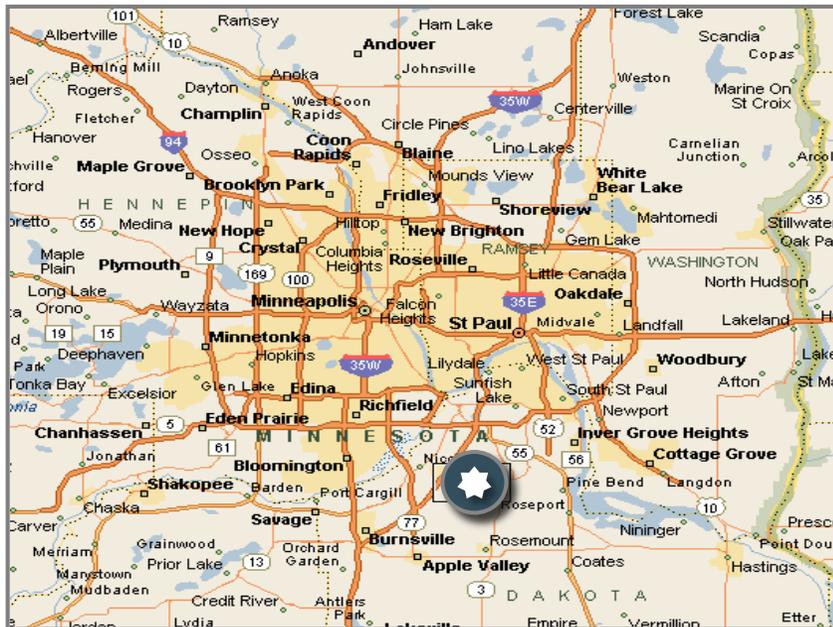
Investment: \$13.4M / \$53/SF

In-Place Yield: 7.3%

In-Place Occupancy: 100%

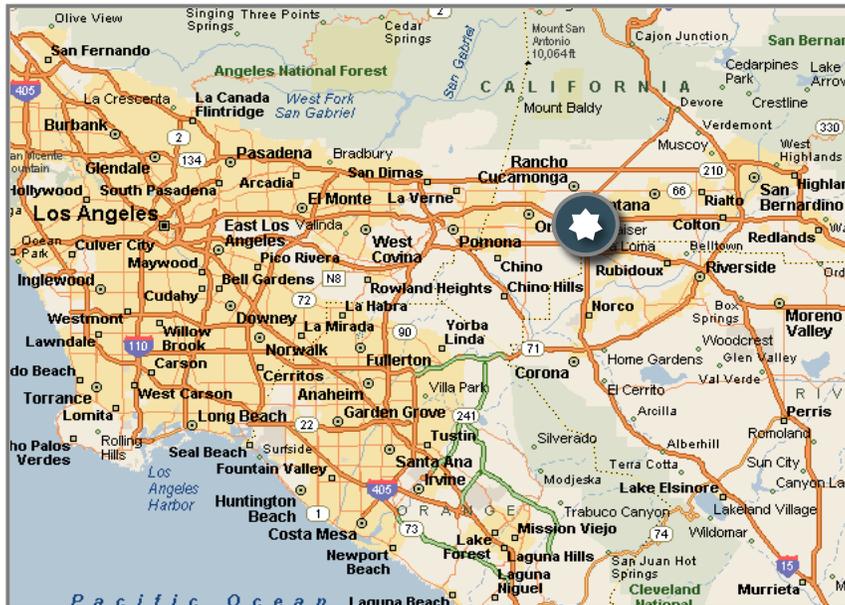
Annual NOI Impact: \$1.0M

Aldrin Distribution Center



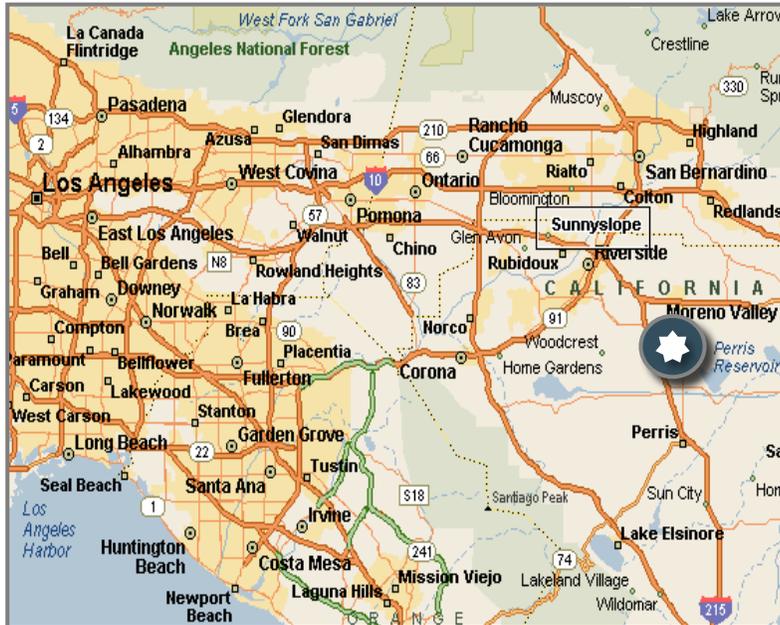
Summary	
Square Feet:	200,000
Investment:	\$12.0M / \$60/SF
In-Place Yield:	6.7%
In-Place Occupancy:	100%
Annual NOI Impact:	\$0.8M

4710 Guasti Road



Summary	
Square Feet:	133,342
Investment:	\$10.6M / \$79/SF
In-Place Yield:	5.6%
In-Place Occupancy:	100%
Annual NOI Impact:	\$0.6M

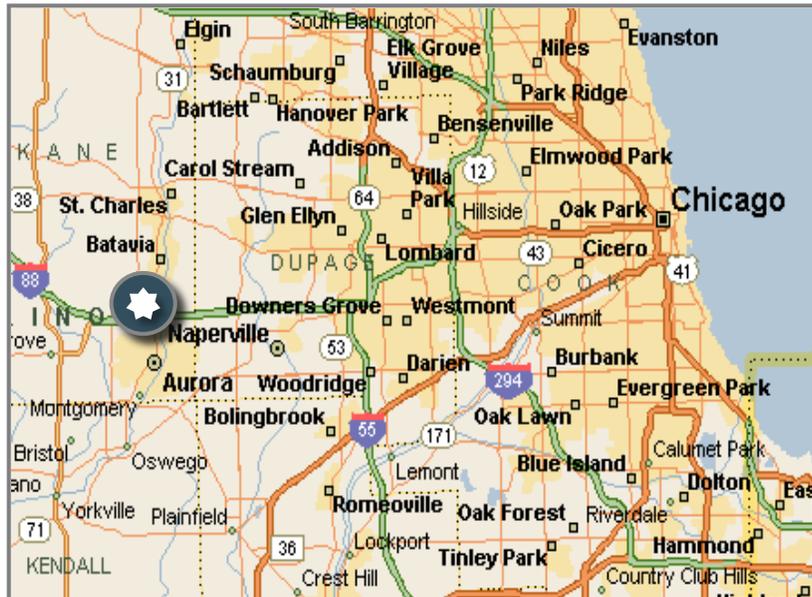
16875 Heacock Street



Summary	
Square Feet:	225,450
Investment ⁽¹⁾ :	\$10.0M / \$44/SF
In-Place Yield:	6.4%
In-Place Occupancy:	100%
Annual NOI Impact:	\$0.65M

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

401 Airport Road



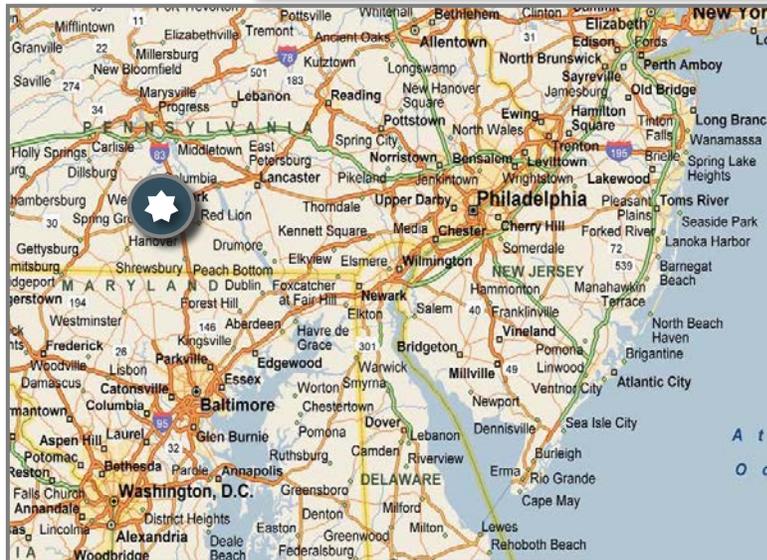
Summary	
Square Feet:	53,260
Investment:	\$3.2M / \$60/SF
In-Place Yield:	7.1%
In-Place Occupancy:	100%
Annual NOI Impact:	\$0.2M

2014 Placed In Service Developments

Name	Market	Total Investment	SF	\$/SF	GAAP Yield	% Occupancy
First Logistics Center @ I-83	Central PA	\$35.3M	708,000	\$50	8.5%	100%
First Bandini Logistics Center	S. California	\$55.0M	489,038	\$112	6.0%	100%
Rust-Oleum Expansion ⁽¹⁾	Chicago	\$8.4M	250,243	\$34	6.8%	100%
First Figueroa Logistics Center	S. California	\$8.5M	43,485	\$196	4.0%	100%
Interstate North – Building 1	Minneapolis	\$8.0M	96,787	\$83	8.9%	100%
Subtotal/Average		\$115.2M	1,587,553	\$73	6.9%	100%

⁽¹⁾ Total investment excludes land basis.

First Logistics Center @ I-83



Summary

Square Feet: 708,000

Investment: \$35.3M / \$50/SF

GAAP Yield: 8.5%

Completed: 4Q13

First Bandini Logistics Center



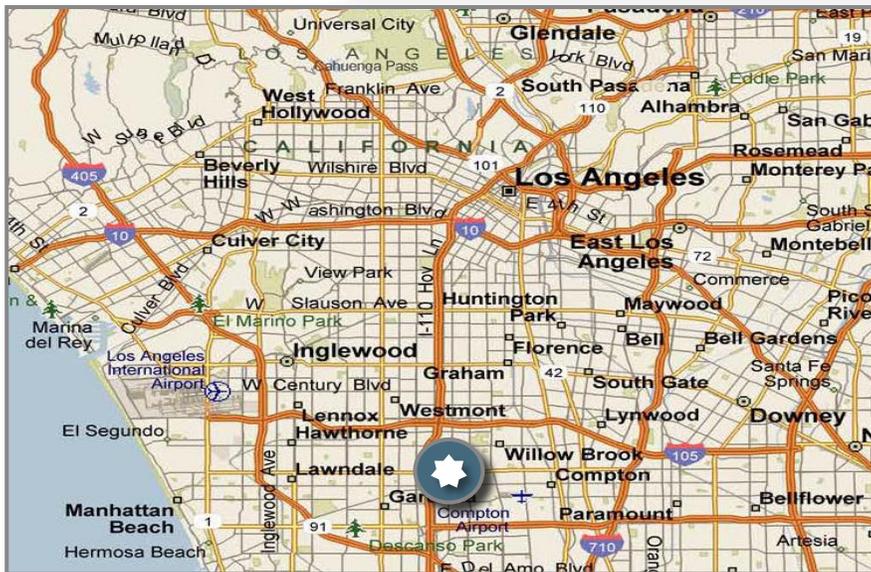
Summary	
Square Feet:	489,038
Investment:	\$55.0M / \$112/SF
GAAP Yield:	6.0%
Completed:	4Q13

Rust-Oleum Expansion



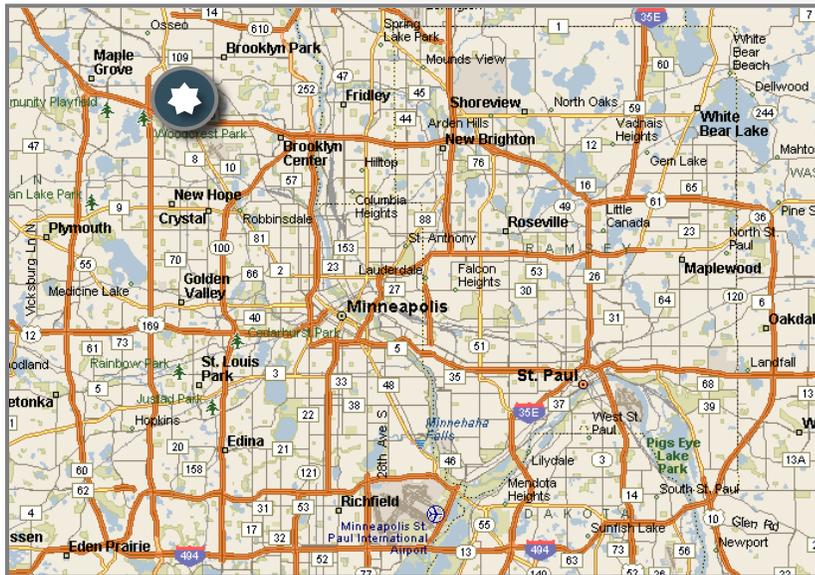
Summary	
Square Feet:	250,243
Investment:	\$8.4M / \$34/SF
GAAP Yield:	6.8%
Completed:	2Q14

First Figueroa Logistics Center



Summary	
Square Feet:	43,485
Investment:	\$8.5M / \$196/SF
GAAP Yield:	4.0%
Completion Date:	2Q14

Interstate North Business Park I

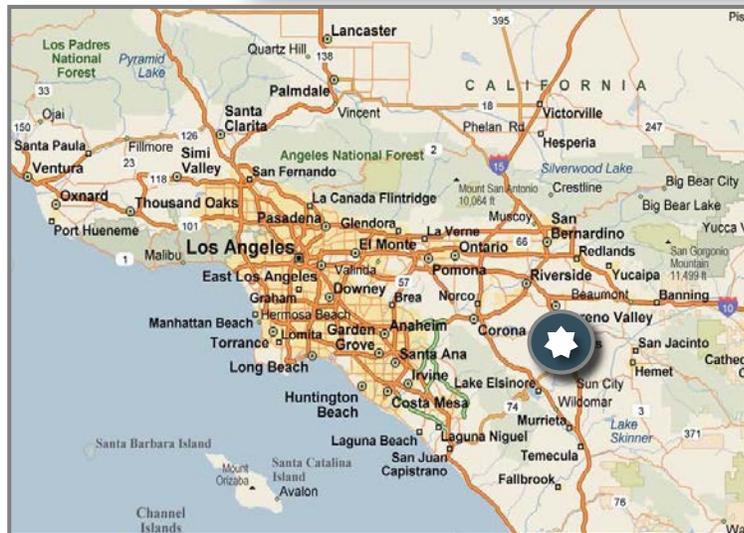


Summary	
Square Feet:	96,787
Investment:	\$8.0M / \$83/SF
GAAP Yield:	8.9%
Completed:	4Q14

New Development – Completed or In Process

Name	Market	SF	Total Investment	\$/SF	Estimated Yield (GAAP)	% Leased	Estimated Completion
First 36 Logistics Center	S. California	555,670	\$31.6M	\$57	6.8%	0%	2Q14
First Northwest Commerce Center	Houston	350,820	\$19.7M	\$56	8.1%	0%	4Q14
Interstate North Business Park II	Minneapolis	142,290	\$10.7M	\$75	7.3%	50%	4Q14
First Pinnacle Industrial Center	Dallas	598,445	\$25.7M	\$43	7.5%	87%	1Q/2Q15
First Arlington Commerce Center @ I-20	Dallas	153,000	\$9.5M	\$62	6.4%	41%	2Q15
First 33 Commerce Center	Eastern PA	584,760	\$43.8M	\$75	6.4%	0%	4Q15
Subtotal/Average		2,384,985	\$141.0M	\$59	7.0%	27%	

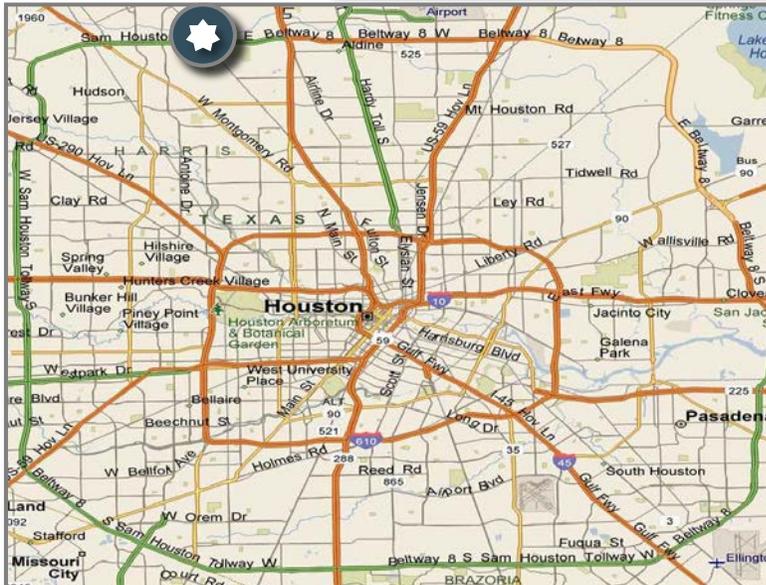
First 36 Logistics Center @ Moreno Valley, CA



Summary	
Square Feet:	555,670
Investment:	\$31.6M / \$57/SF
Yield ⁽¹⁾ :	6.8%
Completed:	2Q14

⁽¹⁾ Estimated yield based on first year stabilized NOI over GAAP investment basis.

First Northwest Commerce Center

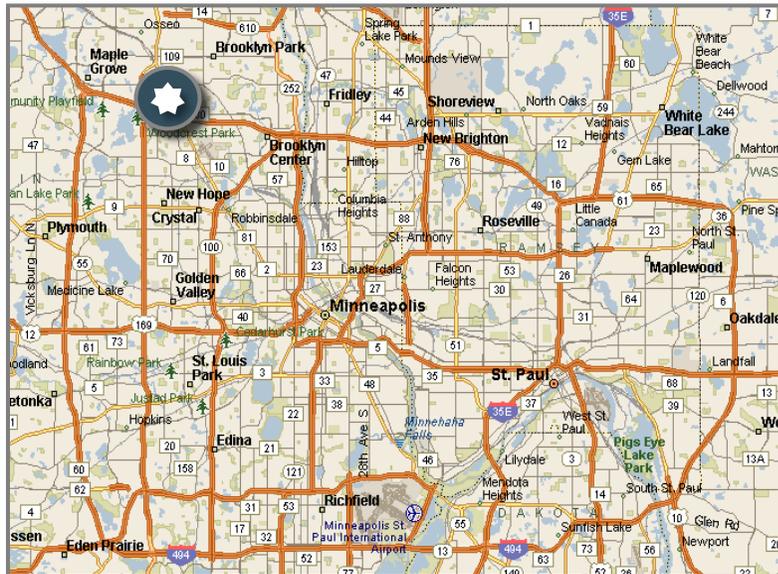


Summary

Square Feet:	350,820
Estimated Investment:	\$19.7M / \$56/SF
Estimated Yield ⁽¹⁾ :	8.1%
Completed:	4Q14

⁽¹⁾ Estimated yield based on first year stabilized NOI over GAAP investment basis.

Interstate North Business Park II

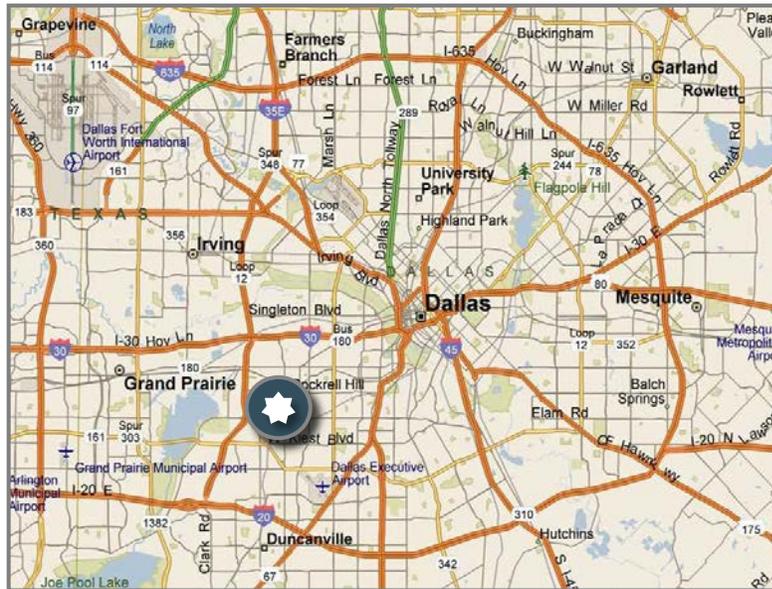


Summary

Square Feet:	142,290
Estimated Investment:	\$10.7M / \$75/SF
Estimated Yield ⁽¹⁾ :	7.3%
Completed:	4Q14

⁽¹⁾ Estimated yield based on first year stabilized NOI over GAAP investment basis.

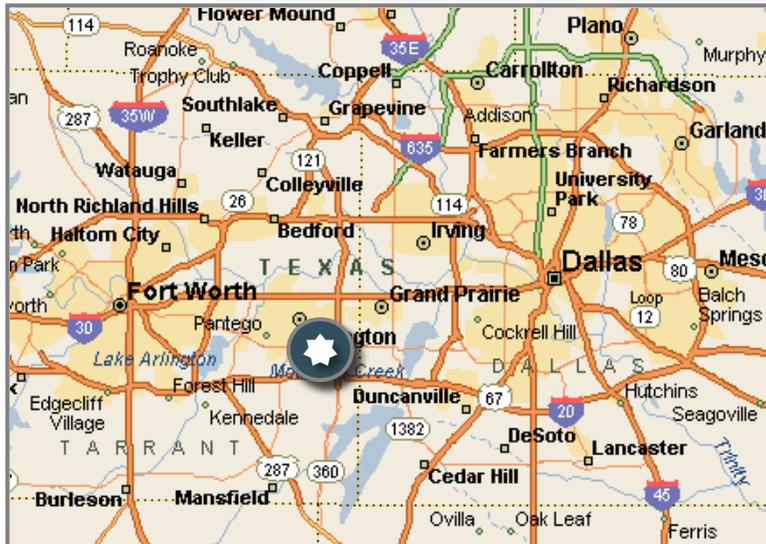
First Pinnacle Industrial Center



Summary	
Square Feet:	598,445
Estimated Investment:	\$25.7M / \$43/SF
Estimated Yield ⁽¹⁾ :	7.5%
Completion By:	1Q/2Q15

⁽¹⁾ Estimated yield based on first year stabilized NOI over GAAP investment basis. Two building project (376,601 SF and 221,844 SF).

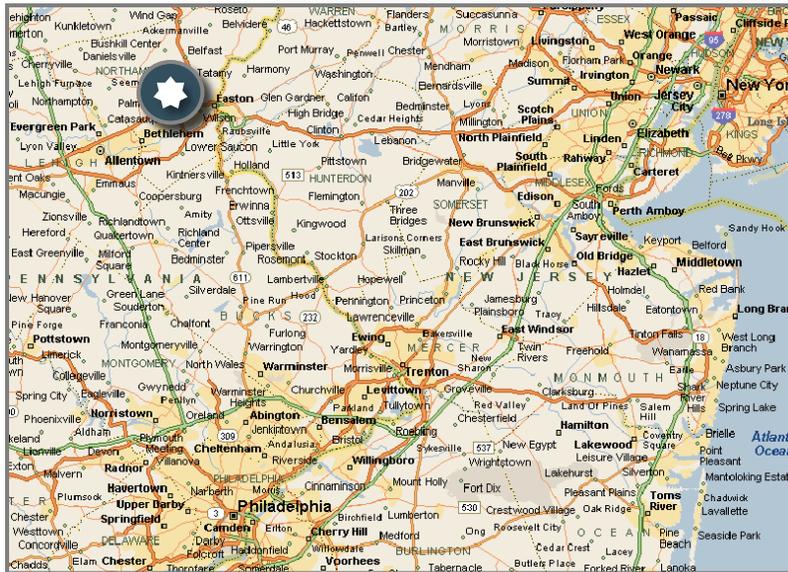
First Arlington Commerce Center @ I-20



Summary	
Square Feet:	153,000
Estimated Investment:	\$9.5M / \$62/SF
Estimated Yield ⁽¹⁾ :	6.4%
Completion By:	2Q15

⁽¹⁾ Estimated yield based on first year stabilized NOI over GAAP investment basis.

First 33 Commerce Center



Summary	
Square Feet:	584,760
Estimated Investment:	\$43.8M / \$75/SF
Estimated Yield ⁽¹⁾ :	6.4%
Completion By:	4Q15

⁽¹⁾ Estimated yield based on first year stabilized NOI over GAAP investment basis. Two building project (341,400 SF and 243,360 SF).

Developable Land

Key Sites	Market	Developable SF (K)
Rockdale Land	Nashville, TN	1,500
First Nandina Logistics Center	Inland Empire, CA	1,450
Stockton Land	Stockton, CA	1,200
Oakley Distribution Center	Atlanta, GA	924
Covington Land	Gouldsboro, PA	502
First Grand Parkway Commerce Center	Houston, TX	828
First Park @ Ocean Ranch	Southern CA	237
First San Michelle Logistics Center	Inland Empire, CA	189
Totals		6,830

First Park @ Ocean Ranch

1Q15 Start – Total of 237,000 SF, 3 Buildings⁽¹⁾



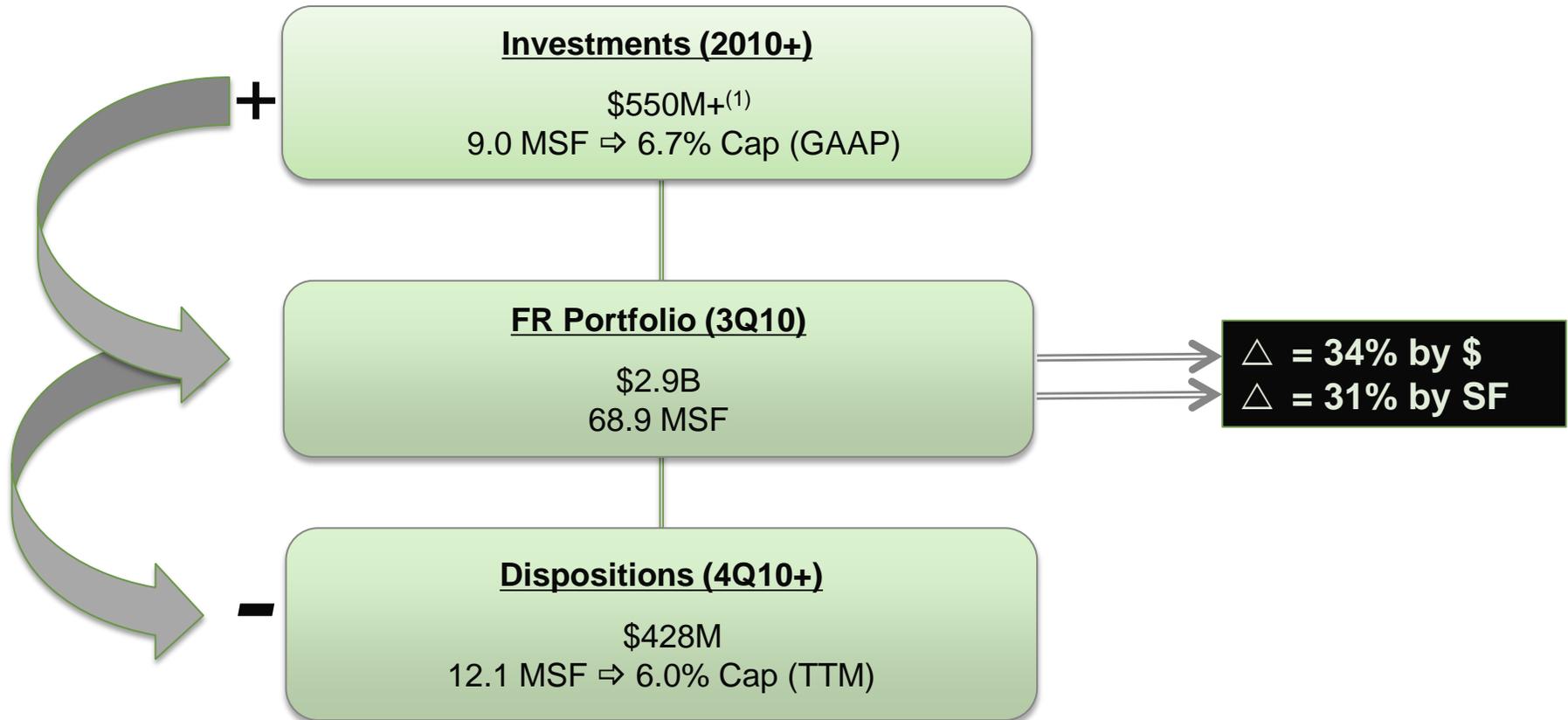
⁽¹⁾ Estimated yield of 6.7% based on first year stabilized NOI over GAAP investment basis; targeted completion of 4Q15.

2014 Sales Summary

Balance Sheet	
Building SF	2.0 MSF
Price	\$103M (\$51/SF without land)
Average Occupancy	77%
Trailing Twelve-Month Yield	6.0%
Stabilized Yield	7.4%
Occupancy Impact	50 bps

Executing on targeted sales to enhance portfolio and redeploy in higher growth assets

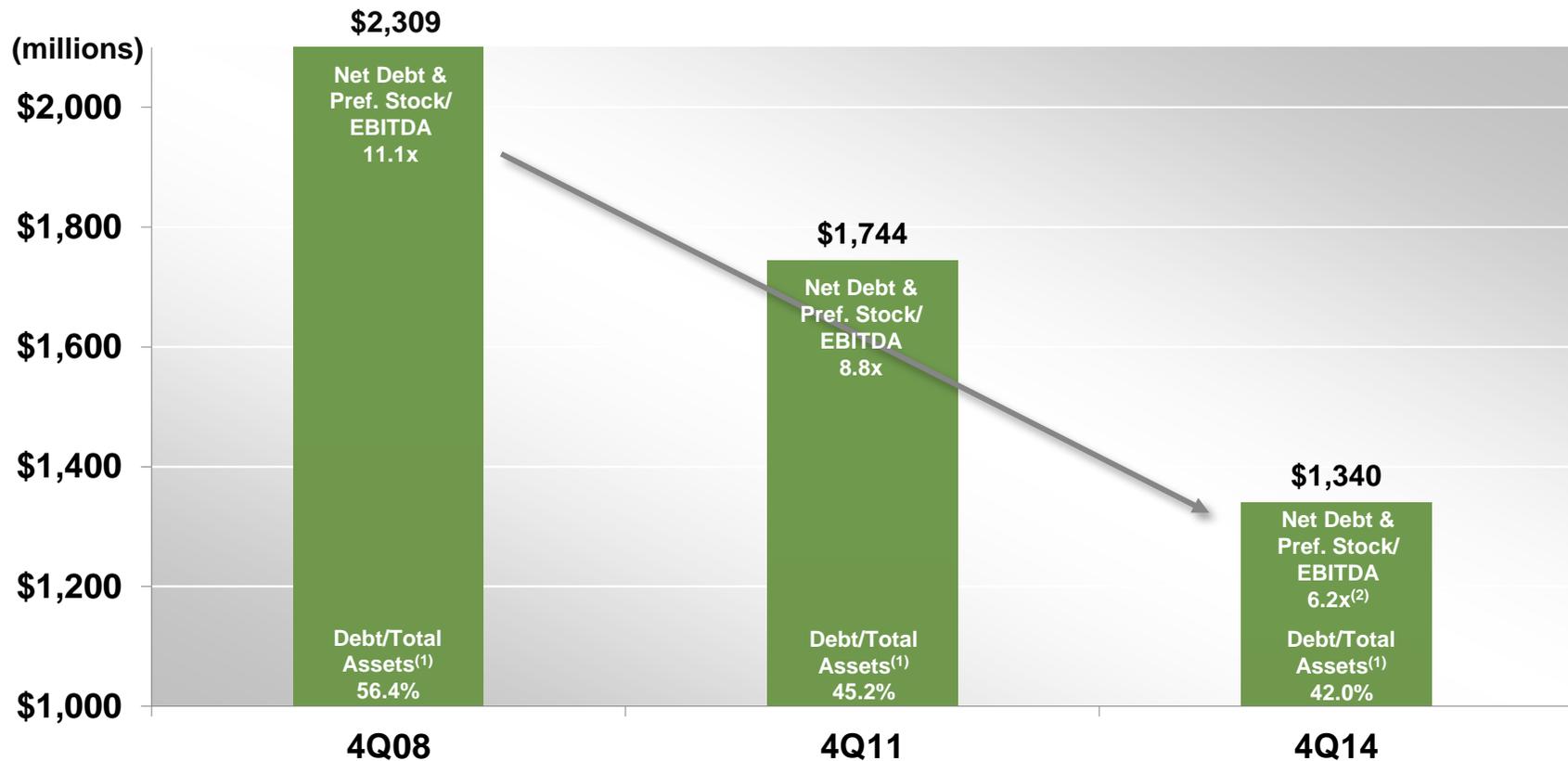
Upgrading the Portfolio Through 2014



⁽¹⁾ Through 12/31/14. Reflects full development cost of First 36, First Figueroa, First Northwest, First Pinnacle, Interstate North, First Arlington, First Park Ocean Ranch and First 33. Reflects land acquisition costs for First Nandina, First Grand Parkway and Oakley Distribution.

Improved Financial Profile Significantly Strengthened Balance Sheet

Net Debt/Preferred Stock: Reduced by approximately \$969M through 4Q14



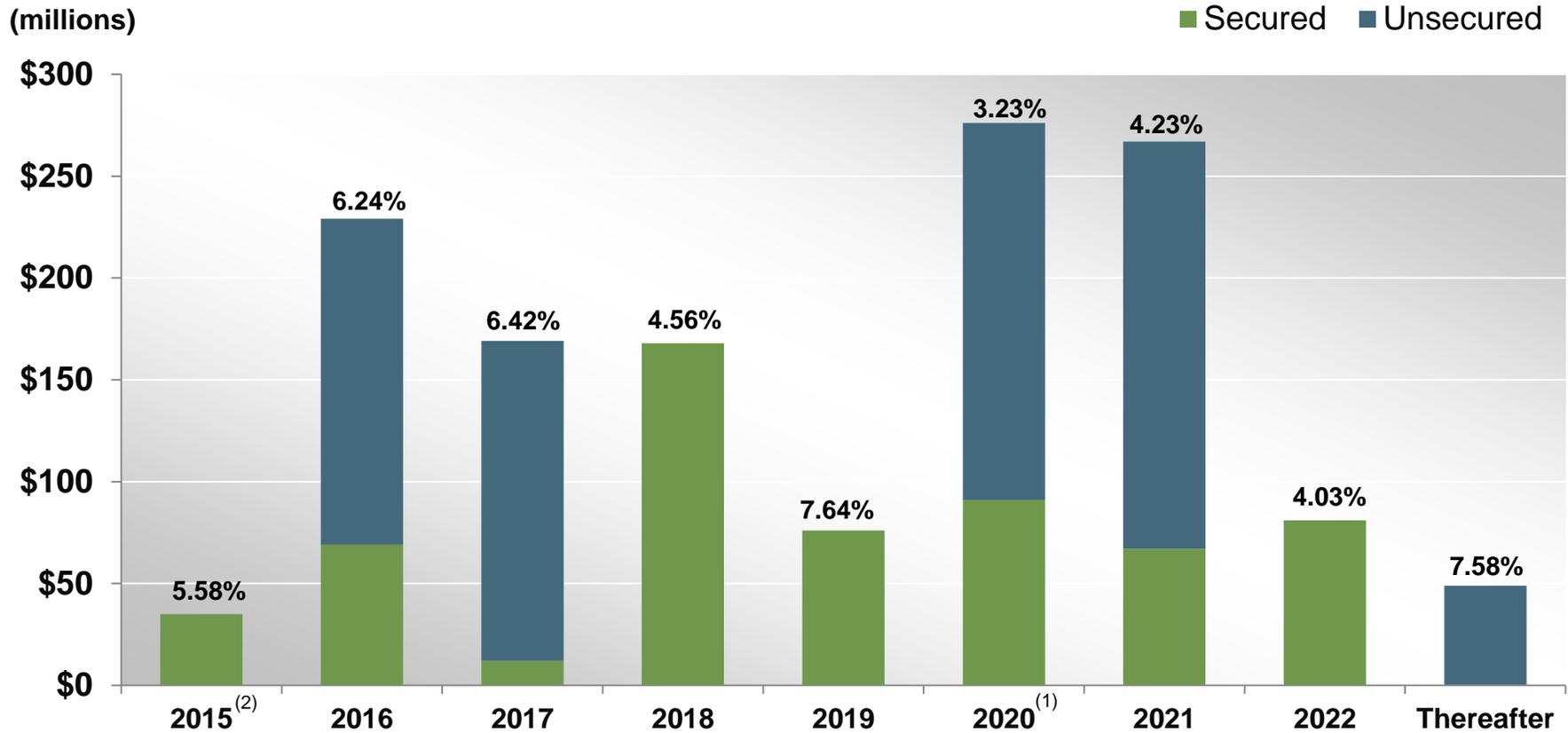
Well within target Debt + Preferred to EBITDA range of 6.0x to 7.0x

⁽¹⁾ Per Indebtedness to Total Assets covenant in senior unsecured note indentures.

⁽²⁾ EBITDA adjusted for one-time items.

Laddered Debt Maturities

(as of December 31, 2014)



⁽¹⁾ Assumes 4+1 maturity for LOC renewal.

⁽²⁾ Assumes prepayment of a \$23.2 mortgage due in 2016.

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
- Strong Credit Ratios
- Investment Grade
- Optimize Cost of Capital

Portfolio Management

- Selective Acquisitions
- Targeted Development Opportunities
- Disciplined Asset Sales

Deliver on opportunity to grow AFFO per share by as much as 70% to 90% by YE 2017 from 2013



Q&A

March 2015