



## **First Industrial and The Carlyle Group Enter Los Angeles Market with \$64 Million Acquisition**

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Co-Investment Acquires High-Quality, Strategically Located Portfolio from Pacifica Capital Group CHICAGO, September 15, 1999 – First Industrial Realty Trust, Inc. (NYSE: FR), one of the nation's largest industrial real estate investment trusts, announced today that it has agreed to purchase a portfolio of 40 industrial properties located primarily in Los Angeles' South Bay from the Pacifica Capital Group.

The properties, comprising 1.2 million square feet in the nation's second largest industrial market, are strategically located with excellent access to transportation corridors, airports and central business districts. Additionally, the portfolio was acquired at below-replacement cost with rents that are currently 20 percent below market.

"This transaction represents the very best in First Industrial's investment strategy," President and CEO Michael W. Brennan said. "Our entry into Los Angeles solidifies our national scope, and expands our Integrated Industrial Solutions? by enabling First Industrial to provide its clients with full-service capabilities in one of the most sought after markets in the world.

"Consistent with the Company's practice of hiring local market experts, we are retaining the five-member team currently operating the Los Angeles portfolio, which will report to Tim Gudim, managing director for the western U.S. Retaining local management illustrates our commitment to the 'L' of our INDL strategy – industrial focus, national scope, diversification and local management. Local managers intimately familiar with their specific markets help us lower operating risk, and simultaneously allow us to benefit from new opportunities in acquisition, development and redevelopment."

The Carlyle Group, a global private equity firm based in Washington, D.C. that originates and manages in excess of \$5 billion of equity to invest in corporate, real estate and venture capital transactions, is First Industrial's co-investor in the Los Angeles acquisition and has now partnered with First Industrial on its second investment. Formed in 1987, The Carlyle Group has invested over \$2 billion of equity in 80 transactions valued at \$8.5 billion. Mark J. Schoenfeld, a principal of The Carlyle Group, said, "It is again a pleasure to be partnering with First Industrial on such a high-quality collection of properties. The Carlyle Group prides itself on being the most discriminating of investors, as demonstrated by our second co-investment with First Industrial, the industry's leader in managing, acquiring and developing diversified industrial facilities."

First Industrial Realty Trust, Inc., one of the nation's largest, fully integrated providers of industrial real estate, owns and operates 69 million square feet of industrial facilities and manages an additional nine million square feet. The Company's strategy is to create shareholder value through the efficient operation of its national franchise, which is diversified across facility type, geographic location and customer base. First Industrial focuses on superior localized customer service and value-added investments including development and redevelopment.

This press release contains forward-looking information about the Company. A number of factors could cause the Company's actual results to differ materially from those anticipated, including changes in the general economic climate, the supply of and demand for industrial properties in the Company's markets, potential environmental liabilities, interest rate levels, the availability of financing, slippage in development or lease-up schedules, tenant credit risks and higher-than-expected costs. 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.