UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2005

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 1-13102

First Industrial Realty Trust, Inc.
(Exact Name of Registrant as Specified in its Charter)

Maryland	**36-3935116**
(State or Other Jurisdiction of Incorporation or Organization)	*(I.R.S. Employer Identification No.)*

311 S. Wacker Drive, Suite 4000, Chicago, Illinois 60606
(Address of Principal Executive Offices)

(312) 344-4300
(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No o

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes ☑ No o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No ☑

Number of shares of Common Stock, $.01 par value, outstanding as of November 2, 2005: 43,209,847

FIRST INDUSTRIAL REALTY TRUST, INC.

Form 10-Q

For the Period Ended September 30, 2005

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PART I. FINANCIAL INFORMATION

Item 1. ***Financial Statements***

FIRST INDUSTRIAL REALTY TRUST, INC.

CONSOLIDATED BALANCE SHEETS

	September 30, 2005 (Unaudited)	December 31, 2004
	(Dollars in Thousands, except per share data)	
ASSETS		
Assets:		
Investment in Real Estate:		
Land	$ 494,693	$ 472,126
Buildings and Improvements	2,491,907	2,361,256
Construction in Progress	31,658	23,092
Less: Accumulated Depreciation	(403,924)	(378,383)
Net Investment in Real Estate	2,614,334	2,478,091
Real Estate Held for Sale, Net of Accumulated Depreciation and Amortization of $194 and $3,374 at September 30, 2005 and December 31, 2004, respectively	9,611	52,790
Cash and Cash Equivalents	—	4,924
Restricted Cash	23,313	25
Tenant Accounts Receivable, Net	8,031	6,986
Investments in Joint Ventures	43,321	5,489
Deferred Rent Receivable	23,004	18,314
Deferred Financing Costs, Net	11,469	11,574
Deferred Leasing Intangibles, Net	57,404	38,956
Prepaid Expenses and Other Assets, Net	149,405	104,741
Total Assets	$ 2,939,892	$ 2,721,890
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Mortgage Loans Payable, Net	$ 58,063	$ 59,905
Senior Unsecured Debt, Net	1,348,543	1,347,524
Unsecured Line of Credit	380,500	167,500
Mortgage Loan Payable and Accrued Interest on Real Estate Held for Sale	—	—
Accounts Payable, Accrued Expenses and Other Liabilities	95,811	69,728
Deferred Leasing Intangibles, Net	12,101	8,698
Rents Received in Advance and Security Deposits	30,015	30,621
Dividends Payable	34,592	35,487
Total Liabilities	1,959,625	1,719,463
Commitments and Contingencies		—
Minority Interest	158,647	156,933
Stockholders' Equity:		
Preferred Stock ($.01 par value, 10,000,000 shares authorized, 20,000, 500 and 250 shares of Series C, F and G Cumulative Preferred Stock, respectively, issued and outstanding, having a liquidation preference of $2,500 per share ($50,000), $100,000 per share ($25,000) and $100,000 per share ($25,000), at September 30, 2005 and December 31, 2004, respectively)	—	—
Common Stock ($.01 par value, 100,000,000 shares authorized, 45,746,645 and 45,360,491 shares issued and 43,220,245 and 42,834,091 shares outstanding at September 30, 2005 and December 31, 2004, respectively)	458	454
Additional Paid-in-Capital	1,155,323	1,142,356
Distributions in Excess of Accumulated Earnings	(239,282)	(203,417)
Unearned Value of Restricted Stock Grants	(19,615)	(19,611)
Accumulated Other Comprehensive Loss	(4,676)	(3,700)
Treasury Shares at Cost (2,526,400 shares at September 30, 2005 and December 31, 2004)	(70,588)	(70,588)
Total Stockholders' Equity	821,620	845,494
Total Liabilities and Stockholders' Equity	$ 2,939,892	$ 2,721,890

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

FIRST INDUSTRIAL REALTY TRUST, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended September 30, 2005	Restated Three Months Ended September 30, 2004	Nine Months Ended September 30, 2005	Restated Nine Months Ended September 30, 2004
	(Dollars in Thousands, except per share data) (Unaudited)			
Revenues:				
Rental Income	$ 66,998	$ 57,521	$ 190,577	$ 167,622
Tenant Recoveries and Other Income	24,134	17,198	68,063	54,659
Revenues from Build to Suit for Sale	10,694	—	10,694	—
Total Revenues	101,826	74,719	269,334	222,281
Expenses:				
Real Estate Taxes	14,407	11,999	40,540	34,822
Repairs and Maintenance	6,076	5,635	19,386	17,512
Property Management	5,155	3,655	13,574	9,725
Utilities	3,192	2,501	9,456	7,906
Insurance	687	806	1,815	2,320
Other	2,080	933	5,604	3,875
General and Administrative	15,382	11,190	38,875	28,078
Amortization of Deferred Financing Costs	541	511	1,560	1,421
Depreciation of Corporate FF&E	343	325	1,000	965
Depreciation and Other Amortization	32,449	22,443	86,200	64,390
Expenses from Build to Suit for Sale	10,455	—	10,455	—
Total Expenses	90,767	59,998	228,465	171,014
Other Income/ Expense:				
Interest Income	219	1,274	1,056	2,852
Interest Expense	(27,413)	(25,733)	(79,106)	(73,289)
Mark-to-Market/ Gain on Settlement of Interest Rate Protection Agreement	1,212	—	749	1,450
Gain from Early Retirement of Debt, Net	82	—	82	—
Total Other Income/ Expense	(25,900)	(24,459)	(77,219)	(68,987)
Loss from Continuing Operations Before Equity in Income of Joint Ventures, Income Tax Benefit and Income Allocated to Minority Interest	(14,841)	(9,738)	(36,350)	(17,720)
Equity in Income of Joint Ventures	3,978	36,763	3,758	37,309
Income Tax Benefit	3,107	838	7,222	3,209
Minority Interest Allocable to Continuing Operations	1,326	(3,481)	4,206	(417)
(Loss) Income from Continuing Operations	(6,430)	24,382	(21,164)	22,381
Income from Discontinued Operations (Including Gain on Sale of Real Estate of $38,552 and $10,610 for the Three Months Ended September 30, 2005 and 2004, respectively and $85,738 and $66,093 for the Nine Months Ended September 30, 2005 and 2004, respectively)	39,634	14,406	91,211	79,440
Provision for Income Taxes Allocable to Discontinued Operations (Including $6,468 and $1,738 for the Three Months Ended September 30, 2005 and 2004, respectively and $12,210 and $5,464 for the Nine Months Ended September 30, 2005 and 2004, respectively allocable to Gain on Sale of Real Estate)	(6,625)	(2,333)	(13,083)	(7,119)
Minority Interest Allocable to Discontinued Operations	(4,361)	(1,653)	(10,266)	(10,053)
Income Before Gain on Sale of Real Estate	22,218	34,802	46,698	84,649
Gain on Sale of Real Estate	2,613	2,913	27,329	9,496
Provision for Income Taxes Allocable to Gain on Sale of Real Estate	(1,143)	(964)	(10,128)	(2,395)
Minority Interest Allocable to Gain on Sale of Real Estate	(194)	(267)	(2,260)	(987)
Net Income	23,494	36,484	61,639	90,763
Preferred Dividends	(2,310)	(2,344)	(6,930)	(12,178)
Redemption of Preferred Stock	—	(600)	—	(7,959)
Net Income Available to Common Stockholders	$ 21,184	$ 33,540	$ 54,709	$ 70,626
Basic Earnings Per Share:				
(Loss) Income from Continuing Operations	$ (0.18)	$ 0.57	$ (0.31)	$ 0.21
Net Income Available to Common Stockholders	$ 0.50	$ 0.83	$ 1.29	$ 1.76
Diluted Earnings Per Share:				
(Loss) Income from Continuing Operations	$ (0.18)	$ 0.57	$ (0.31)	$ 0.21
Net Income Available to Common Stockholders	$ 0.50	$ 0.82	$ 1.29	$ 1.75
Dividends/Distribution declared per Common Share outstanding	$ 0.695	$ 0.685	$ 2.085	$ 2.055

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

FIRST INDUSTRIAL REALTY TRUST, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Three Months Ended September 30, 2005	Restated Three Months Ended September 30, 2004	Nine Months Ended September 30, 2005	Restated Nine Months Ended September 30, 2004
	(Dollars in Thousands, except per share data) (Unaudited)			
Net Income	$ 23,494	$ 36,484	$ 61,639	$ 90,763
Other Comprehensive (Loss) Income:				
Reclassification of Settlement of Interest Rate Protection Agreements from Other Comprehensive Income	(159)	—	(159)	6,657
Mark-to-Market of Interest Rate Protection Agreements	—	113	—	106
Amortization of Interest Rate Protection Agreements	(270)	(288)	(817)	(235)
Comprehensive Income	$ 23,065	$ 36,309	$ 60,663	$ 97,291

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

FIRST INDUSTRIAL REALTY TRUST, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine Months Ended September 30, 2005	Restated Nine Months Ended September 30, 2004
	(Dollars in Thousands) (Unaudited)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	$ 61,639	$ 90,763
Income Allocated to Minority Interest	8,320	11,457
Net Income Before Minority Interest	69,959	102,220
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation	71,070	60,064
Amortization of Deferred Financing Costs	1,560	1,421
Other Amortization	24,481	16,595
Provision for Bad Debt	1,398	516
Mark-to-Market of Interest Rate Protection Agreement	(749)	—
Equity in Income of Joint Ventures	(3,758)	(37,309)
Distributions from Joint Ventures	590	37,595
Gain on Early Retirement of Debt	(82)	—
Gain on Sale of Real Estate	(113,067)	(75,589)
Increase in Build-to-Suit For Sale Costs Receivable	(10,694)	—
Increase in Tenant Accounts Receivable and Prepaid Expenses and Other Assets, Net	(20,243)	(27,848)
Increase in Deferred Rent Receivable	(6,495)	(4,499)
Increase in Accounts Payable and Accrued Expenses and Rents Received in Advance and Security Deposits	23,057	198
Net Cash Provided by Operating Activities	37,027	73,364
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of and Additions to Investment in Real Estate and Related Assets	(518,240)	(305,699)
Net Proceeds from Sales of Investments in Real Estate	392,498	199,134
Contributions to and Investments in Joint Ventures	(41,473)	(4,168)
Distributions from Joint Ventures	597	12,847
Repayment of Mortgage Loans Receivable	43,411	53,830
(Increase) Decrease in Restricted Cash	(23,288)	57,750
Net Cash (Used in) Provided By Investing Activities	(146,495)	13,694
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net Proceeds from the Issuance of Common Stock	6,664	38,786
Proceeds from the Sale of Preferred Stock	—	200,000
Preferred Stock Offering Costs	—	(5,576)
Redemption of Preferred Stock	—	(321,438)
Repurchase of Restricted Common Stock	(3,269)	(3,746)
Proceeds from Senior Unsecured Debt	—	134,496
Other Proceeds from Senior Unsecured Debt	—	6,657
Dividends/ Distributions	(103,079)	(97,350)
Preferred Stock Dividends	(8,162)	(12,178)
Repayments on Mortgage Loans Payable	(1,421)	(901)
Proceeds from Mortgage Loans Payable	1,167	1,400
Proceeds from Unsecured Line of Credit	376,500	484,000
Repayments on Unsecured Line of Credit	(163,500)	(500,900)
Book Overdraft	1,431	—
Debt Issuance Costs	(1,787)	(3,773)
Net Cash Provided by (Used) in Financing Activities	104,544	(80,523)
Net (Decrease) Increase in Cash and Cash Equivalents	(4,924)	6,535
Cash and Cash Equivalents, Beginning of Period	4,924	821
Cash and Cash Equivalents, End of Period	$ —	$ 7,356

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

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Dollars in thousands, except per share data)
(Unaudited)

1. Organization and Formation of Company

First Industrial Realty Trust, Inc. (the "Company") was organized in the state of Maryland on August 10, 1993. The Company is a real estate investment trust as defined in the Internal Revenue Code. The Company's operations are conducted primarily through First Industrial, L.P. (the "Operating Partnership") of which the Company is the sole general partner with an approximate 86.8% and 86.4% ownership interest at September 30, 2005 and September 30, 2004, respectively. Minority interest at September 30, 2005 and September 30, 2004 of approximately 13.2% and 13.6%, respectively, represents the aggregate partnership interest in the Operating Partnership held by the limited partners thereof.

As of September 30, 2005, the Company owned 908 industrial properties (inclusive of developments in process) located in 27 states, containing an aggregate of approximately 75.9 million square feet of gross leasable area ("GLA"). Of the 908 industrial properties owned by the Company, 559 are held by the Operating Partnership and limited liability companies of which the Operating Partnership is the sole member, 275 are held by limited partnerships in which the Operating Partnership is the limited partner and wholly-owned subsidiaries of the Company are the general partners and 74 are held by an entity wholly-owned by the Operating Partnership.

On September 14, 2005 and March 21, 2005, the Company, through entities wholly-owned, directly or indirectly, by the Operating Partnership, entered into joint venture arrangements with an institutional investor to invest in industrial properties (the "September 2005 Joint Venture" and "March 2005 Joint Venture"). The Company, through entities wholly-owned, directly or indirectly, by the Operating Partnership, owns a ten percent equity interest in and provides property management, leasing, development, disposition and portfolio management services to the September 2005 Joint Venture and the March 2005 Joint Venture. In addition, the Company has the opportunity to earn performance-based incentives when industrial assets are sold and returns exceed certain thresholds.

The Company, through separate, wholly-owned limited liability companies of which the Operating Partnership is the sole member, also owns minority equity interests in, and provides asset and property management services to, two other joint ventures which invest in industrial properties (the "September 1998 Joint Venture" and the "May 2003 Joint Venture"). The Company, through separate wholly-owned limited liability companies of which the Operating Partnership is also the sole member, also owned a minority interest in and provided property management services to another joint venture which invested in industrial properties (the "December 2001 Joint Venture"; together with the September 2005 Joint Venture, March 2005 Joint Venture, the September 1998 Joint Venture and the May 2003 Joint Venture, the "Joint Ventures"). During the year ended December 31, 2004, the December 2001 Joint Venture sold all of its industrial properties. The operating data of the Joint Ventures is not consolidated with that of the Company as presented herein.

2. Summary of Significant Accounting Policies

The accompanying unaudited interim financial statements have been prepared in accordance with the accounting policies described in the financial statements and related notes included in the Company's 2004 Form 10-K and should be read in conjunction with such financial statements and related notes. The following notes to these interim financial statements highlight significant changes to the notes included in the December 31, 2004 audited financial statements included in the Company's 2004 Form 10-K and present interim disclosures as required by the Securities and Exchange Commission.

In order to conform with generally accepted accounting principles, management, in preparation of the Company's financial statements, is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of September 30, 2005 and December 31, 2004, and the reported amounts of revenues and expenses for each of the nine and three months ended September 30, 2005 and September 30, 2004. Actual results could differ from those estimates.

During 2005 the Company entered into a contract with a third party to construct an industrial property. This build-to-suit for sale contract required an up front earnest money deposit and requires the remaining purchase price to be paid at closing. The Company uses the percentage-of-completion contract method of accounting in accordance with SOP 81-1 "Accounting for Performance of Construction-Type and Certain Production-Type Contracts". During the period of performance, costs are accumulated on the balance sheet in Prepaid Expenses and Other Assets and revenues and expenses are recognized in continuing operations.

The Company accounts for all acquisitions entered into subsequent to June 30, 2001 in accordance with Financial Accounting Standards Board's ("FASB") Statement of Financial Accounting Standard No. 141, "Business Combinations" ("FAS 141"). Upon acquisition of a property, the Company allocates the purchase price of the property based upon the fair value of the assets acquired, which generally consist of land, buildings, tenant improvements, leasing commissions and intangible assets including in-place leases and above market and below market leases. The Company allocates the purchase price to the fair value of the tangible assets of an acquired property by valuing the property as if it were vacant. Acquired above and below market leases are valued based on the present value of the difference between prevailing market rates and the in-place rates over the remaining lease term. Above market leases, Net of $6,666 are included in Deferred Leasing Intangibles, Net at September 30, 2005. Deferred Leasing Intangibles, Net, included in liabilities of $12,101 represents Below Market Leases, Net at September 30, 2005. Acquired above and below market leases are amortized over the remaining non-cancelable terms of the respective leases as an adjustment to rental revenue on the Company's consolidated statements of operations and comprehensive income.

The purchase price is further allocated to in-place lease values based on management's evaluation of the specific characteristic of each tenant's lease and the Company's overall relationship with the respective tenant. The net value of in-place lease intangibles of $50,738 at September 30, 2005, which is included as a component of Deferred Leasing Intangibles, Net is amortized to expense over the remaining lease term and expected renewal periods of the respective lease. If a tenant terminates its lease early, the unamortized portion of the tenant improvements, leasing commissions, above and below market leases and the in-place lease value is immediately charged to expense.

In the opinion of management, the accompanying unaudited interim financial statements reflect all adjustments necessary for a fair statement of the financial position of the Company as of September 30, 2005 and December 31, 2004 and the results of its operations and comprehensive income for each of the nine and three months ended September 30, 2005 and September 30, 2004, and its cash flows for the nine months ended September 30, 2005 and September 30, 2004, and all adjustments are of a normal recurring nature.

Restatement:

In the consolidated statement of operations for the three and nine months ended September 30, 2004 and cash flows for the nine months ended September 30, 2004 presented in its Form 10-Q filed November 9, 2004, the Company allocated its entire tax provision/benefit to income from discontinued operations. The Company has determined that its tax provision/benefit should be allocated between income from continuing operations, income from discontinued operations and gain on sale of real estate. The Company has restated its consolidated statement of operations for the nine and three months ended

September 30, 2004 and cash flows for the nine months ended September 30, 2004 to reflect this new allocation in this Form 10-Q. See Note 11 for further disclosure about the restatement.

Income Taxes:

The Company has elected to be taxed as a REIT under Sections 856 through 860 of the Code. As a result, the Company generally is not subject to federal income taxation to the extent of the income which it distributes if it satisfies the requirements set forth in Section 856 of the Code (pertaining to its organization and types of income and assets) necessary to maintain its status as a REIT, it distributes annually at least 90% of its REIT taxable income, as defined in the Code, to its stockholders and it satisfies certain other requirements. Accordingly, a provision has been made for federal income taxes in the accompanying consolidated financial statements only as it relates to the activities conducted in its taxable REIT subsidiary, First Industrial Development Services, Inc., which has been accounted for under Financial Accounting Standards Board (“FASB”) Statement of Financial Accounting Standards No. 109, “Accounting for Income Taxes” (“FAS 109”). Additionally, the Company and certain of its subsidiaries are subject to certain state and local income taxes; these taxes are included within the provision for income taxes in the accompanying consolidated financial statements. In accordance with FAS 109, the total benefit/expense has been separately allocated to income from continuing operations, income from discontinued operations and gain on sale of real estate.

Stock Incentive Plan:

Prior to January 1, 2003, the Company accounted for its stock incentive plans under the recognition and measurement principles of Accounting Principles Board (“APB”) Opinion No. 25, “Accounting for Stock Issued to Employees” (“APB 25”). Under APB 25, compensation expense is not recognized for options issued in which the strike price is equal to the fair value of the Company’s stock on the date of grant. On January 1, 2003, the Company adopted the fair value recognition provisions of FASB Statement of Financial Accounting Standards No. 123, “Accounting for Stock Based Compensation” (“FAS 123”), as amended by Statement of Financial Accounting Standards No. 148, “Accounting for Stock-Based Compensation — Transition and Disclosure”. The Company is applying the fair value recognition provisions of FAS 123 prospectively to all employee option awards granted after December 31, 2002. The Company has not awarded options to employees or directors of the Company subsequent to the adoption of FAS 123, and therefore no stock-based employee compensation expense is included in net income available to common stockholders related to the fair value recognition provisions of FAS 123.

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table illustrates the pro forma effect on net income and earnings per share as if the fair value recognition provisions of FAS 123 had been applied to all outstanding and unvested option awards in each period presented:

	Three Months Ended		Nine Months Ended	
	September 30, 2005	September 30, 2004	September 30, 2005	September 30, 2004
Net Income Available to Common Stockholders — as reported	$ 21,184	$ 33,540	$ 54,709	$ 70,626
Less: Total Stock-Based Employee Compensation Expense, Net of Minority Interest — Determined Under the Fair Value Method	(16)	(79)	(72)	(287)
Net Income Available to Common Stockholders — pro forma	$ 21,168	$ 33,461	$ 54,637	$ 70,339
Net Income Available to Common Stockholders per Share — as reported — Basic	$ 0.50	$ 0.83	$ 1.29	$ 1.76
Net Income Available to Common Stockholders per Share — pro forma — Basic	$ 0.50	$ 0.83	$ 1.29	$ 1.75
Net Income Available to Common Stockholders per Share — as reported — Diluted	$ 0.50	$ 0.82	$ 1.29	$ 1.75
Net Income Available to Common Stockholders per Share — pro forma — Diluted	$ 0.50	$ 0.82	$ 1.29	$ 1.74

Discontinued Operations:

On January 1, 2002, the Company adopted the FASB Statement of Financial Accounting Standards No. 144, “Accounting for the Impairment or Disposal of Long-Lived Assets” (“FAS 144”). FAS 144 addresses financial accounting and reporting for the disposal of long-lived assets. FAS 144 requires that the results of operations and gains or losses on the sale of property be presented in discontinued operations if both of the following criteria are met: (a) the operations and cash flows of the property have been (or will be) eliminated from the ongoing operations of the Company as a result of the disposal transaction and (b) the Company will not have any significant continuing involvement in the operations of the property after the disposal transaction. FAS 144 also requires prior period results of operations for these properties to be restated and presented in discontinued operations in prior consolidated statements of operations.

Reclassification

Certain 2004 items have been reclassified to conform with 2005 presentation.

Recent Accounting Pronouncements

In December, 2004, the FASB issued Statement of Financial Accounting Standards No. 153, “Exchanges of Nonmonetary Assets — An Amendment of APB Opinion No. 29” (“FAS 153”). The amendments made by FAS 153 are based on the principle that exchanges of nonmonetary assets should be measured based on the fair value of the assets exchanged. Further, the amendments eliminate the narrow exception for nonmonetary exchanges of similar productive assets and replace it with a broader exception for exchanges of nonmonetary assets that do not have “commercial substance.” FAS 153 is effective for nonmonetary asset exchanges occurring in fiscal periods beginning after June 15, 2005. The Company does not believe that the adoption of FAS 153 will have a material effect on the Company’s consolidated financial statements.

In December, 2004, the FASB issued Statement of Financial Accounting Standards No. 123: (Revised 2004) — Share-Based Payment (“FAS 123R”). FAS 123R replaces FAS 123, which the Company adopted on January 1, 2003. FAS 123R requires that the compensation cost relating to share-based payment transactions be recognized in financial statements and measured based on the fair value of the equity or liability instruments issued. FAS 123R is effective as of the first interim or annual reporting period that begins after December, 2005. The Company does not believe that the adoption of FAS 123R will have a material effect on the Company’s consolidated financial statements.

In May, 2005, the FASB issued Statement of Financial Accounting Standards No. 154, “Accounting Changes and Error Corrections” (“FAS 154”) which supersedes APB Opinion No. 20, “Accounting Changes” and Statement of Financial Accounting Standards No. 3, “Reporting Accounting Changes in Interim Financial Statements”. FAS 154 changes the requirements for the accounting for and reporting of changes in accounting principle. The statement requires the retroactive application to prior periods’ financial statements of changes in accounting principles, unless it is impracticable to determine either the period specific effects or the cumulative effect of the change. FAS 154 does not change the guidance for reporting the correction of an error in previously issued financial statements or the change in an accounting estimate. FAS 154 is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005.

In June, 2005, the FASB ratified the consensus reached by the Emerging Issues Task Force (“EITF”) regarding EITF 04-05, “Investor’s Accounting for an Investment in a Limited Partnership When the Investor is the Sole General Partner and the Limited Partners Have Certain Rights.” The conclusion provides a framework for addressing the question of when a sole general partner, as defined in EITF 04-05, should consolidate a limited partnership. The EITF has concluded that the general partner of a limited partnership should consolidate a limited partnership unless (1) the limited partners possess substantive kick-out rights as defined in paragraph B20 of FIN 46R, or (2) the limited partners possess substantive participating rights similar to the rights described in Issue 96-16, “Investor’s Accounting for an Investee When the Investor has a Majority of the Voting Interest by the Minority Shareholder or Shareholders Have Certain Approval or Veto Rights.” In addition, the EITF concluded that the guidance should be expanded to include all limited partnerships, including those with multiple general partners. The adoption of EITF 04-05 did not effect the results of operations, financial position or liquidity of the Company.

In June 2005, the FASB ratified the consensus reached by the EITF regarding EITF No. 05-6, “Determining the Amortization Period for Leasehold Improvements.” The guidance requires that leasehold improvements acquired in a business combination, or purchased subsequent to the inception of a lease, be amortized over the lesser of the useful life of the assets or a term that includes renewals that are reasonably assured at the date of the business combination or purchase. The guidance is effective for periods beginning after June 29, 2005. EITF 05-6 does not impact the company’s results of operations, financial position, or liquidity.

3. Investments in Joint Ventures

As of September 30, 2005, the September 1998 Joint Venture owned 41 industrial properties comprising approximately 1.3 million square feet of GLA, the May 2003 Joint Venture owned 11 industrial properties comprising approximately 4.7 million square feet of GLA, the March 2005 Joint Venture owned 28 industrial properties comprising approximately 3.4 million square feet of GLA and several land parcels and the September 2005 Joint Venture owned 218 industrial properties comprising approximately 14.1 million square feet of GLA and several land parcels. During the nine months ended September 30, 2005, the Company sold eight industrial properties and several land parcels to the March 2005 Joint Venture for a total sales price of $92,603.

The Company deferred 15% of the gain on sale of real estate and acquisition fees in the May 2003 Joint Venture, 10% of the gain on sale of real estate in the March 2005 Joint Venture and 10% of the acquisition fee in the September 2005 Joint Venture which is equal to the Company's respective economic interests. Total deferrals were $2,737 for the nine months ended September 30, 2005. The deferrals reduce the Company's investment in the joint ventures and are amortized into income over the life of the properties, generally 30 to 45 years. If the Joint Ventures sell any of these properties to a third party, the Company will recognize the unamortized portion of the deferred gain and fees as equity in income of joint ventures. If the Company repurchases any of these properties, the deferrals will be netted against the basis of the property purchased (which reduces the basis of the property).

At September 30, 2005 and December 31, 2004, the Company has a receivable from the Joint Ventures of $4,764 and $1,261, respectively, which mainly relates to borrowings made, as allowed by the partnership agreement, by the September 1998 Joint Venture from the Company and a receivable from the March 2005 Joint Venture relating to proceeds from the sale of a land parcel.

During the nine months ended September 30, 2005 and September 30, 2004, the Company invested the following amounts in the Joint Ventures as well as received distributions and recognized fees from acquisition, disposition, property management, development and asset management services in the following amounts:

	Nine Months Ended September 30, 2005	Nine Months Ended September 30, 2004
Contributions	$ 40,099	$ 2,525
Distributions	$ 1,187	$ 50,442
Fees	$ 5,054	$ 2,190

4. Mortgage Loans Payable, Net, Senior Unsecured Debt, Net and Unsecured Line of Credit

Mortgage Loans Payable:

On January 12, 2005, in conjunction with the acquisition of a parcel of land, the seller provided the Company a mortgage loan in the amount of $1,167 (the "Acquisition Mortgage Loan XV"). The Acquisition Mortgage Loan XV is collateralized by a land parcel in Lebanon, TN, does not require principal payments prior to maturity on January 12, 2006 and has a 0% interest rate. Since the Acquisition Mortgage XV is non-interest bearing, a discount should be applied with an offsetting amount allocated to the basis of the land. The Company has concluded that the discount is not material and has not accounted for the discount or the land basis adjustment.

On March 31, 2005, the Company assumed a mortgage loan in the amount of $1,977 (the "Acquisition Mortgage Loan XVI"). The Acquisition Mortgage Loan XVI is collateralized by one property in New Hope, MN, bears interest at a fixed rate of 5.50% and provides for monthly principal and interest payments based on a 20-year amortization schedule. The Acquisition Mortgage Loan XVI matures on September 30, 2024. In conjunction with the assumption of the Acquisition Mortgage Loan XVI, the Company recorded a premium in the amount of $32 which will be amortized as an adjustment to interest expense through March 31, 2009. Including the impact of the premium recorded, the Company's effective interest rate on the Acquisition Mortgage Loan XVI is 5.30%. The Acquisition Mortgage Loan XVI may be prepaid on April 1, 2009 without incurring a prepayment fee.

On June 27, 2005, the Company assumed a mortgage loan in the amount of $3,056 (the "Acquisition Mortgage Loan XVII"). The Acquisition Mortgage Loan XVII is collateralized by one property in Villa Rica, GA, bears interest at a fixed rate of 7.38% and provides for monthly principal and interest payments based on a 15-year amortization schedule. The Acquisition Mortgage Loan XVII matures on May 1, 2016. In conjunction with the assumption of the Acquisition Mortgage Loan XVII, the Company recorded a premium in the amount of $258 which will be amortized as an adjustment to interest expense through May 1, 2016. Including the impact of the premium recorded, the Company's effective interest rate on the Acquisition Mortgage Loan XVII is 5.70%. The Acquisition Mortgage Loan XVII may not be prepaid until maturity without incurring a prepayment fee.

On June 30, 2005, the Company assumed a mortgage loan in the amount of $6,513 (the "Acquisition Mortgage Loan XVIII"). The Acquisition Mortgage Loan XVIII is collateralized by one property in Hammonton, NJ, bears interest at a fixed rate of 7.58% and provides for monthly principal and interest payments based on a 20-year amortization schedule. The Acquisition Mortgage Loan XVIII matures on March 1, 2011. In conjunction with the assumption of the Acquisition Mortgage Loan XVIII, the Company recorded a premium in the amount of $749 which will be amortized as an adjustment to interest expense through November 30, 2010. Including the impact of the premium recorded, the Company's effective interest rate on the Acquisition Mortgage Loan XVIII is 4.93%. The Acquisition Mortgage Loan XVIII may be prepaid on December 1, 2010 without incurring a prepayment fee.

On September 30, 2004, the Company assumed a mortgage loan in the amount of $12,057 and borrowed an additional $1,400 (collectively referred to as the "Acquisition Mortgage Loan XIII"). The Acquisition Mortgage Loan XIII was collateralized by three properties in Phoenix, Arizona, bore interest at a fixed rate of 5.60% and provided for monthly principal and interest payments based on a 30-year amortization schedule. The Acquisition Mortgage Loan XIII matures on November 10, 2012. In conjunction with the assumption of the Acquisition Mortgage Loan XIII, the Company recorded a premium in the amount of $467 which was being amortized over the remaining life of the Acquisition Mortgage Loan XIII as an adjustment to interest expense. On July 13, 2005, the Company sold the properties that collateralized the Acquisition Mortgage Loan XIII. In conjunction with the sale, the buyer assumed the Acquisition Mortgage Loan XIII and the Company paid $291 in fees related to the assignment of the Acquisition Mortgage Loan XIII. Consequently, the Company wrote-off the remaining premium on the note of $424. Both the $291 of financing fees and $424 premium write-off are included in the Gain on Early Retirement of Debt on the Company's Statement of Operations.

Unsecured Line of Credit:

On August 23, 2005, the Company, through the Operating Partnership, amended and restated its $300,000 unsecured line of credit (the "Unsecured Line of Credit"), which was due September 28, 2007, and bore interest at a floating rate of LIBOR plus .7%, or the Prime Rate, at the Company's election. The amended and restated unsecured line of credit (the "2005 Unsecured Line of Credit") will mature on September 28, 2008, has a borrowing capacity of $500,000, with the right, subject to certain conditions, to increase the borrowing capacity up to $600,000 and bears interest at a floating rate of LIBOR plus .625%, or the Prime Rate, at the Company's election. The net unamortized deferred financing fees related to the Unsecured Line of Credit and any additional deferred financing fees incurred related to the 2005 Unsecured Line of Credit are being amortized over the life of the 2005 Unsecured Line of Credit in accordance with Emerging Issues Task Force Issue 98-14, "Debtor's Accounting for Changes in Line-of-Credit or Revolving-Debt Arrangements", except for $51, which represents the write off of deferred financing costs and is included in the gain from early retirement of debt.

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

The following table discloses certain information regarding the Company's mortgage loans payable, senior unsecured debt and unsecured line of credit:

	Outstanding Balance at		Accrued Interest Payable at		Interest Rate at	
	September 30, 2005	December 31, 2004	September 30, 2005	December 31, 2004	September 30, 2005	Maturity Date
Mortgage Loans Payable, Net						
Assumed Loan I	$ 2,496	$ 2,874	$ —	$ 22	9.250%	09/01/09
Assumed Loan II	1,866	1,995	—	15	9.250%	01/01/13
Acquisition Mortgage Loan IV	1,962	2,037	15	15	8.950%	10/01/06
Acquisition Mortgage Loan V	2,399(1)	2,456(1)	18	18	9.010%	09/01/06
Acquisition Mortgage Loan VIII	5,347	5,461	37	38	8.260%	12/01/19
Acquisition Mortgage Loan IX	5,546	5,664	38	39	8.260%	12/01/19
Acquisition Mortgage Loan X	15,865(1)	16,251(1)	95	99	8.250%	12/01/10
Acquisition Mortgage Loan XII	2,519(1)	2,565(1)	14	15	7.540%	01/01/12
Acquisition Mortgage Loan XIII	—	13,862(1)	—	42	5.600%	11/10/12
Acquisition Mortgage Loan XIV	6,480(1)	6,740(1)	35	13	6.940%	07/01/09
Acquisition Mortgage Loan XV	1,167	—	—	—	0.000%	01/12/06
Acquisition Mortgage Loan XVI	1,977(1)	—	9	—	5.500%	09/30/24
Acquisition Mortgage Loan XVII	3,262(1)	—	18	—	7.375%	05/01/16
Acquisition Mortgage Loan XVIII	7,177(1)	—	41	—	7.580%	03/01/11
Total	$ 58,063	$ 59,905	$ 320	$ 316		
Senior Unsecured Debt, Net						
2005 Notes	$ 50,000	$ 50,000	$ 1,246	$ 383	6.900%	11/21/05
2006 Notes	150,000	150,000	3,500	875	7.000%	12/01/06
2007 Notes	149,991(2)	149,988(2)	4,307	1,456	7.600%	05/15/07
2017 Notes	99,883(2)	99,876(2)	2,500	625	7.500%	12/01/17
2027 Notes	15,054(2)	15,053(2)	407	138	7.150%	05/15/27
2028 Notes	199,821(2)	199,815(2)	3,209	7,009	7.600%	07/15/28
2011 Notes	199,670(2)	199,624(2)	655	4,343	7.375%	03/15/11
2012 Notes	199,097(2)	198,994(2)	6,340	2,903	6.875%	04/15/12
2032 Notes	49,407(2)	49,390(2)	1,787	818	7.750%	04/15/32
2009 Notes	124,839(2)	124,806(2)	1,932	292	5.250%	06/15/09
2014 Notes	110,781(2)	109,978(2)	2,675	669	6.420%	06/01/14
Total	$ 1,348,543	$ 1,347,524	$ 28,558	$ 19,511		
Unsecured Line of Credit						
2005 Unsecured Line of Credit	$ 380,500	$ 167,500	$ 1,352	$ 549	4.520%	09/28/08

(1) At September 30, 2005, the Acquisition Mortgage Loan V, the Acquisition Mortgage Loan X, the Acquisition Mortgage Loan XII, the Acquisition Mortgage Loan XIV, the Acquisition Mortgage Loan XVI, the Acquisition Mortgage Loan XVII and the Acquisition Mortgage Loan XVIII include unamortized premiums of $34, $2,005, $238, $462, $28, $252, and $715 respectively. At December 31, 2004 the Acquisition Mortgage Loan V, the Acquisition Mortgage Loan X, the

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Acquisition Mortgage Loan XII, the Acquisition Mortgage Loan XIII, and the Acquisition Mortgage Loan XIV include unamortized premiums of $63, $2,291, $267, $453 and $553, respectively.

(2) At September 30, 2005, the 2007 Notes, 2017 Notes, 2027 Notes, 2028 Notes, 2011 Notes, 2012 Notes, 2032 Notes, 2009 Notes and the 2014 Notes are net of unamortized discounts of $9, $117, $16, $179, $330, $903, $593, $161 and $14,219, respectively. At December 31, 2004, the 2007 Notes, 2017 Notes, 2027 Notes, 2028 Notes, 2011 Notes, 2012 Notes, 2032 Notes, 2009 Notes and the 2014 Notes are net of unamortized discounts of $13, $124, $16, $185, $376, $1,006, $610, $194 and $15,023, respectively.

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

	Amount
Remainder of 2005	$ 50,508
2006	157,441
2007	152,153
2008	382,833
2009	132,195
Thereafter	924,769
Total	$ 1,799,899

Other Comprehensive Income:

In conjunction with the prior issuances of senior unsecured debt, the Company entered into interest rate protection agreements to fix the interest rate on anticipated offerings of senior unsecured debt. In the next 12 months, the Company will amortize approximately $1,059 into net income by reducing interest expense.

Derivatives:

On January 13, 2005, the Company, through First Industrial Development Services, Inc., entered into an interest rate protection agreement which hedged the change in value of a build to suit development project the Company is in the process of constructing. This interest rate protection agreement has a notional value of $50,000, is based on the five year treasury, has a strike rate of 3.936% and settles on October 4, 2005. Per FASB Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("FAS 133"), fair value and cash flow hedge accounting for hedges of non-financial assets and liabilities is limited to hedges of the risk of changes in the market price of the entire hedged item because changes in the price of an ingredient or component of a non-financial item generally do not have a predictable, separately measurable effect on the price of the item. Since the interest rate protection agreement is hedging a component of the change in value of the build to suit development, the interest rate protection agreement does not qualify for hedge accounting and the change in value of the interest rate protection agreement will be recognized immediately in net income as opposed to other comprehensive income. Included in mark-to-market/gain on settlement of interest rate protection agreement for the three and nine months ended September 30, 2005 is the mark-to-market/gain on settlement of the IRPA as well as a deferred gain of $159 that was reclassed out of OCI relating to a settled interest rate protection agreement that no longer qualifies for hedge accounting under FAS 133. Accordingly, the Company recognized $1,212 and $749 in net gain from the mark-to-market of the interest rate protection agreement for the three and nine months ended September 30, 2005, respectively.

5. Stockholders' Equity

Dividend/Distributions:

The following table summarizes dividends/distributions accrued during the nine months ended September 30, 2005.

	Nine Months Ended September 30, 2005	
	Dividend/ Distribution per Share/Unit	Total Dividend/ Distribution
Common Stock/ Operating Partnership Units	$ 2.085	$ 103,416
Series C Preferred Stock	$ 161.70	$ 3,234
Series F Preferred Stock	$ 4,678.00	$ 2,339
Series G Preferred Stock	$ 5,428.00	$ 1,357

Non-Qualified Employee Stock Options:

During the nine months ended September 30, 2005, certain employees of the Company exercised 247,764 non-qualified employee stock options. Net proceeds to the Company were approximately $6,664.

Restricted Stock:

During the nine months ended September 30, 2005, the Company awarded 189,878 shares of restricted common stock to certain employees of the Company and 9,135 shares of restricted common stock to certain Directors of the Company. These shares of restricted common stock had a fair value of approximately $8,340 on the date of grant. The restricted common stock vests over periods from one to ten years. Compensation expense will be charged to earnings over the respective vesting period.

Units:

During the nine months ended September 30, 2005, the Operating Partnership issued 220,745 Units having an aggregate market value of approximately $8,875 in exchange for three properties.

6. Acquisition of Real Estate

During the nine months ended September 30, 2005, the Company acquired 86 industrial properties comprising approximately 12.0 million square feet of GLA and several land parcels. The gross purchase price for 85 industrial properties and several land parcels totaled approximately $415,915. Additionally, one industrial property was acquired through foreclosure due to a default on a mortgage loan receivable.

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

During the nine months ended September 30, 2005, the Company sold 66 industrial properties comprising approximately 9.0 million square feet of GLA and several land parcels. Gross proceeds from the sales of the 66 industrial properties and several land parcels were approximately $472,608. The gain on sale of real estate, net of income taxes was approximately $90,729. Fifty-six of the sixty-six sold industrial properties meet the criteria established by FAS 144 to be included in discontinued operations. Therefore, in accordance with FAS 144, the results of operations and gain on sale of real estate, net of income taxes for the 56 sold industrial properties that meet the criteria established by FAS 144 are included in discontinued operations. The results of operations and gain on sale of real estate, net of income taxes for the ten industrial properties and several land parcels that do not meet the criteria established by FAS 144 are included in continuing operations.

At September 30, 2005, the Company classified four industrial properties comprising approximately .09 million square feet of GLA as held for sale. In accordance with FAS 144, the results of operations of the four industrial properties held for sale at September 30, 2005 are included in discontinued operations. There can be no assurance that such industrial properties held for sale will be sold.

Income from discontinued operations for the nine months ended September 30, 2005 reflects the results of operations and gain on sale of real estate, net of income taxes of 56 industrial properties that were sold during the nine months ended September 30, 2005 as well as the results of operations of four industrial properties held for sale at September 30, 2005.

Income from discontinued operations for the nine months ended September 30, 2004, reflects the results of operations of 56 industrial properties that were sold during the nine months ended September 30, 2005, 92 industrial properties that were sold during the year ended December 31, 2004, four industrial properties identified as held for sale at September 30, 2005, as well as the gain on sale of real estate from 66 industrial properties which were sold during the nine months ended September 30, 2004.

The following table discloses certain information regarding the industrial properties included in discontinued operations by the Company for the three and nine months ended September 30, 2005 and September 30, 2004.

	Three Months Ended September 30, 2005	Restated Three Months Ended September 30, 2004	Nine Months Ended September 30, 2005	Restated Nine Months Ended September 30, 2004
Total Revenues	$ 2,476	$ 8,242	$ 14,577	$ 30,605
Operating Expenses	(737)	(2,323)	(4,845)	(9,548)
Depreciation and Amortization	(628)	(2,056)	(3,886)	(7,515)
Interest Expense	(29)	(67)	(373)	(195)
Provision for Income Taxes	(157)	(595)	(873)	(1,655)
Gain on Sale of Real Estate	38,552	10,610	85,738	66,093
Provision for Income Taxes Allocable to Gain on Sale	(6,468)	(1,738)	(12,210)	(5,464)
Income from Discontinued Operations	$ 33,009	$ 12,073	$ 78,128	$ 72,321

8. Supplemental Information to Statements of Cash Flows

Supplemental disclosure of cash flow information:

	Nine Months Ended September 30, 2005	Nine Months Ended September 30, 2004
Interest paid, net of capitalized interest	$ 69,625	$ 64,010
Interest capitalized	$ 2,363	$ 870
Supplemental schedule of non-cash investing and financing activities:		
Distribution payable on common stock/ Units	$ 34,592	$ 32,872
Distribution payable on preferred stock	$ —	$ —
Exchange of units for common shares:		
Minority interest	$ (1,951)	$ (4,114)
Common stock	1	2
Additional paid-in-capital	1,950	4,112
	$ —	$ —
In conjunction with the property and land acquisitions, the following assets and liabilities were assumed:		
Accounts payable and accrued expenses	$ (4,218)	$ (2,188)
Issuance of Operating Partnership Units	$ (8,875)	$ —
Mortgage debt	$ (11,545)	$ (12,057)
Foreclosed property acquisition and write-off of a mortgage loan receivable	$ 3,870	$ —
Write-off of retired assets	$ 25,840	$ —
In conjunction with certain property sales, the Company provided seller financing and assigned a mortgage note payable:		
Notes receivable	$ 51,158	$ 79,721
Mortgage note payable	$ 13,242	$ —

9. Earnings Per Share ("EPS")

The computation of basic and diluted EPS is presented below:

	Three Months Ended September 30, 2005	Restated Three Months Ended September 30, 2004	Nine Months Ended September 30, 2005	Restated Nine Months Ended September 30, 2004
Numerator:				
(Loss) Income from Continuing Operations	$ (6,430)	$ 24,382	$ (21,164)	$ 22,381
Gain on Sale of Real Estate, Net of Minority Interest and Income Taxes	1,276	1,682	14,941	6,114
Less: Preferred Stock Dividends	(2,310)	(2,344)	(6,930)	(12,178)
Less: Redemption of Preferred Stock	—	(600)	—	(7,959)
(Loss) Income from Continuing Operations Available to Common Stockholders, Net of Minority Interest — For Basic and Diluted EPS	(7,464)	23,120	(13,153)	8,358
Discontinued Operations, Net of Minority Interest and Income Taxes	28,648	10,420	67,862	62,268
Net Income Available to Common Stockholders — For Basic and Diluted EPS	$ 21,184	$ 33,540	$ 54,709	$ 70,626
Denominator:				
Weighted Average Shares — Basic	42,468,264	40,450,205	42,304,870	40,106,629
Employee and Director Common Stock Options	—	193,358	—	230,449
Employee and Director Shares of Restricted Stock	—	120,807	—	107,891
Weighted Average Shares — Diluted	42,468,264	40,764,370	42,304,870	40,444,969
Basic EPS:				
(Loss) Income from Continuing Operations Available to Common Stockholders, Net of Minority Interest	$ (0.18)	$ 0.57	$ (0.31)	$ 0.21
Discontinued Operations, Net of Minority Interest and Income Taxes	$ 0.67	$ 0.26	$ 1.60	$ 1.55
Net Income Available to Common Stockholders	$ 0.50	$ 0.83	$ 1.29	$ 1.76

	Three Months Ended September 30, 2005	Restated Three Months Ended September 30, 2004	Nine Months Ended September 30, 2005	Restated Nine Months Ended September 30, 2004
Diluted EPS:				
(Loss) Income from Continuing Operations Available to Common Stockholders, Net of Minority Interest	$ (0.18)	$ 0.57	$ (0.31)	$ 0.21
Discontinued Operations, Net of Minority Interest and Income Taxes	$ 0.67	$ 0.26	$ 1.60	$ 1.54
Net Income Available to Common Stockholders	$ 0.50	$ 0.82	$ 1.29	$ 1.75

For 2005, weighted average shares — diluted are the same as weighted average shares — basic as the dilutive effect of stock options and restricted stock was excluded as its inclusion would have been anti-dilutive to the loss from continuing operations available to common stockholders, net of minority interest. The dilutive stock options excluded from the computation are 114,573 for the three months ended September 30, 2005 and 149,311 for the nine months ended September 30, 2005. The dilutive restricted stock excluded from the computation are 90,781 for the three months ended September 30, 2005 and 91,765 for the nine months ended September 30, 2005.

10. Commitments and Contingencies

In the normal course of business, the Company is involved in legal actions arising from the ownership of its properties. In management's opinion, the liabilities, if any, that may ultimately result from such legal actions are not expected to have a materially adverse effect on the consolidated financial position, operations or liquidity of the Company.

The Company has committed to the construction of certain industrial properties totaling approximately 4.1 million square feet of GLA. The estimated total construction costs are approximately $206.6 million. Of this amount, approximately $107.1 million remains to be funded. There can be no assurance the actual completion cost will not exceed the estimated completion cost stated above.

At September 30, 2005, the Company had 16 letters of credit outstanding in the aggregate amount of $7,396. These letters of credit expire between March 2006 and April 2007.

11. Restatement of Consolidated Statement of Operations

In the consolidated statement of operations for the three and nine months ended September 30, 2004 and cash flows for the nine months ended September 30, 2004 presented in its Form 10-Q filed November 9, 2004, the Company allocated its entire tax provision/benefit to income from discontinued operations. The Company has determined that its tax provision/benefit should be allocated between income from continuing operations, income from discontinued operations and gain on sale of real estate. The Company has restated its consolidated statement of operations for the three and nine months ended

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September 30, 2004 and cash flows for the nine months ended September 30, 2004 to reflect this new allocation in this Form 10-Q.

	For the Three Months Ended September 30, 2004				
	As Previously Reported on Form 10-Q Filed November 9, 2004	Restatement of Benefit (Expense) of Income Tax	Restated Amounts for 2004 10-Q	Adjustment for Discontinued Operations	As Reported on 2005 10-Q
Loss from Continuing Operations Before Income Tax Benefit, Equity in Income of Joint Ventures and Income Allocated to Minority Interest	$ (6,844)		$ (6,844)	$ (2,894)	$ (9,738)
Equity in Income of Joint Ventures	35,913	850	36,763	—	36,763
Income Tax Benefit	—	450	450	388	838
Minority Interest Allocable to Continuing Operations	(3,646)	(177)	(3,823)	342	(3,481)
Income from Continuing Operations	25,423	1,123	26,546	(2,164)	24,382
Income from Discontinued Operations	11,512		11,512	2,894	14,406
Provision for Income Taxes Allocable to Discontinued Operations	(1,609)	(336)	(1,945)	(388)	(2,333)
Minority Interest Allocable to Discontinued Operations	(1,356)	45	(1,311)	(342)	(1,653)
Income Before Gain on Sale of Real Estate	33,970	832	34,802	—	34,802
Gain on Sale of Real Estate	2,913		2,913		2,913
Provision for Income Taxes Allocable to Gain on Sale of Real Estate	—	(964)	(964)	—	(964)
Minority Interest Allocable to Gain on Sale of Real Estate	(399)	132	(267)		(267)
Net Income	36,484	—	36,484	—	36,484
Less: Preferred Stock Dividends	(2,344)	—	(2,344)	—	(2,344)
Less: Redemption of Preferred Stock	(600)	—	(600)	—	(600)
Net Income Available to Common Stockholders	$ 33,540	$ —	$ 33,540	$ —	$ 33,540
Basic Earnings Per Share:					
Income from Continuing Operations	$ 0.62	$ 0.01	$ 0.63	$ (0.05)	$ 0.57
Income from Discontinued Operations	$ 0.21	$ (0.01)	$ 0.20	$ 0.05	$ 0.26
Net Income Available to Common Stockholders	$ 0.83	$ —	$ 0.83	$ —	$ 0.83
Diluted Earnings Per Share:					
Income from Continuing Operations	$ 0.61	$ 0.01	$ 0.62	$ (0.05)	$ 0.57
Income from Discontinued Operations	$ 0.21	$ (0.01)	$ 0.20	$ 0.05	$ 0.26
Net Income Available to Common Stockholders	$ 0.82	$ —	$ 0.82	$ —	$ 0.82

FIRST INDUSTRIAL REALTY TRUST, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

	For the Nine Months Ended September 30, 2004				
	As Previously Reported on Form 10-Q Filed November 9, 2004	Restatement of Benefit (Expense) of Income Tax	Restated Amounts for 2004 10-Q	Adjustment for Discontinued Operations	As Reported on 2005 10-Q
Loss from Continuing Operations Before Income Tax Benefit, Equity in Income of Joint Ventures and Income Allocated to Minority Interest	$ (9,318)		$ (9,318)	$ (8,402)	$ (17,720)
Equity in Income of Joint Ventures	36,459	850	37,309	—	37,309
Income Tax Benefit	—	2,259	2,259	950	3,209
Minority Interest Allocable to Continuing Operations	(1,021)	(423)	(1,444)	1,027	(417)
Income from Continuing Operations	26,120	2,686	28,806	(6,425)	22,381
Income from Discontinued Operations	71,039		71,039	8,401	79,440
Provision for Income Taxes Allocable to Discontinued Operations	(5,456)	(714)	(6,170)	(949)	(7,119)
Minority Interest Allocable to Discontinued Operations	(9,116)	97	(9,019)	(1,034)	(10,053)
Income Before Gain on Sale of Real Estate	82,587	2,069	84,656	(7)	84,649
Gain on Sale of Real Estate	9,496		9,496	—	9,496
Provision for Income Taxes Allocable to Gain on Sale of Real Estate	—	(2,395)	(2,395)	—	(2,395)
Minority Interest Allocable to Gain on Sale of Real Estate	(1,320)	326	(994)	7	(987)
Net Income	90,763	—	90,763	—	90,763
Less: Preferred Stock Dividends	(12,178)	—	(12,178)	—	(12,178)
Less: Redemption of Preferred Stock	(7,959)	—	(7,959)	—	(7,959)
Net Income Available to Common Stockholders	$ 70,626	—	$ 70,626	—	$ 70,626
Basic Earnings Per Share:					
Income from Continuing Operations	$ 0.35	$ 0.02	$ 0.37	$ (0.16)	$ 0.21
Income from Discontinued Operations	$ 1.41	$ (0.02)	$ 1.39	$ 0.16	$ 1.55
Net Income Available to Common Stockholders	$ 1.76	$ —	$ 1.76	$ —	$ 1.76
Diluted Earnings Per Share:					
Income from Continuing Operations	$ 0.35	$ 0.02	$ 0.37	$ (0.16)	$ 0.21
Income from Discontinued Operations	$ 1.40	$ (0.02)	$ 1.38	$ 0.16	$ 1.54
Net Income Available to Common Stockholders	$ 1.75	$ —	$ 1.75	$ —	$ 1.75

12. Subsequent Events

From October 1, 2005 to November 2, 2005, the Company acquired 18 industrial properties and one land parcel for a purchase price of approximately $56,367 (approximately $1,172 of which was funded through the issuance of limited partnership interests in the Operating Partnership ("Units")), excluding costs incurred in conjunction with the acquisition of these industrial properties. The Company also sold four industrial properties and one land parcel for approximately $11,937 of gross proceeds during this time period.

On October 17, 2005, the Company and the Operating Partnership paid a third quarter 2005 dividend/distribution of $.6950 per common share/ Unit, totaling approximately $34,592.

On October 4, 2005, the Company settled the interest rate protection agreement which hedged the change in value of a build to suit development project the Company is in the process of constructing for proceeds of $675.

On October 17, 2005, the Company, through First Industrial Development Services, Inc., entered into an interest rate protection agreement which hedged the change in value of a build to suit development project the Company is in the process of constructing. This interest rate protection agreement has a notional value of $50,000, is based on the 3 Month LIBOR rate, has a strike rate of 4.8675%, and has an effective date of December 30, 2005 and a termination date of December 30, 2010. Per FASB Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("FAS 133"), fair value and cash flow hedge accounting for hedges of non-financial assets and liabilities is limited to hedges of the risk of changes in the market price of the entire hedged item because changes in the price of an ingredient or component of a non-financial item generally do not have a predictable, separately measurable effect on the price of the item. Since the interest rate protection agreement is hedging a component of the change in value of the build to suit development, the interest rate protection agreement does not qualify for hedge accounting and the change in value of the interest rate protection agreement will be recognized immediately in net income as opposed to other comprehensive income.

On November 8, 2005, the Company issued 6,000,000 depositary shares, each representing 1/10,000 of a share of Series I Flexible Cumulative Redeemable Preferred Stock, $.01 par value (the "Series I Depositary Shares"), in a private placement at an initial offering price of $25.00 per depositary share for an aggregate initial offering price of $150,000. Dividends on the Series I Depositary Shares are payable monthly in arrears commencing December 31, 2005 at an initial dividend rate of One-Month LIBOR plus 1.25%, subject to reset on the four-month, six-month and one year anniversary of the date of issuance. Pursuant to the purchase agreement with respect to the Series I Depositary Shares, the Company, at its option, may issue, and the initial purchaser of the Series I Depositary Shares shall purchase, on or before November 18, 2005 an additional 4,000,000 shares of the Series I Depositary Shares at an initial offering price of $25.00 per depositary share.

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

The following discussion and analysis of First Industrial Realty Trust, Inc.'s (the "Company") financial condition and results of operations should be read in conjunction with the financial statements and notes thereto appearing elsewhere in this Form 10-Q.

This report contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The Company intends 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 is including this statement for purposes of complying with those safe harbor provisions. Forward-looking statements, which are based on certain assumptions and describe future plans, strategies and expectations of the Company, are generally identifiable by use of the words "believe," "expect," "intend," "anticipate," "estimate," "project" or similar expressions. The Company's ability to predict results or the actual effect of future plans or strategies is inherently uncertain. Factors which could have a material adverse affect on the operations and future prospects of the Company on a consolidated basis include, but are not limited to, changes in: economic conditions generally and the real estate market specifically, legislative/regulatory changes (including changes to laws governing the taxation of real estate investment trusts), availability of financing, interest rate levels, competition, supply and demand for industrial properties in the Company's current and proposed market areas, potential environmental liabilities, slippage in development or lease-up schedules, tenant credit risks, higher-than-expected costs and changes in general accounting principles, policies and guidelines applicable to real estate investment trusts. These risks and uncertainties should be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements. Further information concerning the Company and its business, including additional factors that could materially affect the Company's financial results, is included herein and in the Company's other filings with the Securities and Exchange Commission.

GENERAL

The Company was organized in the state of Maryland on August 10, 1993. The Company is a real estate investment trust ("REIT") as defined in the Internal Revenue Code (the "Code"). The Company's operations are conducted primarily through First Industrial, L.P. (the "Operating Partnership") of which the Company is the sole general partner with an approximate 86.8% ownership interest at September 30, 2005. Minority interest in the Company at September 30, 2005 represents the approximate 13.2% aggregate partnership interest in the Operating Partnership held by the limited partners thereof.

As of September 30, 2005, the Company owned 908 industrial properties (inclusive of developments in process) located in 27 states, containing an aggregate of approximately 75.9 million square feet of gross leasable area ("GLA"). Of the 908 industrial properties owned by the Company, 559 are held by the Operating Partnership and limited liability companies of which the Operating Partnership is the sole member, 275 are held by limited partnerships in which the Operating Partnership is the limited partner and wholly-owned subsidiaries of the Company are the general partners and 74 are held by an entity wholly-owned by the Operating Partnership.

On September 14, 2005 and March 21, 2005, the Company, through entities wholly-owned, directly or indirectly, by the Operating Partnership, entered into a joint venture arrangements with an institutional investor to invest in industrial properties (the "September 2005 Joint Venture" and "March 2005 Joint Venture"). The Company, through entities wholly-owned, directly or indirectly, by the Operating Partnership, owns a ten percent equity interest in and provides property management, leasing, development, disposition and portfolio management services to the September 2005 Joint Venture and the March 2005 Joint Venture. In addition, the Company has the opportunity to earn performance-based incentives when industrial assets are sold and returns exceed certain thresholds.

The Company, through separate, wholly-owned limited liability companies of which the Operating Partnership is the sole member, also owns minority equity interests in, and provides asset and property management services to, two other joint ventures which invest in industrial properties (the "September 1998 Joint Venture" and the "May 2003 Joint Venture"). The Company, through separate, wholly-owned limited liability companies of which the Operating Partnership is also the sole member, also owned a minority interest in and provided property management services to another joint venture which invested in industrial properties (the "December 2001 Joint Venture"; together with the September 2005 Joint Venture, the March 2005 Joint Venture, the September 1998 Joint Venture and the May 2003 Joint Venture, the "Joint Ventures"). During the year ended December 31, 2004, the December 2001 Joint Venture sold all of its industrial properties. The operating data of the Joint Ventures is not consolidated with that of the Company as presented herein.

MANAGEMENT'S OVERVIEW

Management believes the Company's financial condition and results of operations are, primarily, a function of the Company's performance in four key areas: leasing of industrial properties, acquisition and development of additional industrial properties, redeployment of internal capital and access to external capital.

The Company generates revenue primarily from rental income and tenant recoveries from the lease of industrial properties under long-term (generally three to six years) operating leases. Such revenue is offset by certain property specific operating expenses, such as real estate taxes, repairs and maintenance, property management, utilities and insurance expenses, along with certain other costs and expenses, such as depreciation and amortization costs and general and administrative and interest expenses. The Company's revenue growth is dependent, in part, on its ability to (i) increase rental income, through increasing either or both occupancy rates and rental rates at the Company's properties, (ii) maximize tenant recoveries and (iii) minimize operating and certain other expenses. Revenues generated from rental income and tenant recoveries are a significant source of funds, in addition to income generated from gains/losses on the sale of the Company's properties (as discussed below), for the Company's distributions. The leasing of property, in general, and occupancy rates, rental rates, operating expenses and certain non-operating expenses, in particular, are impacted, variously, by property specific, market specific, general economic and other conditions, many of which are beyond the control of the Company. The leasing of property also entails various risks, including the risk of tenant default. If the Company were unable to maintain or increase occupancy rates and rental rates at the Company's properties or to maintain tenant recoveries and operating and certain other expenses consistent with historical levels and proportions, the Company's revenue growth would be limited. Further, if a significant number of the Company's tenants were unable to pay rent (including tenant recoveries) or if the Company were unable to rent its properties on favorable terms, the Company's financial condition, results of operations, cash flow and ability to pay dividends on, and the market price of, the Company's common stock would be adversely affected.

The Company's revenue growth is also dependent, in part, on its ability to acquire existing, and acquire and develop new, additional industrial properties on favorable terms. The Company continually seeks to acquire existing industrial properties on favorable terms, and, when conditions permit, also seeks to acquire and develop new industrial properties on favorable terms. Existing properties, as they are acquired, and acquired and developed properties, as they lease-up, generate revenue from rental income and tenant recoveries, income from which, as discussed above, is a source of funds for the Company's distributions. The acquisition and development of properties is impacted, variously, by property specific, market specific, general economic and other conditions, many of which are beyond the control of the Company. The acquisition and development of properties also entails various risks, including the risk that the Company's investments may not perform as expected. For example, acquired existing and acquired and developed new properties may not sustain and/or achieve anticipated occupancy and rental rate levels. With respect to acquired and developed new properties, the Company may not be able to complete construction on schedule or within budget, resulting in increased debt service expense and construction costs and delays in leasing the properties. Also, the Company faces significant competition for attractive acquisition and development opportunities from other well-capitalized real estate investors, including both publicly-traded real estate investment trusts and private investors. Further, as discussed below, the

Company may not be able to finance the acquisition and development opportunities it identifies. If the Company were unable to acquire and develop sufficient additional properties on favorable terms, or if such investments did not perform as expected, the Company's revenue growth would be limited and its financial condition, results of operations, cash flow and ability to pay dividends on, and the market price of, the Company's common stock would be adversely affected.

The Company also generates income from the sale of properties (including existing buildings, buildings which the Company has developed or re-developed on a merchant basis, and land). The Company is continually engaged in, and its income growth is dependent in part on, systematically redeploying its capital from properties and other assets with lower yield potential into properties and other assets with higher yield potential. As part of that process, the Company sells, on an ongoing basis, select stabilized properties or properties offering lower potential returns relative to their market value. The gain/loss on the sale of such properties is included in the Company's income and is a significant source of funds, in addition to revenues generated from rental income and tenant recoveries, for the Company's distributions. Also, a significant portion of the proceeds from such sales is used to fund the acquisition of existing, and the acquisition and development of new, industrial properties. The sale of properties is impacted, variously, by property specific, market specific, general economic and other conditions, many of which are beyond the control of the Company. The sale of properties also entails various risks, including competition from other sellers and the availability of attractive financing for potential buyers of the Company's properties. Further, the Company's ability to sell properties is limited by safe harbor rules applying to REITs under the Code which relate to the number of properties that may be disposed of in a year, their tax bases and the cost of improvements made to the properties, along with other tests which enable a REIT to avoid punitive taxation on the sale of assets. If the Company were unable to sell properties on favorable terms, the Company's income growth would be limited and its financial condition, results of operations, cash flow and ability to pay dividends on, and the market price of, the Company's common stock would be adversely affected.

Currently, the Company utilizes a portion of the net sales proceeds from property sales, borrowings under unsecured lines of credit and proceeds from the issuance, when and as warranted, of additional equity securities to finance acquisitions and developments. Access to external capital on favorable terms plays a key role in the Company's financial condition and results of operations, as it impacts the Company's cost of capital and its ability and cost to refinance existing indebtedness as it matures and to fund acquisitions and developments through the issuance, when and as warranted, of additional equity securities. The Company's ability to access external capital on favorable terms is dependent on various factors, including general market conditions, interest rates, credit ratings on the Company's capital stock and debt, the market's perception of the Company's growth potential, the Company's current and potential future earnings and cash distributions and the market price of the Company's capital stock. If the Company were unable to access external capital on favorable terms, the Company's financial condition, results of operations, cash flow and ability to pay dividends on, and the market price of, the Company's common stock would be adversely affected.

RESTATEMENT

In the consolidated statement of operations and for the three and nine months ended September 30, 2004 and cash flows for the nine months ended September 30, 2004 presented in its Form 10-Q filed November 9, 2004, the Company allocated its entire tax provision/benefit to income from discontinued operations. The Company has determined that its tax provision/benefit should be allocated between income from continuing operations, income from discontinued operations and gain on sale of real estate. The Company has restated its consolidated statement of operations for the three and nine months ended September 30, 2004 and cash flows for the nine months ended September 30, 2004 to reflect this new allocation in this Form 10-Q.

RESULTS OF OPERATIONS

Comparison of Nine Months Ended September 30, 2005 to Nine Months Ended September 30, 2004

The Company’s net income available to common stockholders was $54.7 million and $70.6 million for the nine months ended September 30, 2005 and 2004, respectively. Basic and diluted net income available to common stockholders were $1.29 per share for the nine months ended September 30, 2005, and $1.76 and $1.75 per share, respectively, for the nine months ended September 30, 2004.

The tables below summarize the Company’s revenues, property expenses and depreciation and other amortization by various categories for the nine months ended September 30, 2005 and September 30, 2004. Same store properties are in service properties owned prior to January 1, 2004. Acquired properties are properties that were acquired subsequent to December 31, 2003. Sold properties are properties that were sold subsequent to December 31, 2003. Properties that are not in service are properties that are under construction that have not reached stabilized occupancy or were placed in service after December 31, 2003 or acquisitions acquired prior to January 1, 2004 that were not placed in service as of December 31, 2003. These properties are placed in service as they reach stabilized occupancy (generally defined as 90% occupied). Other revenues are derived from the operations of the Company’s maintenance company, fees earned from the Company’s joint ventures, fees earned for developing properties for third parties and other miscellaneous revenues. Other expenses are derived from the operations of the Company’s maintenance company and other miscellaneous regional expenses.

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

	Nine Months Ended September 30, 2005	Nine Months Ended September 30, 2004	$ Change	% Change
REVENUES ($ in 000’s)				
Same Store Properties	$ 190,638	$ 188,285	$ 2,353	1.25%
Acquired Properties	35,743	6,285	29,458	468.70%
Sold Properties	15,485	33,543	(18,058)	(53.84)%
Properties Not In Service	19,559	18,058	1,501	8.31%
Other	22,486	6,715	15,771	234.86%
	$ 283,911	$ 252,886	$ 31,025	12.27%
Discontinued Operations	(14,577)	(30,605)	16,028	(52.37)%
Total Revenues	$ 269,334	$ 222,281	$ 47,053	21.17%

At September 30, 2005 and September 30, 2004, the occupancy rates of the Company’s same store properties were 89.9% and 88.0%, respectively. Revenues from same store properties remained relatively unchanged. Revenues from acquired properties increased $29.5 million due to the 165 industrial properties acquired subsequent to December 31, 2003 totaling approximately 21.2 million square feet of GLA. Revenues from sold properties decreased $18.1 million due to the 163 industrial properties sold subsequent to December 31, 2003 totaling approximately 16.4 million square feet of GLA. Revenues from properties not in service remained relatively unchanged. Other revenues increased by approximately $15.7 million due primarily to build-to-suit-for-sale revenues of $10.7 million and an increase in joint venture fees and assignment fees.

PROPERTY EXPENSES ($ in 000's)	Nine Months Ended September 30, 2005	Nine Months Ended September 30, 2004	$ Change	% Change
Same Store Properties	$ 63,910	$ 60,587	$ 3,323	5.48%
Acquired Properties	10,005	2,320	7,685	331.25%
Sold Properties	5,221	10,433	(5,212)	(49.96)%
Properties Not In Service	8,083	7,715	368	4.77%
Other	18,456	4,653	13,803	296.65%
	$ 105,675	$ 85,708	$ 19,967	23.30%
Discontinued Operations	(4,845)	(9,548)	4,703	(49.26)%
Total Property Expenses	$ 100,830	$ 76,160	$ 24,670	32.39%

Property expenses include real estate taxes, repairs and maintenance, property management, utilities, insurance and other property related expenses. Property expenses from same store properties remained relatively unchanged. Property expenses from acquired properties increased by $7.7 million due to properties acquired subsequent to December 31, 2003. Property expenses from sold properties decreased by $5.2 million due to properties sold subsequent to December 31, 2003. Property expenses from properties not in service remained relatively unchanged. Other expense increased $13.8 million due primarily to build-to-suit-for-sale costs of $10.5 million and increases in employee compensation.

General and administrative expense increased by approximately $10.8 million, or 38.5%, due primarily to increases in employee compensation related to compensation for new employees as well as an increase in incentive compensation and professional services.

Amortization of deferred financing costs remained relatively unchanged.

DEPRECIATION and OTHER AMORTIZATION ($ in 000's)	Nine Months Ended September 30, 2005	Nine Months Ended September 30, 2004	$ Change	% Change
Same Store Properties	$ 58,635	$ 54,176	$ 4,459	8.23%
Acquired Properties	18,106	1,548	16,558	1069.64%
Sold Properties	4,013	8,489	(4,476)	(52.73)%
Properties Not In Service and Other	9,332	7,692	1,640	21.32%
Corporate Furniture, Fixtures and Equipment	1,000	965	35	3.63%
	$ 91,086	$ 72,870	$ 18,216	25.00%
Discontinued Operations	(3,886)	(7,515)	3,629	(48.29)%
Total Depreciation and Other Amortization	$ 87,200	$ 65,355	$ 21,845	33.43%

Depreciation and other amortization for same store properties remained relatively unchanged. Depreciation and other amortization from acquired properties increased by $16.6 million due to properties acquired subsequent to December 31, 2003. Depreciation and other amortization from sold properties decreased by $4.5 million due to properties sold subsequent to December 31, 2004. Depreciation and other amortization for properties not in service and other increased $1.6 million due to developments placed in service during 2004 and 2005. Amortization of corporate furniture, fixtures and equipment remained relatively unchanged.

The Company recognized $.08 million gain on the early retirement of debt. This includes $.05 million write-off of financing fees associated with the Company's previous line of credit agreement which was amended and restated on August 23, 2005. The gain on early retirement of debt also includes payment of $.29 million of financing fees and write-off of loan premium of $.42 million on the Acquisition Mortgage Loan XIII which was assigned to the buyers of the properties collateralizing the Acquisition Mortgage Loan XIII on July 13, 2005.

Interest income decreased by approximately $1.8 million due primarily to a decrease in the average mortgage loans receivable outstanding during the nine months ended September 30, 2005, as compared to the nine months ended September 30, 2004.

Interest expense increased by approximately $5.8 million primarily due to an increase in the weighted average debt balance outstanding for the nine months ended September 30, 2005 ($1,642.0 million), as compared to the nine months ended September 30, 2004 ($1,505.9 million), as well as an increase in the weighted average interest rate for the nine months ended September 30, 2005 (6.66%), as compared to the nine months ended September 30, 2004 (6.60%), offset by an increase in capitalized interest.

The Company recognized $.7 million relating to the mark-to-market of an interest rate protection agreement that was entered into in January 2005 in order to hedge the change in value of a build to suit development project as well as a deferred gain that was reclassed out of Other Comprehensive Income relating to a settled interest rate protection agreement that no longer qualifies for hedge accounting treatment.

Equity in income of joint ventures decreased by approximately $33.6 million due primarily to the gain recognized for the nine months ended September 30, 2004 related to the sale of all of the properties in the December 2001 Joint Venture.

Income tax benefit increased by $4.0 million due primarily to an increase in general and administrative expense (“G&A”) due to additional G&A costs, which increases operating losses incurred in the nine months ended September 30, 2005 compared to the nine months ended September 30, 2004 associated with additional investment activity in the Company’s taxable REIT subsidiary. The increase in the income tax benefit is partially offset by an increase in state tax expense.

The $27.3 million gain on sale of real estate for the nine months ended September 30, 2005 resulted from the sale of ten industrial properties and several land parcels that do not meet the criteria established by FAS 144 for inclusion in discontinued operations.

The following table summarizes certain information regarding the industrial properties included in discontinued operations by the Company for the nine months ended September 30, 2005 and September 30, 2004.

	Nine Months Ended September 30, 2005	Restated Nine Months Ended September 30, 2004
	($ in 000’s)	
Total Revenues	$ 14,577	$ 30,605
Operating Expenses	(4,845)	(9,548)
Depreciation and Amortization	(3,886)	(7,515)
Interest Expense	(373)	(195)
Provision for Income Taxes	(873)	(1,655)
Gain on Sale of Real Estate, Net of Income Taxes	73,528	60,629
Income from Discontinued Operations	$ 78,128	$ 72,321

Income from discontinued operations (net of income taxes) for the nine months ended September 30, 2005 reflects the results of operations and gain on sale of real estate, net of income taxes, relating to 56 industrial properties that were sold during the nine months ended September 30, 2005 and the results of operations from four properties identified as held for sale at September 30, 2005.

Income from discontinued operations for the nine months ended September 30, 2004, reflects the results of operations of 56 industrial properties that were sold during the nine months ended September 30, 2005, 92 industrial properties that were sold during the year ended December 31, 2004, four industrial properties identified as held for sale at September 30, 2005, as well as the gain on sale of real estate from 66 industrial properties which were sold during the nine months ended September 30, 2004.

Comparison of Three Months Ended September 30, 2005 to Three Months Ended September 30, 2004

The Company's net income available to common stockholders was $21.2 million and $33.5 million for the three months ended September 30, 2005 and 2004, respectively. Basic and diluted net income available to common stockholders were $0.50 per share for the three months ended September 30, 2005, and $0.83 and $0.82 per share, respectively, for the three months ended September 30, 2004.

The tables below summarize the Company's revenues, property expenses and depreciation and other amortization by various categories for the three months ended September 30, 2005 and September 30, 2004. Same store properties are in service properties owned prior to July 1, 2004. Acquired properties are properties that were acquired subsequent to June 30, 2004. Sold properties are properties that were sold subsequent to June 30, 2004. Properties that are not in service are properties that are under construction that have not reached stabilized occupancy or were placed in service after June 30, 2004 or acquisitions acquired prior to July 1, 2004 that were not placed in service as of June 30, 2004. These properties are placed in service as they reach stabilized occupancy (generally defined as 90% occupied). Other revenues are derived from the operations of the Company's maintenance company, fees earned from the Company's joint ventures, fees earned for developing properties for third parties and other miscellaneous revenues. Other expenses are derived from the operations of the Company's maintenance company and other miscellaneous regional expenses.

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

	Three Months Ended September 30, 2005	Three Months Ended September 30, 2004	$ Change	% Change
REVENUES ($ in 000's)				
Same Store Properties	$ 67,939	$ 67,021	$ 918	1.37%
Acquired Properties	12,028	392	11,636	2968.37%
Sold Properties	2,548	9,149	(6,601)	(72.15)%
Properties Not In Service	6,593	4,725	1,868	39.53%
Other	15,194	1,674	13,520	807.65%
	$ 104,302	$ 82,961	$ 21,341	25.72%
Discontinued Operations	(2,476)	(8,242)	5,766	(69.96)%
Total Revenues	$ 101,826	$ 74,719	$ 27,107	36.28%

At September 30, 2005 and September 30, 2004, the occupancy rates of the Company's same store properties were 90.5% and 88.8%, respectively. Revenues from same store properties remained relatively unchanged. Revenues from acquired properties increased $11.6 million due to the 142 industrial properties acquired subsequent to June 30, 2004 totaling approximately 17.7 million square feet of GLA. Revenues from sold properties decreased $6.6 million due to the 110 industrial properties sold subsequent to June 30, 2004 totaling approximately 12.1 million square feet of GLA. Revenues from properties not in service increased by $1.9 million due to an increase in occupancy of properties placed in service during 2004 and

2005. Other revenues increased by approximately $13.5 million due primarily to build-to-suit-for-sale revenues of $10.6 million and an increase in joint venture fees and assignment fees.

	Three Months Ended September 30, 2005	Three Months Ended September 30, 2004	$ Change	% Change
PROPERTY EXPENSES ($ in 000's)				
Same Store Properties	$ 21,916	$ 20,941	$ 975	4.66%
Acquired Properties	3,673	86	3,587	4170.93%
Sold Properties	825	2,477	(1,652)	(66.69)%
Properties Not In Service	2,256	2,480	(224)	(9.03)%
Other	14,119	1,868	12,251	655.84%
	42,789	27,852	14,937	53.63%
Discontinued Operations	(737)	(2,323)	1,586	(68.27)%
Total Property Expenses	$ 42,052	$ 25,529	$ 16,523	64.72%

Property expenses include real estate taxes, repairs and maintenance, property management, utilities, insurance and other property related expenses. Property expenses from same store properties remained relatively unchanged. Property expenses from acquired properties increased by $3.6 million due to properties acquired subsequent to June 30, 2004. Property expenses from sold properties decreased by $1.7 million due to properties sold subsequent to June 30, 2004. Property expenses from properties not in service remained relatively unchanged. Other expense increased $12.3 million due primarily to build-to-suit-for-sale costs of $10.5 million and increases in employee compensation.

General and administrative expense increased by approximately $4.2 million, or 37.5%, due primarily to increases in employee compensation related to compensation for new employees as well as an increase in incentive compensation.

Amortization of deferred financing costs remained relatively unchanged.

	Three Months Ended September 30, 2005	Three Months Ended September 30, 2004	$ Change	% Change
DEPRECIATION and OTHER AMORTIZATION ($ in 000's)				
Same Store Properties	$ 22,360	$ 21,218	$ 1,142	5.38%
Acquired Properties	6,892	(422)	7,314	(1733.18)%
Sold Properties	431	2,425	(1,994)	(82.23)%
Properties Not In Service and Other	3,394	1,278	2,116	165.57%
Corporate Furniture, Fixtures and Equipment	343	325	18	5.54%
	$ 33,420	$ 24,824	$ 8,596	34.63%
Discontinued Operations	(628)	(2,056)	1,428	(69.46)%
Total Depreciation and Other Amortization	$ 32,792	$ 22,768	$ 10,024	44.03%

Depreciation and other amortization for same store properties remained relatively unchanged. Depreciation and other amortization from acquired properties increased by $7.3 million due to properties acquired subsequent to June 30, 2004. Depreciation and other amortization from sold properties decreased by $2.0 million due to properties sold subsequent to June 30, 2004. Depreciation and other amortization for properties not in service and other increased $2.1 million due to developments placed in service during 2004 and 2005. Amortization of corporate furniture, fixtures and equipment remained relatively unchanged.

The Company recognized $.08 million gain on the early retirement of debt. This includes $.05 million write-off of financing fees associated with the Company’s previous line of credit agreement which was amended and restated on August 23, 2005. The gain on early retirement of debt also includes payment of $.29 million financing fees and write-off of loan premium of $.42 million on the Acquisition Mortgage Loan XIII which was assigned to the buyers of the properties collateralizing the Acquisition Mortgage Loan XIII on July 13, 2005.

Interest income decreased by approximately $1.1 million due primarily to a decrease in the average mortgage loans receivable outstanding during the three months ended September 30, 2005, as compared to the three months ended September 30, 2004.

Interest expense increased by approximately $1.7 million primarily due to an increase in the weighted average debt balance outstanding for the three months ended September 30, 2005 ($1,712.7 million), as compared to the three months ended September 30, 2004 ($1,611.6 million), as well as an increase in the weighted average interest rate for the three months ended September 30, 2005 (6.56%), as compared to the three months ended September 30, 2004 (6.42%).

The Company recognized $1.2 million relating to the mark-to-market of an interest rate protection agreement that was entered into in January 2005 in order to hedge the change in value of a build to suit development project as well as a deferred gain that was reclassed out of Other Comprehensive Income relating to a settled interest rate protection agreement that no longer qualifies for hedge accounting treatment.

Equity in income of joint ventures decreased by approximately $32.8 million due primarily to the gain recognized for the three months ended September 30, 2004 related to the sale of all of the properties in the December 2001 Joint Venture.

Income tax benefit increased by $2.3 million due primarily to an increase in general and administrative expense (“G&A”) due to additional G&A costs, which increases operating losses, incurred in the three months ended September 30, 2005 compared to the three months ended September 30, 2004 associated with additional investment activity in the Company’s taxable REIT subsidiary. The increase in the income tax benefit is partially offset by an increase in state tax expense.

The $2.6 million gain on sale of real estate for the three months ended September 30, 2005 resulted from the sale of one industrial property and several land parcels that do not meet the criteria established by FAS 144 for inclusion in discontinued operations.

The following table summarizes certain information regarding the industrial properties included in discontinued operations by the Company for the three months ended September 30, 2005 and September 30, 2004.

	Three Months Ended September 30, 2005	Restated Three Months Ended September 30, 2004
	($ in 000’s)	
Total Revenues	$ 2,476	$ 8,242
Operating Expenses	(737)	(2,323)
Depreciation and Amortization	(628)	(2,056)
Interest Expense	(29)	(67)
Provision for Income Taxes	(157)	(595)
Gain on Sale of Real Estate, Net of Income Taxes	32,084	8,872
Income from Discontinued Operations	$ 33,009	$ 12,073

Income from discontinued operations (net of income taxes) for the three months ended September 30, 2005 reflects the results of operations and gain on sale of real estate, net of income taxes, relating to 25 industrial properties that were sold during the three months ended September 30, 2005 and the results of operations from four properties identified as held for sale at September 30, 2005.

Income from discontinued operations for the three months ended September 30, 2004, reflects the results of operations of 25 industrial properties that were sold during the three months ended September 30, 2005, 92 industrial properties that were sold during the year ended December 31, 2004, four industrial properties identified as held for sale at September 30, 2005, as well as the gain on sale of real estate from 16 industrial properties which were sold during the three months ended September 30, 2004.

LIQUIDITY AND CAPITAL RESOURCES

The Company has considered its short-term (one year or less) liquidity needs and the adequacy of its estimated cash flow from operations and other expected liquidity sources to meet these needs. The Company believes that its principal short-term liquidity needs are to fund normal recurring expenses, debt service requirements and the minimum distribution required to maintain the Company's REIT qualification under the Internal Revenue Code. The Company anticipates that these needs will be met with cash flows provided by operating activities.

The Company expects to meet long-term (greater than one year) liquidity requirements such as property acquisitions, developments, scheduled debt maturities, major renovations, expansions and other nonrecurring capital improvements principally through the disposition of select assets, and the issuance of long-term unsecured indebtedness and equity securities. As of September 30, 2005 and November 2, 2005, $464.7 million of common stock, preferred stock and depositary shares and $500.0 million of debt securities were registered and unissued under the Securities Act of 1933, as amended. The Company also may finance the development or acquisition of additional properties through borrowings under unsecured lines of credit. At September 30, 2005, borrowings under the Operating Partnership's $500 million unsecured line of credit (the "2005 Unsecured Line of Credit") bore interest at a weighted average interest rate of 4.52%. The 2005 Unsecured Line of Credit bears interest at a floating rate of LIBOR plus .625%, or the Prime Rate, at the Operating Partnership's election. As of November 2, 2005 approximately $50.1 million was available for additional borrowings under the 2005 Unsecured Line of Credit.

Nine Months Ended September 30, 2005

Net cash provided by operating activities of approximately $37.0 million for the nine months ended September 30, 2005 was comprised primarily of net income before minority interest of approximately $70.0 million offset by adjustments for non-cash items of approximately $25.1 million and by the net change in operating assets and liabilities of approximately $7.9 million. The adjustments for the non-cash items of approximately $25.1 million are primarily comprised of the gain on sale of real estate of approximately $113.1 million, the effect of the straight-lining of rental income of approximately $6.5 million, the mark to market of an interest rate protection agreement of approximately $0.7 million, and the net equity in income from joint ventures of approximately $3.2 million offset by depreciation and amortization of approximately $97.1 million and the provision for bad debt of $1.4 million.

Net cash used in investing activities of approximately $146.5 million for the nine months ended September 30, 2005 was comprised primarily by the acquisition and development of real estate, leasing costs and capital expenditures related to the expansion and improvement of existing real estate, contributions to, and investments in, two of the Company's industrial real estate joint ventures partially offset by the net proceeds from the sale of real estate, the repayment of mortgage loans receivable and distributions from three of the Company's industrial real estate joint ventures.

During the nine months ended September 30, 2005, the Company acquired 86 industrial properties comprising approximately 12.0 million square feet of GLA and several land parcels. The gross purchase price for 85 industrial properties and several land parcels totaled approximately $415.9 million. Additionally, one industrial property was acquired through foreclosure due to a defaulted note receivable.

The Company, through a wholly-owned limited liability company in which the Operating Partnership is the sole member, invested approximately $40.1 million and received distributions of approximately $1.2 million from the Company's real estate joint ventures. As of September 30, 2005, the Company's industrial real estate joint ventures owned 298 industrial properties comprising approximately 23.5 million square feet of GLA.

During the nine months ended September 30, 2005, the Company sold 66 industrial properties comprising approximately 9.0 million square feet of GLA and several land parcels. Gross proceeds from the sales of the 66 industrial properties and several land parcels were approximately $472.6 million.

Net cash provided by financing activities of approximately $104.5 million for the nine months ended September 30, 2005 was comprised primarily of net receipts under the Company's Unsecured Line of Credit, the net proceeds from the exercise of stock options and proceeds from mortgage loan payable partially offset by common and preferred stock dividends and unit distributions, the repurchase of restricted stock from employees of the Company to pay for withholding taxes on the vesting of restricted stock, repayments on mortgage loans payable and costs related to the assumption of debt.

On August 23, 2005, the Company, through the Operating Partnership, amended and restated its $300.0 million unsecured line of credit (the "Unsecured Line of Credit"), which was due September 28, 2007, and bore interest at a floating rate of LIBOR plus .7%, or the Prime Rate, at the Company's election. The amended and restated unsecured line of credit (the "2005 Unsecured Line of Credit") will mature on September 28, 2008, has a borrowing capacity of $500.0 million, with the right, subject to certain conditions, to increase the borrowing capacity up to $600.0 million and bears interest at a floating rate of LIBOR plus .625%, or the Prime Rate, at the Company's election. The net unamortized deferred financing fees related to the Unsecured Line of Credit and any additional deferred financing fees incurred related to the 2005 Unsecured Line of Credit are being amortized over the life of the 2005 Unsecured Line of Credit in accordance with Emerging Issues Task Force Issue 98-14, "Debtor's Accounting for Changes in Line-of-Credit or Revolving-Debt Arrangements", except for $.1 million, which represents the write off of deferred financing costs and is included in the net gain on early retirement of debt.

During the nine months ended September 30, 2005, the Company awarded 189,878 shares of restricted common stock to certain employees and 9,135 shares of restricted common stock to certain Directors. These shares of restricted common stock had a fair value of approximately $8.3 million on the date of grant. The restricted common stock vests over periods from one to ten years. Compensation expense will be charged to earnings over the respective vesting periods.

During the nine months ended September 30, 2005, certain employees of the Company exercised 247,764 non-qualified employee stock options. Net proceeds to the Company were approximately $6.7 million.

Market Risk

The following discussion about the Company's risk-management activities includes "forward-looking statements" that involve risk and uncertainties. Actual results could differ materially from those projected in the forward-looking statements.

This analysis presents the hypothetical gain or loss in earnings, cash flows or fair value of the financial instruments and derivative instruments which are held by the Company at September 30, 2005 that are sensitive to changes in the interest rates. While this analysis may have some use as a benchmark, it should not be viewed as a forecast.

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

At September 30, 2005, approximately $1,406.6 million (approximately 78.7% of total debt at September 30, 2005) of the Company's debt was fixed rate debt and approximately $380.5 million (approximately 21.3% of total debt at September 30, 2005) was variable rate debt. During the nine months ended September 30, 2005, the Operating Partnership, through First Industrial Development Services, Inc., entered into an interest rate protection agreement which hedged the change in value of a build to suit development project the Company is in the process of constructing. This interest rate protection agreement has a notional value of $50.0 million, is based on the five year treasury, has a strike rate of 3.936% and settles on October 4, 2005. Currently, the Company does not enter into financial instruments for trading or other speculative purposes.

For fixed rate debt, changes in interest rates generally affect the fair value of the debt, but not earnings or cash flows of the Company. Conversely, for variable rate debt, changes in the interest rate generally do not impact the fair value of the debt, but would affect the Company's future earnings and cash flows. The interest rate risk and changes in fair market value of fixed rate debt generally do not have a significant impact on the Company until the Company is required to refinance such debt. See Note 4 to the consolidated financial statements for a discussion of the maturity dates of the Company's various fixed rate debt.

Based upon the amount of variable rate debt outstanding at September 30, 2005, a 10% increase or decrease in the interest rate on the Company's variable rate debt would decrease or increase, respectively, future net income and cash flows by approximately $1.7 million per year. A 10% increase in interest rates would decrease the fair value of the fixed rate debt at September 30, 2005 by approximately $48.2 million to $1,489.7 million. A 10% decrease in interest rates would increase the fair value of the fixed rate debt at September 30, 2005 by approximately $51.7 million to $1,589.7 million.

Recent Accounting Pronouncements

In December, 2004, the FASB issued Statement of Financial Accounting Standards No. 153, "Exchanges of Nonmonetary Assets — An Amendment of APB Opinion No. 29" ("FAS 153"). The amendments made by FAS 153 are based on the principle that exchanges of nonmonetary assets should be measured based on the fair value of the assets exchanged. Further, the amendments eliminate the narrow exception for nonmonetary exchanges of similar productive assets and replace it with a broader exception for exchanges of nonmonetary assets that do not have "commercial substance." FAS 153 is effective for nonmonetary asset exchanges occurring in fiscal periods beginning after June 15, 2005. The Company does not believe that the adoption of FAS 153 will have a material effect on the Company's consolidated financial statements.

In December, 2004, the FASB issued Statement of Financial Accounting Standards No. 123: (Revised 2004) — Share-Based Payment ("FAS 123R"). FAS 123R replaces FAS 123, which the Company adopted on January 1, 2003. FAS 123R requires that the compensation cost relating to share-based payment transactions be recognized in financial statements and measured based on the fair value of the equity or liability instruments issued. FAS 123R is effective as of the first interim or annual reporting period that begins after December, 2005. The Company does not believe that the adoption of FAS 123R will have a material effect on the Company's consolidated financial statements.

In May, 2005, the FASB issued Statement of Financial Accounting Standards No. 154, "Accounting Changes and Error Corrections" ("FAS 154") which supersedes APB Opinion No. 20, "Accounting Changes" and Statement of Financial Accounting Standards No. 3, "Reporting Accounting Changes in Interim Financial Statements". FAS 154 changes the requirements for the accounting for and reporting of changes in accounting principle. The statement requires the retroactive application to prior periods' financial statements of changes in accounting principles, unless it is impracticable to determine either the period specific effects or the cumulative effect of the change. FAS 154 does not change the guidance for reporting the correction of an error in previously issued financial statements or the change in an accounting estimate. FAS 154 is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005.

In June, 2005, the FASB ratified the consensus reached by the Emerging Issues Task Force ("EITF") regarding EITF 04-05, "Investor's Accounting for an Investment in a Limited Partnership

When the Investor is the Sole General Partner and the Limited Partners Have Certain Rights." The conclusion provides a framework for addressing the question of when a sole general partner, as defined in EITF 04-05, should consolidate a limited partnership. The EITF has concluded that the general partner of a limited partnership should consolidate a limited partnership unless (1) the limited partners possess substantive kick-out rights as defined in paragraph B20 of FIN 46R, or (2) the limited partners possess substantive participating rights similar to the rights described in Issue 96-16, "Investor's Accounting for an Investee When the Investor has a Majority of the Voting Interest by the Minority Shareholder or Shareholders Have Certain Approval or Veto Rights." In addition, the EITF concluded that the guidance should be expanded to include all limited partnerships, including those with multiple general partners. The Company will adopt EITF 04-05 as of December 31, 2005. The Company is currently assessing all of its investments in unconsolidated real estate joint ventures to determine the impact, if any, the adoption of EITF 04-05 will have on results of operations, financial position or liquidity.

In June 2005, the FASB ratified the consensus reached by the EITF regarding EITF No. 05-6, "Determining the Amortization Period for Leasehold Improvements." The guidance requires that leasehold improvements acquired in a business combination, or purchased subsequent to the inception of a lease, be amortized over the lesser of the useful life of the assets or a term that includes renewals that are reasonably assured at the date of the business combination or purchase. The guidance is effective for periods beginning after June 29, 2005. EITF 05-6 does not impact the Company's results of operations, financial position, or liquidity.

Subsequent Events

From October 1, 2005 to November 2, 2005, the Company acquired 18 industrial properties and one land parcel for a purchase price of approximately $56.4 million (approximately $1.2 million of which was made through the issuance of limited partnership interests in the Operating Partnership ("Units")), excluding costs incurred in conjunction with the acquisition of these industrial properties. The Company also sold four industrial properties and one land parcel for approximately $11.9 million of gross proceeds during this time period.

On October 17, 2005, the Company and the Operating Partnership paid a third quarter 2005 dividend/distribution of $.6950 per common share/ Unit, totaling approximately $34.6 million.

On October 4, 2005, the Company settled the interest rate protection agreement which hedged the change in value of a build to suit development project the Company is in the process of constructing for proceeds of $675.

On October 17, 2005, the Company, through First Industrial Development Services, Inc., entered into an interest rate protection agreement which hedged the change in value of a build to suit development project the Company is in the process of constructing. This interest rate protection agreement has a notional value of $50 million, is based on the 3 Month LIBOR rate, has a strike rate of 4.8675%, and has an effective date of December 30, 2005 and a termination date of December 30, 2010. Per FASB Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("FAS 133"), fair value and cash flow hedge accounting for hedges of non-financial assets and liabilities is limited to hedges of the risk of changes in the market price of the entire hedged item because changes in the price of an ingredient or component of a non-financial item generally do not have a predictable, separately measurable effect on the price of the item. Since the interest rate protection agreement is hedging a component of the change in value of the build to suit development, the interest rate protection agreement does not qualify for hedge accounting and the change in value of the interest rate protection agreement will be recognized immediately in net income as opposed to other comprehensive income.

On November 8, 2005, the Company issued 6,000,000 depositary shares, each representing 1/10,000 of a share of Series I Flexible Cumulative Redeemable Preferred Stock, $.01 par value (the "Series I Depositary Shares"), in a private placement at an initial offering price of $25.00 per depositary share for an aggregate initial offering price of $150 million. Dividends on the Series I Depositary Shares are payable monthly in arrears commencing December 31, 2005 at an initial dividend rate of One-Month LIBOR plus 1.25%, subject to reset on the four-month, six-month and one year anniversary of the date of issuance. Pursuant to the purchase agreement with respect to the Series I Depositary Shares, the Company, at its option, may issue, and the initial purchaser of the Series I Depositary Shares shall purchase, on or before November 18, 2005 an additional 4,000,000 shares of the Series I Depositary Shares at an initial offering price of $25.00 per depositary share.

Item 3. ***Quantitative and Qualitative Disclosures About Market Risk***

Response to this item is included in Item 2. “Management’s Discussion and Analysis of Financial Condition and Results of Operations” above.

Item 4. ***Controls and Procedures***

The Company’s principal executive officer and principal financial officer, after evaluating the effectiveness of the Company’s disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of the end of the period covered by this report, based on the evaluation of these controls and procedures required by Exchange Act Rules 13a-15(b) or 15d-15(b), have concluded that as of the end of such period the Company’s disclosure controls and procedures were effective.

There has been no change in the Company’s internal control over financial reporting that occurred during the fiscal quarter covered by this report that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. ***Legal Proceedings***

None.

Item 2. ***Unregistered Sales of Equity Securities and Use of Proceeds***

None

Item 3. ***Defaults Upon Senior Securities***

None.

Item 4. ***Submission of Matters to a Vote of Security Holders***

None.

Item 5. ***Other Information***

Not Applicable.

Item 6. ***Exhibits***

a) Exhibits:

Exhibit Number	Description
3.1***	Articles Supplementary dated November 7, 2005 with respect to Series I Flexible Cumulative Redeemable Preferred Stock of First Industrial Realty Trust, Inc. (incorporated by reference to Exhibit 3.1 of the Form 8-K of the Company filed November 9, 2005, File No. 1-13102).
4.1***	Deposit Agreement, dated November 8, 2005, by and among First Industrial Realty Trust, Inc., EquiServe Inc. and EquiServe Trust Company, N.A. and holders from time to time of Series I Depositary Receipts (incorporated by reference to Exhibit 4.1 of the Form 8-K of the Company filed November 9, 2005, File No. 1-13102.
10.1***	Amendment No. 2 dated July 22, 2005 to the Eighth Amended and Restated Partnership Agreement of First Industrial, L.P. (the "Operating Partnership") dated June 2, 2004 (incorporated by reference to Exhibit 10.1 of the Form 10-Q of the Company dated August 8, 2005, File No. 1-13102).
10.2***	Unsecured Term Loan Agreement dated August 1, 2005 among the Operating Partnership, the Company and JP Morgan Chase Bank, N.A. (incorporated by reference to Exhibit 10.3 of the Form 10-Q of the Company dated August 8, 2005, File No. 1-13102).
10.3*	Amendment No. 3 dated October 31, 2005 to the Eighth Amendment and Restated Partnership Agreement of First Industrial, L.P. dated June 2, 2004.
10.4***	Purchase Agreement dated November 8, 2005 between First Industrial Realty Trust, Inc., First Industrial, L.P. and Wachovia Investment Holdings, LLC (incorporated by reference to Exhibit 10.1 of the Form 8-K of the Company filed November 9, 2005, File No. 1-13102).
10.5***	Ninth Amended and Restated Partnership Agreement of First Industrial, L.P. dated November 8, 2005 (incorporated by reference to Exhibit 10.2 of the Form 8-K of the Company filed November 9, 2005, File No. 1-13102).
31.1*	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended.
31.2*	Certification of Principal Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended.

Exhibit Number	Description
32.1**	Certification of the Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* Filed herewith

** Furnished herewith

*** Previously filed

The Company maintains a website at www.firstindustrial.com. Copies of the Company's annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to such reports are available without charge on the Company's website as soon as reasonably practicable after such reports are filed with or furnished to the SEC. In addition, the Company's Corporate Governance Guidelines, Code of Business Conduct and Ethics, Audit Committee Charter, Compensation Committee Charter, Nominating/Corporate Governance Committee Charter, along with supplemental financial and operating information prepared by the Company, are all available without charge on the Company's website or upon request to the Company. Amendments to, or waivers from, the Company's Code of Business Conduct and Ethics that apply to the Company's executive officers or directors shall be posted to the Company's website at www.firstindustrial.com. Please direct requests as follows:

First Industrial Realty Trust, Inc.
311 S. Wacker, Suite 4000
Chicago, IL 60606
Attention: Investor Relations

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

FIRST INDUSTRIAL REALTY TRUST, INC.

By: /s/Scott A. Musil

Scott A. Musil
Senior Vice President-Controller
(Principal Accounting Officer)

Date: November 9, 2005

EXHIBIT INDEX

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32.1**	Certification of the Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes — Oxley Act of 2002.

* Filed herewith

** Furnished herewith

*** Previously filed

Exhibit 10.3

THIRD AMENDMENT TO
AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT OF
FIRST INDUSTRIAL, L.P.

As of the 31st day of October, 2005, the undersigned, being the sole general partner of First Industrial, L.P. (the "**Partnership**"), a limited partnership formed under the Delaware Revised Uniform Limited Partnership Act and pursuant to the terms of that certain Eighth Amended and Restated Limited Partnership Agreement, dated June 2, 2004, as amended by that certain First Amendment to Eighth Amended and Restated Limited Partnership Agreement, dated March 4, 2005, and further amended by that certain Second Amendment to Eighth Amended and Restated Limited Partnership Agreement, dated July 22, 2005 (collectively, the "**Partnership Agreement**"), does hereby further amend the Partnership Agreement as follows:

Capitalized terms used but not defined in this Third Amendment shall have the same meanings that are respectively ascribed to them in the Partnership Agreement.

1. **Additional Limited Partners**. The Persons identified on **Schedule 1** hereto are hereby admitted to the Partnership as Additional Limited Partners owning the number of Units and having made the Capital Contributions set forth on such **Schedule 1**. Such Persons hereby adopt the Partnership Agreement.

2. **Schedule of Partners**. **Exhibit 1B** to the Partnership Agreement is hereby deleted in its entirety and replaced by **Exhibit 1B** hereto which identifies all of the Partners following consummation of the transactions referred to in Section 1 hereof.

3. **Ratification**. Except as expressly modified by this Third Amendment, all of the provisions of the Partnership Agreement are hereby affirmed and ratified, and remain in full force and effect.

IN WITNESS WHEREOF, the undersigned has executed this Third Amendment as of the date first written above.

FIRST INDUSTRIAL REALTY TRUST, INC.,
as sole general partner of the Partnership

By:	/s/ David Harker
Name:	David Harker
Title:	Executive Director — Investments

Schedule 1

Additional Limited Partners	Number of Units	Capital Contribution
Mark X. DiSanto	14,844	$ 585,760.83
John M. DiSanto	14,844	$ 585,760.83

EXHIBIT 1B
Schedule of Partners

General Partner	Number of Units
First Industrial Realty Trust, Inc.	30,892,739

Limited Partners	Number of Units
Kerry Acker	154
Sanders H. Acker	307
Daniel R. Andrew, Trustee of the Daniel R. Andrew Trust U/A 12-29-92	137,489
Charles T. Andrews	754
The Arel Company	307
Arnold Y. Aronoff	7,955
Daniel J. Aronoff	2,809
Lynn E. Aronoff	2,690
William J. Atkins	5,691
E. Donald Bafford	3,374
William Baloh	8,731
Thomas K. Barad & Jill E. Barad, Co-Trustees of the Thomas K. Barad & Jill E. Barad Trust DTD 10-18-89	2,283
Enid Barden, Trustee of the Enid Barden Trust dated June 28, 1995	56,082
Enid Barden, Trustee of the Enid Barden Trust dated June 28, 1996	23,088
Emil Billich	77

Limited Partners	Number of Units
Don N. Blurton & Patricia H. Blurton, Trustees U/A DTD 11-96 Blurton 1996 Revocable Family Trust	598
Harriet Bonn, Trustee U/A DTD 3/5/97 FBO the Harriet Bonn Revocable Living Trust	24,804
Michael W. Brennan	3,806
Helen Brown	307
Merrill Lynch, attn Cliff Kelly, account #27G-38295	4,620
Merrill Lynch, attn Cliff Kelly, account #27G-38294	4,620
Edward Burger	9,261
Barbara Lee O'Brien Burke	666
Ernestine Burstyn	5,007
Calamer Inc.	1,233
Perry C. Caplan	1,388
Carew Corporation	13,650
The Carol and James Collins Foundation	100,000
Magdalena G. Castleman	307
Cliffwood Development Company	64,823
Kelly Collins	11,116
Michael Collins	17,369
Charles S. Cook and Shelby H. Cook, tenants in the entirety	634
Cotswold Properties	34,939

Limited Partners	Number of Units
Caroline Atkins Coutret	5,845
David Cleborne Crow	5,159
Gretchen Smith Crow	2,602
Michael G. Damone, Trustee of the Michael G. Damone Trust U/A 11-4-69	144,296
Robert L. Denton	6,286
Henry E. Dietz Trust U/A 01-16-81	36,476
John M. DiSanto	14,844
Mark X. DiSanto	14,844
Steven Dizio & Helen Dizio, joint tenants	12,358
Nancy L. Doane	2,429
W. Allen Doane	1,987
Timothy Donohue	100
Darwin B. Dosch	1,388
Charles F. Downs	1,508
Draizin Family Partnership L.P.	357,896
Milton H. Dresner, Trustee of the Milton Dresner Revocable Trust U/A 10-22-76	149,531
Joseph Dresner	149,531
James O’Neil Duffy, Jr.	513
Martin Eglow	330
Rand H. Falbaum	17,022
Patricia O’Brien Ferrell	666
Rowena Finke	154

Limited Partners	Number of Units
First & Broadway Limited Partnership	18,203
Fourbur Family Co., L.P., a New York limited partnership	588,273
Frances Shankman Insurance Trust, Frances Shankman Trustee	16,540
Ester Fried	3,177
Jack Friedman, Trustee of the Jack Friedman Revocable Living Trust U/A 03/23/78	26,005
Robert L. Friedman	28,500
Nancy Gabel	14
J. Peter Gaffney	727
Gerlach Family Trust, dated 6/28/85, Stanley & Linda Gerlach Trustees	874
Martin Goodstein	922
Dennis G. Goodwin and Jeannie L. Goodwin, tenants in the entirety	6,166
Jeffrey L. Greenberg	330
Stanley Greenberg & Florence Greenberg, joint tenants	307
Thelma C. Gretzinger Trust	450
Stanley Gruber	30,032
Melissa C. Gudim	24,028
H. L. Investors LLC	4,000
H. P. Family Group LLC	103,734
H/Airport GP Inc.	1,433

Limited Partners	Number of Units
Clay Hamlin & Lynn Hamlin, joint tenants	15,159
Turner Harshaw	1,132
Edwin Hession & Cathleen Hession, joint tenants	11,116
Highland Associates Limited Partnership	69,039
Andrew Holder	97
Ruth Holder	2,612
Robert W. Holman, Jr. Homan Family Trust	1,048
Robert W. Holman, Jr. Homan Family Trust	149,165
Holman/Shidler Investment Corporation	14,351
Holman/Shidler Investment Corporation	7,728
Robert S. Hood Living Trust, dated 1/9/90 & amended 12/16/96, Robert S. Hood Trustee	3,591
Howard Trust, dated 4/30/79, Howard F. Sklar Trustee	653
Steven B. Hoyt	150,000
Jerry Hymowitz	307
Karen L. Hymowitz	154
IBS Delaware Partners L.P.	2,708
Seymour Israel	15,016
Frederick K. Ito, Trustee U/A DTD 9/9/98 FBO the Frederick K. Ito Trust	1,940

Limited Partners	Number of Units
Frederick K. Ito & June Y. I. Ito, Trustees U/A DTD 9/9/98 FBO the June Y. I. Ito Trust	1,940
J. P. Trusts LLC	35,957
Michael W. Jenkins	460
Jernie Holdings Corp.	180,499
Joan R. Krieger, Trustee of the Joan R. Krieger Revocable Trust DTD 10/21/97	15,184
John E. De B Blockey, Trustee of the John E. De B Blockey Trust	8,653
Jane Terrell Johnson	3,538
Jeffery E. Johnson	809
Johnson Living Trust, dated 2/18/83, H. Stanton & Carol A. Johnson Trustees	1,078
Thomas Johnson, Jr. & Sandra L. Johnson, tenants in the entirety	2,142
Martha O’Brien Jones	665
Charles Mark Jordan	57
Mary Terrell Joseph	837
Nourhan Kailian	2,183
H. L. Kaltenbacher, P. P. Kaltenbacher & J. K. Carr, Trustees of the Joseph C. Kaltenbacher Credit Shelter Trust	1,440
Sarah Katz	307
Carol F. Kaufman	166
KEP LLC, a Michigan limited liability company	98,626

Limited Partners	Number of Units
Peter Kepic	9,261
Jack Kindler	1,440
Kirshner Family Trust #1, dated 4/8/76, Berton & Barbara Kirshner Trustees	29,558
Kirshner Trust #4 FBO Todd Kirshner, dated 12/30/76, Berton Kirshner Trustee	20,258
Arthur Kligman	307
William L. Kreiger, Jr.	3,374
Babette Kulka	330
Jack H. Kulka	330
Paul T. Lambert	32,470
Paul T. Lambert	7,346
Chester A. Latcham & Co.	1,793
Constance Lazarus	417,961
Jerome Lazarus	18,653
Susan Lebow	740
Arron Leifer	4,801
Leslie A. Rubin Ltd	4,048
L. P. Family Group LLC	102,249
Duane Lund	617
Barbara Lusen	307
William J. Mallen Trust, dated 4/29/94, William J. Mallen Trustee	8,016
Stephen Mann	17

Limited Partners	Number of Units
Manor LLC	80,556
R. Craig Martin	754
J. Stanley Mattison	79
Henry E. Mawicke	636
Richard McClintock	623
McElroy Management Inc.	5,478
Eileen Millar	3,072
Linda Miller	2,000
Lila Atkins Mulkey	7,327
Peter Murphy	56,184
Anthony Muscatello	81,654
Ignatius Musti	1,508
New Land Associates Limited Partnership	1,664
Kris Nielsen	178
North Star Associates Limited Partnership	19,333
George F. Obrecht	5,289
Paul F. Obrecht	4,455
Richard F. Obrecht	5,289
Thomas F. Obrecht	5,289
Catherine A. O’Brien	832
Lee O’Brien, Trustee of the Martha J. Harbison Testamentary Trust FBO Christopher C. O’Brien	666

Limited Partners	Number of Units
Martha E. O’Brien	832
Patricia A. O’Brien	6,387
Peter O’Connor	56,844
Steve Ohren	33,366
Princeton South at Lawrenceville One, a New Jersey limited partnership	4,265
P & D Partners L.P.	1,440
Peegee L.P.	4,817
Partridge Road Associates Limited Partnership	2,751
Sybil T. Patten	1,816
Lawrence Peters	960
Jeffrey Pion	2,879
Pipkin Family Trust, dated 10/6/89, Chester & Janice Pipkin Trustees	3,140
Peter M. Polow	557
Keith J. Pomeroy, Trustee of Keigh J. Pomeroy Revocable Trust Agreement DTD 12/13/76 as amended & restated 06/28/95	104,954
Princeton South at Lawrenceville LLC	4,692
Abraham Punia, individually and to the admission of Abraham Punia	307
R. E. A. Associates	8,908
Marilyn Rangel IRA, dated 02/05/86, Custodian Smith Barney Shearson	969
Richard Rapp	23

Limited Partners	Number of Units
RBZ LLC, a Michigan limited liability company	155
Jack F. Ream	1,071
Seymour D. Reich	154
James C. Reynolds	2,569
James C. Reynolds	37,715
Andre G. Richard	1,508
RJB Ford City Limited Partnership, an Illinois limited partnership	158,438
RJB II Limited Partnership, an Illinois limited partnership	40,788
Rebecca S. Roberts	8,308
James Sage	2,156
James R. Sage	3,364
Kathleen Sage	50
Wilton Wade Sample	5,449
Debbie B. Schneeman	740
Jane Schulak	2,690
Norma A. Schulze	307
Sciport Discovery Center	30
Sealy Professional Drive LLC	2,906
Sealy Unitholder LLC	31,552
Sealy & Company Inc.	37,119
Sealy Florida Inc.	675

Limited Partners	Number of Units
Mark P. Sealy	8,451
Sealy Real Estate Services Inc.	148,478
Scott P. Sealy	40,902
Shadeland Associates Limited Partnership	42,976
Sam Shamie, Trustee of the Sam Shamie Trust Agreement dated March 16 1978 as restated November 16 1993	400,000
Garrett E. Sheehan	513
Shidler Equities L.P.	37,378
Shidler Equities L.P.	217,163
Jay H. Shidler	63,604
Jay H. Shidler	4,416
Jay H. Shidler & Wallette A. Shidler, tenants in the entirety	1,223
D. W. Sivers Co.	12,875
D. W. Sivers Co.	11,390
Dennis W. Sivers	26,920
Dennis W. Sivers	716
Sivers Family Real Property Limited Liability Company	11,447
Sivers Family Real Property Limited Liability Company	615
Sivers Investment Partnership	266,361
Sivers Investment Partnership	17,139

Limited Partners	Number of Units
Estate of Albert Sklar, Miriam M. Sklar Executrix	3,912
Michael B. Slade	2,829
Ellen Margaret Smith	1,000
Joseph Edward Smith	1,000
Kevin Smith	10,571
Olivia Jane Smith	1,000
Arnold R. Sollar, Trustee for the Dorothy Sollar Residuary Trust	307
Spencer and Company	154
SPM Industrial LLC	5,262
SRS Partnership	2,142
Robert Stein, Trustee U/A DTD 5-21-96 FBO Robert Stein	63,630
S. Larry Stein, Trustee under Revocable Trust Agreement DTD 9/22/99, S. Larry Stein Grantor	63,630
Sterling Alsip Trust, dated August 1, 1989, Donald W. Schaumberger Trustee	794
Sterling Family Trust, dated 3/27/80, Donald & Valerie A. Sterling Trustees	3,559
Jonathan Stott	80,026
Victor Strauss	77
Catherine O’Brien Sturgis	666
Mitchell Sussman	410
Swift Terminal Properties	183,158

Limited Partners	Number of Units
Donald C. Thompson, Trustee U/A DTD 12/31/98 FBO Donald C. Thompson Revocable Family Trust	39,243
Michael T. Tomasz, Trustee of the Michael T. Tomasz Trust U/A DTD 02-05-90	36,033
Barry L. Tracey	2,142
William S. Tyrrell	2,906
Burton S. Ury	9,072
James J. Warfield	330
Phyllis M. Warsaw Living Trust, Phyllis M. Warsaw Trustee	16,540
Wendel C. Sivers Marital Trust, U W D 02/20/81 Dennis W. Sivers & G. Burke Mims Co-Trustees	13,385
Wendell C. Sivers Marital Trust, U W D 02/20/81 Dennis W. Sivers & G. Burke Mims Co-Trustees	635
Wilson Management Company LLC	35,787
Elmer H. Wingate, Jr.	1,688
Ralph G. Woodley, Trustee under Revocable Trust Agreement DTD 9/27/89	16,319
Worlds Fair Partners Limited Partnership	1,664
WSW 1998 Exchange Fund L.P.	32,000
Sam L. Yaker, Trustee of the Sam L. Yaker Revocable Trust Agreement DTD 02/14/1984	37,870
Johannson Yap	1,680

Limited Partners	Number of Units
Richard H. Zimmerman, Trustee of the Richard H. Zimmerman Living Trust dated Oct 15 1990 as amended	28,988
Gerald & Sharon Zuckerman, joint tenants	615
L. Gary Waller and Nancy R. Waller, JTWROS	37,587

EXHIBIT 31.1

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE
SARBANES-OXLEY ACT OF 2002**

I, Michael W. Brennan, certify that:

1. I have reviewed this quarterly report on Form 10-Q of First Industrial Realty Trust, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2005

/s/ Michael W. Brennan
Michael W. Brennan
President and Chief Executive Officer

EXHIBIT 31.2

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE
SARBANES-OXLEY ACT OF 2002**

I, Michael J. Havala, certify that:

1. I have reviewed this quarterly report on Form 10-Q of First Industrial Realty Trust, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2005

/s/ Michael J. Havala
Michael J. Havala
Chief Financial Officer

Exhibit 32.1

CERTIFICATION
Accompanying Form 10-Q Report
of First Industrial Realty Trust, Inc.
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Chapter 63, Title 18 U.S.C. §1350(a) and (b))

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Chapter 63, Title 18 U.S.C. §1350(a) and (b)), each of the undersigned hereby certifies, to his knowledge, that the Quarterly Report on Form 10-Q for the period ended September 30, 2005 of First Industrial Realty Trust, Inc. (the "Company") fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 and that the information contained in such Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 9, 2005

/s/ Michael W. Brennan
Michael W. Brennan
Chief Executive Officer
(Principal Executive Officer)

Dated: November 9, 2005

/s/ Michael J. Havala
Michael J. Havala
Chief Financial Officer
(Principal Financial Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request. The information contained in this written statement shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except as shall be expressly set forth by specific reference to such filing.