

SECURITIES AND EXCHANGE COMMISSION
 WASHINGTON, D.C. 20549

FORM S-3

REGISTRATION STATEMENT
 UNDER
 THE SECURITIES ACT OF 1933

FIRST INDUSTRIAL REALTY TRUST, INC.
 (Exact name of registrant as specified in its charter)
 MARYLAND
 (State or other jurisdiction of incorporation or organization)
 36-3935116
 (I.R.S. Employer Identification Number)

FIRST INDUSTRIAL, L.P.
 (Exact name of registrant as specified in its charter)
 DELAWARE
 (State or other jurisdiction of incorporation or organization)
 36-3924586
 (I.R.S. Employer Identification Number)

150 N. WACKER DRIVE, SUITE 150
 CHICAGO, ILLINOIS 60606
 (312) 704-9000
 (Address, including zip code, and telephone number, including area code, of registrants' principal executive offices)

MICHAEL T. TOMASZ
 PRESIDENT AND CHIEF EXECUTIVE OFFICER
 FIRST INDUSTRIAL REALTY TRUST, INC.
 150 N. WACKER DRIVE, SUITE 150
 CHICAGO, ILLINOIS 60606
 (312) 704-9000
 (Name, address, including zip code, and telephone number, including area code, of agent for service)
 Copies to:

GERALD S. TANENBAUM, ESQ.
 ROGER ANDRUS, ESQ.
 CAHILL GORDON & REINDEL
 80 PINE STREET
 NEW YORK, NEW YORK 10005
 (212) 701-3000

ROBERT E. KING, JR., ESQ.
 ROGERS & WELLS
 200 PARK AVENUE
 NEW YORK, NEW YORK 10166
 (212) 878-8000

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this registration statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box: / /

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box: /X/

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. / /

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. / /

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. / /

CALCULATION OF REGISTRATION FEE

TITLE OF SECURITIES BEING REGISTERED(1)(2)	AMOUNT TO BE REGISTERED(3)(4)(5)	PROPOSED MAXIMUM OFFERING PRICE PER UNIT(6)	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE(3)(4)(5)(7)	AMOUNT OF REGISTRATION FEE(8)
Common Stock				
Preferred Stock	\$150,000,000	N.A.	\$150,000,000	
Depository Shares				

First Industrial, L.P.
Debt Securities

\$350,000,000

N.A.

\$350,000,000

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- (1) This Registration Statement also covers contracts which may be issued by the Registrants under which the counterparty may be required to purchase Common Stock, Preferred Stock, Depositary Shares or Debt Securities.
 - (2) Subject to footnotes (4) and (5), there is being registered hereunder (a) an indeterminate amount of Preferred Stock, Depositary Shares and Common Stock as may be sold, from time to time, by First Industrial Realty Trust, Inc. and (b) an indeterminate amount of Debt Securities as may be sold, from time to time, by First Industrial, L.P. There is also being registered hereunder an indeterminate number of shares of Common Stock that may be issued upon conversion of Preferred Stock or Depositary Shares registered hereunder.
 - (3) In no event will the aggregate maximum offering price of all securities registered under this Registration Statement exceed \$500,000,000. Any securities registered hereunder may be sold separately or as units with other securities registered hereunder.
 - (4) In no event will the aggregate maximum offering price of Common Stock, Preferred Stock and Depositary Shares registered under this Registration Statement exceed \$150,000,000.
 - (5) In no event will the aggregate maximum offering price of Debt Securities registered under this Registration Statement exceed \$350,000,000.
 - (6) The proposed maximum offering price per unit (a) has been omitted pursuant to instruction II.D. of Form S-3 and (b) will be determined, from time to time, by the Registrants in connection with the issuance by the Registrants of the securities registered hereunder.
 - (7) In U.S. dollars or, the equivalent thereof, denominated in one or more foreign currencies or units of two or more foreign currencies or composite currencies (such as European Currency Units).
 - (8) Calculated pursuant to Rule 457(o) of the rules and regulations under the Securities Act of 1933, as amended.

THE REGISTRANTS HEREBY AMEND THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANTS SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE SECURITIES AND EXCHANGE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(A), MAY DETERMINE.

PURSUANT TO RULE 429 UNDER THE SECURITIES ACT OF 1933, THIS REGISTRATION STATEMENT CONTAINS A COMBINED PROSPECTUS THAT ALSO RELATES TO \$89,525,000 OF COMMON STOCK REGISTERED ON FORM S-3, FILE NO. 333-13225, WHICH WAS DECLARED EFFECTIVE ON OCTOBER 4, 1996 (THE "PREVIOUSLY REGISTERED COMMON STOCK"), WHICH HAS NOT BEEN OFFERED OR SOLD AS OF THE DATE OF THE FILING OF THIS REGISTRATION STATEMENT. THIS REGISTRATION STATEMENT CONSTITUTES POST-EFFECTIVE AMENDMENT NO. 1 TO REGISTRATION STATEMENT FILE NO. 333-13225, PURSUANT TO WHICH THE TOTAL AMOUNT OF UNSOLD PREVIOUSLY REGISTERED COMMON STOCK REGISTERED ON REGISTRATION STATEMENT FILE NO. 333-13225 MAY BE OFFERED AND SOLD BY THE COMPANY AS COMMON STOCK. IN THE EVENT THE PREVIOUSLY REGISTERED COMMON STOCK IS OFFERED AND SOLD PRIOR TO THE EFFECTIVE DATE OF THIS REGISTRATION STATEMENT, THE AMOUNT OF PREVIOUSLY REGISTERED COMMON STOCK SO SOLD WILL NOT BE INCLUDED IN THE PROSPECTUS HEREUNDER.

EXPLANATORY NOTE

This Registration Statement relates to securities which may be offered from time to time by First Industrial Realty Trust, Inc. (the "Company") and First Industrial, L.P., a majority-owned subsidiary of the Company (the "Operating Partnership"). This Registration Statement contains a form of base prospectus (the "Base Prospectus") relating to both the Company and the Operating Partnership which will be used in connection with an offering of securities by the Company or the Operating Partnership. The specific terms of the securities to be offered will be set forth in a Prospectus Supplement relating to such securities. To the extent securities of the Operating Partnership, which are limited to unsecured non-convertible investment grade debt securities, are offered pursuant to the enclosed Base Prospectus, the Base Prospectus will include the financial statements, together with notes and schedule, Selected Financial Data and Management's Discussion and Analysis of Financial Condition and Results of Operations of the Operating Partnership set forth on pages F-1 through F-37 of the Base Prospectus.

SUBJECT TO COMPLETION, DATED FEBRUARY 14, 1997

PROSPECTUS

INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION. THESE SECURITIES MAY NOT BE SOLD NOR MAY OFFERS TO BUY BE ACCEPTED PRIOR TO THE THE TIME THE REGISTRATION STATEMENT BECOMES EFFECTIVE. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THESE SECURITIES IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF ANY SUCH STATE.

\$589,525,000

FIRST INDUSTRIAL REALTY TRUST, INC.
Common Stock, Preferred Stock and Depositary Shares

FIRST INDUSTRIAL, L.P.
Debt Securities

First Industrial Realty Trust, Inc. (the "Company") may from time to time offer in one or more series (i) shares of common stock, par value \$.01 per share ("Common Stock"), (ii) shares of preferred stock, par value \$.01 per share ("Preferred Stock"), and (iii) shares of Preferred Stock represented by depositary shares ("Depositary Shares"), with an aggregate public offering price of up to \$239,525,000, in amounts, at prices and on terms to be determined at the time of offering. First Industrial, L.P. (the "Operating Partnership") may from time to time offer in one or more series unsecured non-convertible investment grade debt securities ("Debt Securities"), with an aggregate public offering price of up to \$350,000,000, in amounts, at prices and on terms to be determined at the time of offering. The Common Stock, Preferred Stock, Depositary Shares and Debt Securities (collectively, the "Securities") may be offered, separately or together, in separate series in amounts, at prices and on terms to be set forth in one or more supplements to this Prospectus (each a "Prospectus Supplement").

The specific terms of the Securities in respect of which this Prospectus is being delivered will be set forth in the applicable Prospectus Supplement and will include, where applicable: (i) in the case of Common Stock, any initial public offering price; (ii) in the case of Preferred Stock, the specific title and stated value, any dividend, liquidation, redemption, conversion, voting and other rights, and any initial public offering price; (iii) in the case of Depositary Shares, the fractional share of Preferred Stock represented by each such Depositary Share; and (iv) in the case of Debt Securities, the specific title, aggregate principal amount, currency, form (which may be registered or bearer, or certificated or global), authorized denominations, maturity, rate (or manner of calculation thereof) and time of payment of interest, terms for redemption at the option of the Operating Partnership or repayment at the option of the holder, terms for sinking fund payments, covenants and any initial public offering price. In addition, such specific terms may include limitations on direct or beneficial ownership and restrictions on transfer of the Securities, in each case as may be consistent with the Company's Articles of Incorporation or otherwise appropriate to preserve the status of the Company as a real estate investment trust ("REIT") for federal income tax purposes. See "Restrictions on Transfers of Capital Stock."

The applicable Prospectus Supplement will also contain information, where applicable, about certain United States federal income tax considerations relating to, and any listing on a securities exchange of, the Securities covered by such Prospectus Supplement, not contained in this Prospectus.

The Securities may be offered directly to one or more purchasers, through agents designated from time to time by the Company or the Operating Partnership or to or through underwriters or dealers. If any agents or underwriters are involved in the sale of any of the Securities, their names, and any applicable purchase price, fee, commission or discount arrangement between or among them, will be set forth, or will be calculable from the information set forth, in an accompanying Prospectus Supplement. No Securities may be sold by the Company or the Operating Partnership without delivery of a Prospectus Supplement describing the method and terms of the offering of such series of Securities. See "Plan of Distribution."

FOR A DISCUSSION OF CERTAIN FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE SECURITIES, SEE "RISK FACTORS" COMMENCING ON PAGE 4.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this Prospectus is _____, 1997

AVAILABLE INFORMATION

The Company is, and upon effectiveness of the Registration Statement (as hereinafter defined) the Operating Partnership will be, subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and, in accordance therewith, the Company files reports, proxy statements and other information with the Securities and Exchange Commission (the "Commission") and the Operating Partnership will file reports and other information with the Commission. Such reports, proxy statements and other information can be inspected and copied at prescribed rates at the public reference facilities maintained by the Commission at Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20549 and at the regional offices of the Commission at 7 World Trade Center, 13th Floor, New York, New York 10048 and at Northwestern Atrium Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511. Copies of such material also can be obtained from the Public Reference Section of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549 at prescribed rates. In addition, the Commission maintains a Web site that contains reports, proxy and information statements and other information regarding registrants that file electronically with the Commission at <http://www.sec.gov>. Securities of the Company are listed on the New York Stock Exchange (the "NYSE"), and all such material filed by the Company with the NYSE also can be inspected at the offices of the NYSE, 20 Broad Street, New York, New York 10005.

The Company and the Operating Partnership have filed with the Commission a registration statement on Form S-3 (together with all amendments and exhibits, the "Registration Statement"), of which this Prospectus is a part, under the Securities Act of 1933, as amended (the "Securities Act"), with respect to the Securities. This Prospectus does not contain all of the information set forth in the Registration Statement, certain parts of which are omitted in accordance with the rules and regulations of the Commission. For further information concerning the Company, the Operating Partnership and the Securities, reference is made to the Registration Statement. Statements contained in this Prospectus as to the contents of any contract or other documents are not necessarily complete, and in each instance, reference is made to the copy of such contract or documents filed as an exhibit to the Registration Statement, each such statement being qualified in all respects by such reference.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The following documents heretofore filed by the Company (File No. 1-13102) with the Commission are incorporated herein by reference:

- (a) the Company's Annual Report on Form 10-K for the year ended December 31, 1995;
- (b) the Company's Quarterly Reports on Form 10-Q for the quarters ended March 31, 1996, June 30, 1996 and September 30, 1996;
- (c) the Company's Current Report on Form 8-K dated April 3, 1996, as amended by Form 8-K/A No. 1 filed May 17, 1996;
- (d) the Company's Current Report on Form 8-K dated October 24, 1996;
- (e) the Company's Current Report on Form 8-K dated February 12, 1997;
and
- (f) the description of the Common Stock included in the Company's Registration Statement on Form 8-A dated June 23, 1994.

All documents filed by the Company or the Operating Partnership pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of this Prospectus and prior to the termination of the offering of the Securities offered hereby shall be deemed to be incorporated by reference in this Prospectus and made a part hereof from the date of the filing of such documents. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be

modified or superseded for purposes of this Prospectus to the extent that a statement contained herein or in any other document subsequently filed with the Commission which also is incorporated or deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

The Company will provide without charge to each person, including any beneficial owner, to whom this Prospectus is delivered, upon the written or oral request of such person, a copy of any or all of the information incorporated by reference herein (not including the exhibits to the information that is incorporated by reference herein, unless such exhibits are specifically incorporated by reference into the information that is incorporated by reference herein). Requests for such copies should be directed to: First Industrial Realty Trust, Inc., Attn: Investor Relations, 150 N. Wacker Drive, Suite 150, Chicago, Illinois 60606, telephone (312) 704-9000.

Certain information, including, but not limited to, information relating to the Operating Partnership's properties, principal security holders, management, executive compensation, certain relationships and related transactions and legal proceedings that would be required to be disclosed in a prospectus included in a registration statement on Form S-11, has been omitted from this Prospectus, because such information is not materially different from the information contained in the Company's periodic reports, proxy statements and other information filed by the Company with the Commission.

THE COMPANY AND THE OPERATING PARTNERSHIP

UNLESS THE CONTEXT OTHERWISE REQUIRES, ALL REFERENCES IN THIS PROSPECTUS TO THE "COMPANY" REFER TO FIRST INDUSTRIAL REALTY TRUST, INC. AND ITS SUBSIDIARIES, INCLUDING THE OPERATING PARTNERSHIP, AND ALL REFERENCES IN THIS PROSPECTUS TO THE "OPERATING PARTNERSHIP" REFER TO FIRST INDUSTRIAL, L.P. AND ITS SUBSIDIARIES.

The Company is a REIT which owns, manages, acquires and develops bulk warehouse and light industrial properties. Markets in which the Company currently operates include the following metropolitan areas: Minneapolis/St. Paul, Minnesota; Detroit, Michigan; Atlanta, Georgia; Chicago, Illinois; Grand Rapids, Michigan; Indianapolis, Indiana; Central Pennsylvania; Nashville, Tennessee; St. Louis, Missouri; Columbus, Ohio; Cincinnati, Ohio; Des Moines, Iowa; Milwaukee, Wisconsin; Dayton, Ohio; and Cleveland, Ohio. As of December 31, 1996, the Company owned 379 in service properties containing an aggregate of approximately 32.7 million square feet of gross leasable area ("GLA") which was approximately 97% leased to over 990 tenants. The Company is a self-administered and fully integrated industrial real estate company.

The Company is the sole general partner of, and, as of January 31, 1997, held approximately 88.4% of the outstanding units of partnership interest ("Units") in, the Operating Partnership. Approximately 11.6% of the outstanding Units are held by outside investors, including certain members of the Company's management. Each Unit, other than those held by the Company, may be exchanged by the holder thereof for one share (subject to certain adjustments) of Common Stock. With each such exchange, the number of Units owned by the Company, and, therefore, the Company's percentage interest in the Operating Partnership, will increase. Substantially all of the Company's assets are held by or through the Operating Partnership and the Operating Partnership receives substantially the same economic benefits as the Company.

The Company was incorporated in Maryland in August 1993. The Operating Partnership was formed in Delaware in November 1993. The Company's and the Operating Partnership's executive offices are located at 150 N. Wacker Drive, Suite 150, Chicago, Illinois 60606, and their telephone number is (312) 704-9000.

RISK FACTORS

In evaluating an investment in the Securities, investors should consider the following factors, in addition to other matters set forth or incorporated in this Prospectus and in any applicable Prospectus Supplement.

REAL ESTATE INVESTMENT CONSIDERATIONS

GENERAL

Income from real property investments, and the Company's resulting ability to make expected distributions to stockholders, may be adversely affected by the general economic climate, local conditions such as oversupply or a reduction in demand in the area, the attractiveness of the properties to tenants, tenant defaults, zoning or other regulatory restrictions, competition from other available real estate, the ability of the Company to provide adequate maintenance and insurance and increased operating costs (including insurance premiums and real estate taxes). The Company's income would also be adversely affected if tenants were unable to pay rent or the Company were unable to rent properties on favorable terms. In addition, certain expenditures associated with real estate investment (such as real estate taxes and maintenance costs) generally are not reduced when circumstances cause a reduction in income from the investment. Furthermore, real estate investments are relatively illiquid and, therefore, will tend to limit the ability of the Company to vary its portfolio promptly in response to changes in economic or other conditions.

RENEWAL OF LEASES AND RELETTING OF SPACE

The Company will be subject to the risks that, upon expiration of leases, the leases may not be renewed, the space subject to such leases may not be relet or the terms of renewal or reletting (including the cost of required renovations) may be less favorable than expiring lease terms. If the Company were unable promptly to renew a significant number of expiring leases or promptly to relet the space covered by such leases, or if the rental rates upon such renewal or reletting were significantly lower than the then current rates, the Company's funds from operations and ability to make expected distributions to stockholders might be adversely affected. Leases with respect to approximately 5.5 million, 5.9 million and 5.4 million square feet of GLA expire in 1997, 1998 and 1999, respectively.

POTENTIAL ENVIRONMENTAL LIABILITY

Under various federal, state and local laws, ordinances and regulations, an owner or operator of real estate may be liable for the costs of clean-up of certain conditions relating to the presence of hazardous or toxic materials on, in or emanating from the property, and any related damages to natural resources. Such laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the presence of hazardous or toxic materials. The presence of such materials, or the failure to address such conditions properly, may adversely affect the ability to rent or sell the property or to borrow using the property as collateral. Persons who dispose of or arrange for the disposal or treatment of hazardous or toxic materials may also be liable for the costs of clean-up of such materials, or for related natural resource damages, at or from an off-site disposal or treatment facility, whether or not such facility is owned or operated by such persons. No assurance can be given that existing environmental assessments with respect to any of the Company's properties reveal all environmental liabilities, that any prior owner or operator of any of the properties did not create any material environmental condition not known to the Company or that a material environmental condition does not otherwise exist as to any one or more properties.

TAX RISKS

CONSEQUENCES OF FAILURE TO QUALIFY AS A REIT

The Company intends to operate so as to qualify as a REIT under the Internal Revenue Code of 1986, as amended (the "Code"). Although the Company believes that it is organized and will operate in a manner so as to qualify as a REIT, qualification as a REIT involves the satisfaction of numerous requirements (some of which must be met on a recurring basis) established under highly technical and complex Code provisions of which there are only limited judicial or administrative interpretations, and involves the determination of various factual matters and circumstances not entirely within the Company's control. If the Company were to fail to qualify as a REIT in any taxable year, the Company would be subject to federal income tax (including any applicable alternative minimum tax) on its taxable income at corporate rates and, unless entitled to relief under certain statutory provisions, the Company also would be disqualified from treatment as a REIT for the four taxable years that follow. See "Certain Federal Income Tax Considerations."

EFFECT OF DISTRIBUTION REQUIREMENTS

The Company could, in certain instances, have taxable income without sufficient cash to enable the Company to meet the distribution requirements of the REIT provisions of the Code. Accordingly, the Company could be required to borrow funds or sell properties on adverse terms in order to meet such distribution requirements. In addition, because the Company must distribute to its stockholders at least 95% of its REIT taxable income each year, the Company's ability to accumulate capital may be limited. Thus, it may be more dependent on outside sources of financing, such as debt financing or issuances of

additional capital stock, in connection with future acquisitions. See "Certain Federal Income Tax Considerations."

RISKS ASSOCIATED WITH DEBT FINANCING AND LEVERAGE

Where possible, the Company intends to continue to use leverage to increase the rate of return on its investments and to allow the Company to make more investments than it otherwise could. Such use of leverage presents an additional element of risk in the event that the cash flow from the Company's properties is insufficient to meet both debt payment obligations and the distribution requirements of the REIT provisions of the Code.

BALLOON PAYMENTS

The Company is required to make lump-sum or "balloon" payments pursuant to the terms of certain of its indebtedness, including a mortgage loan under which First Industrial Financing Partnership, L.P (the "Financing Partnership") borrowed \$300 million (the "Mortgage Loan") and a \$200 million unsecured revolving credit facility (the "Acquisition Facility") under which the Company, through the Operating Partnership, may borrow to finance the acquisition of additional properties and for other corporate purposes, including working capital. The Mortgage Loan and the Acquisition Facility provide for the repayment of principal in a lump-sum or "balloon" payment at maturity in 1999 (subject to a two-year extension at the Financing Partnership's option, subject to certain conditions) and 2000 (subject to successive one-year extensions at the Operating Partnership's option, subject to certain conditions), respectively. The Company's ability to make such payments may depend on its ability either to refinance the applicable indebtedness or to sell properties. The Company has no commitments to refinance the Mortgage Loan or the Acquisition Facility. The Mortgage Loan and certain other existing debt obligations of the Company are secured by its properties, and therefore such obligations will permit the lender to foreclose on those properties in the event of a default.

NO LIMITATION ON DEBT IN ORGANIZATIONAL DOCUMENTS

The Company currently has a policy of maintaining a ratio of debt to total market capitalization (I.E., total consolidated debt of the Company as a percentage of the aggregate market value of all outstanding shares of Common Stock, assuming the exchange of all Units for Common Stock, plus the aggregate stated value of all outstanding shares of preferred stock, plus total consolidated debt) which generally will not exceed 50% and a coverage ratio (computed as total revenues minus property expenses and general and administrative expenses divided by interest expense plus dividends on preferred stock) of at least 2.0:1. However, the organizational documents of the Company do not contain any limitation on the amount or percentage of indebtedness the Company may incur. Accordingly, the Company could become more highly leveraged, resulting in an increase in debt service that could adversely affect the Company's ability to make expected distributions to stockholders and in an increased risk of default on its obligations.

RISING INTEREST RATES

The Acquisition Facility bears interest at a floating rate. Increases in the interest rate payable on balances outstanding under the Acquisition Facility would have an adverse effect on the Company's cash available for distribution.

RISKS ASSOCIATED WITH POSSIBLE CONFLICTS OF INTEREST

COMPETITION FROM OTHER BUSINESS INTERESTS OF CERTAIN OFFICERS AND DIRECTORS

Entities affiliated with or controlled by certain officers and directors of the Company hold equity interests in industrial properties not owned by the Company. Some of these properties may compete with

properties owned by the Company. There can be no assurance that decisions by officers and directors of the Company will fully represent the interests of stockholders of the Company rather than such individuals and their affiliates.

TAX CONSEQUENCES TO CERTAIN OFFICERS AND DIRECTORS

Certain officers and directors of the Company own Units which may be exchanged for Common Stock. Prior to the exchange of Units for Common Stock, officers and directors of the Company who own Units may suffer different and more adverse tax consequences than holders of Common Stock upon the sale of certain of the Company's properties, the refinancing of debt associated with those properties or in connection with a proposed tender offer or merger involving the Company and, therefore, such individuals and the Company, as partners in the Operating Partnership, may have different objectives regarding the appropriate terms of any such transaction.

USE OF PROCEEDS

Unless otherwise described in the applicable Prospectus Supplement, the Company and the Operating Partnership intend to use the net proceeds from the sale of Securities offered by this Prospectus and the applicable Prospectus Supplement for general corporate purposes, which may include the acquisition of additional properties, the repayment of outstanding debt or the improvement of certain properties already in the Company's portfolio. Any proceeds from the sale of Common Stock, Preferred Stock or Depositary Shares by the Company will be invested in the Operating Partnership, which will use such proceeds for the above-described purposes.

RATIOS OF EARNINGS TO FIXED CHARGES

The Company's ratios of earnings to fixed charges plus preferred dividend requirements for the nine months ended September 30, 1996 and for the years ended December 31, 1995 and 1994 were 1.80, 1.56 and 1.33, respectively. The Operating Partnership's ratios of earnings to fixed charges plus fixed preferred distributions of a limited partnership subsidiary of the Operating Partnership for the nine months ended September 30, 1996 and the years ended December 31, 1995 and 1994 were 1.83, 1.54 and 1.33, respectively.

For purposes of computing the ratios of earnings to fixed charges, earnings have been calculated by adding fixed charges (excluding capitalized interest) to income (loss) before disposition of interest rate protection agreement, gain on sales of properties, minority interest and extraordinary items. Fixed charges consist of interest costs, whether expensed or capitalized, and amortization of interest rate protection agreement and deferred financing costs.

With respect to the Company and the Operating Partnership, earnings were inadequate to cover fixed charges by approximately \$3.4 million, \$4.3 million and \$3.9 million for the years ended December 31, 1993, 1992 and 1991, respectively, which periods were prior to the Company's initial public offering. No preferred stock of the Company was outstanding and no fixed preferred distributions were required during such years.

DESCRIPTION OF DEBT SECURITIES

The Debt Securities will be issued under an indenture (the "Indenture"), dated as of a date prior to the issuance of the Debt Securities to which it relates, between the Operating Partnership and a trustee (a "Trustee"), and in the form that has been filed as an exhibit to the Registration Statement of which this Prospectus is a part, subject to such amendments or supplements as may be adopted from time to time. The Indenture will be subject to and governed by the Trust Indenture Act of 1939, as amended (the "TIA"). The statements made under this heading relating to the Debt Securities and the Indenture are

summaries of certain provisions thereof, do not purport to be complete and are qualified in their entirety by reference to the Indenture and such Debt Securities.

Capitalized terms used herein and not defined shall have the meanings assigned to them in the Indenture.

The Debt Securities to be offered hereby and in any applicable Prospectus Supplement will be "investment grade" securities, meaning at the time of the offering of such Debt Securities, at least one nationally recognized statistical rating organization (as defined in the Exchange Act) will have rated such Debt Securities in one of its generic rating categories which signifies investment grade (typically the four highest rating categories, within which there may be sub-categories or gradations indicating relative standing, signify investment grades). An investment grade rating is not a recommendation to buy, sell or hold securities, is subject to revision or withdrawal at any time by the assigning entity and should be evaluated independently of any other rating.

TERMS

GENERAL. The Debt Securities will be direct unsecured obligations of the Operating Partnership. The indebtedness represented by the Debt Securities will rank equally with all other unsecured and unsubordinated indebtedness of the Operating Partnership. No partner (whether limited or general, including the Company) of the Operating Partnership has any obligation for the payment of principal of (or premium, if any) or interest, if any, on, or any other amount with respect to, the Debt Securities. The particular terms of the Debt Securities offered by a Prospectus Supplement will be described in the applicable Prospectus Supplement, along with any applicable modifications of or additions to the general terms of the Debt Securities as described herein and in the Indenture and any applicable federal income tax considerations. Accordingly, for a description of the terms of any series of Debt Securities, reference must be made to both the Prospectus Supplement relating thereto and the description of the Debt Securities set forth in this Prospectus.

Except as set forth in any Prospectus Supplement, the Debt Securities may be issued without limit as to aggregate principal amount, in one or more series, in each case as established from time to time by the Operating Partnership or as set forth in the Indenture or in one or more indentures supplemental to the Indenture. All Debt Securities of one series need not be issued at the same time and, unless otherwise provided, a series may be reopened, without the consent of the holders of the Debt Securities of such series, for issuance of additional Debt Securities of such series.

The Indenture will provide that the Operating Partnership may, but need not, designate more than one Trustee thereunder, each with respect to one or more series of Debt Securities. Any Trustee under the Indenture may resign or be removed with respect to one or more series of Debt Securities, and a successor Trustee may be appointed to act with respect to such series. In the event that two or more persons are acting as Trustee with respect to different series of Debt Securities, each such Trustee shall be a Trustee of a trust under the Indenture separate and apart from the trust administered by any other Trustee, and, except as otherwise indicated herein, any action described herein to be taken by each Trustee may be taken by each such Trustee with respect to, and only with respect to, the one or more series of Debt Securities for which it is Trustee under the Indenture.

The following summaries set forth certain general terms and provisions of the Indenture and the Debt Securities. The Prospectus Supplement relating to the series of Debt Securities being offered will contain further terms of such Debt Securities, including the following specific terms:

- (1) The title of such Debt Securities;
- (2) The aggregate principal amount of such Debt Securities and any limit on such aggregate principal amount;

- (3) The price (expressed as a percentage of the principal amount thereof) at which such Debt Securities will be issued and, if other than the principal amount thereof, the portion of the principal amount thereof payable upon declaration of acceleration of the maturity thereof;
- (4) The date or dates, or the method for determining such date or dates, on which the principal of such Debt Securities will be payable;
- (5) The rate or rates (which may be fixed or variable), or the method by which such rate or rates shall be determined, at which such Debt Securities will bear interest, if any;
- (6) The date or dates, or the method for determining such date or dates, from which any such interest will accrue, the dates on which any such interest will be payable, the record dates for such interest payment dates, or the method by which such dates shall be determined, the persons to whom such interest shall be payable, and the basis upon which interest shall be calculated if other than that of a 360-day year of twelve 30-day months;
- (7) The place or places where the principal of (and premium or Make-Whole Amount, if any) and interest, if any, on such Debt Securities will be payable, where such Debt Securities may be surrendered for registration of transfer or exchange and where notices or demands to or upon the Operating Partnership in respect of such Debt Securities and the Indenture may be served;
- (8) The period or periods, if any, within which, the price or prices at which and the other terms and conditions upon which such Debt Securities may, pursuant to any optional or mandatory redemption provisions, be redeemed, as a whole or in part, at the option of the Operating Partnership;
- (9) The obligation, if any, of the Operating Partnership to redeem, repay or purchase such Debt Securities pursuant to any sinking fund or analogous provision or at the option of a holder thereof, and the period or periods within which, the price or prices at which and the other terms and conditions upon which such Debt Securities will be redeemed, repaid or purchased, as a whole or in part, pursuant to such obligation;
- (10) If other than U.S. dollars, the currency or currencies in which such Debt Securities are denominated and payable, which may be a foreign currency or units of two or more foreign currencies or a composite currency or currencies, and the terms and conditions relating thereto;
- (11) Whether the amount of payments of principal of (and premium or Make-Whole Amount, if any, including any amount due upon redemption, if any) or interest, if any, on such Debt Securities may be determined with reference to an index, formula or other method (which index, formula or method may, but need not be, based on the yield on or trading price of other securities, including United States Treasury securities, or on a currency, currencies, currency unit or units, or composite currency or currencies) and the manner in which such amounts shall be determined;
- (12) Whether the principal of (and premium or Make-Whole Amount, if any) or interest on the Debt Securities of the series are to be payable, at the election of the Operating Partnership or a holder thereof, in a currency or currencies, currency unit or units or composite currency or currencies other than that in which such Debt Securities are denominated or stated to be payable, the period or periods within which, and the terms and conditions upon which, such election may be made, and the time and manner of, and identity of the exchange rate agent with responsibility for, determining the exchange rate between the currency or currencies, currency unit or units or composite currency or currencies in which such Debt Securities are denominated or stated to be payable and the currency or currencies, currency unit or units or composite currency or currencies in which such Debt Securities are to be so payable;

- (13) Provisions, if any, granting special rights to the holders of Debt Securities of the series upon the occurrence of such events as may be specified;
- (14) Any deletions from, modifications of or additions to the Events of Default or covenants of the Operating Partnership with respect to Debt Securities of the series, whether or not such Events of Default or covenants are consistent with the Events of Default or covenants described herein;
- (15) Whether and under what circumstances the Operating Partnership will pay any additional amounts on such Debt Securities in respect of any tax, assessment or governmental charge and, if so, whether the Operating Partnership will have the option to redeem such Debt Securities in lieu of making such payment;
- (16) Whether Debt Securities of the series are to be issuable as Registered Securities, Bearer Securities (with or without coupons) or both, any restrictions applicable to the offer, sale or delivery of Bearer Securities and the terms upon which Bearer Securities of the series may be exchanged for Registered Securities of the series and vice versa (if permitted by applicable laws and regulations), whether any Debt Securities of the series are to be issuable initially in temporary global form and whether any Debt Securities of the series are to be issuable in permanent global form with or without coupons and, if so, whether beneficial owners of interests in any such permanent global Security may exchange such interests for Debt Securities of such series and of like tenor of any authorized form and denomination and the circumstances under which any such exchanges may occur, if other than in the manner provided in the Indenture, and, if Registered Securities of the series are to be issuable as a Global Security, the identity of the depository for such series;
- (17) The date as of which any Bearer Securities of the series and any temporary Global Security representing outstanding Debt Securities of the series shall be dated if other than the date of original issuance of the first Security of the series to be issued;
- (18) The Person to whom any interest on any Registered Security of the series shall be payable, if other than the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, the manner in which, or the Person to whom, any interest on any Bearer Security of the series shall be payable, if otherwise than upon presentation and surrender of the coupons appertaining thereto as they severally mature, and the extent to which, or the manner in which, any interest payable on a temporary Global Security on an Interest Payment Date will be paid if other than in the manner provided in the Indenture;
- (19) Whether such Debt Securities will be issued in certificated or book entry form;
- (20) The applicability, if any, of the defeasance and covenant defeasance provisions of the Indenture to the Debt Securities of the series;
- (21) If the Debt Securities of such series are to be issuable in definitive form (whether upon original issue or upon exchange of a temporary Security of such series) only upon receipt of certain certificates or other documents or satisfaction of other conditions, then the form and/or terms of such certificates, documents or conditions; and
- (22) Any other terms of the series (which terms shall not be inconsistent with the provisions of the Indenture).

If so provided in the applicable Prospectus Supplement, the Debt Securities may be issued at a discount below their principal amount and provide for less than the entire principal amount thereof to be payable upon declaration of acceleration of the maturity thereof ("Original Issue Discount Securities"). In such cases, all material U.S. federal income tax, accounting and other considerations applicable to Original Issue Discount Securities will be described in the applicable Prospectus Supplement.

Except as may be set forth in any Prospectus Supplement, the Indenture will not contain any provisions that would limit the ability of the Operating Partnership to incur indebtedness or that would afford holders of Debt Securities protection in the event of a highly leveraged or similar transaction involving the Operating Partnership or in the event of a change of control. Restrictions on ownership and transfers of the Common Stock and Preferred Stock are designed to preserve the Company's status as a REIT and, therefore, may act to prevent or hinder a change of control. See "Restrictions on Transfers of Capital Stock." Reference is made to the applicable Prospectus Supplement for information with respect to any deletions from, modifications of, or additions to, the Events of Default or covenants of the Operating Partnership that are described below, including any addition of a covenant or other provision providing event risk or similar protection.

DENOMINATION, INTEREST, REGISTRATION AND TRANSFER

Unless otherwise described in the applicable Prospectus Supplement, the Debt Securities of any series will be issuable in denominations of \$1,000 and integral multiples thereof. Where Debt Securities of any series are issued in bearer form, the special restrictions and considerations, including special offering restrictions and special federal income tax considerations, applicable to any such Debt Securities and to payment on and transfer and exchange of such Debt Securities will be described in the applicable Prospectus Supplement. Bearer Debt Securities will be transferable by delivery.

Unless otherwise specified in the applicable Prospectus Supplement, the principal of (and applicable premium or Make-Whole Amount, if any) and interest on any series of Debt Securities will be payable at the corporate trust office of the applicable Trustee, the address of which will be stated in the applicable Prospectus Supplement; provided that, at the option of the Operating Partnership, payment of interest may be made by check mailed to the address of the person entitled thereto as it appears in the applicable register for such Debt Securities or by wire transfer of funds to such person at an account maintained within the United States.

Unless otherwise specified in the applicable Prospectus Supplement, any interest not punctually paid or duly provided for on any Interest Payment Date with respect to a Debt Security in registered form ("Defaulted Interest") will forthwith cease to be payable to the holder on the applicable Regular Record Date and may either be paid to the Person in whose name such Debt Security is registered at the close of business on a special record date (the "Special Record Date") for the payment of such Defaulted Interest to be fixed by the Trustee, in which case notice thereof shall be given to the holder of such Debt Security not less than 10 days prior to such Special Record Date, or may be paid at any time in any other lawful manner, all as more completely described in the Indenture.

Subject to certain limitations imposed upon Debt Securities issued in book-entry form, the Debt Securities of any series will be exchangeable for any authorized denomination of other Debt Securities of the same series and of a like aggregate principal amount and tenor upon surrender of such Debt Securities at the corporate trust office of the applicable Trustee or at the office of any transfer agent designated by the Operating Partnership for such purpose. In addition, subject to certain limitations imposed upon Debt Securities issued in book-entry form, the Debt Securities of any series may be surrendered for registration of transfer or exchange thereof at the corporate trust office of the applicable Trustee or at the office of any transfer agent designated by the Operating Partnership for such purpose. Every Debt Security in registered form surrendered for registration of transfer or exchange must be duly endorsed or accompanied by a written instrument of transfer, and the person requesting such action must provide evidence of title and identity satisfactory to the applicable Trustee or transfer agent. No service charge will be made for any registration of transfer or exchange of any Debt Securities, but the Operating Partnership may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith. If the applicable Prospectus Supplement refers to any transfer agent (in addition to the applicable Trustee) initially designated by the Operating Partnership with respect to any series of Debt Securities, the Operating Partnership may at any time rescind the designation of any such transfer agent or

approve a change in the location through which any such transfer agent acts, except that the Operating Partnership will be required to maintain a transfer agent in each place of payment for such series. The Operating Partnership may at any time designate additional transfer agents with respect to any series of Debt Securities.

Neither the Operating Partnership nor any Trustee shall be required to (a) issue, register the transfer of or exchange Debt Securities of any series during a period beginning at the opening of business 15 days before the selection of any Debt Securities for redemption and ending at the close of business on (i) if such Debt Securities are issuable only as Registered Securities, the day of the mailing of the relevant notice of redemption and (ii) if such Debt Securities are issuable as Bearer Securities, the day of the first publication of the relevant notice of redemption or, if such Debt Securities are also issuable as Registered Securities and there is no publication, the mailing of the relevant notice of redemption; (b) register the transfer of or exchange any Debt Security, or portion thereof, so selected for redemption, in whole or in part, except the unredeemed portion of any Debt Security being redeemed in part; (c) exchange any Bearer Security so selected for redemption except that, to the extent provided with respect to such Bearer Security, such Bearer Security may be exchanged for a Registered Security of that series and of like tenor, PROVIDED that such Registered Security shall be simultaneously surrendered for redemption; or (d) issue, register the transfer of or exchange any Debt Security that has been surrendered for repayment at the option of the holder, except the portion, if any, of such Debt Security not to be so repaid.

Payment in respect of Debt Securities in bearer form will be made in the currency and in the manner designated in the applicable Prospectus Supplement, subject to any applicable laws and regulations, at such paying agencies outside the United States as the Operating Partnership may appoint from time to time. The paying agents outside the United States, if any, initially appointed by the Operating Partnership for a series of Debt Securities will be named in the applicable Prospectus Supplement. Unless otherwise provided in the applicable Prospectus Supplement, the Operating Partnership may at any time designate additional paying agents or rescind the designation of any paying agents, except that, if Debt Securities of a series are issuable in registered form, the Operating Partnership will be required to maintain at least one paying agent in each place of payment for such series and if Debt Securities of a series are issuable in bearer form, the Operating Partnership will be required to maintain at least one paying agent in a place of payment outside the United States where Debt Securities of such series and any coupons appertaining thereto may be presented and surrendered for payment.

MERGER, CONSOLIDATION OR SALE OF ASSETS

The Indenture will provide that the Operating Partnership may, without the consent of the holders of any outstanding Debt Securities, consolidate with, or sell, lease or convey all or substantially all of its assets to, or merge with or into, any other entity provided that (a) either the Operating Partnership shall be the continuing entity, or the successor entity (if other than the Operating Partnership) formed by or resulting from any such consolidation or merger or which shall have received the transfer of such assets is organized under the laws of any domestic jurisdiction and expressly assumes the Operating Partnership's obligations to pay principal of (and premium or Make-Whole Amount, if any) and interest on all of the Debt Securities and the due and punctual performance and observance of all of the covenants and conditions contained in the Indenture; (b) immediately after giving effect to such transaction and treating any indebtedness that becomes an obligation of the Operating Partnership or any subsidiary as a result thereof as having been incurred by the Operating Partnership or such subsidiary at the time of such transaction, no Event of Default under the Indenture, and no event which, after notice or the lapse of time, or both, would become such an Event of Default, shall have occurred and be continuing; and (c) an officers' certificate and legal opinion covering such conditions shall be delivered to each Trustee.

CERTAIN COVENANTS

The applicable Prospectus Supplement will describe any material covenants in respect of a series of Debt Securities that are not described in this Prospectus. Unless otherwise indicated in the applicable Prospectus Supplement, the Debt Securities will include the following covenants of the Operating Partnership:

EXISTENCE. Except as permitted under "--Merger, Consolidation or Sale of Assets," the Indenture will require the Operating Partnership to do or cause to be done all things necessary to preserve and keep in full force and effect its existence, rights and franchises; PROVIDED, HOWEVER, that the Operating Partnership shall not be required to preserve any right or franchise if it determines that the preservation thereof is no longer desirable in the conduct of its business.

MAINTENANCE OF PROPERTIES. The Indenture will require the Operating Partnership to cause all of its material properties used or useful in the conduct of its business or the business of any subsidiary to be maintained and kept in good condition, repair and working order and supplied with all necessary equipment and will cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of the Operating Partnership may be necessary so that the business carried on in connection therewith may be properly and advantageously conducted at all times; PROVIDED, HOWEVER, that the Operating Partnership and its subsidiaries shall not be prevented from selling or otherwise disposing of their properties for value in the ordinary course of business.

INSURANCE. The Indenture will require the Operating Partnership to cause each of its and its subsidiaries' insurable properties to be insured against loss or damage at least equal to their then full insurable value with insurers of recognized responsibility and, if described in the applicable Prospectus Supplement, having a specified rating from a recognized insurance rating service.

PAYMENT OF TAXES AND OTHER CLAIMS. The Indenture will require the Operating Partnership to pay or discharge or cause to be paid or discharged, before the same shall become delinquent, (i) all taxes, assessments and governmental charges levied or imposed upon it or any subsidiary or upon the income, profits or property of the Operating Partnership or any subsidiary and (ii) all lawful claims for labor, materials and supplies which, if unpaid, might by law become a lien upon the property of the Operating Partnership or any subsidiary; PROVIDED, HOWEVER, that the Operating Partnership shall not be required to pay or discharge or cause to be paid or discharged any such tax, assessment, charge or claim whose amount, applicability or validity is being contested in good faith.

EVENTS OF DEFAULT, NOTICE AND WAIVER

Unless otherwise provided in the applicable Prospectus Supplement, the Indenture will provide that the following events are "Events of Default" with respect to any series of Debt Securities issued thereunder: (a) default in the payment of any interest on any Debt Security of such series when such interest becomes due and payable that continues for a period of 30 days; (b) default in the payment of the principal of (or premium or Make-Whole Amount, if any, on) any Debt Security of such series when due and payable; (c) default in making any sinking fund payment as required for any Debt Security of such series; (d) default in the performance, or breach, of any other covenant or warranty of the Operating Partnership in the Indenture with respect to the Debt Securities of such series and continuance of such default or breach for a period of 60 days after written notice as provided in the Indenture; (e) default under any bond, debenture, note, mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any indebtedness for money borrowed by the Operating Partnership (or by any subsidiary the repayment of which the Operating Partnership has guaranteed or for which the Operating Partnership is directly responsible or liable as obligor or guarantor) having an aggregate principal amount outstanding of at least \$10,000,000, whether such indebtedness now exists or shall hereafter be created, which default shall have resulted in such indebtedness becoming or being

declared due and payable prior to the date on which it would otherwise have become due and payable, without such indebtedness having been discharged, or such acceleration having been rescinded or annulled, within a period of 30 days after written notice to the Operating Partnership as provided in the Indenture; (f) certain events of bankruptcy, insolvency or reorganization, or court appointment of a receiver, liquidator or trustee of the Operating Partnership or any Significant Subsidiary; and (g) any other event of default provided with respect to a particular series of Debt Securities. The term "Significant Subsidiary" has the meaning ascribed to such term in Regulation S-X promulgated under the Securities Act.

If an Event of Default under the Indenture with respect to Debt Securities of any series at the time outstanding occurs and is continuing, then in every such case the applicable Trustee or the holders of not less than 25% in principal amount of the Debt Securities of that series will have the right to declare the principal amount (or, if the Debt Securities of that series are Original Issue Discount Securities or indexed securities, such portion of the principal amount as may be specified in the terms thereof) of, and premium or Make-Whole Amount, if any, on, all the Debt Securities of that series to be due and payable immediately by written notice thereof to the Operating Partnership (and to the applicable Trustee if given by the holders); PROVIDED, that in the case of an Event of Default described under clause (f) of the preceding paragraph, acceleration is automatic. However, at any time after such a declaration of acceleration with respect to Debt Securities of such series has been made, but before a judgment or decree for payment of the money due has been obtained by the applicable Trustee, the holders of not less than a majority in principal amount of outstanding Debt Securities of such series may rescind and annul such declaration and its consequences if (a) the Operating Partnership shall have deposited with the applicable Trustee all required payments of the principal of (and premium or Make-Whole Amount, if any) and interest on the Debt Securities of such series, plus certain fees, expenses, disbursements and advances of the applicable Trustee, and (b) all Events of Default, other than the non-payment of accelerated principal (or specified portion thereof and the premium or Make-Whole Amount, if any), with respect to Debt Securities of such series have been cured or waived as provided in the Indenture. The Indenture will also provide that the holders of not less than a majority in principal amount of the outstanding Debt Securities of any series may waive any past default with respect to such series and its consequences, except a default (i) in the payment of the principal of (or premium or Make-Whole Amount, if any) or interest on any Debt Security of such series or (ii) in respect of a covenant or provision contained in the Indenture that cannot be modified or amended without the consent of the holder of each outstanding Debt Security affected thereby.

The Indenture will require each Trustee to give notice to the holders of Debt Securities within 90 days of a default under the Indenture unless such default shall have been cured or waived; PROVIDED, HOWEVER, that such Trustee may withhold notice to the holders of any series of Debt Securities of any default with respect to such series (except a default in the payment of the principal of (or premium or Make-Whole Amount, if any) or interest on any Debt Security of such series or in the payment of any sinking fund installment in respect of any Debt Security of such series) if specified responsible officers of such Trustee consider such withholding to be in the interest of such holders.

The Indenture will provide that no holders of Debt Securities of any series may institute any proceedings, judicial or otherwise, with respect to the Indenture or for any remedy thereunder, except in the case of failure of the applicable Trustee, for 60 days, to act after it has received a written request to institute proceedings in respect of an Event of Default from the holders of not less than 25% in principal amount of the outstanding Debt Securities of such series, as well as an offer of indemnity reasonably satisfactory to it. This provision will not prevent, however, any holder of Debt Securities from instituting suit for the enforcement of payment of the principal of (and premium or Make-Whole Amount, if any) and interest on such Debt Securities at the respective due dates or redemption dates thereof.

The Indenture will provide that, subject to provisions in the Indenture relating to its duties in case of default, a Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at

the request or direction of any holders of any series of Debt Securities then outstanding under the Indenture, unless such holders shall have offered to the Trustee thereunder reasonable security or indemnity. The holders of not less than a majority in principal amount of the outstanding Debt Securities of any series (or of all Debt Securities then outstanding under the Indenture, as the case may be) shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the applicable Trustee, or of exercising any trust or power conferred upon such Trustee. However, a Trustee may refuse to follow any direction which is in conflict with any law or the Indenture, which may involve such Trustee in personal liability or which may be unduly prejudicial to the holders of Debt Securities of such series not joining therein.

Within 120 days after the close of each fiscal year, the Operating Partnership will be required to deliver to each Trustee a certificate, signed by one of several specified officers of the Company, stating whether or not such officer has knowledge of any default under the Indenture and, if so, specifying each such default and the nature and status thereof.

MODIFICATION OF THE INDENTURE

Modifications and amendments of the Indenture will be permitted to be made only with the consent of the holders of not less than a majority in principal amount of all outstanding Debt Securities issued under the Indenture affected by such modification or amendment; PROVIDED, HOWEVER, that no such modification or amendment may, without the consent of the holder of each such Debt Security affected thereby, (a) change the stated maturity of the principal of, or any installment of interest (or premium or Make-Whole Amount, if any) on, any such Debt Security; (b) reduce the principal amount of, or the rate or amount of interest on, or any premium or Make-Whole Amount payable on redemption of, any such Debt Security, or reduce the amount of principal of an Original Issue Discount Security that would be due and payable upon declaration of acceleration of the maturity thereof or would be provable in bankruptcy, or adversely affect any right of repayment of the holder of any such Debt Security; (c) change the place of payment, or the coin or currency, for payment of principal of (or premium or Make-Whole Amount, if any) or interest on any such Debt Security; (d) impair the right to institute suit for the enforcement of any payment on or with respect to any such Debt Security; (e) reduce the above-stated percentage of outstanding Debt Securities of any series necessary to modify or amend the Indenture, to waive compliance with certain provisions thereof or certain defaults and consequences thereunder or to reduce the quorum or voting requirements set forth in the Indenture; or (f) modify any of the foregoing provisions or any of the provisions relating to the waiver of certain past defaults or certain covenants, except to increase the required percentage to effect such action or to provide that certain other provisions may not be modified or waived without the consent of the holder of such Debt Security.

The holders of a majority in aggregate principal amount of the outstanding Debt Securities of each series may, on behalf of all holders of Debt Securities of that series, waive, insofar as that series is concerned, compliance by the Operating Partnership with certain restrictive covenants of the Indenture.

Modifications and amendments of the Indenture will be permitted to be made by the Operating Partnership and the respective Trustee thereunder without the consent of any holder of Debt Securities for any of the following purposes: (a) to evidence the succession of another person to the Operating Partnership as obligor under the Indenture; (b) to add to the covenants of the Operating Partnership for the benefit of the holders of all or any series of Debt Securities or to surrender any right or power conferred upon the Operating Partnership in the Indenture; (c) to add events of default for the benefit of the holders of all or any series of Debt Securities; (d) to add or change any provisions of the Indenture to facilitate the issuance of, or to liberalize certain terms of, Debt Securities in bearer form, or to permit or facilitate the issuance of Debt Securities in uncertificated form, PROVIDED that such action shall not adversely affect the interests of the holders of the Debt Securities of any series in any material respect; (e) to change or eliminate any provisions of the Indenture, PROVIDED that any such change or elimination shall become effective only when there are no Debt Securities outstanding of any series created prior

thereto which are entitled to the benefit of such provision; (f) to secure the Debt Securities; (g) to establish the form or terms of Debt Securities of any series; (h) to provide for the acceptance of appointment by a successor Trustee or facilitate the administration of the trusts under the Indenture by more than one Trustee; (i) to cure any ambiguity, defect or inconsistency in the Indenture, provided that such action shall not adversely affect the interests of holders of Debt Securities of any series issued under the Indenture in any material respect; or (j) to supplement any of the provisions of the Indenture to the extent necessary to permit or facilitate defeasance and discharge of any series of such Debt Securities, PROVIDED that such action shall not adversely affect the interests of the holders of the outstanding Debt Securities of any series in any material respect.

The Indenture will provide that in determining whether the holders of the requisite principal amount of outstanding Debt Securities of a series have given any request, demand, authorization, direction, notice, consent or waiver thereunder or whether a quorum is present at a meeting of holders of Debt Securities, (a) the principal amount of an Original Issue Discount Security that shall be deemed to be Outstanding shall be the amount of the principal thereof that would be due and payable as of the date of such determination upon declaration of acceleration of the maturity thereof, (b) the principal amount of any Debt Security denominated in a foreign currency that shall be deemed Outstanding shall be the U.S. dollar equivalent, determined on the issue date for such Debt Security, of the principal amount of such Debt Security (or, in the case of an Original Issue Discount Security, the U.S. dollar equivalent on the issue date of such Debt Security of the amount determined as provided in (a) above), (c) the principal amount of an indexed security that shall be deemed Outstanding shall be the principal face amount of such indexed security at original issuance, unless otherwise provided with respect to such indexed security pursuant to the Indenture, and (d) Debt Securities owned by the Operating Partnership or any other obligor upon the Debt Securities or any affiliate of the Operating Partnership or of such other obligor shall be disregarded.

The Indenture will contain provisions for convening meetings of the holders of Debt Securities of a series. A meeting will be permitted to be called at any time by the applicable Trustee, and also, upon request, by the Operating Partnership or the holders of at least 25% in principal amount of the outstanding Debt Securities of such series, in any such case upon notice given as provided in the Indenture. Except for any consent that must be given by the holder of each Debt Security affected by certain modifications and amendments of the Indenture, any resolution presented at a meeting or adjourned meeting duly reconvened at which a quorum is present may be adopted by the affirmative vote of the holders of a majority in principal amount of the outstanding Debt Securities of that series; PROVIDED, HOWEVER, that, except as referred to above, any resolution with respect to any request, demand, authorization, direction, notice, consent, waiver or other action that may be made, given or taken by the holders of a specified percentage, which is less than a majority, in principal amount of the outstanding Debt Securities of a series may be adopted at a meeting or adjourned meeting or adjourned meeting duly reconvened at which a quorum is present by the affirmative vote of the holders of such specified percentage in principal amount of the outstanding Debt Securities of that series. Any resolution passed or decision taken at any meeting of holders of Debt Securities of any series duly held in accordance with the Indenture will be binding on all holders of Debt Securities of that series. The quorum at any meeting called to adopt a resolution, and at any reconvened meeting, will be persons holding or representing a majority in principal amount of the outstanding Debt Securities of a series; PROVIDED, HOWEVER, that if any action is to be taken at such meeting with respect to a consent or waiver which may be given by the holders of not less than a specified percentage in principal amount of the outstanding Debt Securities of a series, the persons holding or representing such specified percentage in principal amount of the outstanding Debt Securities of such series will constitute a quorum.

Notwithstanding the foregoing provisions, the Indenture will provide that if any action is to be taken at a meeting of holders of Debt Securities of any series with respect to any request, demand, authorization, direction, notice, consent, waiver and other action that the Indenture expressly provides may be made, given or taken by the holders of a specified percentage in principal amount of all outstanding Debt

Securities affected thereby, or of the holders of such series and one or more additional series: (a) there shall be no minimum quorum requirement for such meeting, and (b) the principal amount of the outstanding Debt Securities of such series that vote in favor of such request, demand, authorization, direction, notice, consent, waiver or other action shall be taken into account in determining whether such request, demand, authorization, direction, notice, consent, waiver or other action has been made, given or taken under the Indenture.

DISCHARGE, DEFEASANCE AND COVENANT DEFEASANCE

Unless otherwise indicated in the applicable Prospectus Supplement, the Operating Partnership will be permitted, at its option, to discharge certain obligations to holders of any series of Debt Securities issued under the Indenture that have not already been delivered to the applicable Trustee for cancellation and that either have become due and payable or will become due and payable within one year (or scheduled for redemption within one year) by irrevocably depositing with the applicable Trustee, in trust, funds in such currency or currencies, currency unit or units or composite currency or currencies in which such Debt Securities are payable in an amount sufficient to pay the entire indebtedness on such Debt Securities in respect of principal (and premium or Make-Whole Amount, if any) and interest to the date of such deposit (if such Debt Securities have become due and payable) or to the stated maturity or redemption date, as the case may be.

The Indenture will provide that, unless otherwise indicated in the applicable Prospectus Supplement, the Operating Partnership may elect either (a) to defease and be discharged from any and all obligations with respect to such Debt Securities (except for the obligation to pay additional amounts, if any, upon the occurrence of certain events of tax, assessment or governmental charge with respect to payments on such Debt Securities and the obligations to register the transfer or exchange of such Debt Securities, to replace temporary or mutilated, destroyed, lost or stolen Debt Securities, to maintain an office or agency in respect of such Debt Securities, and to hold moneys for payment in trust) ("defeasance") or (b) to be released from certain obligations with respect to such Debt Securities under the Indenture (including the restrictions described under "--Certain Covenants") or, if provided in the applicable Prospectus Supplement, its obligations with respect to any other covenant, and any omission to comply with such obligations shall not constitute an Event of Default with respect to such Debt Securities ("covenant defeasance"), in either case upon the irrevocable deposit by the Operating Partnership with the applicable Trustee, in trust, of an amount, in such currency or currencies, currency unit or units or composite currency or currencies in which such Debt Securities are payable at stated maturity, or Government Obligations (as defined below), or both, applicable to such Debt Securities, which through the scheduled payment of principal and interest in accordance with their terms will provide money in an amount sufficient to pay the principal of (and premium or Make-Whole Amount, if any) and interest on such Debt Securities, and any mandatory sinking fund or analogous payments thereon, on the scheduled due dates therefor.

Such a trust will only be permitted to be established if, among other things, the Operating Partnership has delivered to the applicable Trustee an opinion of counsel (as specified in the Indenture) to the effect that the holders of such Debt Securities will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such defeasance or covenant defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such defeasance or covenant defeasance had not occurred, and such opinion of counsel, in the case of defeasance, will be required to refer to and be based upon a ruling received from the Internal Revenue Service or a change in applicable United States federal income tax law occurring after the date of the Indenture. In the event of such defeasance, the holders of such Debt Securities would thereafter be able to look only to such trust fund for payment of principal (and premium or Make-Whole Amount, if any) and interest.

"Government Obligations" means securities that are (a) direct obligations of the United States of America or the government which issued the foreign currency in which the Debt Securities of a particular

series are payable, for the payment of which its full faith and credit is pledged or (b) obligations of a person controlled or supervised by and acting as an agency or instrumentality of the United States of America or such government which issued the foreign currency in which the Debt Securities of such series are payable, the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America or such other government, which, in either case, are not callable or redeemable at the option of the issuer thereof, and shall also include a depository receipt issued by a bank or trust company as custodian with respect to any such Government Obligation or a specific payment of interest on or principal of any such Government Obligation held by such custodian for the account of the holder of a depository receipt, provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the Government Obligation or the specific payment of interest on or principal of the Government Obligation evidenced by such depository receipt.

Unless otherwise provided in the applicable Prospectus Supplement, if after the Operating Partnership has deposited funds and/or Government Obligations to effect defeasance or covenant defeasance with respect to Debt Securities of any series, (a) the holder of a Debt Security of such series is entitled to, and does, elect pursuant to the Indenture or the terms of such Debt Security to receive payment in a currency, currency unit or composite currency other than that in which such deposit has been made in respect of such Debt Security, or (b) a Conversion Event (as defined below) occurs in respect of the currency, currency unit or composite currency in which such deposit has been made, the indebtedness represented by such Debt Security will be deemed to have been, and will be, fully discharged and satisfied through the payment of the principal of (and premium or Make-Whole Amount, if any) and interest on such Debt Security as they become due out of the proceeds yielded by converting the amount so deposited in respect of such Debt Security into the currency, currency unit or composite currency in which such Debt Security becomes payable as a result of such election or such cessation of usage based on the applicable market exchange rate. "Conversion Event" means the cessation of use of (i) a currency, currency unit or composite currency both by the government of the country which issued such currency and for the settlement of transactions by a central bank or other public institutions of or within the international banking community, (ii) the ECU both within the European Monetary System and for the settlement of transactions by public institutions of or within the European Communities or (iii) any currency unit or composite currency other than the ECU for the purposes for which it was established. Unless otherwise provided in the applicable Prospectus Supplement, all payments of principal of (and premium or Make-Whole Amount, if any) and interest on any Debt Security that is payable in a foreign currency that ceases to be used by its government of issuance shall be made in U.S. dollars.

In the event the Operating Partnership effects covenant defeasance with respect to any Debt Securities and such Debt Securities are declared due and payable because of the occurrence of any Event of Default other than the Event of Default described in clause (d) under "--Events of Default, Notice and Waiver" with respect to specified sections of the Indenture (which sections would no longer be applicable to such Debt Securities) or described in clause (g) under "--Events of Default, Notice and Waiver" with respect to any other covenant as to which there has been covenant defeasance, the amount in such currency, currency unit or composite currency in which such Debt Securities are payable, and Government Obligations on deposit with the applicable Trustee, will be sufficient to pay amounts due on such Debt Securities at the time of their stated maturity but may not be sufficient to pay amounts due on such Debt Securities at the time of the acceleration resulting from such Event of Default. However, the Operating Partnership would remain liable to make payment of such amounts due at the time of acceleration.

The applicable Prospectus Supplement may further describe the provisions, if any, permitting such defeasance or covenant defeasance, including any modifications to the provisions described above, with respect to the Debt Securities of or within a particular series.

NO CONVERSION RIGHTS

The Debt Securities will not be convertible into or exchangeable for any capital stock of the Company or equity interest in the Operating Partnership.

GLOBAL SECURITIES

The Debt Securities of a series may be issued in whole or in part in book-entry form consisting of one or more global securities (the "Global Securities") that will be deposited with, or on behalf of, a depository (the "Depository") identified in the applicable Prospectus Supplement relating to such series. Global Securities may be issued in either registered or bearer form and in either temporary or permanent form. The specific terms of the depository arrangement with respect to a series of Debt Securities will be described in the applicable Prospectus Supplement relating to such series.

PAYMENT AND PAYING AGENTS

Unless otherwise specified in the applicable Prospectus Supplement, the principal of (and applicable premium or Make-Whole Amount, if any) and interest on any series of Debt Securities will be payable at the corporate trust office of the Trustee, the address of which will be stated in the applicable Prospectus Supplement; provided that, at the option of the Operating Partnership, payment of interest may be made by check mailed to the address of the person entitled thereto as it appears in the applicable register for such Debt Securities or by wire transfer of funds to such person at an account maintained within the United States.

All moneys paid by the Operating Partnership to a paying agent or a Trustee for the payment of the principal of or any premium, Make-Whole Amount or interest on any Debt Security which remain unclaimed at the end of two years after such principal, premium, Make-Whole Amount or interest has become due and payable will be repaid to the Operating Partnership, and the holder of such Debt Security thereafter may look only to the Operating Partnership for payment thereof.

DESCRIPTION OF PREFERRED STOCK

The description of the Preferred Stock set forth below does not purport to be complete and is qualified in its entirety by reference to the Company's Amended and Restated Articles of Incorporation, as amended (the "Articles of Incorporation"), and Amended and Restated Bylaws (the "Bylaws").

GENERAL

Under the Articles of Incorporation, the Company has authority to issue 10 million shares of Preferred Stock, par value \$.01 per share. The Preferred Stock may be issued from time to time, in one or more series, as authorized by the Board of Directors of the Company. Prior to issuance of shares of each series, the Board of Directors is required by the Maryland General Corporation Law ("MGCL") and the Articles of Incorporation to fix for each series, subject to the provisions of the Articles of Incorporation regarding excess stock, \$.01 par value per share ("Excess Stock"), the terms, preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications and terms or conditions of redemption of such shares as may be permitted by Maryland law. Such rights, powers, restrictions and limitations could include the right to receive specified dividend payments and payments on liquidation prior to any such payments to holders of Common Stock or other capital stock of the Company ranking junior to the Preferred Stock. The outstanding shares of Preferred Stock are, and additional shares of Preferred Stock will be, when issued, fully paid and nonassessable and will have no preemptive rights. The Board of Directors could authorize the issuance of shares of Preferred Stock with terms and conditions that could have the effect of discouraging a takeover or other transaction that holders of Common Stock might believe to be in their best interests or in which holders of some, or a majority, of

the shares of Common Stock might receive a premium for their shares over the then market price of such shares of Common Stock.

OUTSTANDING PREFERRED STOCK

At February 13, 1997, the Company had outstanding 1,650,000 shares of 9 1/2% Series A Preferred Stock, \$.01 par value ("Series A Preferred Stock"), constituting all of the Company's then outstanding Preferred Stock. The terms of the Series A Preferred Stock provide for a preference as to the payment of dividends over shares of Common Stock and any other capital stock ranking junior to the Series A Preferred Stock, and for cumulative quarterly dividends at the rate of \$2.375 per share per year. On and after November 17, 2000, the Series A Preferred Stock is subject to redemption, in whole or in part, at the option of the Company, at a cash redemption price of \$25.00 per share, plus accrued and unpaid dividends.

In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company, the holders of the Series A Preferred Stock will be entitled to receive out of the Company's assets available for distribution to stockholders, before any distribution of assets is made to holders of Common Stock or any other shares of capital stock ranking as to such distributions junior to the Series A Preferred Stock, liquidating distributions in the amount of \$25.00 per share, plus all accrued and unpaid dividends.

The Series A Preferred Stock is also entitled to the benefits of a Guarantee and Payment Agreement between First Industrial Securities, L.P. ("Securities, L.P.") and its general partner, First Industrial Securities Corporation (each a subsidiary of the Company), for the benefit of American National Bank and Trust Company of Chicago as Guarantee Agent thereunder (the "Guarantee Agreement") pursuant to which Securities, L.P. has guaranteed, subject to the terms of the Guarantee Agreement, dividends on, and redemption and liquidation payments with respect to, the Series A Preferred Stock. No other Preferred Stock of the Company will be entitled to the benefits of the Guarantee Agreement.

Except as expressly required by law and in certain other limited circumstances, the holders of the Series A Preferred Stock are not entitled to vote. The consent of holders of at least 66% of the outstanding Series A Preferred Stock and any other series of Preferred Stock ranking on a parity therewith, voting as a single class, is required to authorize another class of shares senior to such Preferred Stock. The affirmative vote or consent of the holders of at least 66% of the outstanding shares of Series A Preferred Stock is required to amend or repeal any provision of, or add any provision to, the Articles of Incorporation, including the Articles Supplementary relating to the Series A Preferred Stock, if such action would materially and adversely alter or change the rights, preferences or privileges of the Series A Preferred Stock.

FUTURE SERIES OF PREFERRED STOCK

The following description of the Preferred Stock sets forth certain general terms and provisions of the Preferred Stock to which any Prospectus Supplement may relate. The statements below describing the Preferred Stock are in all respects subject to and qualified in their entirety by reference to the applicable provisions of the Articles of Incorporation and Bylaws and any applicable amendment to the Articles of Incorporation designating terms of a series of Preferred Stock (a "Designating Amendment").

Reference is made to the Prospectus Supplement relating to the Preferred Stock offered thereby for specific terms, including:

- (1) The title and stated value of such Preferred Stock;
- (2) The number of shares of such Preferred Stock offered, the liquidation preference per share and the offering price of such Preferred Stock;
- (3) The dividend rate(s), period(s) and/or payment date(s) or method(s) of calculation thereof applicable to such Preferred Stock;

- (4) The date from which dividends on such Preferred Stock shall accumulate, if applicable;
- (5) The procedures for any auction and remarketing, if any, for such Preferred Stock;
- (6) The provision for a sinking fund, if any, for such Preferred Stock;
- (7) The provision for redemption, if applicable, of such Preferred Stock;
- (8) Any listing of such Preferred Stock on any securities exchange;
- (9) The terms and conditions, if applicable, upon which such Preferred Stock will be convertible into Common Stock, including the conversion price (or manner of calculation thereof);
- (10) Any other specific terms, preferences, rights, limitations or restrictions of such Preferred Stock;
- (11) A discussion of federal income tax considerations applicable to such Preferred Stock;
- (12) The relative ranking and preference of such Preferred Stock as to dividend rights and rights upon liquidation, dissolution or winding up of the affairs of the Company;
- (13) Any limitations on issuance of any series of Preferred Stock ranking senior to or on a parity with such series of Preferred Stock as to dividend rights and rights upon liquidation, dissolution or winding up of the affairs of the Company; and
- (14) Any limitations on direct or beneficial ownership and restrictions on transfer, in each case as may be appropriate to preserve the status of the Company as a REIT.

RANK

Unless otherwise specified in the Prospectus Supplement, the Preferred Stock will, with respect to dividend rights and rights upon liquidation, dissolution or winding up of the Company, rank (i) senior to all classes or series of Common Stock, and to all equity securities ranking junior to such Preferred Stock with respect to dividend rights or rights upon liquidation, dissolution or winding up of the Company; (ii) on a parity with all equity securities issued by the Company the terms of which specifically provide that such equity securities rank on a parity with the Preferred Stock with respect to dividend rights or rights upon liquidation, dissolution or winding up of the Company; and (iii) junior to all equity securities issued by the Company the terms of which specifically provide that such equity securities rank senior to the Preferred Stock with respect to dividend rights or rights upon liquidation, dissolution or winding up of the Company. The term "equity securities" does not include convertible debt securities.

DIVIDENDS

Holders of the Preferred Stock of each series will be entitled to receive, when, as and if declared by the Board of Directors of the Company, out of assets of the Company legally available for payment, cash dividends at such rates and on such dates as will be set forth in the applicable Prospectus Supplement. Each such dividend shall be payable to holders of record as they appear on the share transfer books of the Company on such record dates as shall be fixed by the Board of Directors of the Company.

Dividends on any series of the Preferred Stock may be cumulative or non-cumulative, as provided in the applicable Prospectus Supplement. Dividends, if cumulative, will be cumulative from and after the date set forth in the applicable Prospectus Supplement. If the Board of Directors of the Company fails to declare a dividend payable on a dividend payment date on any series of the Preferred Stock for which dividends are non-cumulative, then the holders of such series of the Preferred Stock will have no right to receive a dividend in respect of the dividend period ending on such dividend payment date, and the Company will have no obligation to pay the dividend accrued for such period, whether or not dividends on such series are declared payable on any future dividend payment date.

If Preferred Stock of any series is outstanding, no dividends will be declared or paid or set apart for payment on any capital stock of the Company of any other series ranking, as to dividends, on a parity with or junior to the Preferred Stock of such series for any period unless (i) if such series of Preferred Stock has a cumulative dividend, full cumulative dividends have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof is set apart for such payment on the Preferred Stock of such series for all past dividend periods and the then current dividend period or (ii) if such series of Preferred Stock does not have a cumulative dividend, full dividends for the then current dividend period have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof is set apart for such payment on the Preferred Stock of such series. When dividends are not paid in full (or a sum sufficient for such full payment is not so set apart) upon Preferred Stock of any series and the shares of any other series of Preferred Stock ranking on a parity as to dividends with the Preferred Stock of such series, all dividends declared upon Preferred Stock of such series and any other series of Preferred Stock ranking on a parity as to dividends with such Preferred Stock shall be declared PRO RATA so that the amount of dividends declared per share of Preferred Stock of such series and such other series of Preferred Stock shall in all cases bear to each other the same ratio that accrued dividends per share on the Preferred Stock of such series (which shall not include any accumulation in respect of unpaid dividends for prior dividend periods if such Preferred Stock does not have a cumulative dividend) and such other series of Preferred Stock bear to each other. No interest, or sum of money in lieu of interest, shall be payable in respect of any dividend payment or payments on Preferred Stock of such series which may be in arrears.

Except as provided in the immediately preceding paragraph, unless (i) if such series of Preferred Stock has a cumulative dividend, full cumulative dividends on the Preferred Stock of such series have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof is set apart for payment for all past dividend periods and the then current dividend period, and (ii) if such series of Preferred Stock does not have a cumulative dividend, full dividends on the Preferred Stock of such series have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof is set apart for payment for the then current dividend period, no dividends (other than in shares of Common Stock or other shares of capital stock ranking junior to the Preferred Stock of such series as to dividends and upon liquidation) shall be declared or paid or set aside for payment nor shall any other distribution be declared or made upon the Common Stock, or any other capital stock of the Company ranking junior to or on a parity with the Preferred Stock of such series as to dividends or upon liquidation, nor shall any shares of Common Stock, or any other shares of capital stock of the Company ranking junior to or on a parity with the Preferred Stock of such series as to dividends or upon liquidation be redeemed, purchased or otherwise acquired for any consideration (or any moneys be paid to or made available for a sinking fund for the redemption of any such shares) by the Company (except by conversion into or exchange for other capital stock of the Company ranking junior to the Preferred Stock of such series as to dividends and upon liquidation).

Any dividend payment made on shares of a series of Preferred Stock shall first be credited against the earliest accrued but unpaid dividend due with respect to shares of such series which remains payable.

REDEMPTION

If so provided in the applicable Prospectus Supplement, the Preferred Stock will be subject to mandatory redemption or redemption at the option of the Company, as a whole or in part, in each case upon the terms, at the times and at the redemption prices set forth in such Prospectus Supplement.

The Prospectus Supplement relating to a series of Preferred Stock that is subject to mandatory redemption will specify the number of shares of such Preferred Stock that shall be redeemed by the Company in each year commencing after a date to be specified, at a redemption price per share to be specified, together with an amount equal to all accrued and unpaid dividends thereon (which shall not, if such Preferred Stock does not have a cumulative dividend, include any accumulation in respect of unpaid dividends for prior dividend periods) to the date of redemption. The redemption price may be payable in

cash or other property, as specified in the applicable Prospectus Supplement. If the redemption price for Preferred Stock of any series is payable only from the net proceeds of the issuance of shares of capital stock of the Company, the terms of such Preferred Stock may provide that, if no such shares of capital stock shall have been issued or to the extent the net proceeds from any issuance are insufficient to pay in full the aggregate redemption price then due, such Preferred Stock shall automatically and mandatorily be converted into the applicable shares of capital stock of the Company pursuant to conversion provisions specified in the applicable Prospectus Supplement.

Notwithstanding the foregoing, unless (i) if a series of Preferred Stock has a cumulative dividend, full cumulative dividends on all shares of such series of Preferred Stock shall have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for payment for all past dividend periods and the then current dividend period, and (ii) if a series of Preferred Stock does not have a cumulative dividend, full dividends on all shares of the Preferred Stock of such series have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for payment for the then current dividend period, no shares of such series of Preferred Stock shall be redeemed unless all outstanding shares of Preferred Stock of such series are simultaneously redeemed; PROVIDED, HOWEVER, that the foregoing shall not prevent the purchase or acquisition of Preferred Stock of such series to preserve the REIT status of the Company or pursuant to a purchase or exchange offer made on the same terms to holders of all outstanding shares of Preferred Stock of such series. In addition, unless (i) if such series of Preferred Stock has a cumulative dividend, full cumulative dividends on all outstanding shares of such series of Preferred Stock have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for payment for all past dividend periods and the then current dividend period, and (ii) if such series of Preferred Stock does not have a cumulative dividend, full dividends on the Preferred stock of such series have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for payment for the then current dividend period, the Company shall not purchase or otherwise acquire directly or indirectly any shares of Preferred Stock of such series (except by conversion into or exchange for capital shares of the Company ranking junior to the Preferred Stock of such series as to dividends and upon liquidation); PROVIDED, HOWEVER, that the foregoing shall not prevent the purchase or acquisition of shares of Preferred Stock of such series to preserve the REIT status of the Company or pursuant to a purchase or exchange offer made on the same terms to holders of all outstanding shares of Preferred Stock of such series.

If fewer than all of the outstanding shares of Preferred Stock of any series are to be redeemed, the number of shares to be redeemed will be determined by the Company and such shares may be redeemed pro rata from the holders of record of such shares in proportion to the number of such shares held or for which redemption is requested by such holder (with adjustments to avoid redemption of fractional shares) or by any other equitable manner determined by the Company.

Notice of redemption will be mailed at least 30 days but not more than 60 days before the redemption date to each holder of record of Preferred Stock of any series to be redeemed at the address shown on the stock transfer books of the Company. Each notice shall state: (i) the redemption date; (ii) the number of shares and series of the Preferred Stock to be redeemed; (iii) the redemption price; (iv) the place or places where certificates for such Preferred Stock are to be surrendered for payment of the redemption price; (v) that dividends on the shares to be redeemed will cease to accrue on such redemption date; and (vi) the date upon which the holder's conversion rights, if any, as to such shares shall terminate. If fewer than all the shares of Preferred Stock of any series are to be redeemed, the notice mailed to each such holder thereof shall also specify the number of shares of Preferred Stock to be redeemed from each such holder. If notice of redemption of any Preferred Stock has been given and if the funds necessary for such redemption have been set aside by the Company in trust for the benefit of the holders of any Preferred Stock so called for redemption, then from and after the redemption date dividends will cease to accrue on such Preferred Stock, and all rights of the holders of such shares will terminate, except the right to receive the redemption price.

LIQUIDATION PREFERENCE

Upon any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company, then, before any distribution or payment shall be made to the holders of any Common Stock or any other class or series of capital stock of the Company ranking junior to the Preferred Stock in the distribution of assets upon any liquidation, dissolution or winding up of the Company, the holders of each series of Preferred Stock shall be entitled to receive out of assets of the Company legally available for distribution to stockholders liquidating distributions in the amount of the liquidation preference per share, if any, set forth in the applicable Prospectus Supplement, plus an amount equal to all dividends accrued and unpaid thereon (which shall not include any accumulation in respect of unpaid noncumulative dividends for prior dividend periods). After payment of the full amount of the liquidating distributions to which they are entitled, the holders of Preferred Stock will have no right or claim to any of the remaining assets of the Company. In the event that, upon any such voluntary or involuntary liquidation, dissolution or winding up, the available assets of the Company are insufficient to pay the amount of the liquidating distributions on all outstanding shares of Preferred Stock and the corresponding amounts payable on all shares of other classes or series of capital stock of the Company ranking on a parity with the Preferred Stock in the distribution of assets, then the holders of the Preferred Stock and all other such classes or series of capital stock shall share ratably in any such distribution of assets in proportion to the full liquidating distributions to which they would otherwise be respectively entitled.

If liquidating distributions shall have been made in full to all holders of Preferred Stock, the remaining assets of the Company shall be distributed among the holders of any other classes or series of capital stock ranking junior to the Preferred Stock upon liquidation, dissolution or winding up, according to their respective rights and preferences and in each case according to their respective number of shares. For such purposes, the consolidation or merger of the Company with or into any other corporation, trust or entity, or the sale, lease or conveyance of all or substantially all of the property or business of the Company, shall not be deemed to constitute a liquidation, dissolution or winding up of the Company.

VOTING RIGHTS

Holdings of the Preferred Stock will not have any voting rights, except as set forth below or as otherwise from time to time required by law or as indicated in the applicable Prospectus Supplement.

Unless provided otherwise for any series of Preferred Stock, so long as any shares of Preferred Stock of a series remain outstanding, the Company will not, without the affirmative vote or consent of the holders of at least two-thirds of the shares of such series of Preferred Stock outstanding at the time, given in person or by proxy, either in writing or at a meeting (such series voting separately as a class), (i) authorize or create, or increase the authorized or issued amount of, any class or series of capital stock ranking prior to such series of Preferred Stock with respect to payment of dividends or the distribution of assets upon liquidation, dissolution or winding up or reclassify any authorized capital stock of the Company into such shares, or create, authorize or issue any obligation or security convertible into or evidencing the right to purchase any such shares; or (ii) amend, alter or repeal the provisions of the Company's Articles of Incorporation or the Designating Amendment for such series of Preferred Stock, whether by merger, consolidation or otherwise (an "Event"), so as to materially and adversely affect any right, preference, privilege or voting power of such series of Preferred Stock or the holders thereof; PROVIDED, HOWEVER, with respect to the occurrence of any of the Events set forth in (ii) above, so long as the Preferred Stock remains outstanding with the terms thereof materially unchanged, taking into account that upon the occurrence of an Event the Company may not be the surviving entity, the occurrence of any such Event shall not be deemed to materially and adversely affect such rights, preferences, privileges or voting power of holders of Preferred Stock, and PROVIDED FURTHER that (x) any increase in the amount of the authorized Preferred Stock or the creation or issuance of any other series of Preferred Stock, or (y) any increase in the amount of authorized shares of such series or any other series of Preferred Stock, in each case ranking on a parity with or junior to the Preferred Stock of such series with respect to payment of

dividends or the distribution of assets upon liquidation, dissolution or winding up, shall not be deemed to materially and adversely affect such rights, preferences, privileges or voting powers.

The foregoing voting provisions will not apply if, at or prior to the time when the act with respect to which such vote would otherwise be required shall be effected, all outstanding shares of such series of Preferred Stock shall have been redeemed or called for redemption and sufficient funds shall have been deposited in trust to effect such redemption.

CONVERSION RIGHTS

The terms and conditions, if any, upon which any series of Preferred Stock is convertible into Common Stock will be set forth in the applicable Prospectus Supplement relating thereto. Such terms will include the number of shares of Common Stock into which the shares of Preferred Stock are convertible, the conversion price (or manner of calculation thereof), the conversion period, provisions as to whether conversion will be at the option of the holders of the Preferred Stock or the Company, the events requiring an adjustment of the conversion price and provisions affecting conversion in the event of the redemption of such series of Preferred Stock.

RESTRICTIONS ON OWNERSHIP

For the Company to qualify as a REIT under the Internal Revenue Code of 1986, as amended (the "Code"), not more than 50% in value of its outstanding capital stock may be owned, directly or indirectly, by five or fewer individuals (as defined in the Code to include certain entities) during the last half of a taxable year. To assist the Company in meeting this requirement, the Company may take certain actions to limit the beneficial ownership, directly or indirectly, by individuals of the Company's outstanding equity securities, including any Preferred Stock. Therefore, the Designating Amendment for each series of Preferred Stock may contain provisions restricting the ownership and transfer of the Preferred Stock. The applicable Prospectus Supplement will specify any additional ownership limitation relating to a series of Preferred Stock. See "Restrictions on Transfers of Capital Stock."

TRANSFER AGENT

The transfer agent and registrar for the Preferred Stock will be set forth in the applicable Prospectus Supplement.

DESCRIPTION OF DEPOSITARY SHARES

The Company may, at its option, elect to offer Depositary Shares rather than full shares of Preferred Stock. In the event such option is exercised, each of the Depositary Shares will represent ownership of and entitlement to all rights and preferences of a fraction of a share of Preferred Stock of a specified series (including dividend, voting, redemption and liquidation rights). The applicable fraction will be specified in the Prospectus Supplement. The shares of Preferred Stock represented by the Depositary Shares will be deposited with a Depositary (the "Depositary") named in the applicable Prospectus Supplement, under a Deposit Agreement (the "Deposit Agreement"), among the Company, the Depositary and the holders of the Depositary Receipts. Certificates evidencing Depositary Shares ("Depositary Receipts") will be delivered to those persons purchasing Depositary Shares in the offering. The Depositary will be the transfer agent, registrar and dividend disbursing agent for the Depositary Shares. Holders of Depositary Receipts agree to be bound by the Deposit Agreement, which requires holders to take certain actions such as filing proof of residence and paying certain charges.

The summary of terms of the Depositary Shares contained in this Prospectus does not purport to be complete and is subject to, and qualified in its entirety by, the provisions of the Deposit Agreement, the Articles of Incorporation and the form of Designating Amendment for the applicable series of Preferred Stock.

DIVIDENDS

The Depositary will distribute all cash dividends or other cash distributions received in respect of the series of Preferred Stock represented by the Depositary Shares to the record holders of Depositary Receipts in proportion to the number of Depositary Shares owned by such holders on the relevant record date, which will be the same date as the record date fixed by the Company for the applicable series of Preferred Stock. The Depositary, however, will distribute only such amount as can be distributed without attributing to any Depositary Share a fraction of one cent, and any balance not so distributed will be added to and treated as part of the next sum received by the Depositary for distribution to record holders of Depositary Receipts then outstanding.

In the event of a distribution other than in cash, the Depositary will distribute property received by it to the record holders of Depositary Receipts entitled thereto, in proportion, as nearly as may be practicable, to the number of Depositary Shares owned by such holders on the relevant record date, unless the Depositary determines (after consultation with the Company) that it is not feasible to make such distribution, in which case the Depositary may (with the approval of the Company) adopt any other method for such distribution as it deems equitable and appropriate, including the sale of such property (at such place or places and upon such terms as it may deem equitable and appropriate) and distribution of the net proceeds from such sale to such holders.

No distribution will be made in respect of any Depositary Share to the extent that it represents any Preferred Stock converted into Excess Stock.

LIQUIDATION PREFERENCE

In the event of the liquidation, dissolution or winding up of the affairs of the Company, whether voluntary or involuntary, the holders of each Depositary Share will be entitled to the fraction of the liquidation preference accorded each share of the applicable series of Preferred Stock, as set forth in the Prospectus Supplement.

REDEMPTION

If the series of Preferred Stock represented by the applicable series of Depositary Shares is redeemable, such Depositary Shares will be redeemed from the proceeds received by the Depositary resulting from the redemption, in whole or in part, of Preferred Stock held by the Depositary. Whenever the Company redeems any Preferred Stock held by the Depositary, the Depositary will redeem as of the same redemption date the number of Depositary Shares representing the Preferred Stock so redeemed. The Depositary will mail the notice of redemption promptly upon receipt of such notice from the Company and not less than 30 nor more than 60 days prior to the date fixed for redemption of the Preferred Stock and the Depositary Shares to the record holders of the Depositary Receipts.

VOTING

Promptly upon receipt of notice of any meeting at which the holders of the series of Preferred Stock represented by the applicable series of Depositary Shares are entitled to vote, the Depositary will mail the information contained in such notice of meeting to the record holders of the Depositary Receipts as of the record date for such meeting. Each such record holder of Depositary Receipts will be entitled to instruct the Depositary as to the exercise of the voting rights pertaining to the number of shares of Preferred Stock represented by such record holder's Depositary Shares. The Depositary will endeavor, insofar as practicable, to vote such Preferred Stock represented by such Depositary Shares in accordance with such instructions, and the Company will agree to take all action which may be deemed necessary by the Depositary in order to enable the Depositary to do so. The Depositary will abstain from voting any of the Preferred Stock to the extent that it does not receive specific instructions from the holders of Depositary Receipts.

WITHDRAWAL OF PREFERRED STOCK

Upon surrender of Depositary Receipts at the principal office of the Depositary, upon payment of any unpaid amount due the Depositary, and subject to the terms of the Deposit Agreement, the owner of the Depositary Shares evidenced thereby is entitled to delivery of the number of whole shares of Preferred Stock and all money and other property, if any, represented by such Depositary Shares. Partial shares of Preferred Stock will not be issued. If the Depositary Receipts delivered by the holder evidence a number of Depositary Shares in excess of the number of Depositary Shares representing the number of whole shares of Preferred Stock to be withdrawn, the Depositary will deliver to such holder at the same time a new Depositary Receipt evidencing such excess number of Depositary Shares. Holders of Preferred Stock thus withdrawn will not thereafter be entitled to deposit such shares under the Deposit Agreement or to receive Depositary Receipts evidencing Depositary Shares therefor.

AMENDMENT AND TERMINATION OF DEPOSIT AGREEMENT

The form of Depositary Receipt evidencing the Depositary Shares and any provision of the Deposit Agreement may at any time and from time to time be amended by agreement between the Company and the Depositary. However, any amendment which materially and adversely alters the rights of the holders (other than any change in fees) of Depositary Shares will not be effective unless such amendment has been approved by at least a majority of the Depositary Shares then outstanding. No such amendment may impair the right, subject to the terms of the Deposit Agreement, of any owner of any Depositary Shares to surrender the Depositary Receipt evidencing such Depositary Shares with instructions to the Depositary to deliver to the holder the Preferred Stock and all money and other property, if any, represented thereby, except in order to comply with mandatory provisions of applicable law.

The Deposit Agreement will be permitted to be terminated by the Company upon not less than 30 days prior written notice to the applicable Depositary if (i) such termination is necessary to preserve the Company's status as a REIT or (ii) a majority of each series of Preferred Stock affected by such termination consents to such termination, whereupon such Depositary will be required to deliver or make available to each holder of Depositary Receipts, upon surrender of the Depositary Receipts held by such holder, such number of whole or fractional shares of Preferred Stock as are represented by the Depositary Shares evidenced by such Depositary Receipts together with any other property held by such Depositary with respect to such Depositary Receipts. The Company will agree that if the Deposit Agreement is terminated to preserve the Company's status as a REIT, then the Company will use its best efforts to list the Preferred Stock issued upon surrender of the related Depositary Shares on a national securities exchange. In addition, the Deposit Agreement will automatically terminate if (i) all outstanding Depositary Shares thereunder shall have been redeemed, (ii) there shall have been a final distribution in respect of the related Preferred Stock in connection with any liquidation, dissolution or winding up of the Company and such distribution shall have been distributed to the holders of Depositary Receipts evidencing the

Depository Shares representing such Preferred Stock or (iii) each share of the related Preferred Stock shall have been converted into stock of the Company not so represented by Depository Shares.

CHARGES OF DEPOSITARY

The Company will pay all transfer and other taxes and governmental charges arising solely from the existence of the depository arrangements. The Company will pay charges of the Depository in connection with the initial deposit of the Preferred Stock and initial issuance of the Depository Shares, and redemption of the Preferred Stock and all withdrawals of Preferred Stock by owners of Depository Shares. Holders of Depository Receipts will pay transfer, income and other taxes and governmental charges and certain other charges as are provided in the Deposit Agreement to be for their accounts. In certain circumstances, the Depository may refuse to transfer Depository Shares, may withhold dividends and distributions and sell the Depository Shares evidenced by such Depository Receipt if such charges are not paid.

MISCELLANEOUS

The Depository will forward to the holders of Depository Receipts all reports and communications from the Company which are delivered to the Depository and which the Company is required to furnish to the holders of the Preferred Stock. In addition, the Depository will make available for inspection by holders of Depository Receipts at the principal office of the Depository, and at such other places as it may from time to time deem advisable, any reports and communications received from the Company which are received by the Depository as the holder of Preferred Stock.

Neither the Depository nor the Company assumes any obligation or will be subject to any liability under the Deposit Agreement to holders of Depository Receipts other than for its negligence or willful misconduct. Neither the Depository nor the Company will be liable if it is prevented or delayed by law or any circumstance beyond its control in performing its obligations under the Deposit Agreement. The obligations of the Company and the Depository under the Deposit Agreement will be limited to performance in good faith of their duties thereunder, and they will not be obligated to prosecute or defend any legal proceeding in respect of any Depository Shares or Preferred Stock unless satisfactory indemnity is furnished. The Company and the Depository may rely on written advice of counsel or accountants, on information provided by holders of the Depository Receipts or other persons believed in good faith to be competent to give such information and on documents believed to be genuine and to have been signed or presented by the proper party or parties.

In the event the Depository shall receive conflicting claims, requests or instructions from any holders of Depository Receipts, on the one hand, and the Company, on the other hand, the Depository shall be entitled to act on such claims, requests or instructions received from the Company.

RESIGNATION AND REMOVAL OF DEPOSITARY

The Depository may resign at any time by delivering to the Company notice of its election to do so, and the Company may at any time remove the Depository, any such resignation or removal to take effect upon the appointment of a successor Depository and its acceptance of such appointment. Such successor Depository must be appointed within 60 days after delivery of the notice for resignation or removal and must be a bank or trust company having its principal office in the United States of America and having a combined capital and surplus of at least \$150,000,000.

FEDERAL INCOME TAX CONSEQUENCES

Owners of Depository Shares will be treated for Federal income tax purposes as if they were owners of the Preferred Stock represented by such Depository Shares. Accordingly, such owners will be entitled to

take into account, for Federal income tax purposes, income and deductions to which they would be entitled if they were holders of such Preferred Stock. In addition, (i) no gain or loss will be recognized for Federal income tax purposes upon the withdrawal of Preferred Stock in exchange for Depositary Shares, (ii) the tax basis of each share of Preferred Stock to an exchanging owner of Depositary Shares will, upon such exchange, be the same as the aggregate tax basis of the Depositary Shares exchanged therefor, and (iii) the holding period for Preferred Stock in the hands of an exchanging owner of Depositary Shares will include the period during which such person owned such Depositary Shares.

DESCRIPTION OF COMMON STOCK

The description of the Company's Common Stock set forth below does not purport to be complete and is qualified in its entirety by reference to the Articles of Incorporation and the Bylaws.

GENERAL

Under the Articles of Incorporation, the Company has authority to issue 100 million shares of Common Stock, par value \$.01 per share. Under Maryland law, stockholders generally are not responsible for the corporation's debts or obligations. At February 13, 1997, the Company had outstanding 30,043,617 shares of Common Stock.

TERMS

Subject to the preferential rights of any other shares or series of stock (including Preferred Stock outstanding from time to time) and to the provisions of the Articles of Incorporation regarding Excess Stock, holders of shares of Common Stock will be entitled to receive dividends on shares of Common Stock if, as and when authorized and declared by the Board of Directors of the Company out of assets legally available therefor and to share ratably in the assets of the Company legally available for distribution to its stockholders in the event of its liquidation, dissolution or winding up after payment of, or adequate provision for, all known debts and liabilities of the Company.

Subject to the provisions of the Articles of Incorporation regarding Excess Stock, each outstanding share of Common Stock entitles the holder to one vote on all matters submitted to a vote of stockholders, including the election of Directors, and, except as otherwise required by law or except as provided with respect to any other class or series of stock, the holders of Common Stock will possess the exclusive voting power. There is no cumulative voting in the election of Directors, which means that the holders of a majority of the outstanding shares of Common Stock can elect all of the Directors then standing for election, and the holders of the remaining shares of Common Stock will not be able to elect any Directors.

Holders of Common Stock have no conversion, sinking fund or redemption rights, or preemptive rights to subscribe for any securities of the Company.

Subject to the provisions of the Articles of Incorporation regarding Excess Stock, all shares of Common Stock will have equal dividend, distribution, liquidation and other rights, and will have no preference, appraisal or exchange rights.

Pursuant to the MGCL, a corporation generally cannot dissolve, amend its Articles of Incorporation, merge, sell all or substantially all of its assets, engage in a share exchange or engage in similar transactions outside the ordinary course of business unless approved by the affirmative vote of stockholders holding at least two-thirds of the shares entitled to vote on the matter unless a lesser percentage (but not less than a majority of all of the votes to be cast on the matter) is set forth in the corporation's Articles of Incorporation. The Articles of Incorporation do not provide for a lesser percentage in such situations.

RESTRICTIONS ON OWNERSHIP

For the Company to qualify as a REIT under the Code, not more than 50% in value of its outstanding capital stock may be owned, directly or indirectly, by five or fewer individuals (as defined in the Code to include certain entities) during the last half of a taxable year. To assist the Company in meeting this requirement, the Company may take certain actions to limit the beneficial ownership, directly or indirectly, by individuals of the Company's outstanding equity securities. See "Restrictions on Transfers of Capital Stock."

TRANSFER AGENT

The transfer agent and registrar for the Common Stock is KeyCorp Shareholder Services, Inc. of Cleveland, Ohio.

RESTRICTIONS ON TRANSFERS OF CAPITAL STOCK

For the Company to qualify as a REIT under the Code, among other things, not more than 50% in value of its outstanding capital stock may be owned, directly or indirectly, by five or fewer individuals (as defined in the Code to include certain entities) during the last half of a taxable year, and such capital stock must be beneficially owned by 100 or more persons during at least 335 days of a taxable year of 12 months or during a proportionate part of a shorter tax year. See "Certain Federal Income Tax Considerations." To ensure that the Company remains a qualified REIT, the Articles of Incorporation, subject to certain exceptions, provide that no holder may own, or be deemed to own by virtue of the attribution provisions of the Code, more than an aggregate of 9.9% in value of the Company's capital stock. Any transfer of capital stock or any security convertible into capital stock that would create a direct or indirect ownership of capital stock in excess of the ownership limit or that would result in the disqualification of the Company as a REIT, including any transfer that results in the capital stock being owned by fewer than 100 persons or results in the Company being "closely held" within the meaning of Section 856(h) of the Code, shall be null and void, and the intended transferee will acquire no rights to the capital stock. Capital stock owned, or deemed to be owned, or transferred to a stockholder in excess of the ownership limit will automatically be exchanged for shares of Excess Stock that will be transferred, by operation of law, to the Company as trustee of a trust for the exclusive benefit of the transferees to whom such capital stock may be ultimately transferred without violating the ownership limit. While the Excess Stock is held in trust, it will not be entitled to vote, it will not be considered for purposes of any stockholder vote or the determination of a quorum for such vote, and it will not be entitled to participate in the accumulation or payment of dividends or other distributions. A transferee of Excess Stock may, at any time such Excess Stock is held by the Company in trust, designate as beneficiary of the transferee stockholder's interest in the trust representing the Excess Stock any individual whose ownership of the capital stock exchanged into such Excess Stock would be permitted under the ownership limit, and may transfer such interest to such beneficiary at a price not in excess of the price paid by the original transferee-stockholder for the capital stock that was exchanged into Excess Stock. Immediately upon the transfer to the permitted beneficiary, the Excess Stock will automatically be exchanged for capital stock of the class from which it was converted. In addition, the Company will have the right, for a period of 90 days during the time any Excess Stock is held by the Company in trust, and, with respect to Excess Stock resulting from the attempted transfer of Preferred Stock, at any time when any outstanding shares of Preferred Stock of such series are being redeemed, to purchase all or any portion of the Excess Stock from the original transferee-stockholder at the lesser of the price paid for the capital stock by the original transferee-stockholder and the market price (as determined in the manner set forth in the Articles of Incorporation) of the capital stock on the date the Company exercises its option to purchase or, in the case of a purchase of Excess Stock attributed to Preferred Stock which has been called for redemption, at its stated value, plus all accumulated and unpaid dividends to the date of redemption. The 90-day period begins on the date of the violative transfer if the original

transferee-stockholder gives notice to the Company of the transfer or, if no such notice is given, the date the Board of Directors determines that a violative transfer has been made.

CERTAIN FEDERAL INCOME TAX CONSIDERATIONS

This section is a summary of the material federal income tax matters of general application pertaining to REITs under the Code. The discussion is based on current law and does not purport to deal with all aspects of federal income taxation that may be relevant to investors subject to special treatment under the federal income tax laws, such as tax-exempt investors, dealers in securities or foreign persons. The provisions of the Code pertaining to REITs are highly technical and complex and sometimes involve mixed questions of fact and law. In addition, this section does not discuss foreign, state or local taxation. The Company has received an opinion from Cahill Gordon & Reindel as to the conclusions of law expressed in this summary. Prospective investors should consult their own tax advisors regarding the federal, state, local, foreign and other tax consequences specific to them of holding and disposing of the Securities.

TAXATION OF THE COMPANY

In the opinion of Cahill Gordon & Reindel, commencing with its taxable year ended December 31, 1994, the Company has been organized in conformity with the requirements for qualification as a REIT under the Code, and the Company's method of operation will enable the Company to continue so to qualify, provided that the Company continues to satisfy the various requirements applicable under the Code to REITs, as described herein. Cahill Gordon & Reindel's opinion is based on various assumptions and is conditioned upon certain representations as to factual matters made by the Company and certain partnerships through which the Company holds substantially all of its assets (the "Partnerships"). Moreover, such qualification and taxation as a REIT depend upon the Company's ability to meet, through actual annual operating results, distribution levels, diversity of stock ownership and various other qualification tests imposed under the Code discussed below, the results of which will not be reviewed by Cahill Gordon & Reindel. Accordingly, no assurance can be given that the actual results of the Company's operation for any one taxable year will satisfy such requirements.

To qualify as a REIT under the Code for a taxable year, the Company must meet certain organizational and operational requirements, which generally require it to be a passive investor in operating real estate and to avoid excessive concentration of ownership of its capital stock. Initially, its principal activities must be real estate related. Generally, at least 75% of the value of the total assets of the Company at the end of each calendar quarter must consist of real estate assets, cash or governmental securities. The Company may not own more than 10% of the outstanding voting securities of any corporation and the value of any one issuer's securities may not exceed 5% of the Company's gross assets; shares of qualified REITs, qualified temporary investments and shares of certain wholly owned subsidiary corporations are exempt from these prohibitions. The Company holds assets through certain wholly owned subsidiary corporations and holds Preferred Stock interests in certain corporations that provide property management services to third parties; the Company has been advised by Cahill Gordon & Reindel, based on certain representations, that these holdings do not violate the prohibition on ownership of voting securities. Additionally, gross income from the sale or other disposition of stock and securities held for less than one year and of real property held for less than four years must constitute less than 30% of the gross income for each taxable year of a REIT. For each taxable year, at least 75% of a REIT's gross income must be derived from specified real estate sources and 95% must be derived from such real estate sources plus certain other permitted sources. Real estate income for purposes of these requirements includes gain from the sale of real property not held primarily for sale to customers in the ordinary course of business, dividends on REIT shares, interest on loans secured by mortgages on real property, certain rents from real property and income from foreclosure property. For rents to qualify, they may not be based on the income or profits of any person, except that they may be based on a percentage or percentages of gross income or receipts and, subject to certain limited exceptions, the REIT may not manage the property or furnish

services to tenants except through an independent contractor which is paid an arm's-length fee and from which the REIT derives no income. Substantially all of the Company's assets are held through the Partnerships. In general, in the case of a REIT that is a partner in a partnership, applicable regulations treat the REIT as holding directly its proportionate share of the assets of the partnership and as being entitled to the income of the partnership attributable to such share.

The Company must satisfy certain ownership restrictions that limit (i) concentration of ownership of the Company's capital stock by a few individuals and (ii) ownership by the Company of its tenants. The outstanding capital stock of the Company must be held by at least 100 stockholders. No more than 50% in value of the outstanding capital stock, including in some circumstances capital stock into which outstanding securities might be converted, may be owned actually or constructively by five or fewer individuals or certain other entities at any time during the last half of the Company's taxable year. Accordingly, the Articles of Incorporation contain certain restrictions regarding the transfer of Common Stock, Preferred Stock and any other outstanding securities convertible into Common Stock when necessary to maintain the Company's qualification as a REIT under the Code. However, because the Code imposes broad attribution rules in determining constructive ownership, no assurance can be given that the restrictions contained in the Articles of Incorporation will be effective in maintaining the Company's REIT status. See "Restrictions on Transfers of Capital Stock."

So long as the Company qualifies for taxation as a REIT and distributes at least 95% of its REIT taxable income (computed without regard to net capital gain or the dividends paid deduction) for its taxable year to its stockholders annually, the Company itself will not be subject to federal income tax on that portion of such income distributed to stockholders. The Company will be taxed at regular corporate rates on all income not distributed to stockholders. The Company's policy is to distribute at least 95% of its taxable income. REIT's also may incur taxes for certain other activities or to the extent distributions do not satisfy certain other requirements.

Failure of the Company to qualify during any taxable year as a REIT could, unless certain relief provisions were available, have a material adverse effect upon its stockholders. If disqualified for taxation as a REIT for a taxable year, the Company also would be disqualified for taxation as a REIT for the next four taxable years, unless the failure were considered to be due to reasonable cause and not willful neglect. The Company would be subject to federal income tax at corporate rates on all of its taxable income and would not be able to deduct the dividends paid, which could result in a discontinuation of or substantial reduction in dividends to stockholders. Dividends also would be subject to the regular tax rules applicable to dividends received by stockholders of corporations. Should the failure to qualify as a REIT be determined to have occurred retroactively in an earlier tax year of the Company, the imposition of a substantial federal income tax liability on the Company attributable to any nonqualifying tax years may adversely affect the Company's ability to pay dividends. In the event that the Company fails to meet certain income tests applicable to REITs, it may, generally, nonetheless retain its qualification as a REIT if it pays a 100% tax on the amount by which it failed to meet the relevant income test so long as such failure was considered to be due to reasonable cause and not willful neglect. Any such taxes would adversely affect the Company's ability to pay dividends and distributions.

PLAN OF DISTRIBUTION

The Company and the Operating Partnership may sell Securities through underwriters or dealers, directly to one or more purchasers, through agents or through a combination of any such methods of sale. Any underwriter or agent involved in the offer and sale of the Securities will be named in the applicable Prospectus Supplement.

The distribution of the Securities may be effected from time to time in one or more transactions at a fixed price or prices, which may be changed, at market prices prevailing at the time of sale, at prices related to such prevailing market prices, or at negotiated prices.

In connection with the sale of Securities, underwriters or agents may receive compensation from the Company, from the Operating Partnership or from purchasers of Securities, for whom they may act as agents, in the form of discounts, concessions or commissions. Underwriters may sell Securities to or through dealers, and such dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and/or commissions from the purchasers for whom they may act as agents. Underwriters, dealers and agents that participate in the distribution of Securities may be deemed to be underwriters under the Securities Act, and any discounts or commissions they receive from the Company or the Operating Partnership and any profit on the resale of Securities they realize may be deemed to be underwriting discounts and commissions under the Securities Act. Any such underwriter or agent will be identified, and any such compensation received from the Company or the Operating Partnership will be described, in the applicable Prospectus Supplement.

Unless otherwise specified in the applicable Prospectus Supplement, each series of Securities will be a new issue with no established trading market, other than the Common Stock, which is listed on the NYSE. Any shares of Common Stock sold pursuant to a Prospectus Supplement will be listed on the NYSE, subject to official notice of issuance. The Company or the Operating Partnership may elect to list any series of Debt Securities, Preferred Stock or Depositary Shares on an exchange, but neither is obligated to do so. It is possible that one or more underwriters may make a market in a series of Securities, but will not be obligated to do so and may discontinue any market making at any time without notice. Therefore, no assurance can be given as to the liquidity of the trading market for the Securities.

Under agreements into which the Company or the Operating Partnership may enter, underwriters, dealers and agents who participate in the distribution of Securities may be entitled to indemnification by the Company or the Operating Partnership against certain liabilities, including liabilities under the Securities Act.

Underwriters, dealers and agents may engage in transactions with, or perform services for, or be tenants of, the Company or the Operating Partnership in the ordinary course of business.

If so indicated in the applicable Prospectus Supplement, the Company or the Operating Partnership will authorize underwriters or other persons acting as the Company's or the Operating Partnership's agents to solicit offers by certain institutions to purchase Securities from the Company or the Operating Partnership pursuant to contracts providing for payment and delivery on a future date. Institutions with which such contracts may be made include commercial and savings banks, insurance companies, pension funds, investment companies, educational and charitable institutions and others, but in all cases such institutions must be approved by the Company or the Operating Partnership, as the case may be. The obligations of any purchaser under any such contract will be subject to the condition that the purchase of the Securities shall not at the time of delivery be prohibited under the laws of the jurisdiction to which such purchaser is subject. The underwriters and such other agents will not have any responsibility in respect of the validity or performance of such contracts.

In order to comply with the securities laws of certain states, if applicable, the Securities offered hereby will be sold in such jurisdictions only through registered or licensed brokers or dealers. In addition, in certain states Securities may not be sold unless they have been registered or qualified for sale in the applicable state or an exemption from the registration or qualification requirement is available and is complied with.

Under applicable rules and regulations under the Exchange Act, any person engaged in the distribution of Securities offered hereby may not engage in market making activities with respect to the Securities for a period of two business days prior to the commencement of such distribution.

LEGAL MATTERS

Certain legal matters, including the legality of the Securities covered by this Prospectus and certain tax matters, will be passed upon for the Company by Cahill Gordon & Reindel (a partnership including a professional corporation), New York, New York, and for any underwriters, dealers or agents by Rogers & Wells, New York, New York. Cahill Gordon & Reindel and Rogers & Wells will rely as to all matters of Maryland law on the opinion of McGuire, Woods, Battle & Boothe, L.L.P., Baltimore, Maryland.

EXPERTS

The financial statements and schedule thereto of the Company incorporated by reference in this Prospectus or elsewhere in the Registration Statement and the consolidated financial statements and schedule thereto of the Operating Partnership included in this Prospectus, to the extent and for the periods indicated in their reports, have been audited by Coopers & Lybrand L.L.P., independent accountants, and are included or incorporated herein in reliance upon the authority of said firm as experts in giving said reports.

FIRST INDUSTRIAL, L.P. AND CONTRIBUTING BUSINESSES
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REPORT OF INDEPENDENT ACCOUNTANTS

To the Partners of First Industrial, L.P.
and the Contributing Businesses:

We have audited the consolidated financial statements and the financial statement schedule of First Industrial, L.P. (the "Partnership") and the combined financial statements of the Contributing Businesses as listed on page F-1 of this Prospectus. These financial statements and the financial statement schedule are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements and the financial statement schedule based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of First Industrial, L.P. as of December 31, 1995 and 1994, and the consolidated results of their operations and their cash flows for the year ended December 31, 1995, and the six month period ended December 31, 1994 and of the Contributing Businesses for the six month period ended June 30, 1994 and the year ended December 31, 1993 in conformity with generally accepted accounting principles. In addition, in our opinion, the financial statement schedule referred to above, when considered in relation to the basic financial statements taken as a whole, presents fairly, in all material respects, the information required to be included therein.

COOPERS & LYBRAND L.L.P.

Chicago, Illinois
February 12, 1997

FIRST INDUSTRIAL, L.P.
CONSOLIDATED BALANCE SHEETS
(DOLLARS IN THOUSANDS)

	SEPTEMBER 30, 1996	DECEMBER 31, 1995	DECEMBER 31, 1994

(UNAUDITED)			
ASSETS			
Investment in Real Estate:			
Land.....	\$ 141,405	\$ 109,227	\$ 98,193
Buildings and Improvements.....	806,073	645,872	567,130
Furniture, Fixtures and Equipment.....	1,662	2,024	2,159
Construction in Progress.....	15,581	393	2,126
Less: Accumulated Depreciation.....	(85,018)	(68,749)	(49,314)
	-----	-----	-----
Net Investment in Real Estate.....	879,703	688,767	620,294
Cash and Cash Equivalents.....	4,538	8,373	8,986
Restricted Cash.....	9,567	11,732	13,203
Tenant Accounts Receivable, Net.....	4,938	2,561	3,797
Deferred Rent Receivable.....	8,416	7,676	6,092
Interest Rate Protection Agreements, Net.....	8,415	8,529	16,605
Deferred Financing Costs, Net.....	8,091	9,422	12,142
Prepaid Expenses and Other Assets.....	19,944	20,247	9,869
	-----	-----	-----
Total Assets.....	\$ 943,612	\$ 757,307	\$ 690,988
	-----	-----	-----
LIABILITIES AND PARTNERS' CAPITAL			
Liabilities:			
Mortgage Loans Payable.....	\$ 392,338	\$ 346,850	\$ 300,000
Construction Loans Payable.....	--	4,873	--
Acquisition Facilities Payable.....	62,310	48,235	48,700
Promissory Notes Payable.....	9,919	--	--
Accounts Payable and Accrued Expenses.....	20,810	12,819	12,760
Rents Received in Advance and Security Deposits.....	4,894	4,124	3,704
Distributions Payable.....	12,802	9,954	9,648
	-----	-----	-----
Total Liabilities.....	503,073	426,855	374,812
Minority Interest.....	44,055	43,683	2,632
Commitments and Contingencies.....	--	--	--
Partners' Capital:			
Total Partners' Capital.....	396,484	286,769	313,544
	-----	-----	-----
Total Liabilities and Partners' Capital.....	\$ 943,612	757,307	\$ 690,988
	-----	-----	-----

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

FIRST INDUSTRIAL, L.P. AND CONTRIBUTING BUSINESSES

CONSOLIDATED AND COMBINED STATEMENTS OF OPERATIONS

(DOLLARS IN THOUSANDS)

	THE PARTNERSHIP			CONTRIBUTING BUSINESSES		
	NINE MONTHS ENDED SEPTEMBER 30, 1996	NINE MONTHS ENDED SEPTEMBER 30, 1995	YEAR ENDED DECEMBER 31, 1995	SIX MONTHS ENDED DECEMBER 31, 1994	SIX MONTHS ENDED JUNE 30, 1994	YEAR ENDED DECEMBER 31, 1993
	(UNAUDITED)	(UNAUDITED)				
Revenues:						
Rental Income	\$ 78,054	\$ 61,680	\$ 83,522	\$ 36,883	\$ 18,041	\$ 26,814
Tenant Recoveries and Other Income	23,407	16,852	22,952	9,674	4,775	6,423
Total Revenues	101,461	78,532	106,474	46,557	22,816	33,237
Expenses:						
Real Estate Taxes	17,061	12,563	16,998	7,409	3,273	4,947
Repairs and Maintenance	4,231	2,953	3,872	1,582	1,225	1,587
Property Management	3,372	2,563	3,539	1,357	677	1,006
Utilities	2,758	1,567	2,060	822	570	748
Insurance	824	676	903	385	184	186
Other	736	573	930	298	107	358
General and Administrative	2,321	2,428	3,792	1,047	795	1,416
Interest Expense	21,600	21,109	28,591	10,588	9,868	14,595
Interest Expense (affiliated)	--	--	--	--	1,905	3,592
Amortization of Interest Rate Protection Agreements and Deferred Financing Costs	2,412	3,684	4,438	2,904	858	997
Depreciation and Other Amortization	20,456	16,320	22,264	9,802	4,744	7,105
Disposition of Interest Rate Protection Agreement	--	6,410	6,410	--	--	--
Total Expenses	75,771	70,846	93,797	36,194	24,206	36,537
Income (Loss) Before Gain on Sales of Properties, Management and Construction (Loss), Minority Interest and Extraordinary (Loss)	25,690	7,686	12,677	10,363	(1,390)	(3,300)
Gain on Sales of Properties	4,320	--	--	--	--	--
Income (Loss) Before Management and Construction (Loss), Minority Interest and Extraordinary Item	30,010	7,686	12,677	10,363	(1,390)	(3,300)
Management and Construction (Loss)	--	--	--	--	(81)	(99)
Income Allocated to Minority Interest	(3,178)	(65)	(554)	(69)	--	--
Income (Loss) Before Extraordinary (Loss)	26,832	7,621	12,123	10,294	(1,471)	(3,399)
Extraordinary (Loss)	(821)	--	--	--	(1,449)	--
Net Income (Loss)	\$ 26,011	\$ 7,621	\$ 12,123	\$ 10,294	\$ (2,920)	\$ (3,399)

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

FIRST INDUSTRIAL, L.P. AND CONTRIBUTING BUSINESSES

CONSOLIDATED AND COMBINED STATEMENTS OF CHANGES
IN PARTNERS' CAPITAL AND NET DEFICIT

(DOLLARS IN THOUSANDS)

	THE PARTNERSHIP			CONTRIBUTING	THE
	TOTAL	GENERAL PARTNER	LIMITED PARTNERS	NET DEFICIT	PARTNERSHIP MINORITY INTEREST
Balance at December 31, 1992.....	\$ (32,876)	\$ --	\$ --	\$ (32,876)	\$ --
Contributions.....	2,671	216	--	2,455	--
Distributions.....	(3,944)	--	--	(3,944)	--
Net Loss.....	(3,399)	--	--	(3,399)	--
Balance at December 31, 1993.....	(37,548)	216	--	(37,764)	--
Contributions.....	343,501	324,705	--	18,796	2,615
Distributions.....	(29,011)	--	--	(29,011)	--
Net Loss.....	(2,920)	--	--	(2,920)	--
Acquisition and Contribution of Contributing Businesses' Interests...	18,112	(53,869)	21,082	50,899	--
Balance at June 30, 1994.....	292,134	271,052	21,082	--	2,615
Contribution.....	30,412	30,412	--	--	--
Distributions.....	(19,296)	(17,843)	(1,453)	--	(52)
Net Income.....	10,294	9,519	775	--	69
Balance at December 31, 1994.....	313,544	293,140	20,404	--	2,632
Contribution.....	--	--	--	--	41,302
Distributions.....	(38,898)	(36,003)	(2,895)	--	(805)
Unit Conversion.....	--	1,005	(1,005)	--	--
Net Income.....	12,123	11,215	908	--	554
Balance at December 31, 1995.....	286,769	269,357	17,412	--	43,683
Contribution (Unaudited).....	122,022	106,343	15,679	--	406
Distributions (Unaudited).....	(38,318)	(35,299)	(3,019)	--	(3,212)
Unit Conversion (Unaudited).....	--	203	(203)	--	--
Net Income (Unaudited).....	26,011	24,068	1,943	--	3,178
Balance at September 30, 1996 (Unaudited).....	\$ 396,484	\$ 364,672	\$ 31,812	\$ --	\$ 44,055

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

FIRST INDUSTRIAL, L.P. AND CONTRIBUTING BUSINESSES

CONSOLIDATED AND COMBINED STATEMENTS OF CASH FLOWS

(DOLLARS IN THOUSANDS)

	THE PARTNERSHIP			CONTRIBUTING BUSINESSES		
	NINE MONTHS ENDED SEPTEMBER 30, 1996 (UNAUDITED)	NINE MONTHS ENDED SEPTEMBER 30, 1995 (UNAUDITED)	YEAR ENDED DECEMBER 31, 1995	SIX MONTHS ENDED DECEMBER 31, 1994	SIX MONTHS ENDED JUNE 30, 1994	YEAR ENDED DECEMBER 31, 1993
CASH FLOWS FROM OPERATING ACTIVITIES:						
Net Income (Loss)	\$ 26,011	\$ 7,621	\$ 12,123	\$ 10,294	\$ (2,920)	\$ (3,399)
Income Allocated to Minority Interest	3,178	65	554	69	--	--
Income (Loss) Before Minority Interest	29,189	7,686	12,677	10,363	(2,920)	(3,399)
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by Operating Activities:						
Depreciation	17,888	14,355	19,440	8,713	4,661	6,697
Amortization of Interest Rate Protection Agreement and Deferred Financing Costs	2,412	3,684	4,438	2,904	858	997
Other Amortization	2,568	1,965	2,824	1,089	83	408
Gain on Sales of Properties	(4,320)	--	--	--	--	--
Provision for Bad Debts	200	93	352	148	--	286
Extraordinary Loss	821	--	--	--	1,449	--
Loss from Disposition of Interest Rate Protection Agreement	--	6,410	6,410	--	--	--
(Increase) in Accounts Receivable and Other Assets	(4,782)	(336)	(8,372)	(6,474)	(4,544)	(4,475)
(Increase) in Deferred Rent Receivable	(740)	(1,341)	(1,584)	(1,122)	(92)	(221)
Increase (Decrease) in Accounts Payable and Accrued Expenses	2,724	(2,394)	1,308	7,909	7,807	8,407
Organization Costs	--	(117)	(153)	(1,610)	(1,466)	--
(Increase) Decrease in Restricted Cash	926	(1,268)	(2,278)	(3,966)	(810)	--
Net Cash Provided by Operating Activities	46,886	28,737	35,062	17,954	5,026	8,700
CASH FLOWS FROM INVESTING ACTIVITIES:						
Purchase of and Additions to Investment in Real Estate	(175,894)	(71,987)	(87,908)	(72,913)	(367,257)	(17,124)
Proceeds from Sales of Investment in Real Estate	12,119	--	--	--	--	--
(Increase) Decrease in Restricted Cash	1,239	3,108	3,749	(927)	(7,500)	--
Net Cash Used in Investing Activities	(162,536)	(68,879)	(84,159)	(73,840)	(374,757)	(17,124)

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

FIRST INDUSTRIAL, L.P. AND CONTRIBUTING BUSINESSES

CONSOLIDATED AND COMBINED STATEMENTS OF CASH FLOWS (CONTINUED)

(DOLLARS IN THOUSANDS)

	THE PARTNERSHIP			CONTRIBUTING BUSINESSES		
	NINE MONTHS ENDED SEPTEMBER 30, 1996 (UNAUDITED)	NINE MONTHS ENDED SEPTEMBER 30, 1995 (UNAUDITED)	YEAR ENDED DECEMBER 31, 1995	SIX MONTHS ENDED DECEMBER 31, 1994	SIX MONTHS ENDED JUNE 30, 1994	YEAR ENDED DECEMBER 31, 1993
CASH FLOWS FROM FINANCING ACTIVITIES:						
Contributions	106,749	--	41,302	25,604	348,243	2,455
Distributions	(38,402)	(29,197)	(39,703)	(9,700)	(29,011)	(3,944)
Proceeds from Mortgage Loans Payable	36,750	9,040	52,850	--	381,743	19,270
Repayments on Mortgage Loans Payable	(679)	--	(6,000)	--	(268,935)	(8,688)
Proceeds from Acquisition Facilities Payable	75,197	60,800	83,943	48,700	5,000	--
Repayments on Acquisition Facilities Payable	(61,121)	--	(84,408)	(5,000)	--	--
Proceeds from Construction Loans Payable	--	--	4,873	--	--	--
Repayment on Construction Loans Payable	(4,873)	--	--	--	--	--
Repayment of Notes Payable Cost of Debt Issuance and Interest Rate Protection Agreement	(1,806)	(2,149)	(4,373)	(2,181)	(34,553)	--
Net Cash Provided by Financing Activities	111,815	38,494	48,484	57,423	374,152	9,093
Net Increase (Decrease) in Cash and Cash Equivalents	(3,835)	(1,648)	(613)	1,537	4,421	669
Cash and Cash Equivalents, Beginning of Period	8,373	8,986	8,986	7,449	3,028	2,359
Cash and Cash Equivalents, End of Period	\$ 4,538	\$ 7,338	\$ 8,373	8,986	\$ 7,449	\$ 3,028

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

FIRST INDUSTRIAL, L.P. AND CONTRIBUTING BUSINESSES

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS

(DOLLARS IN THOUSANDS)

(AMOUNTS RELATED TO NINE MONTH PERIODS ENDED SEPTEMBER 30TH ARE UNAUDITED)

1. ORGANIZATION AND FORMATION

First Industrial, L.P. (the "Partnership") was organized as a limited partnership in the state of Delaware on November 23, 1993. The sole general partner is First Industrial Realty Trust, Inc. (the "Company") with an approximate 91.8% ownership interest at September 30, 1996. The Company is a real estate investment trust (REIT) as defined in the Internal Revenue Code. The Company is continuing the business of The Shidler Group and the Other Contributing Business (defined below). The Company's operations are conducted primarily through the Partnership. As of September 30, 1996, the Partnership owned 328 in-service properties located in 14 states, containing an aggregate of approximately 29.9 million square feet (unaudited) of gross leasable area. Of the 328 properties owned by the Partnership 85 are held directly by the Partnership, 195 are held by First Industrial Financing Partnership, L.P. (the "Financing Partnership"), 19 are held by First Industrial Securities, L.P. (the "Securities Partnership"), 23 are held by First Industrial Mortgage Partnership, L.P. (the "Mortgage Partnership"), 2 are held by First Industrial Pennsylvania Partnership, L.P. (the "Pennsylvania Partnership"), 3 are held by First Industrial Harrisburg, L.P. (the "Harrisburg Partnership") and 1 is held by First Industrial Indianapolis, L.P. (the "Indianapolis Partnership").

On June 30, 1994, the Company completed its initial public offering of 16,175,000 shares of \$.01 par value common stock (the "Initial Offering") and, in July 1994, issued an additional 1,400,000 shares pursuant to an over-allotment option. The proceeds per share in the Initial Offering and the over-allotment option was \$23.50, resulting in gross offering proceeds of approximately \$389,512. Net of underwriters' discount and total offering expenses, the Company received approximately \$355,217 in proceeds from the Initial Offering and the over-allotment option. On June 30, 1994, the Company (through the Financing Partnership) borrowed \$300,000 (the "1994 Mortgage Loan") from an institutional lender. The net proceeds from the Initial Offering and the 1994 Mortgage Loan were used primarily to acquire properties, repay indebtedness and pay certain fees and expenses. The Company and the Partnership commenced operations on July 1, 1994 upon the effective completion of the Initial Offering.

In February 1996, the Company completed an offering of 5,175,000 shares of \$.01 par value common stock. The net proceeds received from the Initial Offering and the February 1996 Offering are reflected in the Partnership's consolidated financial statements as contributions.

2. BASIS OF PRESENTATION

The Company is the sole stockholder of First Industrial Finance Corporation, First Industrial Securities Corporation, First Industrial Mortgage Corporation, First Industrial Pennsylvania Corporation, First Industrial Harrisburg Corporation and First Industrial Indianapolis Corporation which are the sole 1% general partner of the Financing Partnership, the Securities Partnership, the Mortgage Partnership, the Pennsylvania Partnership, the Harrisburg Partnership and Indianapolis Partnership, respectively, collectively referred to as the "Subsidiary Partnerships". The Partnership is the sole 99% limited partner of the Subsidiary Partnerships. The consolidated financial statements of the Partnership at September 30, 1996, December 31, 1995 and 1994 and for the nine month periods ended September 30, 1996 and 1995, the year ended December 31, 1995 and the six month period ended December 31, 1994 include the accounts and operations of the Partnership and its Subsidiary Partnerships. All significant intercompany transactions have been eliminated in consolidation.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (CONTINUED)

(DOLLARS IN THOUSANDS)

(AMOUNTS RELATED TO NINE MONTH PERIODS ENDED SEPTEMBER 30TH ARE UNAUDITED)

2. BASIS OF PRESENTATION (CONTINUED)

The combined statements of operations, changes in partners' capital and net deficit and cash flows for the six months ended June 30, 1994 and the year ended December 31, 1993 reflect the operations, equity and deficit and cash flows of the properties and business contributed by the Shidler Group and the properties and business contributed by three other contributing businesses (the "Other Contributing Businesses" and with the Shidler Group, the "Contributing Businesses") at or prior to the consummation of the Initial Offering.

Purchase accounting has been applied when ownership interests in properties were acquired for cash. The historical cost basis of properties has been carried over when the Contributing Businesses ownership interests were exchanged for units in the Partnership (the "Units") and purchase accounting has been used for all other properties that were acquired for Units.

Minority interest in the Partnership at September 30, 1996 and December 31, 1995 and 1994 represents approximately 1% of the aggregate partnership interest in the Subsidiary Partnerships held by the general partners.

In 1995, the Company issued 1.65 million shares of 9.5% Series A Cumulative Preferred Stock (the "Series A Preferred Shares"). The payment of dividends on, and payments on liquidation or redemption of, the Series A Preferred Shares are guaranteed by First Industrial Securities Corporation (the "Guarantor") which is the general partner of the Securities Partnership. The Guarantor has a preferred limited partner interest in the Securities Partnership which entitles it to receive a fixed quarterly distribution equal to the fixed quarterly dividend the Company pays to its Series A preferred shareholders. It also entitles the Guarantor to a preferred liquidation preference equal to the redemption price of any Series A Preferred Shares. To the extent the Company shall fail to make any payment of dividends or pay any portion of the liquidation preference on or the redemption price of any Series A Preferred Shares, the Guarantor will be obligated to pay an amount to each holder of Series A Preferred Shares equal to any such shortfall. The Guarantor will be required to liquidate its preferred limited partnership interest in the Securities Partnership to meet this obligation.

The gross proceeds from the issuance of the Series A Preferred Shares in the amount of \$41,250 was contributed to the Securities Partnership by the Company. Such amount is reflected in the consolidated financial statements of the Partnership in 1995 as a minority interest contribution. Net income in the consolidated financial statements related to the operations of Securities L.P. has been allocated first to the Guarantor as a minority interest equal to the fixed quarterly distribution. Net income in excess of the fixed distribution is allocated in accordance with the respective partners' ownership interests.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

In order to conform with generally accepted accounting principles, management, in preparation of the Partnership'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, 1996, December 31, 1995 and 1994, and the reported amounts of revenues and expenses for the nine month periods ended September 30, 1996 and 1995 and for the year ended December 31, 1995, the six month period ended December 31, 1994, the six month period ended June 30, 1994 and the year ended December 31, 1993. Actual results could differ from those estimates.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (CONTINUED)

(DOLLARS IN THOUSANDS)

(AMOUNTS RELATED TO NINE MONTH PERIODS ENDED SEPTEMBER 30TH ARE UNAUDITED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

REVENUE RECOGNITION:

Rental income is recognized on a straight-line method under which contractual rent increases are recognized evenly over the lease term. Tenant recovery income includes payments from tenants for taxes, insurance and other property operating expenses and is recognized as revenues in the same period the related expenses are incurred by the Partnership.

The Partnership provides an allowance for doubtful accounts against the portion of tenant accounts receivable which is estimated to be uncollectible. Accounts receivable in the consolidated balance sheets are shown net of an allowance for doubtful accounts of \$700, \$500 and \$148 as of September 30, 1996 and December 31, 1995 and 1994, respectively.

INVESTMENT IN REAL ESTATE AND DEPRECIATION:

Effective January 1, 1995, the Partnership adopted Financial Accounting Standards Statement No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of."

Real estate assets are carried at the lower of depreciated cost or fair value as determined by the Partnership. The Partnership reviews its properties on a quarterly basis for impairment and provides a provision if impairments are determined. First, to determine if impairment may exist, the Partnership reviews its properties and identifies those which have had either an event of change or event of circumstances warranting further assessment of recoverability. Then, the Partnership estimates the fair value of those properties on an individual basis by capitalizing the expected net operating income and discounting the expected cash flows of the properties. Such amounts are then compared to the property's depreciated cost to determine whether an impairment exists. Interest expense, real estate taxes and other directly related expenses incurred during construction periods are capitalized and depreciated commencing with the date placed in service, on the same basis as the related assets. Depreciation expense is computed using the straight-line method based on the following useful lives:

	----- YEARS -----
Buildings and Improvements.....	31.5 to 40
Land Improvements.....	15
Furniture, Fixtures and Equipment.....	5 to 10

Construction expenditures for tenant improvements and leasing commissions are capitalized and amortized over the terms of each specific lease. Maintenance and repairs are charged to expense when incurred. Expenditures for improvements are capitalized.

When assets are sold or retired, their costs and related accumulated depreciation are removed from the accounts with the resulting gains or losses reflected in net income or loss.

CASH AND CASH EQUIVALENTS:

Cash and Cash Equivalents include all cash and liquid investments with an initial maturity of three months or less. The carrying amount approximates fair value due to the short maturity of these investments.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (CONTINUED)

(DOLLARS IN THOUSANDS)

(AMOUNTS RELATED TO NINE MONTH PERIODS ENDED SEPTEMBER 30TH ARE UNAUDITED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INCOME TAXES:

In accordance with partnership taxation, each of the partners of the Partnership are responsible for reporting their shares of taxable income or loss. Accordingly, no provision has been made in the accompanying consolidated and combined financial statements.

The Partnership and certain of its Subsidiary Partnerships are subject to certain state and local income, excise and franchise taxes. The provision for such state and local taxes has been reflected in general and administrative expense in the consolidated statement of operations and has not been separately stated due to its insignificance.

FAIR VALUE OF FINANCIAL INSTRUMENTS:

The Partnership's financial instruments include short-term investments, tenant accounts receivable, accounts payable, other accrued expenses and mortgage loans payable. The fair values of these financial instruments were not materially different from their carrying or contract values. The Partnership's financial instruments also include interest rate protection agreements. See Note 4 below.

DEFERRED FINANCING COSTS:

Deferred financing costs include fees and costs incurred to obtain long-term financing. These fees and costs are being amortized over the terms of the respective loans. Accumulated amortization of deferred financing costs was \$5,892, \$3,593 and \$1,059, as of September 30, 1996 and December 31, 1995 and 1994, respectively. Unamortized deferred financing fees are written-off when debt is retired before the maturity date.

4. MORTGAGE LOANS, ACQUISITION FACILITIES, CONSTRUCTION LOANS PAYABLE AND PROMISSORY NOTES PAYABLE

MORTGAGE LOANS:

On June 30, 1994, the Partnership, in connection with the Initial Offering and through the Financing Partnership, borrowed \$300,000 under a mortgage loan (the "1994 Mortgage Loan"). The 1994 Mortgage Loan is cross-collateralized by, among other things, first mortgage liens on the 195 properties owned by the Financing Partnership. The 1994 Mortgage Loan will mature on June 30, 1999, unless extended by the Partnership, subject to certain conditions, for an additional two-year period, thereby maturing on June 30, 2001. The Partnership has guaranteed certain obligations of the Financing Partnership under the 1994 Mortgage Loan. The 1994 Mortgage Loan provides for interest only payments which have been effectively fixed at a rate of 6.97% through June 30, 2001. Interest payable related to the 1994 Mortgage Loan was \$1,705, \$1,905 and \$1,912 as of September 30, 1996, December 31, 1995 and 1994, respectively. Payments to (from) the Partnership under the interest rate protection agreements during the nine months ended September 30, 1996 and 1995 and the twelve months ended December 31, 1995 and the six month period ended December 31, 1994 totaled \$(224), \$691, \$584 and \$51, respectively, which have been included as an offset to interest expense.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (CONTINUED)

(DOLLARS IN THOUSANDS)

(AMOUNTS RELATED TO NINE MONTH PERIODS ENDED SEPTEMBER 30TH ARE UNAUDITED)

4. MORTGAGE LOANS, ACQUISITION FACILITIES, CONSTRUCTION LOANS PAYABLE AND PROMISSORY NOTES PAYABLE (CONTINUED)

In conjunction with obtaining the 1994 Mortgage Loan, the Partnership purchased an interest rate protection agreement which effectively limited the interest rate during the initial five-year term of the 1994 Mortgage Loan to 7.2% per annum. Prior to the subsequent replacement of the interest rate protection agreement, its cost of \$18,450 had been capitalized and was being amortized over the five-year term of the agreement.

Effective July 1, 1995, the Partnership replaced such interest rate protection agreement with new interest rate protection agreements and entered into interest rate swap agreements, which together effectively fix the annual interest rate on the 1994 Mortgage Loan at 6.97% for six years through June 30, 2001. As a result of the replacement of the interest rate protection agreement, the Partnership incurred a one-time loss of \$6.4 million, of which \$6.3 million represents the difference between the unamortized cost of the replaced interest rate protection agreement and the cost of the new agreements. In the event that the Partnership does not exercise the two-year option to extend the 1994 Mortgage Loan, the risk associated with the interest rate protection agreements is that the Partnership would be obligated to perform its obligations under the terms or would either pay or receive cash to terminate the agreement. In either event, the impact of such transaction would be reflected in the Partnership's financial statements. The costs of the new interest rate protection agreements have been capitalized and are being amortized over the respective terms of the agreements. Under the terms of the new interest rate protection agreements, certain collateral may be required to be set aside for amounts that could become due under the agreement. At September 30, 1996 and December 31, 1995, cash collateral of \$0 and \$2,557, respectively, was included in restricted cash. Accumulated amortization on the interest protection agreements was \$184, \$60 and \$1,845 as of September 30, 1996, December 31, 1995 and December 31, 1994, respectively.

As of September 30, 1996, the fair market value of the new interest rate protection agreements and the interest rate swap agreements was approximately \$11,665, which exceeded the \$8,415 net book value by approximately \$3,250. The fair market value was determined by a third party evaluation and is based on estimated discounted future cash flows.

Under the terms of the 1994 Mortgage Loan, certain cash reserves are required to be and have been set aside for payments of tenant improvements, capital expenditures, interest, real estate taxes, insurance and potential environmental costs. The amount of cash reserves for payment of potential environmental costs was determined by the lender and were established at the closing of the 1994 Mortgage Loan. The amounts included in the cash reserves relating to payments of tenant improvements, capital expenditures, interest, real estate taxes and insurance were determined by the lender and approximate the next periodic payment of such item. As of September 30, 1996 and December 31, 1995 and 1994, these reserves totaled \$8,180, \$8,552 and \$11,026, respectively, and are included in Restricted Cash. Such cash reserves were invested in a money market fund at September 30, 1996. The maturity of these investments is one day. Accordingly, cost approximates fair market value.

On December 29, 1995 the Mortgage Partnership borrowed \$40,200 under a mortgage loan (the "1995 Mortgage Loan") from an institutional lender. The 1995 Mortgage Loan matures on January 11, 2026 and provides for interest only payments through January 11, 1998, after which monthly principal and interest payments are required based on a 28-year amortization schedule. The interest rate under the 1995

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (CONTINUED)

(DOLLARS IN THOUSANDS)

(AMOUNTS RELATED TO NINE MONTH PERIODS ENDED SEPTEMBER 30TH ARE UNAUDITED)

4. MORTGAGE LOANS, ACQUISITION FACILITIES, CONSTRUCTION LOANS PAYABLE AND PROMISSORY NOTES PAYABLE (CONTINUED)

Mortgage Loan is fixed at 7.22% per annum through January 11, 2003. After January 11, 2003, the interest rate adjusts through a predetermined formula based on the applicable Treasury rate. Interest payable related to the 1995 Mortgage Loan was \$168 and \$24 at September 30, 1996 and December 31, 1995, respectively. The 1995 Mortgage Loan is collateralized by 23 properties held by the Mortgage Partnership.

Under the terms of the 1995 Mortgage Loan, certain cash reserves are required to be and have been set aside for payments of tenant improvements, capital expenditures, interest, real estate taxes and insurance. The amounts included in the cash reserves relating to tenant improvements, capital expenditures, payments of interest, real estate taxes and insurance were determined by the lender and approximate the next periodic payment of such items. As of September 30, 1996 and December 31, 1995, these reserves totaled \$1,387 and \$388 and are included in Restricted Cash. Such cash reserves were invested in a money market fund at September 30, 1996. The maturity of these investments is one day. Accordingly, cost approximates fair market value.

On December 14, 1995, the Partnership, through the Harrisburg Partnership, entered into a \$6,650 mortgage loan (the "Harrisburg Mortgage Loan") that is collateralized by three properties in Harrisburg, Pennsylvania. The Harrisburg Mortgage Loan bears interest at a rate based on LIBOR plus 1.5% or prime plus 2.25%, at the Partnership's option, and provides for interest only payments through May 31, 1996, with monthly principal and interest payments required subsequently based on a 26.5-year amortization schedule. At September 30, 1996, the interest rate was 7.0%. The Harrisburg Mortgage Loan will mature on December 15, 2000.

On March 20, 1996, the Partnership and the Indianapolis Partnership, entered into a \$36,750 mortgage loan (the "CIGNA Loan") that is collateralized by seven properties in Indianapolis, Indiana and three properties in Cincinnati, Ohio. The CIGNA Loan bears interest at a fixed interest rate of 7.5% and provides for monthly principal and interest payments based on a 25-year amortization schedule. The CIGNA Loan will mature on April 1, 2003. Interest payable related to the CIGNA Loan was \$0 at September 30, 1996.

On March 20, 1996, the Partnership assumed a \$6,424 mortgage loan and a \$2,993 mortgage loan (together, the "Assumed Loans") that are collateralized by 13 properties in Indianapolis, Indiana and one property in Indianapolis, Indiana, respectively. The Assumed Loans bear interest at a fixed rate of 9.25% and provide for monthly principal and interest payments based on a 16.75-year amortization schedule. The Assumed Loans will mature on January 1, 2013. Interest payable related to the Assumed Loans was \$0 at September 30, 1996.

ACQUISITION FACILITIES:

On June 30, 1994, the Partnership entered into a three-year, \$100,000 collateralized revolving credit facility (the "1994 Acquisition Facility"). During the quarter ended June 30, 1995, the capacity of the 1994 Acquisition Facility was increased to \$150,000. The Partnership may borrow under the facility to finance the acquisition of additional properties and for other partnership purposes, including to obtain additional working capital. The general partner of the Partnership has guaranteed repayment of the 1994 Acquisition Facility. The 1994 Acquisition Facility will mature on June 29, 1997 (see Note 10). As of September 30,

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (CONTINUED)

(DOLLARS IN THOUSANDS)

(AMOUNTS RELATED TO NINE MONTH PERIODS ENDED SEPTEMBER 30TH ARE UNAUDITED)

4. MORTGAGE LOANS, ACQUISITION FACILITIES, CONSTRUCTION LOANS PAYABLE AND PROMISSORY NOTES PAYABLE (CONTINUED)

1996 and December 31, 1995 and 1994, borrowings under the 1994 Acquisition totaled \$62,310, \$36,941 and \$48,700, respectively. Borrowings under the 1994 Acquisition Facility bore interest at a floating rate equal to LIBOR plus 2.0% or a "Corporate Base Rate" plus .5%, at the Partnership's election. Effective July 12, 1996, the lenders reduced the interest rate to LIBOR plus 1.75%. Under the 1994 Acquisition Facility, LIBOR contracts are entered into by the Partnership as draws are made. At September 30, 1996, the weighted average interest rate was approximately 7.5%. Interest payable related to the 1994 Acquisition Facility was \$227, \$488 and \$130 as of September 30, 1996, and December 31, 1995 and 1994, respectively. The borrowings under the 1994 Acquisition Facility are cross-collateralized by 26 properties held by the Partnership. The 1994 Acquisition Facility contains certain financial covenants relating to debt service coverage, market value net worth, distribution payout ratio, and total funded indebtedness.

In addition, in December 1995, the Partnership entered into a \$24,219 collateralized revolving credit facility (the "1995 Acquisition Facility") with a commercial bank. The 1995 Acquisition Facility was paid off in full and retired in February 1996 with a portion of the proceeds from a capital contribution from the general partner of the Partnership. The 1995 Acquisition Facility was collateralized by six properties held by the Partnership and bore interest at a floating rate of LIBOR plus 2.45%. As of December 31, 1995, borrowings under the 1995 Acquisition Facility were \$11,294 and bore interest at a rate of 8.3%. Interest payable related to the 1995 Acquisition Facility was \$27 at December 31, 1995.

In May 1996, the Partnership entered into a \$10,000 collateralized revolving credit facility (the "1996 Credit Line") with a commercial bank. The 1996 Credit Line is collateralized by three properties held by the Partnership. The general partner of the Partnership has guaranteed repayment of the 1996 Credit Line. Borrowings under the 1996 Credit Line bear interest at a floating rate from LIBOR plus 2.45% to LIBOR plus 2.75%, depending on the term of the interest rate option. The 1996 Credit Line will mature on December 14, 1998. As of September 30, 1996 there were no borrowings under the 1996 Credit Line.

In September 1996, the Partnership entered into a \$40,000 revolving credit facility ("1996 Acquisition Facility"). The Partnership may borrow under the facility to finance the acquisition of additional properties and for other corporate purposes, including to obtain additional working capital. The general partner of the Partnership has guaranteed the repayment of the 1996 Acquisition Facility. The 1996 Acquisition Facility will mature on March 31, 1997. At September 30, 1996 there were no borrowings under the 1996 Acquisition Facility. Borrowings under the 1996 Acquisition Facility bear interest at a floating rate of LIBOR plus 2.0% or a "Corporate Base Rate" plus .5%, at the Partnership's election. Interest payable related to the 1996 Acquisition Facility was \$0 at September 30, 1996. The borrowings under the 1996 Acquisition Facility are cross-collateralized by 17 properties held directly by the Partnership. The 1996 Acquisition Facility contains certain financial covenants relating to debt service coverage, market value net worth, distribution payout ratio and total funded indebtedness.

CONSTRUCTION LOANS:

In 1995, the Partnership entered into two construction loans with commercial banks providing total funding commitments of \$5,860. At December 31, 1995, the Partnership had borrowed \$4,873 under such construction loans which are collateralized by two properties held directly by the Partnership. Such borrowings bore interest at LIBOR plus 2.0% and provide for interest only payments. The construction

FIRST INDUSTRIAL, L.P. AND CONTRIBUTING BUSINESSES

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (CONTINUED)

(DOLLARS IN THOUSANDS)

(AMOUNTS RELATED TO NINE MONTH PERIODS ENDED SEPTEMBER 30TH ARE UNAUDITED)

4. MORTGAGE LOANS, ACQUISITION FACILITIES, CONSTRUCTION LOANS PAYABLE AND PROMISSORY NOTES PAYABLE (CONTINUED)

loans have maturity dates of November 2 and December 21, 1996. Both construction loans were paid off in full and retired in February 1996 with a portion of the proceeds from a capital contribution from the general partner of the Partnership.

PROMISSORY NOTES PAYABLE:

On September 30, 1996, the Partnership entered into a \$6,489 promissory note and a \$3,430 promissory note (collectively referred to as "Promissory Notes") as partial consideration for the purchase of two properties in Columbus, Ohio. The \$6,489 promissory note is collateralized by a letter of credit pledge by the Partnership in the amount of \$2,715. The \$3,430 promissory note is collateralized by a letter of credit pledge by the Partnership in the amount of \$967. Both promissory notes bear interest at 8% and mature on January 6, 1997. The Promissory Notes were paid off on January 6, 1997. Interest payable related to both promissory notes was \$0 at September 30, 1996.

The following is a schedule of maturities of the mortgage loans, acquisition facilities and promissory notes as of September 30, 1996 for the next five years ending December 31, and thereafter:

	----- AMOUNT -----
1996	\$ 191
1997	73,289
1998	1,563
1999	301,710
2000	7,328
Thereafter	80,486

Total	\$ 464,567

The \$300,000 1994 Mortgage Loan maturing in 1999 may be extended at the Partnership's option, subject to certain conditions, for an additional two years, thereby maturing on June 30, 2001.

5. RELATED PARTY TRANSACTIONS

The Partnership leases office space in Chicago, Illinois from an affiliate of The Shidler Group at an aggregate annual cost of approximately \$131.

On December 5, 1994, the Partnership purchased for approximately \$.9 million, five acres of land from a partnership in which an officer and director of the general partner of the Partnership owns approximately a 2.5% general partner interest.

FIRST INDUSTRIAL, L.P. AND CONTRIBUTING BUSINESSES

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (CONTINUED)

(DOLLARS IN THOUSANDS)

(AMOUNTS RELATED TO NINE MONTH PERIODS ENDED SEPTEMBER 30TH ARE UNAUDITED)

6. FUTURE RENTAL REVENUES

The Partnership's properties are leased to tenants under net and semi-net operating leases. Minimum lease payments receivable, excluding tenant reimbursements of expenses, under noncancelable operating leases in effect as of December 31, 1995 are approximately as follows:

1996	\$ 83,070
1997	70,786
1998	58,090
1999	45,578
2000	34,426
Thereafter	84,069

Total	\$ 376,019

7. SUPPLEMENTAL INFORMATION TO STATEMENTS OF CASH FLOWS

Supplemental disclosure of cash flow information:

	NINE MONTHS ENDED SEPTEMBER 30, 1996	NINE MONTHS ENDED SEPTEMBER 30, 1995	YEAR ENDED DECEMBER 31, 1995	SIX MONTHS ENDED DECEMBER 31, 1994	SIX MONTHS ENDED JUNE 30, 1994	YEAR ENDED DECEMBER 31, 1993
Interest paid, net of capitalized interest	\$ 21,812	\$ 20,540	\$ 28,248	\$ 8,598	\$ 13,697	\$ 15,829
Interest capitalized	\$ 251	\$ 294	\$ 324	\$ 50	\$ --	\$ 13
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:						
Distribution payable on Units	\$ 12,802	\$ 9,648	\$ 9,954	\$ 9,648	\$ --	\$ --
Sale of interest rate protection agreement	\$ --	\$ (12,852)	\$ (12,852)	\$ --	\$ --	\$ --
Purchase of interest rate protection and swap agreements	--	12,852	12,852	--	--	--
	\$ --	\$ 0	\$ 0	\$ --	\$ --	\$ --

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (CONTINUED)

(DOLLARS IN THOUSANDS)

(AMOUNTS RELATED TO NINE MONTH PERIODS ENDED SEPTEMBER 30TH ARE UNAUDITED)

7. SUPPLEMENTAL INFORMATION TO STATEMENTS OF CASH FLOWS (CONTINUED)

	NINE MONTHS ENDED SEPTEMBER 30, 1996	NINE MONTHS ENDED SEPTEMBER 30, 1995	YEAR ENDED DECEMBER 31, 1995	SIX MONTHS ENDED DECEMBER 31, 1994	SIX MONTHS ENDED JUNE 30, 1994	YEAR ENDED DECEMBER 31, 1993
IN CONJUNCTION WITH THE PROPERTY ACQUISITIONS, THE FOLLOWING ASSETS AND LIABILITIES WERE ASSUMED AND UNITS EXCHANGED:						
Purchase of real estate	\$ 178,817	\$ 46,996	\$ 63,855	\$ 66,230	\$ 372,642	\$ 10,886
Accounts receivable	--	--	153	80	2,453	21
Accounts payable and accrued expenses	(1,375)	(736)	(1,115)	(991)	(4,642)	(73)
Acquisitions of interests in properties	--	--	--	--	(4,281)	--
Mortgage Loans	(9,417)	--	--	--	--	--
Promissory Notes	(9,919)	--	--	--	--	--
Units	(15,398)	--	--	--	--	--
Acquisition of Real Estate	\$ 142,708	\$ 46,260	\$ 62,893	\$ 65,319	\$ 366,172	\$ 10,834

8. EXTRAORDINARY ITEM

Upon consummation of the Initial Offering, certain Contributing Business loans were paid off and the related unamortized deferred financing fees totaling \$1,449 were written off. The write-off is shown as an extraordinary loss in the combined statements of operations for the six months ended June 30, 1994.

A portion of the proceeds from a capital contribution from the general partner in February 1996 was used to pay off in full and retire the 1995 Acquisition Facility and the Construction Loans. The resulting write-off of unamortized deferred financing costs and prepayment fee incurred to retire the 1995 Acquisition Facility and Construction Loans are shown as an extraordinary loss in the consolidated statement of operations for the nine months ended September 30, 1996.

9. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Partnership 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 Partnership.

Seventeen properties have leases granting the tenants options to purchase the property. Such options are exercisable at various times and at appraised fair market value or at a fixed purchase price generally in excess of the Partnership's purchase price.

The Partnership has committed to the construction of two light industrial and four bulk warehouse properties totaling approximately 1,045,769 square feet. The estimated total construction costs are

FIRST INDUSTRIAL, L.P. AND CONTRIBUTING BUSINESSES

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (CONTINUED)

(DOLLARS IN THOUSANDS)

(AMOUNTS RELATED TO NINE MONTH PERIODS ENDED SEPTEMBER 30TH ARE UNAUDITED)

9. COMMITMENTS AND CONTINGENCIES (CONTINUED)

approximately \$31.6 million. The Partnership is not acting as the general contractor for these construction projects.

10. SUBSEQUENT EVENTS (UNAUDITED)

On October 4, 1996, the Partnership purchased a 187,777 square foot light industrial property located in Eden Prairie, Minnesota for approximately \$7.5 million.

On October 8, 1996, the Partnership purchased a 102,500 square foot light industrial property located in Cleveland, Ohio for approximately \$3.7 million.

On October 25, 1996, the Company issued 5,750,000 shares of \$.01 par value common stock at \$25.50 per share, resulting in net proceeds of approximately \$137.6 million. The Company contributed the net proceeds to the Partnership for 5,750,000 Units. Of the proceeds, \$84.2 million was used to repay in full the 1994 and 1996 Acquisition Facilities.

On October 28, 1996, the Partnership purchased three bulk warehouse properties located in Portland, Tennessee for approximately \$12.8 million.

On October 28, 1996, the Partnership purchased a light industrial property located in Wauwatosa, Wisconsin for approximately \$2.0 million.

On October 30, 1996, the Partnership purchased five light industrial properties located in Indianapolis, Indiana for approximately \$7.9 million.

On November 14, 1996, the Partnership purchased 23 bulk warehouse properties totaling 654,095 square feet located in Romulus, Michigan for approximately \$19.7 million which was funded with \$11.2 million in cash and 325,068 Units valued at \$8.5 million in the aggregate.

On December 2, 1996, the Partnership purchased two light industrial properties totaling 150,536 square feet in Atlanta, Georgia for approximately \$3.5 million.

On December 13, 1996, the Partnership purchased for approximately \$.5 million approximately 7.8 acres of land in suburban Cincinnati, Ohio where a 112,500 square foot light industrial warehouse is currently under construction.

On December 16, 1996, the Partnership simultaneously terminated its 1994 Acquisition Facility and obtained a new \$200 million unsecured revolving credit facility bearing interest initially at LIBOR plus 1.10%.

On December 18, 1996, the Partnership purchased two light industrial properties totaling 125,000 square feet in St. Louis, Missouri for approximately \$2.7 million.

On December 24, 1996, the Partnership purchased five light industrial properties totaling 111,375 square feet in Cincinnati, Ohio for approximately \$3.1 million.

On December 24, 1996, the Partnership purchased two light industrial properties totaling 72,239 square feet in Eden Prairie, Minnesota for approximately \$2.6 million.

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (CONTINUED)

(DOLLARS IN THOUSANDS)

(AMOUNTS RELATED TO NINE MONTH PERIODS ENDED SEPTEMBER 30TH ARE UNAUDITED)

10. SUBSEQUENT EVENTS (UNAUDITED) (CONTINUED)

On December 31, 1996, the Partnership purchased a 48,000 square foot bulk warehouse property located in Atlanta, Georgia for approximately \$1.0 million.

On December 31, 1996, the Partnership purchased two bulk warehouse properties totaling 409,119 square feet located in Atlanta, Georgia for approximately \$6.6 million.

On December 31, 1996, the Partnership purchased a 80,000 square foot light industrial property located in Minneapolis, Minnesota for approximately \$2.4 million.

On December 31, 1996, the Partnership sold a light industrial warehouse totaling 151,575 square feet located in Atlanta, Georgia for approximately \$2.8 million.

On January 9, 1997, the Partnership purchased a 482,400 square foot bulk warehouse property located in Indianapolis, Indiana for approximately \$7.1 million.

On January 31, 1997, the Partnership purchased 39 properties comprising 2.7 million square feet located in Long Island, New York and Northern New Jersey for approximately \$138.8 million which was funded with \$86.4 million in cash, assumption of \$4.5 million in debt and the issuance of 1,595,282 Units valued at \$47.9 million.

11. PRO FORMA FINANCIAL INFORMATION (UNAUDITED)

Due to the acquisition of 82 properties between January 1, 1995 and September 30, 1996 and the capital contribution from the general partner in February 1996, the historical results of operations are not indicative of future results of operations. The following Pro Forma Condensed Statements of Operations for the nine months ended September 30, 1996 and 1995 are presented as if such property acquisitions and the general partners' contribution in February 1996 had occurred at January 1, 1995, and therefore include pro forma information. The pro forma information is based upon historical information and does not purport to present what actual results would have been had such transactions, in fact, occurred at January 1, 1995, or to project results for any future period.

FIRST INDUSTRIAL, L.P. AND CONTRIBUTING BUSINESSES

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (CONTINUED)

(DOLLARS IN THOUSANDS)

(AMOUNTS RELATED TO NINE MONTH PERIODS ENDED SEPTEMBER 30TH ARE UNAUDITED)

11. PRO FORMA FINANCIAL INFORMATION (UNAUDITED) (CONTINUED)
 PRO FORMA CONDENSED STATEMENTS OF OPERATIONS

	NINE MONTHS ENDED	
	SEPTEMBER 30, 1996	SEPTEMBER 30, 1995
Total Revenue	108,908	99,378
Property Expenses	(30,960)	(27,359)
General and Administrative Expenses	(2,321)	(2,428)
Interest Expense	(24,422)	(25,453)
Depreciation and Amortization	(23,807)	(23,154)
Disposition of Interest Rate Protection Agreement	--	(6,410)
Income Before Gain of Sales of Properties, Minority Interest and Extraordinary Loss	27,398	14,574
Gain on Sales of Properties	4,320	--
Income Before Minority Interest and Extraordinary Loss	31,718	14,574
Income Allocated to Minority Interest	(3,178)	(65)
Income Before Extraordinary Loss	28,540	14,509
Extraordinary Loss	(821)	--
Net Income	27,719	14,509

FIRST INDUSTRIAL, L.P.
SCHEDULE III:
REAL ESTATE AND ACCUMULATED DEPRECIATION
AS OF DECEMBER 31, 1995
(DOLLARS IN THOUSANDS)

BUILDING ADDRESS	LOCATION (CITY/STATE)	(J) ENCUMBRANCES	(K) INITIAL COST		COSTS CAPITALIZED SUBSEQUENT TO ACQUISITION OR COMPLETION	GROSS AMOUNT CARRIED AT CLOSE OF PERIOD 12/31/95 ----- LAND
			LAND	BUILDINGS		
ATLANTA						
4250 River Green Parkway	Duluth, GA	(b)	\$ 264	\$ 1,522	\$ 17	\$ 264
3400 Corporate Parkway	Duluth, GA	(b)	281	1,621	16	281
3450 Corporate Parkway	Duluth, GA	(b)	506	2,904	18	506
3500 Corporate Parkway	Duluth, GA	(b)	260	1,500	16	262
3425 Corporate Parkway	Duluth, GA	(b)	385	2,212	17	387
1650 GA Highway 155	Atlanta, GA	(a)	788	4,544	12	792
415 Industrial Park Road	Atlanta, GA	(a)	544	3,140	9	544
434 Industrial Park Road	Atlanta, GA	(a)	234	1,365	2	234
435 Industrial Park Road	Atlanta, GA	(a)	281	1,638	9	281
14101 Industrial Park Boulevard	Atlanta, GA	(a)	285	1,658	13	285
801-804 Blacklawn Road	Atlanta, GA	(a)	361	2,095	10	361
1665 Dogwood Drive	Atlanta, GA	(a)	635	3,662	10	635
1715 Dogwood Drive	Atlanta, GA	(a)	288	1,675	93	288
11235 Harland Drive	Atlanta, GA	(a)	125	739	12	125
700 Westlake Parkway	Atlanta, GA	(c)	213	1,551	509	223
800 Westlake Parkway	Atlanta, GA	(c)	450	2,645	349	479
900 Westlake Parkway	Atlanta, GA	(c)	266	0	0	266
4050 Southmeadow Parkway	Atlanta, GA	(c)	401	2,813	157	425
4051 Southmeadow Parkway	Atlanta, GA	(c)	697	3,486	685	726
4071 Southmeadow Parkway	Atlanta, GA	(c)	750	4,460	714	828
4081 Southmeadow Parkway	Atlanta, GA	(c)	1,012	5,450	611	1,157
1875 Rockdale Industrial Blvd.	Atlanta, GA	(c)	386	2,264	6	386
605 Stonehill Drive	Atlanta, GA	(c)	470	2,686	73	471
1605 Indian Brook Way	Gwinnett, GA	(e)	1,008	3,800	0	1,008

CENTRAL PENNSYLVANIA						
1214-B Freedom Road	Cranberry Township, PA	(a)	31	994	702	205
401 Russell Drive	Middletown, PA	(a)	262	857	1,496	287
2700 Commerce Drive	Harrisburg, PA	(a)	196	977	691	206
2701 Commerce Drive	Harrisburg, PA	(a)	141	859	1,171	164
2780 Commerce Drive	Harrisburg, PA	(a)	113	743	1,033	209

BUILDING ADDRESS	BUILDING AND IMPROVEMENTS	TOTAL	ACCUMULATED DEPRECIATION 12/31/95	YEAR BUILT/ RENOVATED	DEPRECIABLE LIVES (YEARS)
ATLANTA					
4250 River Green Parkway	\$ 1,539	\$ 1,803	\$ 48	1988	(1)
3400 Corporate Parkway	1,637	1,918	51	1987	(1)
3450 Corporate Parkway	2,922	3,428	91	1988	(1)
3500 Corporate Parkway	1,514	1,776	47	1991	(1)
3425 Corporate Parkway	2,227	2,614	70	1990	(1)
1650 GA Highway 155	4,552	5,344	171	1991	(1)
415 Industrial Park Road	3,149	3,693	118	1986	(1)
434 Industrial Park Road	1,367	1,601	51	1988	(1)
435 Industrial Park Road	1,647	1,928	64	1986	(1)
14101 Industrial Park Boulevard	1,671	1,956	63	1984	(1)
801-804 Blacklawn Road	2,105	2,466	84	1982	(1)
1665 Dogwood Drive	3,672	4,307	138	1973	(1)
1715 Dogwood Drive	1,768	2,056	81	1973	(1)
11235 Harland Drive	751	876	28	1988	(1)
700 Westlake Parkway	2,050	2,273	103	1990	(1)
800 Westlake Parkway	2,965	3,444	130	1991	(1)
900 Westlake Parkway	0	266	0		(1)
4050 Southmeadow Parkway	2,946	3,371	129	1991	(1)
4051 Southmeadow Parkway	4,142	4,868	186	1989	(1)
4071 Southmeadow Parkway	5,096	5,924	224	1991	(1)
4081 Southmeadow Parkway	5,916	7,073	260	1989	(1)
1875 Rockdale Industrial Blvd.	2,270	2,656	85	1966	(1)
605 Stonehill Drive	2,758	3,229	57	1970	(1)
1605 Indian Brook Way	3,800	4,808	22	1995	(1)
CENTRAL PENNSYLVANIA					
1214-B Freedom Road	1,522	1,727	353	1982	(1)
401 Russell Drive	2,328	2,615	356	1990	(1)
2700 Commerce Drive	1,658	1,864	253	1990	(1)
2701 Commerce Drive	2,007	2,171	220	1989	(1)
2780 Commerce Drive	1,680	1,889	257	1989	(1)

FIRST INDUSTRIAL, L.P.
SCHEDULE III:
REAL ESTATE AND ACCUMULATED DEPRECIATION--(CONTINUED)
AS OF DECEMBER 31, 1995
(DOLLARS IN THOUSANDS)

BUILDING ADDRESS	LOCATION (CITY/STATE)	(J) ENCUMBRANCES	(K) INITIAL COST		COSTS CAPITALIZED SUBSEQUENT TO ACQUISITION OR COMPLETION	GROSS AMOUNT CARRIED AT CLOSE OF PERIOD 12/31/95 ----- LAND
			LAND	BUILDINGS		
5035 Ritter Road	Harrisburg, PA	(a)	360	1,442	2,352	442
5070 Ritter Road	Harrisburg, PA	(a)	395	2,322	1,870	506
6340 Flank Drive	Harrisburg, PA	(a)	361	2,363	2,348	563
6345 Flank Drive	Harrisburg, PA	(a)	293	2,297	2,740	587
6360 Flank Drive	Harrisburg, PA	(a)	218	2,286	756	359
6380 Flank Drive	Harrisburg, PA	(a)	109	1,317	729	234
6400 Flank Drive	Harrisburg, PA	(a)	153	1,312	1,073	281
6405 Flank Drive	Harrisburg, PA	(a)	221	1,462	1,147	313
100 Schantz Spring Road	Allentown, PA	(a)	532	3,144	5	533
794 Roble Road	Allentown, PA	(a)	915	5,391	10	915
7355 Williams Avenue	Allentown, PA	(a)	291	1,725	91	292
2600 Beltline Avenue	Reading, PA	(a)	341	2,038	41	341
7125 Grayson Road	Harrisburg, PA	(a)	1,514	8,779	6	1,514
7253 Grayson Road	Harrisburg, PA	(a)	894	5,168	10	894
5 Keystone Drive	Lebanon, PA	(c)	678	0	4,680	678
5020 Louise Drive	Mechanicsburg, PA		707	0	2,324	716
7195 Grayson	Harrisburg, PA		478	2,771	71	479
400 First Street	Middletown, PA	(f)	280	1,839	65	280
401 First Street	Middletown, PA	(f)	819	5,381	106	819
500 Industrial Lane	Middletown, PA	(f)	194	1,272	60	194

CHICAGO						
1330 West 43rd Street	Chicago, IL	(a)	369	1,464	299	381
2300 Hammond Drive	Schaumburg, IL	(a)	442	1,241	286	444
6500 North Lincoln Avenue	Lincolnwood, IL	(a)	613	1,336	737	615
3600 West Pratt Avenue	Lincolnwood, IL	(a)	1,050	5,767	338	1,050
917 North Shore Drive	Lake Bluff, IL	(a)	556	3,212	28	559
6750 South Sayre Avenue	Bedford Park, IL	(a)	224	1,309	3	224
7200 S Leamington	Bedford Park, IL	(d)	798	4,595	119	814
585 Slawin Court	Mount Prospect, IL	(a)	611	3,505	1	611
2300 Windsor Court	Addison, IL	(a)	688	3,943	115	688
3505 Thayer Court	Aurora, IL	(a)	430	2,472	1	430
3600 Thayer Court	Aurora, IL	(a)	636	3,645	5	636

BUILDING ADDRESS	BUILDING AND IMPROVEMENTS	TOTAL	ACCUMULATED DEPRECIATION 12/31/95	YEAR BUILT/ RENOVATED	DEPRECIABLE LIVES (YEARS)	
5035 Ritter Road	3,712	4,154	566	1988	(1)	
5070 Ritter Road	4,081	4,587	626	1989	(1)	
6340 Flank Drive	4,509	5,072	700	1988	(1)	
6345 Flank Drive	4,743	5,330	723	1989	(1)	
6360 Flank Drive	2,901	3,260	453	1988	(1)	
6380 Flank Drive	1,921	2,155	284	1991	(1)	
6400 Flank Drive	2,257	2,538	337	1992	(1)	
6405 Flank Drive	2,517	2,830	376	1991	(1)	
100 Schantz Spring Road	3,148	3,681	118	1993	(1)	
794 Roble Road	5,401	6,316	202	1984	(1)	
7355 Williams Avenue	1,815	2,107	83	1989	(1)	
2600 Beltline Avenue	2,079	2,420	79	1985	(1)	
7125 Grayson Road	8,785	10,299	374	1991	(1)	
7253 Grayson Road	5,178	6,072	221	1990	(1)	
5 Keystone Drive	4,680	5,358	56	1995	(1)	
5020 Louise Drive	2,315	3,031	58	1995	(1)	
7195 Grayson	2,841	3,320	76	1994	(1)	
400 First Street	1,904	2,184	16	1963-1965	(1)	
401 First Street	5,487	6,306	45	1963-1965	(1)	
500 Industrial Lane	1,332	1,526	11	1963-1965	(1)	
CHICAGO						
1330 West 43rd Street	1,751	2,132	926	1977	(1)	
2300 Hammond Drive	1,525	1,969	800	1970	(1)	
6500 North Lincoln Avenue	2,071	2,686	928	1965/88	(1)	
3600 West Pratt Avenue	6,105	7,155	218	1953/88	(1)	
917 North Shore Drive	3,237	3,796	127	1974	(1)	
6750 South Sayre Avenue	1,312	1,536	49	1975	(1)	
7200 S Leamington	4,698	5,512	10	1950	(1)	
585 Slawin Court	3,506	4,117	131	1992	(1)	
2300 Windsor Court	4,058	4,746	167	1986	(1)	
3505 Thayer Court	2,473	2,903	93	1989	(1)	
3600 Thayer Court	3,650	4,286	138	1989	(1)	

FIRST INDUSTRIAL, L.P.
SCHEDULE III:
REAL ESTATE AND ACCUMULATED DEPRECIATION--(CONTINUED)
AS OF DECEMBER 31, 1995
(DOLLARS IN THOUSANDS)

BUILDING ADDRESS	LOCATION (CITY/STATE)	(J) ENCUMBRANCES	(K) INITIAL COST		COSTS CAPITALIZED SUBSEQUENT TO ACQUISITION OR COMPLETION	GROSS AMOUNT CARRIED AT CLOSE OF PERIOD 12/31/95
			LAND	BUILDINGS		
736-776 Industrial Drive	Elmhurst, IL	(a)	349	1,994	53	380
5310-5352 East Avenue	Countryside, IL	(a)	382	2,036	232	382
12330-12358 South Latrobe	Alsip, IL	(a)	381	2,067	51	381
305-311 Era Drive	Northbrook, IL	(c)	200	1,154	46	200
700-714 Landwehr Road	Northbrook, IL	(c)	357	2,052	41	357
720-730 Landwehr Road	Northbrook, IL	(b)	521	2,985	8	521
3170-3190 MacArthur Boulevard	Northbrook, IL	(b)	370	2,126	10	370
4330 South Racine Avenue	Chicago, IL	(d)	448	1,893	239	468
13040 S. Crawford Ave.	Alsip, IL	(c)	1,073	6,193	20	1,073
20W201 101st Street	Lemont, IL	(b)	967	5,554	242	967
12241 Melrose Street	Franklin Park, IL	(c)	332	1,931	70	332
280-296 Palatine Road	Wheeling, IL	(b)	305	1,735	128	309
3150-3160 MacArthur Boulevard	Northbrook, IL		439	2,518	7	439
2101-2125 Gardner Road	Broadview, IL		1,177	6,818	91	1,228
365 North Avenue	Carol Stream, IL		1,208	6,961	71	1,208
2942 MacArthur Boulevard	Northbrook, IL		315	1,803	7	315
12301-12325 S Laramie Ave	Alsip, IL	(d)	650	3,692	113	656
DES MOINES						
1500 East Washington Avenue	Des Moines, IA	(a)	610	4,251	580	623
1600 East Washington Avenue	Des Moines, IA	(a)	209	1,557	155	221
4121 McDonald Avenue	Des Moines, IA	(a)	390	2,931	295	416
4141 McDonald Avenue	Des Moines, IA	(a)	706	5,518	587	787
4161 McDonald Avenue	Des Moines, IA	(a)	389	3,046	617	467
DETROIT						
2654 Elliott	Troy, MI	(b)	57	334	4	57
1731 Thorncroft	Troy, MI	(b)	331	1,904	17	331
1653 E. Maple	Troy, MI	(b)	192	1,104	15	192
47461 Clipper	Plymouth, MI	(b)	122	723	7	122
47522 Galleon	Plymouth, MI	(b)	85	496	9	85
4150 Varsity Drive	Ann Arbor, MI	(b)	168	969	7	168
1330 Crooks Road	Clawson, MI	(b)	234	1,348	12	234
12000 Merriman Road	Livonia, MI	(a)	453	3,651	807	445

BUILDING ADDRESS	BUILDING AND IMPROVEMENTS	TOTAL	ACCUMULATED DEPRECIATION 12/31/95	YEAR BUILT/ RENOVATED	DEPRECIABLE LIVES (YEARS)
736-776 Industrial Drive	2,016	2,396	75	1975	(1)
5310-5352 East Avenue	2,268	2,650	80	1975	(1)
12330-12358 South Latrobe	2,118	2,499	81	1975	(1)
305-311 Era Drive	1,200	1,400	46	1978	(1)
700-714 Landwehr Road	2,093	2,450	79	1978	(1)
720-730 Landwehr Road	2,993	3,514	112	1978	(1)
3170-3190 MacArthur Boulevard	2,136	2,506	80	1978	(1)
4330 South Racine Avenue	2,112	2,580	1,126	1978	(1)
13040 S. Crawford Ave.	6,213	7,286	206	1976	(1)
20W201 101st Street	5,796	6,763	184	1988	(1)
12241 Melrose Street	2,001	2,333	41	1969	(1)
280-296 Palatine Road	1,859	2,168	35	1978	(1)
3150-3160 MacArthur Boulevard	2,525	2,964	94	1978	(1)
2101-2125 Gardner Road	6,858	8,086	227	1950/69	(1)
365 North Avenue	7,032	8,240	219	1969	(1)
2942 MacArthur Boulevard	1,810	2,125	68	1979	(1)
12301-12325 S Laramie Ave	3,799	4,455	8	1975	(1)
DES MOINES					
1500 East Washington Avenue	4,818	5,441	213	1987	(1)
1600 East Washington Avenue	1,700	1,921	75	1987	(1)
4121 McDonald Avenue	3,200	3,616	141	1977	(1)
4141 McDonald Avenue	6,024	6,811	265	1976	(1)
4161 McDonald Avenue	3,585	4,052	158	1979	(1)
DETROIT					
2654 Elliott	338	395	11	1986	(1)
1731 Thorncroft	1,921	2,252	64	1969	(1)
1653 E. Maple	1,119	1,311	37	1990	(1)
47461 Clipper	730	852	24	1992	(1)
47522 Galleon	505	590	17	1990	(1)
4150 Varsity Drive	976	1,144	32	1986	(1)
1330 Crooks Road	1,360	1,594	45	1960	(1)
12000 Merriman Road	4,466	4,911	1,570	1975	(1)

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			LAND	BUILDINGS		

238 Executive Drive	Troy, MI	(a)	52	173	420	100
256 Executive Drive	Troy, MI	(a)	44	146	359	85
301 Executive Drive	Troy, MI	(a)	71	293	487	133
449 Executive Drive	Troy, MI	(a)	125	425	829	218
501 Executive Drive	Troy, MI	(a)	71	236	520	129
645 Executive Drive	Troy, MI	(a)	184	940	358	234
451 Robbins Drive	Troy, MI	(a)	96	448	674	192
700 Stephenson Highway	Troy, MI	(a)	250	854	1,352	386
800 Stephenson Highway	Troy, MI	(a)	558	2,341	1,249	654
1150 Stephenson Highway	Troy, MI	(a)	178	966	201	200
1200 Stephenson Highway	Troy, MI	(a)	246	1,115	442	284
1035 Crooks Road	Troy, MI	(a)	114	414	382	145
1095 Crooks Road	Troy, MI	(a)	331	1,017	947	360
1151 Crooks Road	Troy, MI	(a)	764	4,115	811	896
1416 Meijer Drive	Troy, MI	(a)	94	394	343	125
1624 Meijer Drive	Troy, MI	(a)	236	1,406	798	373
1972 Meijer Drive	Troy, MI	(a)	315	1,301	726	372
2112 Meijer Drive	Troy, MI	(a)	141	714	593	229
1621 Northwood Drive	Troy, MI	(a)	85	351	935	215
1707 Northwood Drive	Troy, MI	(a)	95	262	1,155	239
1749 Northwood Drive	Troy, MI	(a)	107	477	454	164
1788 Northwood Drive	Troy, MI	(a)	50	196	461	103
1821 Northwood Drive	Troy, MI	(a)	132	523	745	220
1826 Northwood Drive	Troy, MI	(a)	55	208	395	103
1864 Northwood Drive	Troy, MI	(a)	57	190	441	107
1902 Northwood Drive	Troy, MI	(a)	234	807	2,163	511
1921 Northwood Drive	Troy, MI	(a)	135	589	1,164	291
2230 Elliott Avenue	Troy, MI	(a)	46	174	400	95
2237 Elliott Avenue	Troy, MI	(a)	48	159	408	90
2277 Elliott Avenue	Troy, MI	(a)	48	188	434	104
2291 Elliott Avenue	Troy, MI	(a)	52	209	324	88
2451 Elliott Avenue	Troy, MI	(a)	78	319	670	164
2730 Research Drive	Rochester Hills, MI	(a)	915	4,215	545	903

BUILDING ADDRESS	BUILDING AND IMPROVEMENTS	TOTAL	ACCUMULATED DEPRECIATION 12/31/95	YEAR BUILT/ RENOVATED	DEPRECIABLE LIVES (YEARS)
238 Executive Drive	545	645	156	1973	(1)
256 Executive Drive	464	549	128	1974	(1)
301 Executive Drive	718	851	205	1974	(1)
449 Executive Drive	1,161	1,379	334	1975	(1)
501 Executive Drive	698	827	172	1984	(1)
645 Executive Drive	1,248	1,482	386	1972	(1)
451 Robbins Drive	1,026	1,218	293	1975	(1)
700 Stephenson Highway	2,070	2,456	572	1978	(1)
800 Stephenson Highway	3,494	4,148	961	1979	(1)
1150 Stephenson Highway	1,145	1,345	283	1982	(1)
1200 Stephenson Highway	1,519	1,803	405	1980	(1)
1035 Crooks Road	765	910	204	1980	(1)
1095 Crooks Road	1,935	2,295	504	1986	(1)
1151 Crooks Road	4,794	5,690	1,266	1985	(1)
1416 Meijer Drive	706	831	174	1980	(1)
1624 Meijer Drive	2,067	2,440	536	1984	(1)
1972 Meijer Drive	1,970	2,342	510	1985	(1)
2112 Meijer Drive	1,219	1,448	334	1980	(1)
1621 Northwood Drive	1,156	1,371	329	1977	(1)
1707 Northwood Drive	1,273	1,512	336	1983	(1)
1749 Northwood Drive	874	1,038	248	1977	(1)
1788 Northwood Drive	604	707	155	1977	(1)
1821 Northwood Drive	1,180	1,400	337	1977	(1)
1826 Northwood Drive	555	658	152	1977	(1)
1864 Northwood Drive	581	688	159	1977	(1)
1902 Northwood Drive	2,693	3,204	794	1977	(1)
1921 Northwood Drive	1,597	1,888	462	1977	(1)
2230 Elliott Avenue	525	620	151	1974	(1)
2237 Elliott Avenue	525	615	137	1974	(1)
2277 Elliott Avenue	566	670	154	1975	(1)
2291 Elliott Avenue	497	585	135	1974	(1)
2451 Elliott Avenue	903	1,067	254	1974	(1)
2730 Research Drive	4,772	5,675	1,246	1988	(1)

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			LAND	BUILDINGS		
2791 Research Drive	Rochester Hills, MI	(a)	557	2,731	288	560
2871 Research Drive	Rochester Hills, MI	(a)	324	1,487	257	327
2911 Research Drive	Rochester Hills, MI	(a)	505	2,136	375	504
3011 Research Drive	Rochester Hills, MI	(a)	457	2,104	321	457
2870 Technology Drive	Rochester Hills, MI	(a)	275	1,262	231	279
2890 Technology Drive	Rochester Hills, MI	(a)	199	902	206	206
2900 Technology Drive	Rochester Hills, MI	(a)	214	977	643	219
2920 Technology Drive	Rochester Hills, MI	(a)	149	671	155	153
2930 Technology Drive	Rochester Hills, MI	(a)	131	594	382	138
2950 Technology Drive	Rochester Hills, MI	(a)	178	819	178	185
2960 Technology Drive	Rochester Hills, MI	(a)	281	1,277	231	283
23014 Commerce Drive	Farmington Hills, MI	(a)	39	203	124	56
23028 Commerce Drive	Farmington Hills, MI	(a)	98	507	207	125
23035 Commerce Drive	Farmington Hills, MI	(a)	71	355	172	93
23042 Commerce Drive	Farmington Hills, MI	(a)	67	277	235	89
23065 Commerce Drive	Farmington Hills, MI	(a)	71	408	119	93
23070 Commerce Drive	Farmington Hills, MI	(a)	112	442	616	125
23079 Commerce Drive	Farmington Hills, MI	(a)	68	301	153	79
23093 Commerce Drive	Farmington Hills, MI	(a)	211	1,024	626	295
23135 Commerce Drive	Farmington Hills, MI	(a)	146	701	225	158
23149 Commerce Drive	Farmington Hills, MI	(a)	266	1,005	457	274
23163 Commerce Drive	Farmington Hills, MI	(a)	111	513	238	138
23164 Commerce Drive	Farmington Hills, MI	(a)	100	405	201	110
23177 Commerce Drive	Farmington Hills, MI	(a)	175	1,007	510	254
23192 Commerce Drive	Farmington Hills, MI	(a)	41	205	134	58
23206 Commerce Drive	Farmington Hills, MI	(a)	125	531	221	137
23290 Commerce Drive	Farmington Hills, MI	(a)	124	707	504	210
23370 Commerce Drive	Farmington Hills, MI	(a)	59	233	138	66
24492 Indoplex Circle	Farmington Hills, MI	(a)	67	370	722	175
24528 Indoplex Circle	Farmington Hills, MI	(a)	91	536	1,035	263
31800 Plymouth Road--Building 1	Livonia, MI	(a)	3,415	19,481	290	3,451
31800 Plymouth Road--Building 2	Livonia, MI	(a)	671	3,860	46	685
31800 Plymouth Road--Building 3	Livonia, MI	(a)	322	1,869	127	329

BUILDING ADDRESS	BUILDING AND IMPROVEMENTS	TOTAL	ACCUMULATED DEPRECIATION 12/31/95	YEAR BUILT/ RENOVATED	DEPRECIABLE LIVES (YEARS)
2791 Research Drive	3,016	3,576	755	1991	(1)
2871 Research Drive	1,741	2,068	436	1991	(1)
2911 Research Drive	2,512	3,016	666	1992	(1)
3011 Research Drive	2,425	2,882	626	1988	(1)
2870 Technology Drive	1,489	1,768	378	1988	(1)
2890 Technology Drive	1,101	1,307	270	1991	(1)
2900 Technology Drive	1,615	1,834	339	1992	(1)
2920 Technology Drive	822	975	197	1992	(1)
2930 Technology Drive	969	1,107	196	1991	(1)
2950 Technology Drive	990	1,175	241	1991	(1)
2960 Technology Drive	1,506	1,789	373	1992	(1)
23014 Commerce Drive	310	366	70	1983	(1)
23028 Commerce Drive	687	812	174	1983	(1)
23035 Commerce Drive	505	598	124	1983	(1)
23042 Commerce Drive	490	579	119	1983	(1)
23065 Commerce Drive	505	598	124	1983	(1)
23070 Commerce Drive	1,045	1,170	186	1983	(1)
23079 Commerce Drive	443	522	105	1983	(1)
23093 Commerce Drive	1,566	1,861	418	1983	(1)
23135 Commerce Drive	914	1,072	218	1986	(1)
23149 Commerce Drive	1,454	1,728	379	1985	(1)
23163 Commerce Drive	724	862	179	1986	(1)
23164 Commerce Drive	596	706	145	1986	(1)
23177 Commerce Drive	1,438	1,692	369	1986	(1)
23192 Commerce Drive	322	380	71	1986	(1)
23206 Commerce Drive	740	877	185	1985	(1)
23290 Commerce Drive	1,125	1,335	306	1980	(1)
23370 Commerce Drive	364	430	89	1980	(1)
24492 Indoplex Circle	984	1,159	273	1976	(1)
24528 Indoplex Circle	1,399	1,662	414	1976	(1)
31800 Plymouth Road--Building 1	19,735	23,186	853	1968/89	(1)
31800 Plymouth Road--Building 2	3,892	4,577	166	1968/89	(1)
31800 Plymouth Road--Building 3	1,989	2,318	85	1968/89	(1)

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			LAND	BUILDINGS		
31800 Plymouth Road--Building 6	Livonia, MI	(a)	557	3,207	646	578
31800 Plymouth Road--Building 7	Livonia, MI	(a)	139	832	6	142
21477 Bridge Street	Southfield, MI	(c)	244	1,386	151	251
2965 Technology Drive	Rochester Hills, MI		964	2,277	0	964
1451 Lincoln Avenue	Madison, MI		299	1,703	183	305
4400 Purks Drive	Auburn Hills, MI		602	3,410	92	610
4177A Varsity Drive	Ann Arbor, MI		90	536	47	90
6515 Cobb Drive	Sterling Heights, MI		305	1,753	10	305
46750 Port Street	Plymouth, MI	(e)	360	33	0	360
GRAND RAPIDS						
3232 Kraft Avenue	Grand Rapids, MI	(b)	810	4,792	1,036	874
8181 Logistics Drive	Grand Rapids, MI	(b)	803	5,263	559	864
5062 Kendrick Court SE	Grand Rapids, MI	(b)	142	815	15	142
2 84th Street SW	Grand Rapids, MI	(a)	117	685	19	117
100 84th Street SW	Grand Rapids, MI	(a)	255	1,477	22	255
150 84th Street SW	Grand Rapids, MI	(a)	47	286	22	47
511 76th Street SW	Grand Rapids, MI	(a)	758	4,355	14	758
553 76th Street SW	Grand Rapids, MI	(a)	32	191	6	32
555 76th Street SW	Grand Rapids, MI	(a)	776	4,458	27	782
2925 Remico Avenue SW	Grand Rapids, MI	(a)	281	1,617	4	281
2935 Walkent Court NW	Grand Rapids, MI	(a)	285	1,663	3	285
3300 Kraft Avenue SE	Grand Rapids, MI	(a)	838	4,810	29	838
3366 Kraft Avenue SE	Grand Rapids, MI	(a)	833	4,780	10	833
4939 Starr Avenue	Grand Rapids, MI	(a)	117	681	27	117
5001 Kendrick Court SE	Grand Rapids, MI	(a)	210	1,221	28	210
5050 Kendrick Court SE	Grand Rapids, MI	(a)	1,721	11,433	4,592	1,721
5015 52nd Street SE	Grand Rapids, MI	(a)	234	1,321	4	234
5025 28th Street	Grand Rapids, MI	(a)	77	488	14	77
5079 33rd Street SE	Grand Rapids, MI	(a)	525	3,018	4	525
5333 33rd Street SE	Grand Rapids, MI	(a)	480	2,761	46	480
5130 Patterson Avenue SE	Grand Rapids, MI	(a)	137	793	8	137
5505 36th Street SE	Grand Rapids, MI	(c)	205	1,180	16	206

BUILDING ADDRESS	BUILDING AND IMPROVEMENTS	TOTAL	ACCUMULATED DEPRECIATION 12/31/95	YEAR BUILT/ RENOVATED	DEPRECIABLE LIVES (YEARS)
31800 Plymouth Road--Building 6	3,832	4,410	150	1968/89	(1)
31800 Plymouth Road--Building 7	835	977	35	1968/89	(1)
21477 Bridge Street	1,530	1,781	19	1986	(1)
2965 Technology Drive	2,277	3,241	55	1995	(1)
1451 Lincoln Avenue	1,880	2,185	31	1967	(1)
4400 Purks Drive	3,494	4,104	51	1987	(1)
4177A Varsity Drive	583	673	27	1993	(1)
6515 Cobb Drive	1,763	2,068	59	1984	(1)
46750 Port Street	33	393	0	1996	(1)
GRAND RAPIDS					
3232 Kraft Avenue	5,764	6,638	254	1988	(1)
8181 Logistics Drive	5,761	6,625	255	1990	(1)
5062 Kendrick Court SE	830	972	33	1987	(1)
2 84th Street SW	704	821	27	1986	(1)
100 84th Street SW	1,499	1,754	56	1979	(1)
150 84th Street SW	308	355	12	1977	(1)
511 76th Street SW	4,369	5,127	167	1986	(1)
553 76th Street SW	197	229	7	1985	(1)
555 76th Street SW	4,479	5,261	178	1987	(1)
2925 Remico Avenue SW	1,621	1,902	61	1988	(1)
2935 Walkent Court NW	1,666	1,951	62	1991	(1)
3300 Kraft Avenue SE	4,839	5,677	182	1987	(1)
3366 Kraft Avenue SE	4,790	5,623	180	1987	(1)
4939 Starr Avenue	708	825	27	1985	(1)
5001 Kendrick Court SE	1,249	1,459	49	1983	(1)
5050 Kendrick Court SE	16,025	17,746	511	1988	(1)
5015 52nd Street SE	1,325	1,559	50	1987	(1)
5025 28th Street	502	579	30	1967	(1)
5079 33rd Street SE	3,022	3,547	113	1990	(1)
5333 33rd Street SE	2,807	3,287	114	1991	(1)
5130 Patterson Avenue SE	801	938	30	1987	(1)
5505 36th Street SE	1,195	1,401	51	1985	(1)

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			LAND	BUILDINGS		
425 Gordon Industrial Court	Grand Rapids, MI		611	3,747	534	644
2851 Prairie Street	Grand Rapids, MI		377	2,778	231	445
2945 Walkent Court	Grand Rapids, MI		310	2,074	294	352
537 76th Street	Grand Rapids, MI		255	1,456	108	258
MINNEAPOLIS						
2700 Freeway Boulevard	Brooklyn Center, MN	(b)	392	2,318	384	437
6403-6545 Cecilia Circle(g)	Bloomington, MN	(a)	723	2,683	553	781
1275 Corporate Center Drive	Eagan, MN	(a)	80	357	34	93
1279 Corporate Center Drive	Eagan, MN	(a)	105	357	82	109
2815 Eagandale Boulevard	Eagan, MN	(a)	80	357	53	97
6201 West 111th Street	Bloomington, MN	(a)	1,358	8,622	3,770	1,499
6925-6943 Washington Avenue	Edina, MN	(a)	117	504	534	237
6955-6973 Washington Avenue	Edina, MN	(a)	117	486	350	191
7251-7279 Washington Avenue	Edina, MN	(a)	129	382	400	182
7301-7329 Washington Avenue	Edina, MN	(a)	174	391	427	193
7101 Winnetka Avenue North	Brooklyn Park, MN	(a)	2,195	6,084	2,137	2,228
7600 Golden Triangle Drive	Eden Prairie, MN	(a)	566	1,394	983	623
7830-7890 12th Avenue South(g)	Bloomington, MN	(a)	723	2,588	306	745
7900 Main Street Northeast	Fridley, MN	(a)	480	1,604	272	503
7901 Beech Street Northeast	Fridley, MN	(a)	405	1,554	70	428
9901 West 74th Street	Eden Prairie, MN	(a)	621	3,289	1,957	639
10175-10205 Crosstown Circle	Eden Prairie, MN	(a)	132	686	51	174
11201 Hampshire Avenue South	Bloomington, MN	(a)	495	1,035	838	501
12220-12274 Nicollet Avenue(h)	Burnsville, MN	(a)	555	2,249	202	605
305 2nd Street Northwest	Minneapolis, MN	(a)	460	2,744	33	460
953 Westgate Drive	Minneapolis, MN	(a)	193	1,178	0	193
980 Lone Oak Road	Minneapolis, MN	(a)	683	4,103	33	695
990 Lone Oak Road	Minneapolis, MN	(a)	883	5,575	25	895
1030 Lone Oak Road	Minneapolis, MN	(a)	456	2,703	32	456
1060 Lone Oak Road	Minneapolis, MN	(a)	624	3,700	32	625
5400 Nathan Lane	Minneapolis, MN	(a)	749	4,461	25	749
6464 Sycamore Court	Minneapolis, MN	(a)	457	2,730	0	457

BUILDING ADDRESS	BUILDING AND IMPROVEMENTS	TOTAL	ACCUMULATED DEPRECIATION 12/31/95	YEAR BUILT/ RENOVATED	DEPRECIABLE LIVES (YEARS)
425 Gordon Industrial Court	4,248	4,892	187	1990	(1)
2851 Prairie Street	2,941	3,386	130	1989	(1)
2945 Walkent Court	2,326	2,678	102	1993	(1)
537 76th Street	1,561	1,819	29	1987	(1)
MINNEAPOLIS					
2700 Freeway Boulevard	2,657	3,094	137	1981	(1)
6403-6545 Cecilia Circle(g)	3,178	3,959	1,046	1980	(1)
1275 Corporate Center Drive	378	471	107	1990	(1)
1279 Corporate Center Drive	435	544	126	1990	(1)
2815 Eagandale Boulevard	393	490	112	1990	(1)
6201 West 111th Street	12,251	13,750	807	1987	(1)
6925-6943 Washington Avenue	918	1,155	349	1972	(1)
6955-6973 Washington Avenue	762	953	289	1972	(1)
7251-7279 Washington Avenue	729	911	273	1972	(1)
7301-7329 Washington Avenue	799	992	300	1972	(1)
7101 Winnetka Avenue North	8,188	10,416	2,691	1990	(1)
7600 Golden Triangle Drive	2,320	2,943	750	1989	(1)
7830-7890 12th Avenue South(g)	2,872	3,617	997	1978	(1)
7900 Main Street Northeast	1,853	2,356	714	1973	(1)
7901 Beech Street Northeast	1,601	2,029	588	1975	(1)
9901 West 74th Street	5,228	5,867	405	1983/88	(1)
10175-10205 Crosstown Circle	695	869	221	1980	(1)
11201 Hampshire Avenue South	1,867	2,368	614	1986	(1)
12220-12274 Nicollet Avenue(h)	2,401	3,006	739	1989/90	(1)
305 2nd Street Northwest	2,777	3,237	109	1991	(1)
953 Westgate Drive	1,178	1,371	45	1991	(1)
980 Lone Oak Road	4,124	4,819	171	1992	(1)
990 Lone Oak Road	5,588	6,483	299	1989	(1)
1030 Lone Oak Road	2,735	3,191	107	1988	(1)
1060 Lone Oak Road	3,731	4,356	159	1988	(1)
5400 Nathan Lane	4,486	5,235	168	1990	(1)
6464 Sycamore Court	2,730	3,187	102	1990	(1)

FIRST INDUSTRIAL, L.P.
SCHEDULE III:
REAL ESTATE AND ACCUMULATED DEPRECIATION--(CONTINUED)
AS OF DECEMBER 31, 1995
(DOLLARS IN THOUSANDS)

BUILDING ADDRESS	LOCATION (CITY/STATE)	(J) ENCUMBRANCES	(K) INITIAL COST		COSTS CAPITALIZED SUBSEQUENT TO ACQUISITION OR COMPLETION	GROSS AMOUNT CARRIED AT CLOSE OF PERIOD 12/31/95
			LAND	BUILDINGS		
6701 Parkway Circle	Brooklyn Center, MN	(c)	350	2,131	265	380
6601 Shingle Creek Parkway	Brooklyn Center, MN	(c)	411	2,813	441	505
10120 W 76th Street	Eden Prairie, MN	(c)	315	1,804	75	315
7615 Golden Triangle	Eden Prairie, MN	(c)	268	1,532	143	268
7625 Golden Triangle	Eden Prairie, MN	(c)	415	2,375	111	415
2605 Fernbrook Lane North	Plymouth, MN	(c)	443	2,533	254	444
12155 Nicollet Ave.	Burnsville, MN		286	0	1,641	286
6655 Wedgewood Road	Maple Grove, MN		1,465	8,410	61	1,466
900 Apollo Road	Eagan, MN		1,029	5,855	188	1,029
7316 Aspen Lane North	Brooklyn Park, MN		368	2,156	139	394
6707 Shingle Creek Parkway	Brooklyn Center, MN		376	2,101	356	379
NASHVILLE						
1621 Heil Quaker Boulevard	Nashville, TN	(b)	413	2,348	160	429
220-240 Great Circle Drive (h)	Nashville, TN	(a)	978	6,350	1,344	978
417 Harding Industrial Drive	Nashville, TN	(a)	1,006	6,586	742	1,116
501-521 Harding Industrial Drive (g)	Nashville, TN	(a)	645	3,382	1,045	700
ST. LOUIS						
8921-8957 Frost Avenue	Hazelwood, MO	(b)	431	2,479	10	431
9043-9083 Frost Avenue	Hazelwood, MO	(b)	319	1,838	27	319
2121 Chapin Industrial Drive	Vinita Park, MO	(a)	606	4,384	1,115	614
1200 Andes Boulevard	St. Louis, MO	(a)	246	1,412	1	246
1248 Andes Boulevard	St. Louis, MO	(a)	194	1,120	50	194
1208-1226 Ambassador Boulevard	St. Louis, MO	(a)	235	1,351	1	235
1250 Ambassador Boulevard	St. Louis, MO	(a)	119	694	2	119
1503-1525 Fairview Industrial	St. Louis, MO	(a)	112	658	14	112
2441-2445 Northline Industrial Drive	St. Louis, MO	(a)	72	478	1	73
2462-2470 Schuetz Road	St. Louis, MO	(a)	174	1,004	0	174
10431-10449 Midwest Industrial Blvd	St. Louis, MO	(a)	237	1,360	20	237
10751 Midwest Industrial Boulevard	St. Louis, MO	(a)	193	1,119	0	193
11632-11644 Fairgrove Industrial Blvd	St. Louis, MO	(a)	109	637	1	109
11652-11666 Fairgrove Industrial Blvd	St. Louis, MO	(a)	103	599	7	103
11674-11688 Fairgrove Industrial Blvd	St. Louis, MO	(a)	118	689	26	118

BUILDING ADDRESS	BUILDING AND IMPROVEMENTS	TOTAL	ACCUMULATED DEPRECIATION 12/31/95	YEAR BUILT/ RENOVATED	DEPRECIABLE LIVES (YEARS)
6701 Parkway Circle	2,366	2,746	117	1987	(1)
6601 Shingle Creek Parkway	3,160	3,665	158	1985	(1)
10120 W 76th Street	1,879	2,194	39	1987	(1)
7615 Golden Triangle	1,675	1,943	47	1987	(1)
7625 Golden Triangle	2,486	2,901	67	1987	(1)
2605 Fernbrook Lane North	2,786	3,230	74	1987	(1)
12155 Nicollet Ave.	1,641	1,927	6	1995	(1)
6655 Wedgewood Road	8,470	9,936	281	1989	(1)
900 Apollo Road	6,043	7,072	125	1970	(1)
7316 Aspen Lane North	2,269	2,663	39	1978	(1)
6707 Shingle Creek Parkway	2,454	2,833	126	1986	(1)
NASHVILLE					
1621 Heil Quaker Boulevard	2,492	2,921	52	1975	(1)
220-240 Great Circle Drive (h)	7,694	8,672	2,966	1979/82	(1)
417 Harding Industrial Drive	7,218	8,334	343	1972	(1)
501-521 Harding Industrial Drive (g)	4,372	5,072	192	1975	(1)
ST. LOUIS					
8921-8957 Frost Avenue	2,489	2,920	93	1971	(1)
9043-9083 Frost Avenue	1,865	2,184	69	1970	(1)
2121 Chapin Industrial Drive	5,491	6,105	2,208	1969/87	(1)
1200 Andes Boulevard	1,413	1,659	53	1967	(1)
1248 Andes Boulevard	1,170	1,364	44	1967	(1)
1208-1226 Ambassador Boulevard	1,352	1,587	51	1966	(1)
1250 Ambassador Boulevard	696	815	26	1967	(1)
1503-1525 Fairview Industrial	672	784	27	1967	(1)
2441-2445 Northline Industrial Drive	478	551	36	1967	(1)
2462-2470 Schuetz Road	1,004	1,178	38	1965	(1)
10431-10449 Midwest Industrial Blvd	1,380	1,617	54	1967	(1)
10751 Midwest Industrial Boulevard	1,119	1,312	43	1965	(1)
11632-11644 Fairgrove Industrial Blvd	638	747	24	1967	(1)
11652-11666 Fairgrove Industrial Blvd	606	709	23	1966	(1)
11674-11688 Fairgrove Industrial Blvd	715	833	28	1967	(1)

FIRST INDUSTRIAL, L.P.
SCHEDULE III:
REAL ESTATE AND ACCUMULATED DEPRECIATION--(CONTINUED)
AS OF DECEMBER 31, 1995
(DOLLARS IN THOUSANDS)

BUILDING ADDRESS	LOCATION (CITY/STATE)	(J) ENCUMBRANCES	(K) INITIAL COST		COSTS CAPITALIZED SUBSEQUENT TO ACQUISITION OR COMPLETION	GROSS AMOUNT CARRIED AT CLOSE OF PERIOD 12/31/95	
			LAND	BUILDINGS			
2337 Centerline Drive	St. Louis, MO	(d)	239	1,370	0	239	
MILWAUKEE							
N25 W23050 Paul Road	Pewaukee, WI	(a)	474	2,723	12	474	
N25 W23255 Paul Road	Waukesha County, WI	(a)	571	3,270	1	571	
N27 W23293 Roundy Drive	Waukesha County, WI	(a)	412	2,837	1	412	
6523 N. Sidney Place	Milwaukee, WI	(d)	167	949	89	168	
OTHER							
2800 Airport Road(i)	Denton, TX	(a)	369	1,935	1,769	489	
3501 Maple Street	Abilene, TX	(a)	67	1,057	1,048	259	
4200 West Harry Street(h)	Wichita, KS	(a)	193	2,224	1,967	527	
Industrial Park No. 2	West Lebanon, NH	(a)	723	5,208	491	775	
521 Green Cove Road(h)	Huntsville, AL	(d)	615	5,536	1,196	881	
			\$ 399,958	\$ 101,564	\$ 550,788	\$ 105,164	\$ 109,587

BUILDING ADDRESS	BUILDING AND IMPROVEMENTS	TOTAL	ACCUMULATED DEPRECIATION 12/31/95	YEAR BUILT/ RENOVATED	DEPRECIABLE LIVES (YEARS)
2337 Centerline Drive	1,370	1,609	51	1967	(1)
MILWAUKEE					
N25 W23050 Paul Road	2,735	3,209	102	1989	(1)
N25 W23255 Paul Road	3,271	3,842	123	1987	(1)
N27 W23293 Roundy Drive	2,838	3,250	105	1989	(1)
6523 N. Sidney Place	1,037	1,205	2	1978	(1)
OTHER					
2800 Airport Road(i)	3,584	4,073	840	1965	(1)
3501 Maple Street	1,913	2,172	446	1980	(1)
4200 West Harry Street(h)	3,857	4,384	905	1968	(1)
Industrial Park No. 2	5,647	6,422	1,323	1968	(1)
521 Green Cove Road(h)	6,466	7,347	1,509	1973	(1)
	\$ 647,929	\$ 757,516	\$ 68,749		

NOTES:

- (a) Collateralizes the 1994 Mortgage Loan Payable.
- (b) Collateralizes the 1995 Mortgage Loan Payable.
- (c) Collateralizes the 1994 Acquisition Facility Payable.
- (d) Collateralizes the 1995 Acquisition Facility Payable.
- (e) Collateralizes the Construction Loans Payable.
- (f) Collateralizes the Harrisburg Mortgage Loan Payable.
- (g) Comprised of 2 properties.
- (h) Comprised of 3 properties.
- (i) Comprised of 5 properties.
- (j) See description of encumbrances in Note 4 to Notes To Consolidated and Combined Financial Statements.

FIRST INDUSTRIAL, L.P.
SCHEDULE III:
REAL ESTATE AND ACCUMULATED DEPRECIATION--(CONTINUED)
AS OF DECEMBER 31, 1995
(DOLLARS IN THOUSANDS)

(k) Initial cost for each respective property is total acquisition costs associated with its purchase.

(l) Depreciation is computed based upon the following estimated lives:

Buildings, Improvements.....	31.5 to 40 years
Tenant Improvements, Leasehold Improvements.....	Life of lease
Furniture, Fixtures and Equipment.....	5 to 10 years

(m) At December 31, 1995, the aggregate cost of land, buildings and equipment for federal income tax purpose was approximately \$755 million.

FIRST INDUSTRIAL, L.P.
SCHEDULE III:
REAL ESTATE AND ACCUMULATED DEPRECIATION (CONTINUED)
AS OF DECEMBER 31, 1995
(DOLLARS IN THOUSANDS)

The changes in total real estate assets for three years ended December 31, 1995 are as follows:

	1995	1994	1993
Balance, Beginning of Year.....	\$ 669,608	\$ 209,177	\$ 192,053
Transfer of Assets Between Contributing Businesses.....	--	4,893	--
Acquisitions, Construction Costs and Improvements.....	87,908	455,538	17,124
Balance, End of Year.....	\$ 757,516	\$ 669,608	\$ 209,177

The changes in accumulated depreciation for three years ended December 31, 1995 are as follows:

	1995	1994	1993
Balance, Beginning of Year.....	\$ 49,314	\$ 38,015	\$ 31,318
Transfer of Assets Between Contributing Businesses.....	--	(2,075)	--
Depreciation for Year.....	19,435	13,374	6,697
Balance, End of Year.....	\$ 68,749	\$ 49,314	\$ 38,015

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

The following discussion should be read in conjunction with the historical Consolidated and Combined Financial Statements and Notes thereto appearing elsewhere in this Prospectus.

The discussion of First Industrial, L.P.'s (the "Partnership") results of operations reported in the financial statements compares the nine months ended September 30, 1996 to the nine months ended September 30, 1995, the year ended December 31, 1995 with the year ended December 31, 1994, and the year ended December 31, 1994 with the year ended December 31, 1993. For periods prior to June 30, 1994, these results of operations include the operations of the Contributing Businesses and exclude the operations of properties acquired concurrently with or subsequent to June 30, 1994. For the period subsequent to June 30, 1994, these results of operations include the operations of the Partnership.

RESULTS OF OPERATIONS

COMPARISON OF NINE MONTHS ENDED SEPTEMBER 30, 1996 TO THE NINE MONTHS ENDED
SEPTEMBER 30, 1995

At September 30, 1996, the Partnership owned 328 in-service properties with approximately 29.9 million square feet of gross leasable area ("GLA"), compared to 266 in-service properties with approximately 21.8 million square feet of GLA at September 30, 1995. The addition of 67 properties acquired or developed between October 1, 1995 and September 30, 1996 included the acquisitions of 65 properties comprising approximately 8.1 million square feet and the completed construction of 2 build-to-suit properties containing a total of approximately .3 million square feet. The sale of five properties comprised of approximately .3 million square feet was also completed between October 1, 1995 and September 30, 1996.

Revenues increased by \$22.9 million or 29.2%, due primarily to the properties acquired or developed after September 30, 1995. Revenues from properties owned prior to January 1, 1995, increased by approximately \$2.7 million or 3.8% due to general rent increases and additional tenant recovery income charges for additional property expenses incurred for the nine months ended September 30, 1996.

Property expenses, which include real estate taxes, repairs and maintenance, property management, utilities, insurance and other expenses, increased by \$8.1 million or 38.7% due primarily to the properties acquired or developed after September 30, 1995. Expenses from properties owned prior to January 1, 1995, increased by approximately \$2.1 million or 11.0% due to additional snow removal expenses incurred in the Minneapolis and Harrisburg metropolitan areas, additional repair and maintenance expenses incurred in the Chicago metropolitan area and general real estate tax increases.

Interest expense increased by \$.5 million for the nine month period ended September 30, 1996 compared to the nine month period ended September 30, 1995. The average outstanding debt balance was \$19.3 million higher during the nine months ended September 30, 1996, however, the impact on interest expense was partially offset by lower interest rates on the \$300 million mortgage loan ("1994 Mortgage Loan") as a result of certain interest rate protection agreements entered into in July 1995 (the "Rate Agreements").

Amortization of interest rate protection agreements and deferred financing costs decreased by \$1.3 million due primarily to lower amortization of the Rate Agreements compared to the amortization of the replaced interest rate protection agreement.

Depreciation and other amortization increased by \$4.1 million due primarily to the additional depreciation and amortization related to the properties acquired after September 30, 1995.

The \$6.4 million loss from disposition of the interest rate protection agreement in 1995 resulted from the replacement of the Partnership's interest rate protection agreement entered into in connection with the \$300 million mortgage loan ("1994 Mortgage Loan") with the Rate Agreements. Approximately \$6.3 million of the loss is a non-cash loss, representing the difference between the unamortized cost of the replaced interest rate protection agreement and the cost of the Rate Agreements.

The \$4.3 million gain on sales of properties in 1996 resulted from the sale of three properties located in Huntsville, Alabama; one property located in Detroit, Michigan and one property located in Grand Rapids, Michigan. Gross proceeds for all sales totaled \$12.1 million.

The \$.8 million extraordinary item in 1996 represents the write-off of unamortized deferred financing costs and a prepayment fee for loans that were paid off in full and retired in 1996.

COMPARISON OF YEAR ENDED DECEMBER 31, 1995 TO YEAR ENDED DECEMBER 31, 1994.

At December 31, 1995, the Partnership owned 271 in-service properties containing approximately 22.6 million square feet of GLA, compared to 246 in-service properties with approximately 19.2 million square feet of GLA at December 31, 1994. Acquisitions of 20 properties containing approximately 2.8 million square feet of GLA were made between December 31, 1994 and December 31, 1995. Also during 1995, the Partnership completed development of five properties and expansions of three properties already owned by the Partnership totaling .6 million square feet of GLA.

Revenues increased by \$37.1 million or 53.5%, due primarily to the properties acquired after December 31, 1993. Revenues from properties owned prior to January 1, 1994 increased by \$1.2 million or 3.2% due primarily to increased rental rates upon renewal or replacement of tenant leases and an increase in occupancy of certain properties located in the Detroit metropolitan area.

Property expenses, which include real estate taxes, repairs and maintenance, property management, utilities, insurance and other expenses, increased by \$10.4 million or 58.2% due primarily to properties acquired after December 31, 1993. For properties owned prior to January 1, 1994, property expenses increased by \$.2 million or 1.6% due to general increases in operating expenses, partially offset by a decrease of real estate taxes for certain properties located in the Detroit metropolitan area.

General and administrative expense increased by \$2.0 million due primarily to the additional expenses associated with being a public company (including directors' fees, director and officer liability insurance, additional professional fees relating to additional properties and personnel to manage and expand the Company's business).

Interest expense increased from \$22.4 million to \$28.6 million. The increase reflects higher average debt levels in 1995 related to acquisition and development activity during the year, and higher average interest rates in 1995.

Depreciation and amortization increased by \$7.7 million due primarily to the additional depreciation and amortization related to the properties acquired after December 31, 1993.

The \$6.4 million loss from disposition of the interest rate protection agreement in 1995 resulted from the replacement of the Partnership's interest rate protection agreement entered into in connection with the 1994 Mortgage Loan with the Rate Agreements. Approximately \$6.3 million of the loss is a non-cash loss, representing the difference between the unamortized cost of the replaced interest rate protection agreement and the cost of the Rate Agreement.

COMPARISON OF YEAR ENDED DECEMBER 31, 1994 TO YEAR ENDED DECEMBER 31, 1993

At December 31, 1994, the Partnership owned 246 in-service properties containing approximately 19.2 million square feet of GLA, compared to 124 in-service properties with approximately 6.4 million square feet of GLA at December 31, 1993. Acquisitions of 26 properties containing approximately 4.8 million

square feet of GLA were made between December 31, 1993 and June 30, 1994. Concurrent with the Initial Offering (as defined below), the Partnership acquired 76 properties with approximately 6.2 million square feet of GLA. Between July 1, 1994 and December 31, 1994, the Partnership acquired 20 properties and commenced construction on two build-to-suit properties, containing a total of approximately 2.0 million square feet of GLA.

Revenues increased by \$36.1 million or 108.8%, due primarily to the properties acquired after December 31, 1993. Revenues from the properties owned prior to December 31, 1993 increased by \$1.9 million or 5.6% due primarily to an increase in rental rates upon renewal or replacement of tenant leases and an increase in occupancy for certain properties located in central Pennsylvania and the Detroit metropolitan area.

Property expenses, which include real estate taxes, repairs and maintenance, property management, utilities, insurance and other expenses, increased by \$9.1 million or 102.6% due primarily to the properties acquired after December 31, 1993. For properties owned at December 31, 1993, property expenses increased by \$1.2 million due to general increases in operating expenses, partially offset by a lower bad debt experience in the year ended December 31, 1994 compared to the year ended December 31, 1993.

General and administrative expense increased by \$.4 million due primarily to the additional expenses associated with being a public company (including directors' fees, director and officer liability insurance, additional professional fees relating to additional properties and personnel to manage and expand the Company's business).

Interest expense increased from \$18.2 million to \$22.4 million. Additional debt was incurred to acquire properties after December 31, 1993, however, the impact on interest expense was partially offset by lower interest rates on the new debt.

Depreciation and amortization increased by \$10.2 million due primarily to the additional depreciation and amortization related to the properties acquired after December 31, 1993.

The \$1.4 million extraordinary item in 1994 represents the write off of the net book value of intangible assets which were not transferred to the Company in connection with the Initial Offering.

LIQUIDITY AND CAPITAL RESOURCES

At September 30, 1996, the Partnership's unrestricted cash and cash equivalents was \$4.6 million and restricted cash was \$9.6 million. Restricted cash includes reserves required to be set aside under certain of the Partnership's loans for payment of security deposit refunds, tenant improvements, capital expenditures, interest, real estate taxes, insurance and potential environmental costs. A portion of the cash reserve relating to payments for potential environmental costs was established at the closing of the \$300 million mortgage loan (the "1994 Mortgage Loan") and is distributed to the Partnership as such expenditures are made, and is not required to be replenished to its original level. The portion of the cash reserve on the 1994 Mortgage Loan relating to payments for tenant improvements, capital expenditures, interest, real estate taxes and insurance is established monthly, distributed to the Partnership as such expenditures are made and is replenished to a level adequate to make the next periodic payment of such expenditures. The portion of the cash reserve relating to security deposit refunds on the \$40 million mortgage loan ("1995 Mortgage Loan") is adjusted as tenants turn over. The portion of the cash reserve relating to payments for capital expenditures, interest, real estate taxes and insurance on the 1995 Mortgage Loan is established monthly, distributed to the Partnership as such expenditures are made and is replenished to a level to make the next periodic payment of such expenditures.

Net cash provided by operating activities was \$48.2 million for the nine months ended September 30, 1996 compared to \$28.7 million for the nine months ended September 30, 1995. This increase is due primarily to the operations of properties acquired or developed between October 1, 1995 and September 30, 1996. Net cash provided by operating activities was \$35.1 million for the year ended December 31,

1995 compared to \$23.0 million for the year ended December 31, 1994. The increase is due primarily to the operations of properties acquired or developed after December 31, 1994. Net cash provided by operating activities was \$23.0 million for the year ended December 31, 1994 compared to \$8.7 million for the year ended December 31, 1993. This increase was due primarily to the transactions related to the general partner of the Partnership's (the "Company") initial public offering of 16,175,000 shares of \$.01 par value common stock (the "Initial Offering") in June 1994 and the operations of the Partnership subsequent to the Initial Offering.

Net cash used in investing activities increased to \$163.9 million for the nine months ended September 30, 1996 from \$68.9 million for the nine months ended September 30, 1995 due to an increase in the acquisition of properties. Net cash used in investing activities was \$84.2 million for the year ended December 31, 1995 compared to \$448.6 million and \$17.1 million for the years ended December 31, 1994 and 1993, respectively. The significantly higher net cash used in investing activities for the year ended December 31, 1994 reflects the purchase of additional properties in conjunction with the Initial Offering in June 1994.

Net cash provided by financing activities increased to \$111.8 million for the nine months ended September 30, 1996 from \$38.5 million for the nine months ended September 30, 1995 primarily due to the Company's issuance of 5,175,000 shares of \$.01 par value common stock at \$25.50 per share in February 1996. The net proceeds were contributed to the Partnership for 5,175,000 limited partnership units of the Partnership (the "Units") (the "1996 Partnership Contribution"). The remaining change was primarily caused by the consummation of a \$36.7 million mortgage loan offset by a net decrease in acquisition line borrowings and an increase in partnership distributions. Net cash provided by financing activities for the year ended December 31, 1995 was \$48.5 million, composed primarily of a contribution from the general partner of one of the Partnership's subsidiaries, and additional mortgage loans and construction loans, which were partially offset by a reduction in the outstanding borrowings under the 1994 Acquisition Facility. Net cash provided by financing activities for the year ended December 31, 1994 was \$431.6 million, compared to \$9.1 million for the year ended December 31, 1993, reflecting primarily debt and equity transactions relating to the Initial Offering in June 1994 and an increase in indebtedness due to the properties acquired subsequent to the Initial Offering.

On January 22, 1996, the Partnership paid a fourth quarter 1995 distribution of 48.75 cents per Unit totaling approximately \$10.0 million. On April 22, 1996, the Partnership paid a first quarter 1996 distribution of 48.75 cents per Unit, totaling approximately \$12.8 million. On July 22, 1996, the Partnership paid a second quarter 1996 distribution of 48.75 cents per Unit, totaling approximately \$12.8 million. On October 21, 1996, the Partnership paid a third quarter 1996 distribution of 48.75 cents per Unit, totaling approximately \$12.8 million.

The Partnership has considered its short-term liquidity needs and the adequacy of its estimated cash flow from operations and other expected liquidity sources to meet these needs. The Partnership believes that its principal short-term liquidity needs are to fund normal recurring expenses, debt service requirements, and partnership distributions. The Partnership anticipates that these needs will be met with cash flows provided by operating activities.

The Partnership expects to meet long-term liquidity requirements such as property acquisitions, scheduled debt maturities, major renovations, expansions and other nonrecurring capital improvements through long-term secured and unsecured indebtedness and the issuance of additional partnership units. The Partnership may finance the development or acquisition of additional properties through borrowings under the 1994 Acquisition Facility and the Partnership's \$40 million collateralized acquisition facility ("1996 Acquisition Facility"). At September 30, 1996, borrowings under the 1994 Acquisition Facility bore interest at a weighted average interest rate of 7.5%. As of September 30, 1996, including properties in the process of being added to the collateral base, the Partnership had approximately \$45.5 million available in additional borrowings under the 1994 Acquisition Facility. While the Partnership may sell properties if

property or market conditions make it desirable, the Partnership does not expect to sell assets in the foreseeable future to satisfy its liquidity requirements.

In October 1996, the Company issued 5,750,000 shares of \$.01 par value common stock at \$25.50 per share, resulting in net proceeds of \$137.6 million. The Company contributed the net proceeds for 5,750,000 Units. Of the proceeds, \$84.2 million was used to repay in full the 1994 and 1996 Acquisition Facilities.

OTHER

The Partnership reviews its properties on a quarterly basis for impairment and provides a provision if impairments are determined. First, to determine if impairment may exist, the Partnership reviews its properties and identifies those which have had either an event of change or event of circumstances warranting further assessment of recoverability. Then, the Partnership estimates the fair value of those properties on an individual basis by capitalizing the expected net operating income and discounting the expected cash flows of the properties. Such amounts are then compared to the property's depreciated cost to determine whether an impairment exists.

In accordance with Emerging Issues Task Force Issue No. 95-6, "Accounting by a REIT for an Investment in a Service Corporation," the Partnership has for the year ended December 31, 1995, consolidated two service companies in which it owns a 99% economic interest and 8% voting interest. For the six months ended December 31, 1994, the cumulative effect of adopting this change in accounting principle was not material to the Partnership's 1994 financial statements.

Effective January 1, 1995, the Partnership adopted Financial Accounting Standards Statement No. 121 (FAS 121), "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of." The Adoption of FAS 121 did not have a material impact on the Partnership.

INFLATION

For the last several years, inflation has not had a significant impact on the Partnership because of the relatively low inflation rates in the Partnership's markets of operation. Most of the Partnership's leases require the tenants to pay their share of operating expenses, including common area maintenance, real estate taxes and insurance, thereby reducing the Partnership's exposure to increases in costs and operating expenses resulting from inflation. In addition, many of the leases are for terms less than five years which may enable the Partnership to replace existing leases with new leases at higher base rentals if rents of existing leases are below the then-existing market rate.

FIRST INDUSTRIAL, L.P. AND CONTRIBUTING BUSINESSES
SELECTED FINANCIAL DATA (1)
(IN THOUSANDS EXCEPT PROPERTY DATA)

	FIRST INDUSTRIAL, L.P. (CONSOLIDATED)			CONTRIBUTING BUSINESSES (COMBINED)		
	NINE MONTHS ENDED SEPTEMBER 30, 1996		YEAR ENDED DECEMBER 31, 1995	SIX MONTH PERIOD ENDED DECEMBER 31, 1994	SIX MONTH PERIOD ENDED JUNE 30, 1994	YEAR ENDED DECEMBER 31, 1993
STATEMENTS OF OPERATIONS DATA:						
Total Revenues.....	101,461	78,532	106,474	46,557	22,816	33,237
Property Expenses.....	28,982	20,895	28,302	11,853	6,036	8,832
General and Administrative Expense.....	2,321	2,428	3,792	1,047	795	1,416
Interest Expense.....	21,600	21,109	28,591	10,588	11,773	18,187
Amortization of Interest Rate Protection Agreement ("IRPA") and Deferred Financing Costs.....	2,412	3,684	4,438	2,904	858	997
Depreciation and Other Amortization.....	20,456	16,320	22,264	9,802	4,744	7,105
Loss From Disposal of IRPA.....	--	6,410	6,410	--	--	--
Management and Construction Income (Loss), Net.....	--	--	--	--	(81)	(99)
Gain on Sales of Properties.....	4,320	--	--	--	--	--
Minority Interest.....	(3,178)	(65)	(554)	(69)	--	--
Income (Loss) Before Extraordinary Items....	26,832	7,621	12,123	10,294	(1,471)	(3,399)
Extraordinary Gain (Loss).....	(821)	--	--	--	(1,449)	--
Net Income (Loss).....	26,011	7,621	12,123	10,294	(2,920)	(3,399)

BALANCE SHEET DATA:

Net Investment in Real Estate.....	879,703	678,626	688,767	620,294	556,902	171,162
Total Assets.....	943,612	736,589	757,307	690,988	616,767	189,789
Mortgage Loans/Acquisition Facilities Payable and Construction Loans.....	454,648	418,540	399,958	348,700	305,000	179,568
Mortgage Loans (affiliated).....	--	--	--	--	--	7,624
Total Liabilities.....	503,073	442,340	426,855	374,812	323,703	227,553
Partners' Capital/(Net Deficit).....	399,396	291,693	287,172	313,544	292,134	(37,548)

OTHER DATA:

Cash Flows From:

Operating Activities.....	46,886	28,737	35,062	17,954	5,026	8,700
Investing Activities.....	(162,536)	(68,879)	(84,159)	(73,840)	(374,757)	(17,124)
Financing Activities.....	111,815	38,494	48,484	57,423	374,152	9,093
Gross Leasable Area at end of Period.....	29,872,808	21,753,089	22,562,755	19,169,321	17,393,813	6,376,349
Total Properties.....	328	266	271	246	226	124

YEAR ENDED DECEMBER 31, 1992	YEAR ENDED DECEMBER 31, 1991
------------------------------------	------------------------------------

STATEMENTS OF OPERATIONS DATA:

Total Revenues.....	31,145	30,696
Property Expenses.....	7,308	6,954
General and Administrative Expense.....	1,699	1,808
Interest Expense.....	18,350	18,358
Amortization of Interest Rate Protection Agreement ("IRPA") and Deferred Financing Costs.....	1,644	--
Depreciation and Other Amortization.....	6,328	7,421
Loss From Disposal of IRPA.....	--	--
Management and Construction Income (Loss), Net.....	136	257
Gain on Sales of Properties.....	--	--
Minority Interest.....	--	--
Income (Loss) Before Extraordinary Items....	(4,048)	(3,588)
Extraordinary Gain (Loss).....	2,340	--
Net Income (Loss).....	(1,708)	(3,588)

BALANCE SHEET DATA:

Net Investment in Real Estate.....	160,735	164,338
Total Assets.....	175,693	178,157
Mortgage Loans/Acquisition Facilities Payable and Construction Loans.....	168,659	169,807
Mortgage Loans (affiliated).....	7,951	8,323
Total Liabilities.....	208,569	209,755
Partners' Capital/(Net Deficit).....	(32,876)	(31,598)

OTHER DATA:

Cash Flows From:

Operating Activities.....	1,877
Investing Activities.....	(2,317)
Financing Activities.....	1,250

Gross Leasable Area at end of Period.....	5,883,730	5,883,730
Total Properties.....	118	118

- -----

(1) The selected financial data includes the combined financial statements of the Contributing Businesses for the period prior to July 1, 1994 and the combined financial statements of First Industrial, L.P., for the periods after June 30, 1994.

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

The following table sets forth the estimated expenses in connection with the issuance and distribution of the securities registered hereby, which will be borne by the Company:

Securities and Exchange Commission registration fee.....	\$ 151,515
Fees of Rating Agencies.....	75,000
Printing and duplicating expenses.....	75,000
Legal fees and expenses.....	250,000
Blue sky fees and expenses.....	15,000
Accounting fees and expenses.....	50,000
Miscellaneous.....	\$ 100,000

Total.....	\$ 716,515

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

The Articles of Incorporation and Bylaws provide certain limitations on the liability of the Company's Directors and officers for monetary damages to the Company. The Articles of Incorporation and Bylaws obligate the Company to indemnify its Directors and officers, and permit the Company to indemnify its employees and other agents, against certain liabilities incurred in connection with their service in such capacities. These provisions could reduce the legal remedies available to the Company and its stockholders against these individuals. The provisions of Maryland law provide for the indemnification of officers and directors of a company under certain circumstances.

The Partnership Agreement of the Operating Partnership contains provisions indemnifying the Company and its officers, directors and stockholders to the fullest extent permitted by the Delaware Revised Uniform Limited Partnership Act.

ITEM 16. EXHIBITS.

EXHIBIT NUMBER	DESCRIPTION

4.1	Amended and Restated Articles of Incorporation of the Company (incorporated by reference to Exhibit 3.1 of the Form 10-Q of the Company for the fiscal quarter ended June 30, 1996, File No. 1-13102).
4.2	Amended and Restated Bylaws of the Company (incorporated by reference to Exhibit 4.1 of the Company's Registration Statement on Form S-3, File No. 333-03999).
4.3	Articles of Amendment to the Company's Articles of Incorporation dated June 20, 1994 (incorporated by reference to Exhibit 3.2 of the Form 10-Q of the Company for the fiscal quarter ended June 30, 1996, File No. 1-13102).
4.4	Articles Supplementary relating to the Company's 9 1/2% Series A Cumulative Preferred Stock, \$.01 par value (incorporated by reference to Exhibit 3.4 of the Form 10-Q of the Company for the fiscal quarter ended June 30, 1996, File No. 1-13102).
4.5	Articles of Amendment to the Company's Articles of Incorporation dated May 31, 1996 (incorporated by reference to Exhibit 3.3 of the Form 10-Q of the Company for the fiscal quarter ended June 30, 1996, File No. 1-13102).

EXHIBIT
NUMBER

DESCRIPTION

4.6*	Form of Indenture
5*	Opinion of Cahill Gordon & Reindel, counsel to the Registrants, as to the legality of the securities being registered, together with the opinion of McGuire, Woods, Battle & Boothe, L.L.P.
8*	Opinion of Cahill Gordon & Reindel, counsel to the Registrants, as to certain tax matters.
12.1*	Computation of ratios of earnings to fixed charges and preferred stock dividends of the Company.
12.2*	Computation of ratios of earnings to fixed charges and fixed preferred distributions of the Operating Partnership.
23.1*	Consent of Coopers & Lybrand L.L.P.
23.2*	Consent of Cahill Gordon & Reindel (included in Exhibit 5 and Exhibit 8).
23.3*	Consent of McGuire, Woods, Battle & Boothe, L.L.P. (included in Exhibit 5).
24*	Power of Attorney (included on page II-5).
25**	Statement of eligibility of Trustee on Form T-1
27.1*	Financial Data Schedule
27.2*	Financial Data Schedule

* Filed herewith.

** To be filed by amendment or incorporated by reference.

ITEM 17. UNDERTAKINGS.

(a) The undersigned registrants hereby undertake:

- (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:
 - (i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;
 - (ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) under the Securities Act of 1933 if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and
 - (iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

PROVIDED, HOWEVER, that paragraphs (a)(1)(i) and (a)(1)(ii) herein do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in

periodic reports filed with or furnished to the Commission by the undersigned registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement;

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial BONA FIDE offering thereof; and

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The registrants hereby undertake that, for purposes of determining any liability under the Securities Act of 1933, each filing of the annual report of either of the registrants pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrants pursuant to the provisions described under Item 15 above, or otherwise, the registrants have been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrants of expenses incurred or paid by a director, officer, or controlling person of the registrants in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrants will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

(d) The undersigned registrants hereby undertake to file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of section 310 of the Trust Indenture Act ("Act") in accordance with the rules and regulations prescribed by the Commission under section 305(b)(2) of the Act.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, each Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Chicago, State of Illinois, on February 14, 1997.

FIRST INDUSTRIAL REALTY TRUST, INC.

By: /s/ MICHAEL T. TOMASZ

Name: Michael T. Tomasz
Title: President and Chief Executive
Officer

FIRST INDUSTRIAL, L.P.

By: First Industrial Realty Trust, Inc.

By: /s/ MICHAEL T. TOMASZ

Name: Michael T. Tomasz
Title: President and Chief Executive
Officer

II-4

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints Michael T. Tomasz, Michael W. Brennan and Michael J. Havalala, and each of them (with full power to each of them to act alone), his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto each of such attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection with such matters, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that each of such attorneys-in-fact and agents or his substitute or substitutes may lawfully do or cause to be done by virtue hereof.

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES ACT OF 1933, THIS REGISTRATION STATEMENT HAS BEEN SIGNED BY THE FOLLOWING PERSONS IN THE CAPACITIES AND ON THE DATES INDICATED.

SIGNATURE	TITLE	DATE
/s/ MICHAEL T. TOMASZ ----- Michael T. Tomasz	Principal Executive Officer and Director	February 14, 1997
/s/ MICHAEL J. HAVALA ----- Michael J. Havalala	Principal Financial and Accounting Officer	February 14, 1997
/s/ MICHAEL W. BRENNAN ----- Michael W. Brennan	Chief Operating Officer and Director	February 14, 1997
/s/ MICHAEL G. DAMONE ----- Michael G. Damone	Director	February 14, 1997
/s/ KEVIN W. LYNCH ----- Kevin W. Lynch	Director	February 14, 1997
/s/ JOHN E. RAU ----- John E. Rau	Director	February 14, 1997
/s/ JAY H. SHIDLER ----- Jay H. Shidler	Chairman of the Board of Directors	February 14, 1997
/s/ ROBERT J. SLATER ----- Robert J. Slater	Director	February 14, 1997
/s/ J. STEVEN WILSON ----- J. Steven Wilson	Director	February 14, 1997

EXHIBIT INDEX

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27.2*	Financial Data Schedule	

* Filed herewith.

** To be filed by amendment or incorporated by reference.

FIRST INDUSTRIAL, L.P.

TO

[]

Trustee

Indenture

Dated as of [], 199[]

Senior Debt Securities

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(v)

FIRST INDUSTRIAL, L.P.

Reconciliation and tie between Trust Indenture Act of 1939 (the "Trust Indenture Act" or "TIA") and Indenture, dated as of [], 1997.

Trust Indenture Act Section -----	Indenture Section -----	
ss. 310(a)(1).....	607	
(a)(2).....	607	
(b).....	607, 608	
ss. 312(c).....	701	
ss. 313(a).....	702	
(c).....	702	
ss. 314(a).....	703	
(a)(4).....	1009	
(c)(1).....	102	
(c)(2).....	102	
(e).....	102	
ss. 315(b).....	601	
ss. 316(a) (last sentence).....	101	("Outstanding")
(a)(1)(A).....	502, 512	
(a)(1)(B).....	513	
(b).....	508	
ss. 317(a)(1).....	503	
(a)(2).....	504	
ss. 318(a).....	111	
(c).....	111	

NOTE: This reconciliation and tie shall not, for any purpose, be deemed to be a part of the Indenture.

Attention should also be directed to TIA Section 318(c), which provides that the provisions of TIA Sections 310 to and including 317 of the Trust Indenture Act are a part of and govern every qualified indenture, whether or not physically contained therein.

INDENTURE, dated as of [], 1997, between FIRST INDUSTRIAL, L.P., a limited partnership organized under the laws of the State of Delaware (hereinafter called the "Issuer"), having its principal office at 150 North Wacker Drive, Suite 150, Chicago, Illinois 60606, and [], as Trustee hereunder (hereinafter called the "Trustee"), having a Corporate Trust Office at [].

RECITALS OF THE ISSUER

The Issuer deems it necessary to issue from time to time for its lawful purposes senior debt securities (hereinafter called the "Securities") evidencing its unsecured and senior indebtedness, and has duly authorized the execution and delivery of this Indenture to provide for the issuance from time to time of the Securities, to be issued in one or more series as provided in this Indenture.

This Indenture is subject to the provisions of the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act" or "TIA"), that are deemed to be incorporated into this Indenture and shall, to the extent applicable, be governed by such provisions.

All things necessary to make this Indenture a valid agreement of the Issuer, in accordance with its terms, have been done.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Securities by the Holders thereof, it is mutually covenanted and agreed, for the equal and proportionate benefit of all Holders of the Securities, as follows:

ARTICLE ONE - DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

SECTION 101. Definitions. For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

- (1) the terms defined in this Article have the meanings assigned to them in this Article, and include the plural as well as the singular;
- (2) all other terms used herein which are defined in the TIA, either directly or by reference therein, have the meanings assigned to them therein, and the terms "cash transaction" and "self-liquidating paper," as used in TIA Section 311, shall have the meanings assigned to them in the rules of the Commission adopted under the TIA;
- (3) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with GAAP; and

(4) the words "herein," "hereof" and "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

"Act," when used with respect to any Holder, has the meaning specified in Section 104.

"Additional Amounts" means any additional amounts which are required by a Security or by or pursuant to a Board Resolution, under circumstances specified therein, to be paid by the Issuer pursuant to Section 1012 in respect of certain taxes, duties, assessments or other governmental charges imposed on certain holders and which are owing to such holders.

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control" when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Authenticating Agent" means any Person authorized by the Trustee pursuant to Section 611 hereof to act on behalf of the Trustee to authenticate Securities.

"Authorized Newspaper" means a newspaper, printed in the English language or in an official language of the country of publication, customarily published on each Business Day, whether or not published on Saturdays, Sundays or holidays, and of general circulation in each place in connection with which the term is used or in the financial community of each such place. Whenever successive publications are required to be made in Authorized Newspapers, the successive publications may be made in the same or in different Authorized Newspapers in the same city meeting the foregoing requirements and in each case on any Business Day.

"Bankruptcy Law" has the meaning specified in Section 501.

"Bearer Security" means any Security established pursuant to Section 201 which is payable to bearer.

"Board of Directors" means the board of directors of the General Partner or any committee of that board duly authorized to act hereunder.

"Board Resolution" means a copy of a resolution certified by the Secretary or an Assistant Secretary of the General Partner to have been duly adopted by the Board of Directors and to be in full force and effect on the date of such certification, and delivered to the Trustee.

"Business Day," when used with respect to any Place of Payment or any other particular location referred to in this Indenture or in the Securities, means, unless otherwise specified with respect to any Securities issued pursuant to Section 301, any day, other than a Saturday or Sunday, that is not a day on which banking institutions in that Place of Payment or particular location are authorized or required by law, regulation or executive order to close.

"Capital Stock" of any Person means any and all shares, interests, participations, rights to purchase, warrants, options or other equivalents (however designated) of corporate stock or other equity of such Person.

"CEDEL" means Centrale de Livraison de Valeurs Mobilieres, S.A., or its successor.

"Commission" means the Securities and Exchange Commission, as from time to time constituted, created under the Securities Exchange Act of 1934, or, if at any time after execution of this instrument such Commission is not existing and performing the duties now assigned to it under the Trust Indenture Act, then the body performing such duties on such date.

"Common Stock" means, with respect to any Person, all shares of capital stock issued by such Person other than Preferred Stock.

"Consolidated Net Assets" means as of any particular time the aggregate amount of assets (less applicable reserves and other properly deductible items) after deducting therefrom all current liabilities except for (a) notes and loans payable, (b) current maturities of long-term debt and (c) current maturities of obligations under capital leases, all as set forth on the most recent consolidated balance sheet of the Issuer and its consolidated Subsidiaries and computed in accordance with GAAP.

"Conversion Event" means the cessation of use of (i) a Foreign Currency both by the government of the country which issued such currency and for the settlement of transactions by a central bank or other public institutions of or within the international banking community, (ii) the ECU both within the European Monetary System and for the settlement of transactions by public institutions of or within the European Communities or (iii) any currency unit (or composite currency) other than the ECU for the purposes for which it was established.

"Corporate Trust Office" means the office of the Trustee at which, at any particular time, its corporate trust business shall be principally administered, which office at the date hereof is located at [].

"corporation" includes corporations, associations, companies and business trusts.

"coupon" means any interest coupon appertaining to a Bearer Security.

"Custodian" has the meaning specified in Section 501.

"Defaulted Interest" has the meaning specified in Section 307.

"Dollar" or "\$" means a dollar or other equivalent unit in such coin or currency of the United States of America as at the time shall be legal tender for the payment of public and private debts.

"ECU" means the European Currency Unit as defined and revised from time to time by the Council of the European Communities.

"Euroclear" means Morgan Guaranty Trust Company of New York, Brussels office, or its successor as operator of the Euroclear System.

"European Communities" means the European Economic Community, the European Coal and Steel Community and the European Atomic Energy Community.

"European Monetary System" means the European Monetary System established by the Resolution of December 5, 1978 of the Council of the European Communities.

"Event of Default" has the meaning specified in Article Five.

"Foreign Currency" means any currency, currency unit or composite currency, including, without limitation, the ECU issued by the government of one or more countries other than the United States of America or by any recognized confederation or association of such governments.

"GAAP" means, except as otherwise provided herein, generally accepted accounting principles, as in effect from time to time, as used in the United States applied on a consistent basis.

"General Partner" means First Industrial Realty Trust, Inc., a Maryland corporation, as general partner of the Issuer.

"Global Security" means a Security evidencing all or a part of a series of Securities issued to and registered in the name of the depository for such series, or its nominee, in accordance with Section 305, and bearing the legend prescribed in Section 203.

"Government Obligations" means securities which are (i) direct obligations of the United States of America or the government which issued the Foreign Currency in which the Securities of a particular series are payable, for the payment of which its full faith and credit is pledged or (ii) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America or such government which issued the Foreign Currency in which the Securities of such series are payable, the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America or such other government, which, in either case, are not callable or redeemable at the option of the issuer thereof, and shall also include a depository receipt issued by a bank or

trust company as custodian with respect to any such Government Obligation or a specific payment of interest on or principal of any such Government Obligation held by such custodian for the account of the holder of a depository receipt, provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the Government Obligation or the specific payment of interest on or principal of the Government Obligation evidenced by such depository receipt.

"Guaranty" by any Person means any Obligation, contingent or otherwise, of such Person guaranteeing any Indebtedness of any other Person (the "primary obligor") in any manner, whether directly or indirectly, and including, without limitation, every Obligation of such Person (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or to purchase (or to advance or supply funds for the purchase of) any security for the payment of such Indebtedness, (ii) to purchase property, securities or services for the purpose of assuring the holder of such Indebtedness of the payment of such Indebtedness or (iii) to maintain working capital, equity capital or other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness; provided, however, that a Guaranty by any Person shall not include endorsements by such Person for collection or deposit, in either case in the ordinary course of business. The terms "Guaranteed," "Guaranteeing" and "Guarantor" shall have meanings correlative to the foregoing.

"Holder" means, in the case of a Registered Security, the Person in whose name a Security is registered in the Security Register and, in the case of a Bearer Security, the bearer thereof and, when used with respect to any coupon, shall mean the bearer thereof.

"Indebtedness" means, with respect to any Person, without duplication, (i) any Obligation of such Person relating to any indebtedness of such Person (A) for borrowed money (whether or not the recourse of the lender is to the whole of the assets, of such person or only to a portion thereof), (B) evidenced by notes, debentures or similar instruments (including purchase money obligations) given in connection with the acquisition of any property or assets (other than trade accounts payable for inventory or similar property acquired in the ordinary course of business), including securities, for the payment of which such Person is liable, directly or indirectly, or the payment of which is secured by a lien, charge or encumbrance on property or assets of such Person, (C) for goods, materials or services purchased in the ordinary course of business (other than trade accounts payable arising in the ordinary course of business), (D) with respect to letters of credit or bankers acceptances issued for the account of such Person or performance, surety or similar bonds, (E) for the payment of money relating to a Capitalized Lease Obligation or (F) under interest rate swaps, caps or similar agreements and foreign exchange contracts, currency swaps or similar agreements; (ii) any liability of others of the kind described in the preceding clause (i), which such Person has Guaranteed or which is otherwise its legal liability; and (iii) any and all deferrals, renewals, extensions and refunding of, or amendments, modifications or supplements to, any liability of the kind described in any of the preceding clauses (i) or (ii).

"Indenture" means this instrument as originally executed or as it may be supplemented or amended from time to time by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof, and shall include the terms of particular series of Securities established as contemplated by Section 301; provided, however, that, if at any time more than one Person is acting as Trustee under this instrument, "Indenture" shall mean, with respect to any one or more series of Securities for which such Person is Trustee, this instrument as originally executed or as it may be supplemented or amended from time to time by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof and shall include the terms of the or those particular series of Securities for which such Person is Trustee established as contemplated by Section 301, exclusive, however, of any provisions or terms which relate solely to other series of Securities for which such Person is Trustee, regardless of when such terms or provisions were adopted, and exclusive of any provisions or terms adopted by means of one or more indentures supplemental hereto executed and delivered after such Person had become such Trustee but to which such Person, as such Trustee, was not a party.

"Indexed Security" means a Security the terms of which provide that the principal amount thereof payable at Stated Maturity may be more or less than the principal face amount thereof at original issuance.

"Interest," when used with respect to an Original Issue Discount Security which by its terms bears interest only after Maturity, shall mean interest payable after Maturity.

"Interest Payment Date," when used with respect to any Security, means the Stated Maturity of an installment of interest on such Security.

"Issuer" means the Person named as the "Issuer" in the first paragraph of this Indenture until a successor shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Issuer" shall mean such successor.

"Issuer Request" and "Issuer Order" mean, respectively, a written request or order signed in the name of the Issuer by the General Partner by its Chairman of the Board, the President or a Vice President, and by its Treasurer, an Assistant Treasurer, the Secretary or an Assistant Secretary, of the General Partner, and delivered to the Trustee.

"Make-Whole Amount," when used with respect to any Security, means the amount, if any, in addition to principal which is required by a Security, under the terms and conditions specified therein or as otherwise specified as contemplated by Section 301, to be paid by the Issuer to the Holder thereof in connection with any optional redemption or accelerated payment of such Security.

"Maturity," when used with respect to any Security, means the date on which the principal of such Security or an installment of principal becomes due and payable as therein or herein provided, whether at the Stated Maturity or by declaration of acceleration, notice of redemption, notice of option to elect repayment or otherwise.

"Obligation" of any Person with respect to any specified Indebtedness means any obligation of such Person to pay principal, premium, interest (including interest accruing on or after the filing of any petition in bankruptcy or for reorganization relating to such Person, whether or not a claim for such post-petition interest is allowed in such Proceeding), penalties, reimbursement or indemnification amounts, fees, expenses or other amounts relating to such Indebtedness.

"Officers' Certificate" means a certificate signed by the Chairman of the Board of Directors, the President or a Vice President and by the Treasurer, an Assistant Treasurer, the Secretary or an Assistant Secretary of the General Partner, and delivered to the Trustee.

"Opinion of Counsel" means a written opinion of counsel, who may be counsel for the Issuer or who may be an employee of or other counsel for the Issuer and who shall be satisfactory to the Trustee and delivered to the Trustee.

"Original Issue Discount Security" means any Security which provides for an amount less than the principal amount thereof to be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 502.

"Outstanding," when used with respect to Securities, means, as of the date of determination, all Securities theretofore authenticated and delivered under this Indenture, except:

(i) Securities theretofore canceled by the Trustee or delivered to the Trustee for cancellation;

(ii) Securities, or portions thereof, for whose payment or redemption (including repayment at the option of the Holder) money in the necessary amount has been theretofore deposited with the Trustee or any Paying Agent (other than the Issuer) in trust or set aside and segregated in trust by the Issuer (if the Issuer shall act as its own Paying Agent) for the Holders of such Securities and any coupons appertaining thereto; provided, however, that, if such Securities are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made;

(iii) Securities, except to the extent provided in Sections 1402 and 1403, with respect to which the Issuer has effected defeasance and/or covenant defeasance as provided in Article Fourteen; and

(iv) Securities which have been paid pursuant to Section 306 or in exchange for or in lieu of which other Securities have been authenticated and delivered pursuant to this Indenture, other than any such Securities in respect of which there shall have been presented to the Trustee proof satisfactory to it that such Securities are held by a bona fide purchaser in whose hands such Securities are valid obligations of the Issuer.

provided, however, that in determining whether the Holders of the requisite principal amount of the Outstanding Securities have given any request, demand, authorization, direction, notice, consent or waiver hereunder or are present at a meeting of Holders for quorum purposes, and for the purpose of making the calculations required by TIA Section 313, (i) the principal amount of an Original Issue Discount Security that may be counted in making such determination or calculation and that shall be deemed to be Outstanding for such purpose shall be equal to the amount of principal thereof that would be (or shall have been declared to be) due and payable, at the time of such determination, upon a declaration of acceleration of the maturity thereof pursuant to Section 502, (ii) the principal amount of any Security denominated in a Foreign Currency that may be counted in making such determination or calculation and that shall be deemed Outstanding for such purpose shall be equal to the Dollar equivalent, determined pursuant to Section 301 as of the date such Security is originally issued by the Issuer, of the principal amount (or, in the case of an Original Issue Discount Security, the Dollar equivalent as of such date of original issuance of the amount determined as provided in clause (i) above) of such Security, (iii) the principal amount of any Indexed Security that may be counted in making such determination or calculation and that shall be deemed outstanding for such purpose shall be equal to the principal face amount of such Indexed Security at original issuance, unless otherwise provided with respect to such Security pursuant to Section 301, and (iv) Securities owned by the Issuer or any other obligor upon the Securities or any Affiliate of the Issuer or of such other obligor shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in making such calculation or in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Securities which the Trustee knows to be so owned shall be so disregarded. Securities owned as provided in clause (iv) above which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Securities and that the pledgee is not the Issuer or any other obligor upon the Securities or any Affiliate of the Issuer or of such other obligor. In case of a dispute as to such right, the advice of counsel shall be full protection in respect of any decision made by the Trustee in accordance with such advice.

"Paying Agent" means any Person authorized by the Issuer to pay the principal of (and premium or Make-Whole Amount, if any) or interest on any Securities or coupons on behalf of the Issuer.

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Place of Payment," when used with respect to the Securities of or within any series, means the place or places where the principal of (and premium or Make-Whole Amount, if any) and interest on such Securities are payable as specified as contemplated by Sections 301 and 1002 or the Corporate Trust Office of the Trustee.

"Predecessor Security" of any particular Security means every previous Security evidencing all or a portion of the same debt as that evidenced by such particular Security; and, for the purposes of this definition, any Security authenticated and delivered under Section 306 in exchange for or in lieu of a mutilated, destroyed, lost or stolen Security or a Security to which a mutilated, destroyed, lost or stolen coupon appertains shall be deemed to evidence the same debt as the mutilated, destroyed, lost or stolen Security or the Security to which the mutilated, destroyed, lost or stolen coupon appertains.

"Preferred Stock" means, with respect to any Person, all capital stock issued by such Person that are entitled to a preference or priority over any other capital stock issued by such Person with respect to any distribution of such Person's assets, whether by dividend or upon any voluntary or involuntary liquidation, dissolution or winding up.

"Redemption Date," when used with respect to any Security to be redeemed, in whole or in part, means the date fixed for such redemption by or pursuant to this Indenture.

"Redemption Price," when used with respect to any Security to be redeemed, means the price at which it is to be redeemed pursuant to this Indenture.

"Registered Security" shall mean any Security which is registered in the Security Register.

"Regular Record Date" for the interest payable on any Interest Payment Date on the Registered Securities of or within any series means the date specified for that purpose as contemplated by Section 301, whether or not a Business Day.

"Repayment Date" means, when used with respect to any Security to be repaid at the option of the Holder, the date fixed for such repayment by or pursuant to this Indenture.

"Repayment Price" means, when used with respect to any Security to be repaid at the option of the Holder, the price at which it is to be repaid by or pursuant to this Indenture.

"Responsible Officer," when used with respect to the Trustee, means the chairman or vice-chairman of the board of directors, the chairman or vice-chairman of the executive committee of the board of directors, the president, any vice president (whether or not designated by a number or a word or words added before or after the title "vice president"), the secretary, any assistant secretary, the treasurer, any assistant treasurer, the cashier, any assistant cashier, any trust officer or assistant trust officer, the controller or any other officer of the Trustee customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of such officer's knowledge and familiarity with the particular subject.

"Security" has the meaning stated in the first recital of this Indenture and, more particularly, means any Security or Securities authenticated and delivered under this Indenture;

provided, however, that, if at any time there is more than one Person acting as Trustee under this Indenture, "Securities" with respect to the Indenture as to which such Person is Trustee shall have the meaning stated in the first recital of this Indenture and shall more particularly mean Securities authenticated and delivered under this Indenture, exclusive, however, of Securities of any series as to which such Person is not Trustee.

"Security Register" and "Security Registrar" have the respective meanings specified in Section 305.

"Significant Subsidiary" means any Subsidiary which is a "significant subsidiary" (as defined in Article I, Rule 1-02 of Regulation S-X, promulgated under the Securities Act of 1933) of the Issuer.

"Special Record Date" for the payment of any Defaulted Interest on the Registered Securities of or within any series means a date fixed by the Trustee pursuant to Section 307.

"Stated Maturity," when used with respect to any Security or any installment of principal thereof or interest thereon, means the date specified in such Security or a coupon representing such installment of interest as the fixed date on which the principal of such Security or such installment of principal or interest is due and payable.

"Subsidiary" means a Person (other than an individual), a majority of the outstanding voting stock, partnership interests, membership interests or other equity interest, as the case may be, of which is owned or controlled, directly or indirectly, by the Issuer or by one or more other Subsidiaries of the Issuer. For the purposes of this definition, "voting stock" means stock having voting power for the election of directors, trustees or managers, as the case may be, whether at all times or only so long as no senior class of stock has such voting power by reason of any contingency.

"Trust Indenture Act" or "TIA" means the Trust Indenture Act of 1939, as amended and as in force at the date as of which this Indenture was executed, except as provided in Section 905.

"Trustee" means the Person named as the "Trustee" in the first paragraph of this Indenture until a successor Trustee shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Trustee" shall mean or include each Person who is then a Trustee hereunder; provided, however, that if at any time there is more than one such Person, "Trustee" as used with respect to the Securities of any series shall mean only the Trustee with respect to Securities of that series.

"United States" means, unless otherwise specified with respect to any Securities pursuant to Section 301, the United States of America (including the states and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction.

"United States Person" means, unless otherwise specified with respect to any Securities pursuant to Section 301, an individual who is a citizen or resident of the United States, a corporation, partnership or other entity created or organized in or under the laws of the United States or an estate or trust the income of which is subject to United States Federal income taxation regardless of its source.

"Yield to Maturity" means the yield to maturity, computed at the time of issuance of a Security (or, if applicable, at the most recent redetermination of interest on such Security) and as set forth in such Security in accordance with generally accepted United States bond yield computation principles.

SECTION 102. Compliance Certificates and Opinions. Upon any application or request by the Issuer to the Trustee to take any action under any provision of this Indenture, the Issuer shall furnish to the Trustee an Officers' Certificate stating that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent, if any, have been complied with, except that in the case of any such application or request as to which the furnishing of such documents is specifically required by any provision of this Indenture relating to such particular application or request, no additional certificate or opinion need be furnished.

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture (including certificates delivered pursuant to Section 1008) shall include:

- (1) a statement that each individual signing such certificate or opinion has read such condition or covenant and the definitions herein relating thereto;
- (2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;
- (3) a statement that, in the opinion of each such individual, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such condition or covenant has been complied with; and
- (4) a statement as to whether or not, in the opinion of each such individual, such condition or covenant has been complied with.

SECTION 103. Form of Documents Delivered to Trustee. In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other

such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an officer of the General Partner may be based, insofar as it relates to legal matters, upon an Opinion of Counsel, or a certificate or representations by counsel, unless such officer knows, or in the exercise of reasonable care should know, that the opinion, certificate or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such Opinion of Counsel or certificate or representations may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the General Partner stating that the information as to such factual matters is in the possession of the Issuer, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

SECTION 104. Acts of Holders. (a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders of the Outstanding Securities of all series or one or more series, as the case may be, may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by agents duly appointed in writing. If Securities of a series are issuable as Bearer Securities, any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders of Securities of such series may, alternatively, be embodied in and evidenced by the record of Holders of Securities of such series voting in favor thereof, either in person or by proxies duly appointed in writing, at any meeting of Holders of Securities of such series duly called and held in accordance with the provisions of Article Fifteen, or a combination of such instruments and any such record. Except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments or record or both are received by the Trustee and, where it is hereby expressly required, by the Issuer. Such instrument or instruments and any such record (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of the Holders signing such instrument or instruments or so voting at any such meeting. Proof of execution of any such instrument or of a writing appointing any such agent, or of the holding by any Person of a Security, shall be sufficient for any purpose of this Indenture and conclusive in favor of the Trustee and the Issuer and any agent of the Trustee or the Issuer, if made in the manner provided in this Section. The record of any meeting of Holders of Securities shall be proved in the manner provided in Section 1506.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by a certificate of a notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the

execution thereof. Where such execution is by a signer acting in a capacity other than his individual capacity, such certificate or affidavit shall also constitute sufficient proof of his authority. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other reasonable manner which the Trustee deems sufficient.

(c) The ownership of Registered Securities shall be proved by the Security Register. As to any matter relating to beneficial ownership interests in any Global Security, the appropriate depository's records shall be dispositive for purposes of this Indenture.

(d) The ownership of Bearer Securities may be proved by the production of such Bearer Securities or by a certificate executed, as depository, by any trust company, bank, banker or other depository, wherever situated, if such certificate shall be deemed by the Trustee to be satisfactory, showing that at the date therein mentioned such Person had on deposit with such depository, or exhibited to it, the Bearer Securities therein described; or such facts may be proved by the certificate or affidavit of the Person holding such Bearer Securities, if such certificate or affidavit is deemed by the Trustee to be satisfactory. The Trustee and the Issuer may assume that such ownership of any Bearer Security continues until (1) another certificate or affidavit bearing a later date issued in respect of the same Bearer Security is produced, or (2) such Bearer Security is produced to the Trustee by some other Person, or (3) such Bearer Security is surrendered in exchange for a Registered Security, or (4) such Bearer Security is no longer Outstanding. The ownership of Bearer Securities may also be proved in any other manner which the Trustee deems sufficient.

(e) If the Issuer shall solicit from the Holders of Registered Securities any request, demand, authorization, direction, notice, consent, waiver or other Act, the Issuer may, at its option, in or pursuant to a Board Resolution, fix in advance a record date for the determination of Holders entitled to give such request, demand, authorization, direction, notice, consent, waiver or other Act, but the Issuer shall have no obligation to do so. Notwithstanding TIA Section 316(c), such record date shall be the record date specified in or pursuant to such Board Resolution, which shall be a date not earlier than the date 30 days prior to the first solicitation of Holders generally in connection therewith and not later than the date such solicitation is completed. If such a record date is fixed, such request, demand, authorization, direction, notice, consent, waiver or other Act may be given before or after such record date, but only the Holders of record at the close of business on such record date shall be deemed to be Holders for the purposes of determining whether Holders of the requisite proportion of Outstanding Securities have authorized or agreed or consented to such request, demand, authorization, direction, notice, consent, waiver or other Act, and for that purpose the Outstanding Securities shall be computed as of such record date; provided that no such authorization, agreement or consent by the Holders on such record date shall be deemed effective unless it shall become effective pursuant to the provisions of this Indenture not later than eleven months after the record date.

(f) Any request, demand, authorization, direction, notice, consent, waiver or other Act of the Holder of any Security shall bind every future Holder of the same Security

and the Holder of every Security issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done, omitted or suffered to be done by the Trustee, any Security Registrar, any Paying Agent, any Authenticating Agent or the Issuer in reliance thereon, whether or not notation of such action is made upon such Security.

SECTION 105. Notices, etc., to Trustee and Issuer. Any request, demand, authorization, direction, notice, consent, waiver or Act of Holders or other document provided or permitted by this Indenture to be made upon, given or furnished to, or filed with,

(1) the Trustee by any Holder or by the Issuer shall be sufficient for every purpose hereunder if made, given, furnished or filed in writing to or with the Trustee at its Corporate Trust Office; or

(2) the Issuer by the Trustee or by any Holder shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if in writing and mailed, first class postage prepaid, to the Issuer addressed to it at the address of its principal office specified in the first paragraph of this Indenture or at any other address previously furnished in writing to the Trustee by the Issuer, Attention: Chief Financial Officer; or

(3) either the Trustee or the Issuer, by the other party, shall be sufficient for every purpose hereunder if given by facsimile transmission, receipt confirmed by telephone followed by an original copy delivered by guaranteed overnight courier; if to the Trustee at facsimile number []; and if to the Issuer at facsimile number (312) 704-6606.

SECTION 106. Notice to Holders: Waiver. Where this Indenture provides for notice of any event to Holders of Registered Securities by the Issuer or the Trustee, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to each such Holder affected by such event, at his address as it appears in the Security Register, not later than the latest date, if any, and not earlier than the earliest date, if any, prescribed for the giving of such notice. In any case where notice to Holders of Registered Securities is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder shall affect the sufficiency of such notice with respect to other Holders of Registered Securities or the sufficiency of any notice to Holders of Bearer Securities given as provided herein. Any notice mailed to a Holder in the manner herein prescribed shall be conclusively deemed to have been received by such Holder, whether or not such Holder actually receives such notice.

If by reason of the suspension of or irregularities in regular mail service or by reason of any other cause it shall be impracticable to give such notice by mail, then such notification to Holders of Registered Securities as shall be made with the approval of the Trustee shall constitute a sufficient notification to such Holders for every purpose hereunder.

Except as otherwise expressly provided herein or otherwise specified with respect to any Securities pursuant to Section 301, where this Indenture provides for notice to Holders of Bearer Securities of any event, such notice shall be sufficiently given if published in an Authorized Newspaper in The City of New York and in such other city or cities as may be specified in such Securities on a Business Day, such publication to be not later than the latest date, if any, and not earlier than the earliest date, if any, prescribed for the giving of such notice. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once, on the date of the first such publication.

If by reason of the suspension of publication of any Authorized Newspaper or Authorized Newspapers or by reason of any other cause it shall be impracticable to publish any notice to Holders of Bearer Securities as provided above, then such notification to Holders of Bearer Securities as shall be given with the approval of the Trustee shall constitute sufficient notice to such Holders for every purpose hereunder. Neither the failure to give notice by publication to any particular Holder of Bearer Securities as provided above, nor any defect in any notice so published, shall affect the sufficiency of such notice with respect to other Holders of Bearer Securities or the sufficiency of any notice to Holders of Registered Securities given as provided herein.

Any request, demand, authorization, direction, notice, consent or waiver required or permitted under this Indenture shall be in the English language, except that any published notice may be in an official language of the country of publication.

Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 107. Counterparts; Effect of Headings and Table of Contents. This Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Indenture. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 108. Successors and Assigns. All covenants and agreements in this Indenture by the Issuer shall bind its successors and assigns, whether so expressed or not.

SECTION 109. Severability Clause. In case any provision in this Indenture or in any Security or coupon shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 110. Benefits of Indenture. Nothing in this Indenture or in the Securities or coupons, express or implied, shall give to any Person, other than the parties hereto, any

Security Registrar, any Paying Agent, any Authenticating Agent and their successors hereunder and the Holders any benefit or any legal or equitable right, remedy or claim under this Indenture.

SECTION 111. Governing Law. This Indenture and the Securities and coupons shall be governed by and construed in accordance with the law of the State of New York. This Indenture is subject to the provisions of the TIA that are required to be part of this Indenture and shall, to the extent applicable, be governed by such provisions.

SECTION 112. Legal Holidays. In any case where any Interest Payment Date, Redemption Date, Repayment Date, sinking fund payment date, Stated Maturity or Maturity of any Security or the last date on which a Holder has the right to exchange a Security shall not be a Business Day at any Place of Payment, then (notwithstanding any other provision of this Indenture or any Security or coupon other than a provision in the Securities of any series which specifically states that such provision shall apply in lieu hereof), payment of interest or principal (and premium or Make-Whole Amount, if any) or exchange of such security need not be made at such Place of Payment on such date, but (except as otherwise provided in the supplemental indenture with respect to such Security) may be made on the next succeeding Business Day at such Place of Payment with the same force and effect as if made on the Interest Payment Date, Redemption Date, Repayment Date or sinking fund payment date, or at the Stated Maturity or Maturity, or on such last day for exchange, provided that no interest shall accrue on the amount so payable for the period from and after such Interest Payment Date, Redemption Date, Repayment Date, sinking fund payment date, Stated Maturity or Maturity, as the case may be.

SECTION 113. No Recourse Against Others. No recourse under or upon any obligation, covenant or agreement contained in this Indenture, or in any Security, or because of any indebtedness evidenced thereby, shall be had against any past, present or future stockholder, employee, officer, director, incorporator, limited or general partner, as such, of the Issuer or the General Partner or of any successor, either directly or through the Issuer or the General Partner or any successor, under any rule of law, statute or constitutional provision or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, all such liability being expressly waived and released by the acceptance of the Securities by the Holders and as part of the consideration for the issue of the Securities.

SECTION 114. Conflict with Trust Indenture Act. If any provision hereof limits, qualifies or conflicts with another provision hereof which is required or deemed to be included in this Indenture by any of the provisions of the Trust Indenture Act, such required provision shall control. If any provision of this Indenture modifies or excludes any provision of the Trust Indenture Act that may be so modified or excluded, the latter provision shall be deemed to apply to this Indenture as so modified or to be excluded, as the case may be.

ARTICLE TWO - SECURITIES FORMS

SECTION 201. Forms of Securities. The Registered Securities, if any, of each series and the Bearer Securities, if any, of each series and related coupons shall be substantially in the form of Exhibit A hereto or in such other form as shall be established in one or more indentures supplemental hereto or approved from time to time by or pursuant to a Board Resolution in accordance with Section 301, shall have such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture or any indenture supplemental hereto, and may have such letters, numbers or other marks of identification or designation and such legends or endorsements placed thereon as the Issuer may deem appropriate and as are not inconsistent with the provisions of this Indenture, or as may be required to comply with any law or with any rule or regulation made pursuant thereto or with any rule or regulation of any stock exchange on which the Securities may be listed, or to conform to usage.

Unless otherwise specified as contemplated by Section 301, Bearer Securities shall have interest coupons attached.

The definitive Securities and coupons shall be printed, lithographed or engraved or produced by any combination of these methods on a steel engraved border or steel engraved borders or mechanically reproduced on safety paper or may be produced in any other manner, all as determined by the officers executing such Securities or coupons, as evidenced by their execution of such Securities or coupons.

SECTION 202. Form of Trustee's Certificate of Authentication. Subject to Section 611, the Trustee's certificate of authentication shall be in substantially the following form:

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

[_____]
as Trustee

Dated: _____

By: _____
Authorized Signatory

SECTION 203. Securities Issuable in Global Form. If Securities of or within a series are issuable in the form of one or more Global Securities, then, notwithstanding clause (8) of Section 301 and the provisions of Section 302, any such Global Security or Securities may provide that it or they shall represent the aggregate amount of all Outstanding Securities of such series (or such lesser amount as is permitted by the terms thereof) from time to time endorsed thereon and may also provide that the aggregate amount of Outstanding Securities of such series represented thereby may from time to time be increased or decreased to reflect

exchanges. Any endorsement of any Global Security to reflect the amount, or any increase or decrease in the amount, or changes in the rights of Holders thereof, of Outstanding Securities represented thereby shall be made by the Trustee in such manner or by such Person or Persons as shall be specified therein or in the Issuer Order to be delivered to the Trustee pursuant to Section 303 or 304. Subject to the provisions of Section 303 and, if applicable, Section 304, the Trustee shall deliver and redeliver any Global Security in permanent global form in the manner and upon instructions given by the Person or Persons specified therein or in the applicable Issuer Order. If an Issuer Order pursuant to Section 303 or 304 has been, or simultaneously is, delivered, any instructions by the Issuer with respect to endorsement or delivery or redelivery of a Global Security shall be in writing but need not comply with Section 102 and need not be accompanied by an Opinion of Counsel.

The provisions of the last sentence of Section 303 shall apply to any Security represented by a Global Security if such Security was never issued and sold by the Issuer and the Issuer delivers to the Trustee the Global Security together with written instructions (which need not comply with Section 102 and need not be accompanied by an Opinion of Counsel) with regard to the reduction in the principal amount of Securities represented thereby, together with the written statement contemplated by the last sentence of Section 303.

Notwithstanding the provisions of Section 307, unless otherwise specified as contemplated by Section 301, payment of principal of and any premium or Make-Whole Amount, if any, and interest on any Global Security in permanent global form shall be made to the registered Holder thereof.

Notwithstanding the provisions of Section 308 and except as provided in the preceding paragraph, the Issuer, the Trustee and any agent of the Issuer and the Trustee shall treat as the Holder of such principal amount of Outstanding Securities represented by a permanent Global Security (i) in the case of a permanent Global Security in registered form, the Holder of such permanent Global Security in registered form, or (ii) in the case of a permanent Global Security in bearer form, Euroclear or CEDEL.

Any Global Security authenticated and delivered hereunder shall bear a legend in substantially the following form:

"This Security is a Global Security within the meaning set forth in the Indenture hereinafter referred to and is registered in the name of a Depository or a nominee of a Depository. This Security is exchangeable for Securities registered in the name of a person other than the Depository or its nominee only in the limited circumstances described in the Indenture, and may not be transferred except as a whole by the Depository to a nominee of the Depository or by a nominee of the Depository to the Depository or another nominee of the Depository or by the Depository or its nominee to a successor Depository or its nominee."

ARTICLE THREE - THE SECURITIES

SECTION 301. Amount Unlimited; Issuable in Series. The aggregate principal amount of Securities which may be authenticated and delivered under this Indenture is unlimited.

The Securities may be issued in one or more series. There shall be established in one or more Board Resolutions or pursuant to authority granted by one or more Board Resolutions and, subject to Section 303, set forth in an Officers' Certificate, or established in one or more indentures supplemental hereto, prior to the issuance of Securities of any series:

(1) The title of the Securities of the series (which shall distinguish the Securities of such series from all other series of Securities);

(2) Any limit upon the aggregate principal amount of the Securities of the series that may be authenticated and delivered under this Indenture (except for Securities authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Securities of the series pursuant to Section 304, 305, 306, 906, 1107 or 1305);

(3) The price (expressed as a percentage of the principal amount thereof) at which such Securities will be issued and, if other than the principal amount thereof, the portion of the principal amount thereof payable upon declaration of acceleration of the maturity thereof;

(4) The date or dates, or the method for determining such date or dates, on which the principal of such Securities will be payable;

(5) The rate or rates (which may be fixed or variable), or the method by which such rate or rates shall be determined, at which such Securities will bear interest, if any;

(6) The date or dates, or the method for determining such date or dates, from which any such interest will accrue, the dates on which any such interest will be payable, the record dates for such interest payment dates, or the method by which such dates shall be determined, the persons to whom such interest shall be payable, and the basis upon which interest shall be calculated if other than that of a 360-day year of twelve 30-day months;

(7) The place or places where the principal of (and premium or Make-Whole Amount, if any) and interest, if any, on such Securities will be payable, where such Securities may be surrendered for registration of transfer or exchange and where notices or demands to or upon the Issuer in respect of such Securities and this Indenture may be served;

(8) The period or periods, if any, within which, the price or prices at which and the other terms and conditions upon which such Securities may, pursuant to any optional or mandatory redemption provisions, be redeemed, as a whole or in part, at the option of the Issuer;

(9) The obligation, if any, of the Issuer to redeem, repay or purchase such Securities pursuant to any sinking fund or analogous provision or at the option of a holder thereof, and the period or periods within which, the price or prices at which and the other terms and conditions upon which such Securities will be redeemed, repaid or purchased, as a whole or in part, pursuant to such obligation;

(10) If other than Dollars, the currency or currencies in which such Securities are denominated and payable, which may be a foreign currency or units of two or more foreign currencies or a composite currency or currencies, the manner of determining the equivalent thereof in Dollars for purposes of the definition of "Outstanding" in Section 101, and the terms and conditions relating thereto;

(11) Whether the amount of payments of principal of (and premium or Make-Whole Amount, if any, including any amount due upon redemption, if any) or interest, if any, on such Securities may be determined with reference to an index, formula or other method (which index, formula or method may, but need not be, based on the yield on or trading price of other securities, including United States Treasury securities or on a currency, currencies, currency unit or units, or composite currency or currencies) and the manner in which such amounts shall be determined;

(12) Whether the principal of (and premium or Make-Whole Amount, if any) or interest on the Securities of the series are to be payable, at the election of the Issuer or a holder thereof, in a currency or currencies, currency unit or units or composite currency or currencies other than that in which such Securities are denominated or stated to be payable, the period or periods within which, and the terms and conditions upon which, such election may be made, and the time and manner of, and identity of the exchange rate agent with responsibility for, determining the exchange rate between the currency or currencies, currency unit or units or composite currency or currencies in which such Securities are denominated or stated to be payable and the currency or currencies, currency unit or units or composite currency or currencies in which such Securities are to be so payable;

(13) Provisions, if any, granting special rights to the holders of Securities of the series upon the occurrence of such events as may be specified;

(14) Any deletions from, modifications of or additions to the Events of Default or covenants of the Issuer with respect to Securities of the series, whether or not such Events of Default or covenants are consistent with the Events of Default or covenants set forth herein;

(15) Whether and under what circumstances the Issuer will pay any additional amounts on such Securities in respect of any tax, assessment or governmental charge and, if so, whether the Issuer will have the option to redeem such Securities in lieu of making such payment;

(16) Whether Securities of the series are to be issuable as Registered Securities, Bearer Securities (with or without coupons) or both, any restrictions applicable to the offer, sale or delivery of Bearer Securities and the terms upon which Bearer Securities of the series may be exchanged for Registered Securities of the series and vice versa (if permitted by applicable laws and regulations), whether any Securities of the series are to be issuable initially in temporary global form and whether any Securities of the series are to be issuable in permanent global form with or without coupons and, if so, whether beneficial owners of interests in any such permanent global Security may exchange such interests for Securities of such series and of like tenor of any authorized form and denomination and the circumstances under which any such exchanges may occur, if other than in the manner provided in the Indenture, and, if Registered Securities of the series are to be issuable as a Global Security, the identity of the depository for such series;

(17) The date as of which any Bearer Securities of the series and any temporary Global Security representing outstanding Securities of the series shall be dated if other than the date of original issuance of the first Security of the series to be issued;

(18) The Person to whom any interest on any Registered Security of the series shall be payable, if other than the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, the manner in which, or the Person to whom, any interest on any Bearer Security of the series shall be payable, if otherwise than upon presentation and surrender of the coupons appertaining thereto as they severally mature, and the extent to which, or the manner in which, any interest payable on a temporary Global Security on an Interest Payment Date will be paid if other than in the manner provided herein;

(19) Whether such Securities will be issued in certificated or book entry form;

(20) The applicability, if any, of the defeasance and covenant defeasance provisions of Article Fourteen hereof to the Securities of the series;

(21) If the Securities of such series are to be issuable in definitive form (whether upon original issue or upon exchange of a temporary Security of such series) only upon receipt of certain certificates or other documents or satisfaction of other conditions, then the form and/or terms of such certificates, documents or conditions; and

(22) Any other terms of the series (which terms shall not be inconsistent with the provisions of this Indenture).

All Securities of any one series and the coupons appertaining to any Bearer Securities of such series shall be substantially identical except, in the case of Registered Securities, as to denomination and except as may otherwise be provided in or pursuant to such Board Resolution (subject to Section 303) and set forth in such Officers' Certificate or in any such indenture supplemental hereto. All Securities of any one series need not be issued at the same time and, unless otherwise provided, a series may be reopened, without the consent of the Holders, for issuances of additional Securities of such series.

If any of the terms of the Securities of any series are established by action taken pursuant to one or more Board Resolutions, a copy of an appropriate record of such action(s) shall be certified by the Secretary or an Assistant Secretary of the General Partner and delivered to the Trustee at or prior to the delivery of the Officers' Certificate setting forth the terms of the Securities of such series.

SECTION 302. Denominations. The Securities of each series shall be issuable in such denominations as shall be specified as contemplated by Section 301. With respect to Securities of any series denominated in Dollars, in the absence of any such provisions with respect to the Securities of any series, the Securities of such series, other than Global Securities (which may be of any denomination), shall be issuable in denominations of \$1,000 and any integral multiple thereof.

SECTION 303. Execution, Authentication, Delivery and Dating. The Securities and any coupons appertaining thereto shall be executed on behalf of the Issuer by the General Partner by its Chairman of the Board, its President or one of its Vice Presidents, under its corporate seal reproduced thereon, and attested by its Secretary or one of its Assistant Secretaries. The signature of any of these officers on the Securities and coupons may be manual or facsimile signatures of the present or any future such authorized officer and may be imprinted or otherwise reproduced on the Securities.

Securities or coupons bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the General Partner shall bind the Issuer, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Securities or did not hold such offices at the date of such Securities or coupons.

At any time and from time to time after the execution and delivery of this Indenture, the Issuer may deliver Securities of any series, together with any coupon appertaining thereto, executed by the Issuer to the Trustee for authentication, together with an Issuer Order for the authentication and delivery of such Securities, and the Trustee in accordance with the Issuer Order shall authenticate and deliver such Securities; provided, however, that, in connection with its original issuance, no Bearer Security shall be mailed or otherwise delivered to any location in the United States; and provided further that, unless otherwise specified with

respect to any series of Securities pursuant to Section 301, a Bearer Security may be delivered in connection with its original issuance only if the Person entitled to receive such Bearer Security shall have furnished a certificate to Euroclear or CEDEL, as the case may be, in the form set forth in Exhibit B-1 to this Indenture or such other certificate as may be specified with respect to any series of Securities pursuant to Section 301, dated no earlier than 15 days prior to the earlier of the date on which such Bearer Security is delivered and the date on which any temporary Security first becomes exchangeable for such Bearer Security in accordance with the terms of such temporary Security and this Indenture. If any Security shall be represented by a permanent global Bearer Security, then, for purposes of this Section and Section 304, the notation of a beneficial owner's interest therein upon original issuance of such Security or upon exchange of a portion of a temporary Global Security shall be deemed to be delivery in connection with its original issuance of such beneficial owner's interest in such permanent Global Security. Except as permitted by Section 306, the Trustee shall not authenticate and deliver any Bearer Security unless all appurtenant coupons for interest then matured have been detached and canceled.

If all the Securities of any series are not to be issued at one time and if the Board Resolution or supplemental indenture establishing such series shall so permit, such Issuer Order may set forth procedures acceptable to the Trustee for the issuance of such Securities and determining the terms of particular Securities of such series, such as interest rate or formula, maturity date, date of issuance and date from which interest shall accrue. In authenticating such Securities, and accepting the additional responsibilities under this Indenture in relation to such Securities, the Trustee shall be entitled to receive, and (subject to TIA Section 315(a) through 315(d)) shall be fully protected in relying upon,

(i) an Opinion of Counsel stating that

(a) the form or forms of such Securities and any coupons have been established in conformity with the provisions of this Indenture;

(b) the terms of such Securities and any coupons have been established in conformity with the provisions of this Indenture; and

(c) such Securities, together with any coupons appertaining thereto, when completed by appropriate insertions and executed and delivered by the Issuer to the Trustee for authentication in accordance with this Indenture, authenticated and delivered by the Trustee in accordance with this Indenture and issued by the Issuer in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute legal, valid and legally binding obligations of the Issuer, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency, fraudulent transfer, reorganization and other similar laws of general applicability relating to or affecting the enforcement of creditors' rights generally and to general equitable principles; and

(ii) an Officers' Certificate stating that all conditions precedent provided for in this Indenture relating to the issuance of the Securities have been complied with and that, to the best of the knowledge of the signers of such certificate, that no Event of Default with respect to any of the Securities shall have occurred and be continuing.

If such form or terms have been so established, the Trustee shall not be required to authenticate such Securities if the issue of such Securities pursuant to this Indenture will affect the Trustee's own rights, duties, obligations or immunities under the Securities and this Indenture or otherwise in a manner which is not reasonably acceptable to the Trustee.

Notwithstanding the provisions of Section 301 and of the preceding paragraph, if all the Securities of any series are not to be issued at one time, it shall not be necessary to deliver an Officers' Certificate otherwise required pursuant to Section 301 or an Issuer Order, or an Opinion of Counsel or an Officers' Certificate otherwise required pursuant to the preceding paragraph at the time of issuance of each Security of such series, but such order, opinion and certificates, with appropriate modifications to cover such future issuances, shall be delivered at or before the time of issuance of the first Security of such series.

Each Registered Security shall be dated the date of its authentication and each Bearer Security shall be dated as of the date specified as contemplated by Section 301.

No Security or coupon shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Security or Security to which such coupon appertains a certificate of authentication substantially in the form provided for herein duly executed by the Trustee by manual signature of an authorized signatory, and such certificate upon any Security shall be conclusive evidence, and the only evidence, that such Security has been duly authenticated and delivered hereunder and is entitled to the benefits of this Indenture. Notwithstanding the foregoing, if any Security (including a Global Security) shall have been authenticated and delivered hereunder but never issued and sold by the Issuer, and the Issuer shall deliver such Security to the Trustee for cancellation as provided in Section 309 together with a written statement (which need not comply with Section 102 and need not be accompanied by an Opinion of Counsel) stating that such Security has never been issued and sold by the Issuer, for all purposes of this Indenture such Security shall be deemed never to have been authenticated and delivered hereunder and shall never be entitled to the benefits of this Indenture.

SECTION 304. Temporary Securities.

(a) Pending the preparation of definitive Securities of any series, the Issuer may execute, and upon Issuer Order the Trustee shall authenticate and deliver, temporary Securities which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Securities in lieu of which they are issued, in registered form, or, if authorized, in bearer form with one or more coupons or without coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers executing such Securities may determine, as conclusively evidenced

by their execution of such Securities. In the case of Securities of any series, such temporary Securities may be in global form.

Except in the case of temporary Global Securities (which shall be exchanged as otherwise provided herein or as otherwise provided in or pursuant to a Board Resolution), if temporary Securities of any series are issued, the Issuer will cause definitive Securities of that series to be prepared without unreasonable delay. After the preparation of definitive Securities of such series, the temporary Securities of such series shall be exchangeable for definitive Securities of such series upon surrender of the temporary Securities of such series at the office or agency of the Issuer in a Place of Payment for that series, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Securities of any series (accompanied by any non-matured coupons appertaining thereto), the Issuer shall execute and the Trustee shall authenticate and deliver in exchange therefor a like principal amount of definitive Securities of the same series of authorized denominations; provided, however, that no definitive Bearer Security shall be delivered in exchange for a temporary Registered Security; and provided further that a definitive Bearer Security shall be delivered in exchange for a temporary Bearer Security only in compliance with the conditions set forth in Section 303. Until so exchanged, the temporary Securities of any series shall in all respects be entitled to the same benefits under this Indenture as definitive Securities of such series.

(b) Unless otherwise provided in or pursuant to a Board Resolution, the following provisions of this Section 304(b) shall govern the exchange of temporary Securities other than through the facilities of The Depository Trust Company. If any such temporary Security is issued in global form, then such temporary Global Security shall, unless otherwise provided therein, be delivered to the London office of a depository or common depository (the "Common Depository"), for the benefit of Euroclear and CEDEL, for credit to the respective accounts of the beneficial owners of such Securities (or to such other accounts as they may direct).

Without unnecessary delay but in any event not later than the date specified in, or determined pursuant to the terms of, any such temporary Global Security (the "Exchange Date"), the Issuer shall deliver to the Trustee definitive Securities, in aggregate principal amount equal to the principal amount of such temporary Global Security, executed by the Issuer. On or after the Exchange Date, such temporary Global Security shall be surrendered by the Common Depository to the Trustee, as the Issuer's agent for such purpose, to be exchanged, in whole or from time to time in part, for definitive Securities without charge, and the Trustee shall authenticate and deliver, in exchange for each portion of such temporary Global Security, an equal aggregate principal amount of definitive Securities of the same series of authorized denominations and of like tenor as the portion of such temporary Global Security to be exchanged. The definitive Securities to be delivered in exchange for any such temporary Global Security shall be in bearer form, registered form, permanent global bearer form or permanent global registered form, or any combination thereof, as specified as contemplated by Section 301, and, if any combination thereof is so specified, as requested by the beneficial owner thereof; provided, however, that, unless otherwise specified in such

temporary Global Security, upon such presentation by the Common Depository, such temporary Global Security is accompanied by a certificate dated the Exchange Date or a subsequent date and signed by Euroclear as to the portion of such temporary Global Security held for its account then to be exchanged and a certificate dated the Exchange Date or a subsequent date and signed by CEDEL as to the portion of such temporary Global Security held for its account then to be exchanged, each in the form set forth in Exhibit B-2 to this Indenture or in such other form as may be established pursuant to Section 301; and provided further that definitive Bearer Securities shall be delivered in exchange for a portion of a temporary Global Security only in compliance with the requirements of Section 303.

Unless otherwise specified in such temporary Global Security, the interest of a beneficial owner of Securities of a series in a temporary Global Security shall be exchanged for definitive Securities of the same series and of like tenor following the Exchange Date when the account holder instructs Euroclear or CEDEL, as the case may be, to request such exchange on his behalf and delivers to Euroclear or CEDEL, as the case may be, a certificate in the form set forth in Exhibit B-1 to this Indenture (or in such other form as may be established pursuant to Section 301), dated no earlier than 15 days prior to the Exchange Date, copies of which certificate shall be available from the offices of Euroclear and CEDEL, the Trustee, any Authenticating Agent appointed for such series of Securities and each Paying Agent. Unless otherwise specified in such temporary Global Security, any such exchange shall be made free of charge to the beneficial owners of such temporary Global Security, except that a Person receiving definitive Securities must bear the cost of insurance, postage, transportation and the like unless such Person takes delivery of such definitive Securities in person at the offices of Euroclear or CEDEL. Definitive Securities in bearer form to be delivered in exchange for any portion of a temporary Global Security shall be delivered only outside the United States.

Until exchanged in full as hereinabove provided, the temporary Securities of any series shall in all respects be entitled to the same benefits under this Indenture as definitive Securities of the same series and of like tenor authenticated and delivered hereunder, except that, unless otherwise specified as contemplated by Section 301, interest payable on a temporary Global Security on an Interest Payment Date for Securities of such series occurring prior to the applicable Exchange Date shall be payable to Euroclear and CEDEL on such Interest Payment Date upon delivery by Euroclear and CEDEL to the Trustee of a certificate or certificates in the form set forth in Exhibit B-2 to this Indenture (or in such other forms as may be established pursuant to Section 301), for credit without further interest on or after such Interest Payment Date to the respective accounts of Persons who are the beneficial owners of such temporary Global Security on such Interest Payment Date and who have each delivered to Euroclear or CEDEL, as the case may be, a certificate dated no earlier than 15 days prior to the Interest Payment Date occurring prior to such Exchange Date in the form set forth as Exhibit B-1 to this Indenture (or in such other forms as may be established pursuant to Section 301). Notwithstanding anything to the contrary herein contained, the certifications made pursuant to this paragraph shall satisfy the certification requirements of the preceding two paragraphs of this Section 304(b) and of the third paragraph of Section 303 of this Indenture and the interests of the Persons who are the beneficial owners of the temporary

Global Security with respect to which such certification was made will be exchanged for definitive Securities of the same series and of like tenor on the Exchange Date or the date of certification if such date occurs after the Exchange Date, without further act or deed by such beneficial owners. Except as otherwise provided in this paragraph, no payments of principal or interest owing with respect to a beneficial interest in a temporary Global Security will be made unless and until such interest in such temporary Global Security shall have been exchanged for an interest in a definitive Security. Any interest so received by Euroclear and CEDEL and not paid as herein provided shall be returned to the Trustee prior to the expiration of two years after such Interest Payment Date in order to be repaid to the Issuer.

SECTION 305. Registration, Registration of Transfer and Exchange. The Issuer shall cause to be kept at the Corporate Trust Office of the Trustee or in any office or agency of the Issuer in a Place of Payment a register for each series of Securities (the registers maintained in such office or in any such office or agency of the Issuer in a Place of Payment being herein sometimes referred to collectively as the "Security Register") in which, subject to such reasonable regulations as it may prescribe, the Issuer shall provide for the registration of Registered Securities and of transfers of Registered Securities. The Security Register shall be in written form or any other form capable of being converted into written form within a reasonable time. The Trustee, at its Corporate Trust Office, is hereby initially appointed "Security Registrar" for the purpose of registering Registered Securities and transfers of Registered Securities on such Security Register as herein provided. In the event that the Trustee shall cease to be Security Registrar, it shall have the right to examine the Security Register at all reasonable times.

Subject to the provisions of this Section 305, upon surrender for registration of transfer of any Registered Security of any series at any office or agency of the Issuer in a Place of Payment for that series, the Issuer shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Registered Securities of the same series, of any authorized denominations and of a like aggregate principal amount, bearing a number not contemporaneously outstanding, and containing identical terms and provisions.

Subject to the provisions of this Section 305, at the option of the Holder, Registered Securities of any series may be exchanged for other Registered Securities of the same series, of any authorized denomination or denominations and of a like aggregate principal amount, containing identical terms and provisions, upon surrender of the Registered Securities to be exchanged at any such office or agency. Whenever any such Registered Securities are so surrendered for exchange, the Issuer shall execute, and the Trustee shall authenticate and deliver, the Registered Securities which the Holder making the exchange is entitled to receive. Unless otherwise specified with respect to any series of Securities as contemplated by Section 301, Bearer Securities may not be issued in exchange for Registered Securities.

If (but only if) permitted by the applicable Board Resolution and (subject to Section 303) set forth in the applicable Officers' Certificate, or in any indenture supplemental hereto, delivered as contemplated by Section 301, at the option of the Holder, Bearer

Securities of any series may be exchanged for Registered Securities of the same series of any authorized denominations and of a like aggregate principal amount and tenor, upon surrender of the Bearer Securities to be exchanged at any such office or agency, with all unmatured coupons and all matured coupons in default thereto appertaining. If the Holder of a Bearer Security is unable to produce any such unmatured coupon or coupons or matured coupon or coupons in default, any such permitted exchange may be effected if the Bearer Securities are accompanied by payment in funds acceptable to the Issuer in an amount equal to the face amount of such missing coupon or coupons, or the surrender of such missing coupon or coupons may be waived by the Issuer and the Trustee if there is furnished to them such security or indemnity as they may require to save each of them and any Paying Agent harmless. If thereafter the Holder of such Security shall surrender to any Paying Agent any such missing coupon in respect of which such a payment shall have been made, such Holder shall be entitled to receive the amount of such payment; provided, however, that, except as otherwise provided in Section 1002, interest represented by coupons shall be payable only upon presentation and surrender of those coupons at an office or agency located outside the United States. Notwithstanding the foregoing, in case a Bearer Security of any series is surrendered at any such office or agency in a permitted exchange for a Registered Security of the same series and like tenor after the close of business at such office or agency on (i) any Regular Record Date and before the opening of business at such office or agency on the relevant Interest Payment Date, or (ii) any Special Record Date and before the opening of business at such office or agency on the related proposed date for payment of Defaulted Interest, such Bearer Security shall be surrendered without the coupon relating to such Interest Payment Date or proposed date for payment, as the case may be, and interest or Defaulted Interest, as the case may be, will not be payable on such Interest Payment Date or proposed date for payment, as the case may be, in respect of the Registered Security issued in exchange for such Bearer Security, but will be payable only to the Holder of such coupon when due in accordance with the provisions of this Indenture. Whenever any Securities are so surrendered for exchange, the Issuer shall execute, and the Trustee shall authenticate and deliver, the Securities which the Holder making the exchange is entitled to receive.

Notwithstanding the foregoing, except as otherwise specified as contemplated by Section 301, any permanent Global Security shall be exchangeable only as provided in this paragraph. If the depository for any permanent Global Security is The Depository Trust Company ("DTC"), then, unless the terms of such Global Security expressly permit such Global Security to be exchanged in whole or in part for definitive Securities, a Global Security may be transferred, in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC, or to a successor to DTC for such Global Security selected or approved by the Issuer or to a nominee of such successor to DTC. If at any time DTC notifies the Issuer that it is unwilling or unable to continue as depository for the applicable Global Security or Securities or if at any time DTC ceases to be a clearing agency registered under the Securities Exchange Act of 1934 if so required by applicable law or regulation, the Issuer shall appoint a successor depository with respect to such Global Security or Securities. If (x) a successor depository for such Global Security or Securities is not appointed by the Issuer within 90 days after the Issuer receives such notice or becomes aware of such unwillingness, inability or ineligibility, (y) an Event of Default has occurred and is continuing

and the beneficial owners representing a majority in principal amount of the applicable series of Securities represented by such Global Security or Securities advise DTC to cease acting as depository for such Global Security or Securities or (z) the Issuer, in its sole discretion, determines at any time that all Outstanding Securities (but not less than all) of any series issued or issuable in the form of one or more Global Securities shall no longer be represented by such Global Security or Securities, then the Issuer shall execute, and the Trustee shall authenticate and deliver definitive Securities of like series, rank, tenor and terms in definitive form in an aggregate principal amount equal to the principal amount of such Global Security or Securities. If any beneficial owner of an interest in a permanent global Security is otherwise entitled to exchange such interest for Securities of such series and of like tenor and principal amount of another authorized form and denomination, as specified as contemplated by Section 301 and provided that any applicable notice provided in the permanent Global Security shall have been given, then without unnecessary delay but in any event not later than the earliest date on which such interest may be so exchanged, the Issuer shall execute, and the Trustee shall authenticate and deliver definitive Securities in aggregate principal amount equal to the principal amount of such beneficial owner's interest in such permanent Global Security. On or after the earliest date on which such interests may be so exchanged, such permanent Global Security shall be surrendered for exchange by DTC or such other depository as shall be specified in the Issuer Order with respect thereto to the Trustee, as the Issuer's agent for such purpose; provided, however, that no such exchanges may occur during a period beginning at the opening of business 15 days before any selection of Securities to be redeemed and ending on the relevant Redemption Date if the Security for which exchange is requested may be among those selected for redemption; and provided further that no Bearer Security delivered in exchange for a portion of a permanent Global Security shall be mailed or otherwise delivered to any location in the United States. If a Registered Security is issued in exchange for any portion of a permanent Global Security after the close of business at the office or agency where such exchange occurs on (i) any Regular Record Date and before the opening of business at such office or agency on the relevant Interest Payment Date, or (ii) any Special Record Date and the opening of business at such office or agency on the related proposed date for payment of Defaulted Interest, interest or Defaulted Interest, as the case may be, will not be payable on such Interest Payment Date or proposed date for payment, as the case may be, in respect of such Registered Security, but will be payable on such Interest Payment Date or proposed date for payment, as the case may be, only to the Person to whom interest in respect of such portion of such permanent Global Security is payable in accordance with the provisions of this Indenture.

All Securities issued upon any registration of transfer or exchange of Securities shall be the valid obligations of the Issuer, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Securities surrendered upon such registration of transfer or exchange.

Every Registered Security presented or surrendered for registration of transfer or for exchange or redemption shall (if so required by the Issuer or the Security Registrar) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the

Issuer and the Security Registrar, duly executed by the Holder thereof or his attorney duly authorized in writing.

No service charge shall be made for any registration of transfer or exchange of Securities, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration of transfer or exchange of Securities, other than exchanges pursuant to Section 304, 906, 1107 or 1305 not involving any transfer.

The Issuer or the Trustee, as applicable, shall not be required (i) to issue, register the transfer of or exchange any Security if such Security may be among those selected for redemption during a period beginning at the opening of business 15 days before selection of the Securities to be redeemed under Section 1103 and ending at the close of business on (A) if such Securities are issuable only as Registered Securities, the day of the mailing of the relevant notice of redemption and (B) if such Securities are issuable as Bearer Securities, the day of the first publication of the relevant notice of redemption or, if such Securities are also issuable as Registered Securities and there is no publication, the mailing of the relevant notice of redemption, or (ii) to register the transfer of or exchange any Registered Security so selected for redemption in whole or in part, except, in the case of any Registered Security to be redeemed in part, the portion thereof not to be redeemed, or (iii) to exchange any Bearer Security so selected for redemption except that such a Bearer Security may be exchanged for a Registered Security of that series and like tenor, provided that such Registered Security shall be simultaneously surrendered for redemption, or (iv) to issue, register the transfer of or exchange any Security which has been surrendered for repayment at the option of the Holder, except the portion, if any, of such Security not to be so repaid.

SECTION 306. Mutilated, Destroyed, Lost and Stolen Securities. If any mutilated Security or a Security with a mutilated coupon appertaining to it is surrendered to the Trustee or the Issuer, together with, in proper cases, such security or indemnity as may be required by the Issuer or the Trustee to save each of them or any agent of either of them harmless, the Issuer shall execute and the Trustee shall authenticate and deliver in exchange therefor a new Security of the same series and principal amount, containing identical terms and provisions and bearing a number not contemporaneously outstanding, with coupons corresponding to the coupons, if any, appertaining to the surrendered Security.

If there shall be delivered to the Issuer and to the Trustee (i) evidence to their satisfaction of the destruction, loss or theft of any Security or coupon, and (ii) such security or indemnity as may be required by them to save each of them and any agent of either of them harmless, then, in the absence of notice to the Issuer or the Trustee that such Security or coupon has been acquired by a bona fide purchaser, the Issuer shall execute and upon its request the Trustee shall authenticate and deliver, in lieu of any such destroyed, lost or stolen Security or in exchange for the Security to which a destroyed, lost or stolen coupon appertains (with all appurtenant coupons not destroyed, lost or stolen), a new Security of the same series and principal amount, containing identical terms and provisions and bearing a number not contemporaneously outstanding, with coupons corresponding to the coupons, if any,

appertaining to such destroyed, lost or stolen Security or to the Security to which such destroyed, lost or stolen coupon appertains.

Notwithstanding the provisions of the previous two paragraphs, in case any such mutilated, destroyed, lost or stolen Security or coupon has become or is about to become due and payable, the Issuer in its discretion may, instead of issuing a new Security, with coupons corresponding to the coupons, if any, appertaining to such destroyed, lost or stolen Security or to the Security to which such destroyed, lost or stolen coupon appertains, pay such Security or coupon; provided, however, that payment of principal of (and premium or Make-Whole Amount, if any), and any interest on, Bearer Securities shall, except as otherwise provided in Section 1002, be payable only at an office or agency located outside the United States and, unless otherwise specified as contemplated by Section 301, any interest on Bearer Securities shall be payable only upon presentation and surrender of the coupons appertaining thereto.

Upon the issuance of any new Security under this Section, the Issuer may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

Every new Security of any series with its coupons, if any, issued pursuant to this Section in lieu of any destroyed, lost or stolen Security, or in exchange for a Security to which a destroyed, lost or stolen coupon appertains, shall constitute an original additional contractual obligation of the Issuer, whether or not the destroyed, lost or stolen Security and its coupons, if any, or the destroyed, lost or stolen coupon shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities of that series and their coupons, if any, duly issued hereunder.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities or coupons.

SECTION 307. Payment of Interest; Interest Rights Preserved. Except as otherwise specified with respect to a series of Securities in accordance with the provisions of Section 301, interest on any Registered Security that is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest at the office or agency of the Issuer maintained for such purpose pursuant to Section 1002; provided, however, that each installment of interest on any Registered Security may at the Issuer's option be paid by (i) mailing a check for such interest, payable to or upon the written order of the Person entitled thereto pursuant to Section 308, to the address of such Person as it appears on the Security Register or (ii) transfer to an account maintained by the payee located inside the United States.

Unless otherwise provided as contemplated by Section 301 with respect to the Securities of any series, payment of interest may be made, in the case of a Bearer Security, by transfer to an account maintained by the payee with a bank located outside the United States.

Unless otherwise provided as contemplated by Section 301, every permanent global Security will provide that interest, if any, payable on any Interest Payment Date will be paid to DTC, Euroclear and/or CEDEL, as the case may be, with respect to that portion of such permanent global Security held for its account by Cede & Co. or the Common Depository, as the case may be, for the purpose of permitting such party to credit the interest received by it in respect of such permanent global Security to the accounts of the beneficial owners thereof.

In case a Bearer Security of any series is surrendered in exchange for a Registered Security of such series after the close of business (at an office or agency in a Place of Payment for such series) on any Regular Record Date and before the opening of business (at such office or agency) on the next succeeding Interest Payment Date, such Bearer Security shall be surrendered without the coupon relating to such Interest Payment Date and interest will not be payable on such Interest Payment Date in respect of the Registered Security issued in exchange for such Bearer Security, but will be payable only to the Holder of such coupon when due in accordance with the provisions of this Indenture.

Except as otherwise specified with respect to a series of Securities in accordance with the provisions of Section 301, any interest on any Registered Security of any series that is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (herein called "Defaulted Interest") shall forthwith cease to be payable to the registered Holder thereof on the relevant Regular Record Date by virtue of having been such Holder, and such Defaulted Interest may be paid by the Issuer, at its election in each case, as provided in clause (1) or (2) below:

(1) The Issuer may elect to make payment of any Defaulted Interest to the Persons in whose names the Registered Securities of such series (or their respective Predecessor Securities) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Issuer shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Registered Security of such series and the date of the proposed payment (which shall not be less than 20 days after such notice is received by the Trustee), and at the same time the Issuer shall deposit with the Trustee an amount of money in the currency or currencies, currency unit or units or composite currency or currencies in which the Securities of such series are payable (except as otherwise specified pursuant to Section 301 for the Securities of such series) equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit on or prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this clause provided. Thereupon the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 days and not less than 10 days

prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Issuer of such Special Record Date and, in the name and at the expense of the Issuer, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Holder of Registered Securities of such series at his address as it appears in the Security Register not less than 10 days prior to such Special Record Date. The Trustee may, in its discretion, in the name and at the expense of the Issuer, cause a similar notice to be published at least once in an Authorized Newspaper in each Place of Payment, but such publications shall not be a condition precedent to the establishment of such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the Persons in whose names the Registered Securities of such series (or their respective Predecessor Securities) are registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following clause (2). In case a Bearer Security of any series is surrendered at the office or agency in a Place of Payment for such series in exchange for a Registered Security of such series after the close of business at such office or agency on any Special Record Date and before the opening of business at such office or agency on the related proposed date for payment of Defaulted Interest, such Bearer Security shall be surrendered without the coupon relating to such proposed date of payment and Defaulted Interest will not be payable on such proposed date of payment in respect of the Registered Security issued in exchange for such Bearer Security, but will be payable only to the Holder of such coupon when due in accordance with the provisions of this Indenture.

(2) The Issuer may make payment of any Defaulted Interest on the Registered Securities of any series in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Securities may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Issuer to the Trustee of the proposed payment pursuant to this clause, such manner of payment shall be deemed practicable by the Trustee.

Subject to the foregoing provisions of this Section and Section 305, each Security delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Security shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Security.

SECTION 308. Persons Deemed Owners. Prior to due presentment of a Registered Security for registration of transfer, the Issuer, the Trustee and any agent of the Issuer or the Trustee may treat the Person in whose name such Registered Security is registered as the owner of such Security for the purpose of receiving payment of principal of (and premium or Make-Whole Amount, if any), and (subject to Sections 305 and 307) interest on, such Registered Security and for all other purposes whatsoever, whether or not such Registered Security be overdue, and neither the Issuer, the Trustee nor any agent of the Issuer or the

Trustee shall be affected by notice to the contrary. All such payments so made to any such Person, or upon such Person's order, shall be valid, and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for money payable upon any such Security.

Title to any Bearer Security and any coupons appertaining thereto shall pass by delivery. The Issuer, the Trustee and any agent of the Issuer or the Trustee may treat the Holder of any Bearer Security and the Holder of any coupon as the absolute owner of such Security or coupon for the purpose of receiving payment thereof or on account thereof and for all other purposes whatsoever, whether or not such Security or coupon be overdue, and neither the Issuer, the Trustee nor any agent of the Issuer or the Trustee shall be affected by notice to the contrary.

No Holder of any beneficial interest in any Global Security held on its behalf by a depository shall have any rights under this Indenture with respect to such Global Security and such depository shall be treated by the Issuer, the Trustee, and any agent of the Issuer or the Trustee as the owner of such Global Security for all purposes whatsoever. None of the Issuer, the Trustee, any Paying Agent or the Security Registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests of a Global Security or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Notwithstanding the foregoing, with respect to any Global Security, nothing herein shall prevent the Issuer, the Trustee, or any agent of the Issuer or the Trustee, from giving effect to any written certification, proxy or other authorization furnished by any depository, as a Holder, with respect to such Global Security or impair, as between such depository and owners of beneficial interests in such Global Security, the operation of customary practices governing the exercise of the rights of such depository (or its nominee) as Holder of such Global Security.

SECTION 309. Cancellation. All Securities and coupons surrendered for payment, redemption, repayment at the option of the Holder, registration of transfer or exchange or for credit against any sinking fund payment shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee, and any such Securities and coupons and Securities and coupons surrendered directly to the Trustee for any such purpose shall be promptly cancelled by it. The Issuer may at any time deliver to the Trustee for cancellation any Securities previously authenticated and delivered hereunder which the Issuer may have acquired in any manner whatsoever, and may deliver to the Trustee (or to any other Person for delivery to the Trustee) for cancellation any Securities previously authenticated hereunder which the Issuer has not issued and sold, and all Securities so delivered shall be promptly cancelled by the Trustee. If the Issuer shall so acquire any of the Securities, however, such acquisition shall not operate as a redemption or satisfaction of the indebtedness represented by such Securities unless and until the same are surrendered to the Trustee for cancellation. No Securities shall be authenticated in lieu of or in exchange for any Securities cancelled as provided in this Section, except as expressly permitted by this Indenture. Cancelled Securities and coupons

held by the Trustee shall be destroyed by the Trustee and the Trustee shall deliver a certificate of such destruction to the Issuer, unless the Trustee is otherwise directed by an Issuer Order.

SECTION 310. Computation of Interest. Except as otherwise specified as contemplated by Section 301 with respect to Securities of any series, interest on the Securities of each series shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

ARTICLE FOUR - SATISFACTION AND DISCHARGE

SECTION 401. Satisfaction and Discharge of Indenture. This Indenture shall upon Issuer Request cease to be of further effect with respect to any series of Securities specified in such Issuer Request (except as to any surviving rights of registration of transfer or exchange of Securities of such series herein expressly provided for), and the Trustee, upon receipt of an Issuer Order, and at the expense of the Issuer, shall execute instruments in form and substance satisfactory to the Trustee and the Issuer acknowledging satisfaction and discharge of this Indenture as to such series when

(1) either

(A) all Securities of such series theretofore authenticated and delivered and all coupons, if any, appertaining thereto (other than (i) coupons appertaining to Bearer Securities surrendered for exchange for Registered Securities and maturing after such exchange, whose surrender is not required or has been waived as provided in Section 305, (ii) Securities and coupons of such series which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 306, (iii) coupons appertaining to Securities called for redemption and maturing after the relevant Redemption Date, whose surrender has been waived as provided in Section 1106, and (iv) Securities and coupons of such series for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Issuer and thereafter repaid to the Issuer or discharged from such trust, as provided in Section 1003) have been delivered to the Trustee for cancellation; or

(B) all Securities of such series and, in the case of (i) or (ii) below, any coupons appertaining thereto not theretofore delivered to the Trustee for cancellation

(i) have become due and payable, or

(ii) will become due and payable at their Stated Maturity within one year, or

(iii) if redeemable at the option of the Issuer, are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Issuer,

and the Issuer, in the case of (i), (ii) or (iii) above, has irrevocably (except as provided in the second proviso to Section 403) deposited or caused to be deposited with the Trustee as trust funds in trust for the purpose an amount in the currency or currencies, currency unit or units or composite currency or currencies in which the Securities of such series are payable, sufficient to pay and discharge the entire indebtedness on such Securities and such coupons not theretofore delivered to the Trustee for cancellation, for principal (and premium or Make-Whole Amount, if any) and interest to the date of such deposit (in the case of Securities which have become due and payable) or to the Stated Maturity or Redemption Date, as the case may be;

(2) the Issuer has paid or caused to be paid all other sums payable hereunder by the Issuer; and

(3) the Issuer has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture as to such series have been complied with.

Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Issuer to the Trustee and any predecessor Trustee under Section 606, the obligations of the Issuer to any Authenticating Agent under Section 611 and, if money shall have been deposited with and held by the Trustee pursuant to subclause (B) of clause (1) of this Section, the obligations of the Trustee under Section 402 and the last paragraph of Section 1003 shall survive.

Notwithstanding the reference to premium under subclause (B) of clause (1) of this Section, the Issuer shall not be required to deposit pursuant thereto any premium or Make-Whole Amount that would be payable on the Securities of such series only upon acceleration of the Maturity thereof pursuant to Section 502.

SECTION 402. Application of Trust Funds. Subject to the provisions of the last paragraph of Section 1003, all money deposited with the Trustee pursuant to Section 401 shall be held in trust and applied by it, in accordance with the provisions of the Securities, the coupons and this Indenture, to the payment, either directly or through any Paying Agent (including the Issuer acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal (and premium or Make-Whole Amount, if any), and any interest for whose payment such money has been deposited with or received by the Trustee, but such money need not be segregated from other funds except to the extent required by law.

SECTION 403. Reinstatement. If the Trustee or the Paying Agent is unable to apply any money in accordance with this Article Four by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Issuer's obligations under this Indenture and the Securities shall be revived and reinstated as though no deposit had occurred pursuant to this Article Four until such time as the Trustee or Paying Agent is permitted to apply all money held in trust with respect to the Securities; provided, however, that if the Issuer makes any payment of principal of or any premium or interest on any Securities following the reinstatement of its obligations, the Issuer shall be subrogated to the rights of the Holders of the Securities to receive such payment from the money so held by the Trustee or Paying Agent in trust; provided further that, if the Issuer's obligations are revived and reinstated as herein provided, the Trustee or Paying Agent shall, upon Issuer Request, discharge from trust and pay to the Issuer all funds (together with the earnings thereon, if any) previously deposited therewith pursuant to Section 402 and thereupon the Issuer, the Trustee, any Paying Agent and the holders of the Securities of such series shall be restored severally and respectively to their former positions hereunder as if no satisfaction and discharge had been effected.

ARTICLE FIVE - REMEDIES

SECTION 501. Events of Default. "Event of Default," wherever used herein with respect to any particular series of Securities, means any one of the following events (whatever the reason for such Event of Default and whether or not it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(1) default in the payment of any interest on any Security of that series or of any coupon appertaining thereto, when such interest or coupon becomes due and payable, and continuance of such default for a period of 30 days; or

(2) default in the payment of the principal of (or premium or Make-Whole Amount, if any, on) any Security of that series when it becomes due and payable at its Maturity; or

(3) default in the deposit of any sinking fund payment, when and as due by the terms of any Security of that series; or

(4) default in the performance, or breach, of any covenant or warranty of the Issuer in this Indenture with respect to any Security of that series (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section specifically dealt with), and continuance of such default or breach for a period of 60 days after there has been given, by registered or certified mail, to the Issuer by the Trustee or to the Issuer and the Trustee by the Holders of at least 25% in principal amount of the Outstanding Securities of that series a written

notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" hereunder; or

(5) default under any bond, debenture, note, mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any indebtedness for money borrowed by the Issuer (or by any Subsidiary, the repayment of which the Issuer has guaranteed or for which the Issuer is directly responsible or liable as obligor or guarantor), having an aggregate principal amount outstanding of at least \$10,000,000, whether such indebtedness now exists or shall hereafter be created, which default shall have resulted in such indebtedness becoming or being declared due and payable prior to the date on which it would otherwise have become due and payable, without such indebtedness having been discharged, or such acceleration having been rescinded or annulled, within a period of 10 days after there shall have been given, by registered or certified mail, to the Issuer by the Trustee or to the Issuer and the Trustee by the Holders of at least 10% in principal amount of the Outstanding Securities of that series a written notice specifying such default and requiring the Issuer to cause such indebtedness to be discharged or cause such acceleration to be rescinded or annulled and stating that such notice is a "Notice of Default" hereunder; or

(6) the Issuer or any Significant Subsidiary pursuant to or within the meaning of any Bankruptcy Law:

(A) commences a voluntary case,

(B) consents to the entry of an order for relief against it in an involuntary case,

(C) consents to the appointment of a Custodian of it or for all or substantially all of its property, or

(D) makes a general assignment for the benefit of its creditors;
or

(7) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(A) is for relief against the Issuer or any Significant Subsidiary in an involuntary case,

(B) appoints a Custodian of the Issuer or any Significant Subsidiary or for all or substantially all of either of its property,
or

(C) orders the liquidation of the Issuer or any Significant Subsidiary, and the order or decree remains unstayed and in effect for 90 days; or

(8) any other Event of Default provided with respect to Securities of that series.

As used in this Section 501, the term "Bankruptcy Law" means title 11, U.S. Code or any similar Federal or state law for the relief of debtors and the term "Custodian" means any receiver, trustee, assignee, liquidator or other similar official under any Bankruptcy Law.

SECTION 502. Acceleration of Maturity; Rescission and Annulment. If an Event of Default with respect to Securities of any series at the time Outstanding occurs and is continuing (other than an Event of Default specified in Section 501(6) or (7)), then and in every such case the Trustee or the Holders of not less than 25% in principal amount of the Outstanding Securities of that series may declare the principal amount (or, if Securities of that Series are Original Issue Discount Securities or Indexed Securities, such portion of the principal as may be specified in the terms thereof) of and the Make-Whole Amount, if any, on all the Securities of that series to be due and payable immediately, by a notice in writing to the Issuer (and to the Trustee if given by the Holders), and upon any such declaration such principal or specified portion thereof and Make-Whole Amount, if any, shall become immediately due and payable. If an Event of Default specified in Section 501(6) or (7) with respect to Securities of any series at the time Outstanding occurs and is continuing, then, and in every such case, the principal amount (or, if any Securities of that series are Original Discount Securities or Indexed Securities, such portion of the principal amount as may be specified in the terms thereof) of, and the Make-Whole Amount, if any, on all of the Securities of that series shall become and be immediately due and payable without any declaration or other action on the part of the Trustee or any holder.

At any time after such a declaration of acceleration with respect to Securities of any series has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter in this Article provided, the Holders of a majority in principal amount of the Outstanding Securities of that series, by written notice to the Issuer and the Trustee, may rescind and annul such declaration of acceleration and its consequences if:

(1) the Issuer has paid or deposited with the Trustee a sum sufficient to pay in the currency, currency unit or composite currency in which the Securities of such series are payable (except as otherwise specified pursuant to Section 301 for the Securities of such series):

(A) all overdue installments of interest on all Outstanding Securities of that series and any related coupons,

(B) the principal of (and premium or Make-Whole Amount, if any, on) any Outstanding Securities of that series which have become due otherwise than by such declaration of acceleration and interest thereon at the rate or rates borne by or provided for in such Securities,

(C) to the extent that payment of such interest is lawful, interest upon overdue installments of interest at the rate or rates borne by or provided for in such Securities, and

(D) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel; and

(2) all Events of Default with respect to Securities of that series, other than the nonpayment of the principal of (or premium or Make-Whole Amount, if any) or interest on Securities of that series which have become due solely by such declaration of acceleration, have been cured or waived as provided in Section 513.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

SECTION 503. Collection of Indebtedness and Suits for Enforcement by Trustee. The Issuer covenants that if:

(1) default is made in the payment of any installment of interest on any Security of any series and any related coupon when such interest becomes due and payable and such default continues for a period of 30 days, or

(2) default is made in the payment of the principal of (or premium or Make-Whole Amount, if any, on) any Security of any series at its Maturity,

then the Issuer will, upon demand of the Trustee, pay to the Trustee, for the benefit of the Holders of such Securities of such series and coupons, the whole amount then due and payable on such Securities and coupons for principal (and premium or Make-Whole Amount, if any) and interest, with interest upon any overdue principal (and premium or Make-Whole Amount, if any) and, to the extent that payment of such interest shall be legally enforceable, upon any overdue installments of interest at the rate or rates borne by or provided for in such Securities, and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

If the Issuer fails to pay such amounts forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, may institute a judicial proceeding for the collection of the sums so due and unpaid, and may prosecute such proceeding to judgment or final decree, and may enforce the same against the Issuer or any other obligor upon such Securities of such series and collect the moneys adjudged or decreed to be payable in the

manner provided by law out of the property of the Issuer or any other obligor upon such Securities of such series, wherever situated.

If an Event of Default with respect to Securities of any series occurs and is continuing, the Trustee may in its discretion proceed to protect and enforce its rights and the rights of the Holders of Securities of such series and any related coupons by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.

SECTION 504. Trustee May File Proofs of Claim. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Issuer or any other obligor upon the Securities or the property of the Issuer or of such other obligor or their creditors, the Trustee (irrespective of whether the principal of the Securities of any series shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand on the Issuer for the payment of overdue principal, premium or Make-Whole Amount, if any, or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(i) to file and prove a claim for the whole amount, or such lesser amount as may be provided for in the Securities of such series, of principal (and premium or Make-Whole Amount, if any) and interest owing and unpaid in respect of the Securities and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and of the Holders allowed in such judicial proceeding, and

(ii) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator (or other similar official) in any such judicial proceeding is hereby authorized by each Holder of Securities of such series and coupons to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee and any predecessor Trustee, their agents and counsel, and any other amounts due the Trustee or any predecessor Trustee under Section 606.

Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder of a Security or coupon any plan of reorganization, arrangement, adjustment or composition affecting the Securities or coupons or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder of a Security or coupon in any such proceeding; provided, however, that the

Trustee may, on behalf of the Holders, vote for the election of a trustee in bankruptcy or similar official and may be a member of the creditors' committee.

In any proceedings brought by the Trustee (and also any proceedings involving the interpretation of any provision of this Indenture to which the Trustee shall be a party) the Trustee shall be held to represent all the Holders of the Securities, and it shall not be necessary to make any Holders of the Securities parties to any such proceedings.

SECTION 505. Trustee May Enforce Claims Without Possession of Securities or Coupons. All rights of action and claims under this Indenture or any of the Securities or coupons may be prosecuted and enforced by the Trustee without the possession of any of the Securities or coupons or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders of the Securities and coupons in respect of which such judgment has been recovered.

SECTION 506. Application of Money Collected. Any money collected by the Trustee pursuant to this Article shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal (or premium or Make-Whole Amount, if any) or interest, upon presentation of the Securities or coupons, or both, as the case may be, and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

FIRST: To the payment of costs and expenses of collection, including all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses and disbursements of the Trustee, its agents and counsel all other amounts due the Trustee and any predecessor Trustee under Section 606;

SECOND: To the payment of the amounts then due and unpaid upon the Securities and coupons for principal (and premium or Make-Whole Amount, if any) and interest, in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the aggregate amounts due and payable on such Securities and coupons for principal (and premium or Make-Whole Amount, if any) and interest, respectively; and

THIRD: To the payment of the remainder, if any, to the Issuer.

SECTION 507. Limitation on Suits. No Holder of any Security of any series or any related coupon shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless:

(1) such Holder has previously given written notice to the Trustee of a continuing Event of Default with respect to the Securities of that series;

(2) the Holders of not less than 25% in principal amount of the Outstanding Securities of that series shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(3) such Holder or Holders have offered to the Trustee indemnity reasonably satisfactory to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request;

(4) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

(5) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Holders of a majority in principal amount of the Outstanding Securities of that series;

it being understood and intended that no one or more of such Holders shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other of such Holders, or to obtain or to seek to obtain priority or preference over any other of such Holders or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all such Holders.

SECTION 508. Unconditional Right of Holders to Receive Principal, Premium or Make-Whole Amount, if any, and Interest. Notwithstanding any other provision in this Indenture, the Holder of any Security or coupon shall have the right which is absolute and unconditional to receive payment of the principal of (and premium or Make-Whole Amount, if any) and (subject to Sections 305 and 307) interest on such Security or payment of such coupon on the respective due dates expressed in such Security or coupon (or, in the case of redemption, on the Redemption Date) and to institute suit for the enforcement of any such payment, and such rights shall not be impaired without the consent of such Holder.

SECTION 509. Restoration of Rights and Remedies. If the Trustee or any Holder of a Security or coupon has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case, the Issuer, the Trustee and the Holders of Securities and coupons shall, subject to any determination in such proceeding, be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding had been instituted.

SECTION 510. Rights and Remedies Cumulative. Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities or coupons in the last paragraph of Section 306, no right or remedy herein conferred upon or reserved to the Trustee or to the Holders of Securities or coupons is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

SECTION 511. Delay or Omission Not Waiver. No delay or omission of the Trustee or of any Holder of any Security or coupon to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Trustee or to the Holders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders of Securities or coupons, as the case may be.

SECTION 512. Control by Holders of Securities. The Holders of not less than a majority in principal amount of the Outstanding Securities of any series shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee with respect to the Securities of such series, provided that

(1) such direction shall not be in conflict with any rule of law or with this Indenture,

(2) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction, and

(3) the Trustee need not take any action which might involve it in personal liability or be unduly prejudicial to the Holders of Securities of such series not joining therein, it being understood that (subject to Section 602) the Trustee shall have no duty to ascertain whether or not such actions or forbearance are unduly prejudicial to such Holders.

Nothing in this Indenture shall impair the right of the Trustee in its discretion to take any action deemed proper by the Trustee and which is not inconsistent with such direction by Holders.

SECTION 513. Waiver of Past Defaults. The Holders of not less than a majority in principal amount of the Outstanding Securities of any series may on behalf of the Holders of all the Securities of such series and any related coupons waive any past default hereunder with respect to such series and its consequences, except a default

(1) in the payment of the principal of (or premium or Make-Whole Amount, if any) or interest on any Security of such series or any related coupons, or

(2) in respect of a covenant or provision hereof which under Article Nine cannot be modified or amended without the consent of the Holder of each Outstanding Security of such series affected.

Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon.

SECTION 514. Waiver of Usury, Stay or Extension Laws. The Issuer covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any usury, stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Indenture; and the Issuer (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

SECTION 515. Undertaking for Costs. All parties to this Indenture agree, and each Holder of any Security by his acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Trustee, to any suit instituted by any Holder, or group of Holders, holding in the aggregate more than 10% in principal amount of the Outstanding Securities of any series, or to any suit instituted by any Holder for the enforcement of the payment of the principal of (or premium or Make-Whole Amount, if any) or interest on any Security on or after the respective Stated Maturities expressed in such Security (or, in the case of redemption, on or after the Redemption Date).

ARTICLE SIX - THE TRUSTEE

SECTION 601. Notice of Defaults. Within 90 days after the occurrence of any default hereunder with respect to the Securities of any series, the Trustee shall transmit in the manner and to the extent provided in TIA Section 313(c), notice of such default hereunder known to the Trustee, unless such default shall have been cured or waived; provided, however, that, except in the case of a default in the payment of the principal of (or premium or Make-Whole Amount, if any) or interest on any Security of such series, or in the payment

of any sinking fund installment with respect to the Securities of such series, the Trustee shall be protected in withholding such notice if and so long as Responsible Officers of the Trustee in good faith determine that the withholding of such notice is in the interests of the Holders of the Securities and coupons of such series; and provided further that in the case of any default or breach of the character specified in Section 501(4) with respect to the Securities and coupons of such series, no such notice to Holders shall be given until at least 60 days after the occurrence thereof. For the purpose of this Section, the term "default" means any event which is, or after notice or lapse of time or both would become, an Event of Default with respect to the Securities of such series.

SECTION 602. Certain Rights of Trustee. Subject to the provisions of TIA Section 315(a) through 315(d):

(1) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, Officers' Certificate, certificate, statement, instrument, Opinion of Counsel, opinion, report, notice, request, direction, consent, order, bond, debenture, note, coupon or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(2) any request or direction of the Issuer mentioned herein shall be sufficiently evidenced by an Issuer Request or Issuer Order (other than delivery of any Security, together with any coupons appertaining thereto, to the Trustee for authentication and delivery pursuant to Section 303 which shall be sufficiently evidenced as provided therein) and any resolution of the Board of Directors may be sufficiently evidenced by a Board Resolution;

(3) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officers' Certificate;

(4) before the Trustee acts or refrains from acting, the Trustee may consult with counsel and the written advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

(5) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders of Securities of any series or any related coupons pursuant to this Indenture, unless such Holders shall have offered to the Trustee security or indemnity reasonably satisfactory to the Trustee against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction;

(6) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, coupon or other paper or document, unless requested in writing so to do by the Holders of not less than a majority in aggregate principal amount of the Outstanding Securities of any series; provided that, if the payment within a reasonable time to the Trustee of the costs, expenses or liabilities likely to be incurred by it in the making of such investigation is, in the opinion of the Trustee, not reasonably assured to the Trustee by the security afforded to it by the terms of this Indenture, the Trustee may require reasonable indemnity against such expenses or liabilities as a condition to proceeding; the reasonable expenses of every such examination shall be paid by the Holders or, if paid by the Trustee, shall be repaid by the Holders upon demand. The Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Issuer, relevant to the facts or matters that are the subject of its inquiry, personally or by agent or attorney;

(7) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder;

(8) the Trustee shall not be liable for any action taken, suffered or omitted by it in good faith and reasonably believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture;

(9) the Trustee shall not be liable for any action taken or omitted by it in good faith and believed by it to be authorized or within the discretion, rights or powers conferred upon it by this Indenture;

(10) the Trustee shall not be required to give any bond or surety in respect of the performance of its powers and duties hereunder;

(11) the permissive rights of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and the Trustee shall not be answerable for other than its negligence or willful misconduct; and

(12) except for (i) a default under Sections 501.(1) or (2) hereof, or (ii) any other event of which the Trustee has "actual knowledge" and which event, with the giving of notice or the passage of time or both, would constitute an Event of Default under this Indenture, the Trustee shall not be deemed to have notice of any default or Event of Default unless specifically notified in writing of such event by the Issuer or the Holders of not less than 25% in aggregate principal amount of the Securities then outstanding; as used herein, the term "actual knowledge" means the

actual fact or statement of knowing, without any duty to make any investigation with regard thereto.

The Trustee shall not be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

Except during the continuance of an Event of Default, the Trustee undertakes to perform only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee.

SECTION 603. Not Responsible for Recitals or Issuance of Securities. The recitals contained herein and in the Securities, except the Trustee's certificate of authentication, and in any coupons shall be taken as the statements of the Issuer, and neither the Trustee nor any Authenticating Agent assumes any responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Securities or coupons, except that the Trustee represents that it is duly authorized to execute and deliver this Indenture, authenticate the Securities and perform its obligations hereunder. Neither the Trustee nor any Authenticating Agent shall be accountable for the use or application by the Issuer of Securities or the proceeds thereof.

SECTION 604. May Hold Securities. The Trustee, any Paying Agent, Security Registrar, Authenticating Agent or any other agent of the Issuer, in its individual or any other capacity, may become the owner or pledgee of Securities and coupons and, subject to TIA Sections 310(b) and 311, may otherwise deal with the Issuer with the same rights it would have if it were not Trustee, Paying Agent, Security Registrar, Authenticating Agent or such other agent.

SECTION 605. Money Held in Trust. Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed with the Issuer.

SECTION 606. Compensation and Reimbursement. The Issuer agrees:

(1) to pay to the Trustee from time to time, and the Trustee shall be entitled to, reasonable compensation for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);

(2) except as otherwise expressly provided herein, to reimburse each of the Trustee and any predecessor Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Indenture (including the reasonable compensation and the

reasonable expenses and disbursements of its agents and counsel), except any such expense, disbursement or advance as may be attributable to its negligence or willful misconduct; and

(3) to indemnify each of the Trustee and any predecessor Trustee for, and to hold it harmless against, any loss, liability or expense incurred without negligence or willful misconduct on its part, arising out of or in connection with the acceptance or administration of the trust or trusts hereunder, including the costs and expenses of defending itself against or investigating any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder.

When the Trustee incurs expenses or renders services in connection with an Event of Default specified in Section 501(7) or Section 501(8), the expenses (including the reasonable charges and expenses of its counsel) and the compensation for the services are intended to constitute expenses of administration under any applicable Federal or state bankruptcy, insolvency or other similar law.

As security for the performance of the obligations of the Issuer under this Section, the Trustee shall have a lien prior to the Securities upon all property and funds held or collected by the Trustee as such, except funds held in trust for the payment of principal of (or premium or Make-Whole Amount, if any) or interest on particular Securities or any coupons.

The provisions of this Section shall survive the termination of this Indenture.

SECTION 607. Corporate Trustee Required; Eligibility; Conflicting Interests. There shall at all times be a Trustee hereunder which shall be eligible to act as Trustee under TIA Section 310(a)(1) and shall have a combined capital and surplus of at least \$50,000,000. If such corporation publishes reports of condition at least annually, pursuant to law or the requirements of Federal, state, territorial or District of Columbia supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article. Neither the Issuer nor any Person directly or indirectly controlling, controlled by, or under common control with the Issuer shall serve as Trustee.

SECTION 608. Resignation and Removal; Appointment of Successor.

(a) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee in accordance with the applicable requirements of Section 609.

(b) The Trustee may resign at any time with respect to the Securities of one or more series by giving written notice thereof to the Issuer. If an instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee.

(c) The Trustee may be removed at any time with respect to the Securities of any series by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series delivered to the Trustee and to the Issuer.

(d) If at any time:

(1) the Trustee shall fail to comply with the provisions of TIA Section 310(b) after written request therefor by the Issuer or by any Holder of a Security who has been a bona fide Holder of a Security for at least six months, or

(2) the Trustee shall cease to be eligible under Section 607 and shall fail to resign after written request therefor by the Issuer or by any Holder of a Security who has been a bona fide Holder of a Security for at least six months, or

(3) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (i) the Issuer by or pursuant to a Board Resolution may remove the Trustee and appoint a successor Trustee with respect to all Securities, or (ii) subject to TIA Section 315(e), any Holder of a Security who has been a bona fide Holder of a Security for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee with respect to all Securities and the appointment of a successor Trustee or Trustees.

(e) If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause with respect to the Securities of one or more series, the Issuer, by or pursuant to a Board Resolution, shall promptly appoint a successor Trustee or Trustees with respect to the Securities of that or those series (it being understood that any such successor Trustee may be appointed with respect to the Securities of one or more or all of such series and that at any time there shall be only one Trustee with respect to the Securities of any particular series). If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee with respect to the Securities of any series shall be appointed by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series delivered to the Issuer and the retiring Trustee, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment, become the successor Trustee with respect to the Securities of such series and to that extent supersede the successor Trustee appointed by the Issuer. If no successor

Trustee with respect to the Securities of any series shall have been so appointed by the Issuer or the Holders of Securities and accepted appointment in the manner hereinafter provided, any Holder of a Security who has been a bona fide Holder of a Security of such series for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to Securities of such series.

(f) The Issuer shall give notice of each resignation and each removal of the Trustee with respect to the Securities of any series and each appointment of a successor Trustee with respect to the Securities of any series in the manner provided for notices to the Holders of Securities in Section 106. Each notice shall include the name of the successor Trustee with respect to the Securities of such series and the address of its Corporate Trust Office.

SECTION 609. Acceptance of Appointment by Successor. (a) In case of the appointment hereunder of a successor Trustee with respect to all Securities, every such successor Trustee so appointed shall execute, acknowledge and deliver to the Issuer and to the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee; but, on request of the Issuer or the successor Trustee, such retiring Trustee shall, upon payment of its charges, execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee, and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder, subject nevertheless to its claim, if any, provided for in Section 606.

(b) In case of the appointment hereunder of a successor Trustee with respect to the Securities of one or more (but not all) series, the Issuer, the retiring Trustee and each successor Trustee with respect to the Securities of one or more series shall execute and deliver an indenture supplemental hereto, pursuant to Article Nine hereof, wherein each successor Trustee shall accept such appointment and which (1) shall contain such provisions as shall be necessary or desirable to transfer and confirm to, and to vest in, each successor Trustee all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates, (2) if the retiring Trustee is not retiring with respect to all Securities, shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series as to which the retiring Trustee is not retiring shall continue to be vested in the retiring Trustee, and (3) shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, it being understood that nothing herein or in such supplemental indenture shall constitute such Trustees co-trustees of the same trust and that each such Trustee shall be trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any other such Trustee; and upon the execution and delivery of such supplemental indenture the

resignation or removal of the retiring Trustee shall become effective to the extent provided therein and each such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates; but, on request of the Issuer or any successor Trustee, such retiring Trustee shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder with respect to the Securities of that or those series to which the appointment of such successor Trustee relates.

(c) Upon request of any such successor Trustee, the Issuer shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts referred to in paragraph (a) or (b) of this Section 609, as the case may be.

(d) No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article.

SECTION 610. Merger, Conversion, Consolidation or Succession to Business. Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Securities or coupons shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Securities or coupons so authenticated with the same effect as if such successor Trustee had itself authenticated such Securities or coupons. In case any Securities or coupons shall not have been authenticated by such predecessor Trustee, any such successor Trustee may authenticate and deliver such Securities or coupons, in either its own name or that of its predecessor Trustee, with the full force and effect which this Indenture provides for the certificate of authentication of the Trustee.

SECTION 611. Appointment of Authenticating Agent. At any time when any of the Securities remain Outstanding, the Trustee may appoint an Authenticating Agent or Agents with respect to one or more series of Securities which shall be authorized to act on behalf of the Trustee to authenticate Securities of such series issued upon exchange, registration of transfer or partial redemption or repayment thereof, and Securities so authenticated shall be entitled to the benefits of this Indenture and shall be valid and obligatory for all purposes as if authenticated by the Trustee hereunder. Any such appointment shall be evidenced by an instrument in writing signed by a Responsible Officer of the Trustee, a copy of which instrument shall be promptly furnished to the Issuer. Wherever reference is made in this Indenture to the authentication and delivery of Securities by the Trustee or the Trustee's certificate of authentication, such reference shall be deemed to include authentication and

delivery on behalf of the Trustee by an Authenticating Agent and a certificate of authentication executed on behalf of the Trustee by an Authenticating Agent. Each Authenticating Agent shall be acceptable to the Issuer and shall at all times be a bank or trust company or corporation organized and doing business and in good standing under the laws of the United States of America or of any state or the District of Columbia, authorized under such laws to act as Authenticating Agent, having a combined capital and surplus of not less than \$50,000,000 and subject to supervision or examination by Federal or state authorities. If such Authenticating Agent publishes reports of condition at least annually, pursuant to law or the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such Authenticating Agent shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time an Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, such Authenticating Agent shall resign immediately in the manner and with the effect specified in this Section.

Any corporation into which an Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which such Authenticating Agent shall be a party, or any corporation succeeding to the corporate agency or corporate trust business of an Authenticating Agent, shall continue to be an Authenticating Agent, provided such corporation shall be otherwise eligible under this Section, without the execution or filing of any paper or further act on the part of the Trustee or the Authenticating Agent.

An Authenticating Agent for any series of Securities may at any time resign by giving written notice of resignation to the Trustee for such series and to the Issuer. The Trustee for any series of Securities may at any time terminate the agency of an Authenticating Agent by giving written notice of termination to such Authenticating Agent and to the Issuer. Upon receiving such a notice of resignation or upon such a termination, or in case at any time such Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, the Trustee for such series may appoint a successor Authenticating Agent which shall be acceptable to the Issuer and shall give notice of such appointment to all Holders of Securities of the series with respect to which such Authenticating Agent will serve in the manner set forth in Section 106. Any successor Authenticating Agent upon acceptance of its appointment hereunder shall become vested with all the rights, powers and duties of its predecessor hereunder, with like effect as if originally named as an Authenticating Agent herein. No successor Authenticating Agent shall be appointed unless eligible under the provisions of this Section.

The Issuer agrees to pay to each Authenticating Agent from time to time reasonable compensation including reimbursement of its reasonable expenses for its services under this Section.

If an appointment with respect to one or more series is made pursuant to this Section, the Securities of such series may have endorsed thereon, in addition to or in lieu of the

Trustee's certificate of authentication, an alternate certificate of authentication substantially in the following form:

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

[_____]
as Trustee

Dated: _____

By: _____
as Authenticating Agent

Dated: _____

By: _____
Authorized Signatory

SECTION 612. Certain Duties and Responsibilities of the Trustee.

(a) With respect to the Securities of any series, except during the continuance of an Event of Default with respect to the Securities of such series:

(1) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture, but shall not be under any duty to verify the contents or accuracy thereof.

(b) In case an Event of Default with respect to the Securities of any series has occurred and is continuing, the Trustee shall, with respect to Securities of such series, exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(c) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(1) this Subsection shall not be construed to limit the effect of Subsection (a) of this Section;

(2) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;

(3) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of a majority in principal amount of the Outstanding Securities of any series relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture with respect to the Securities of such series; and

(4) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(d) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section 612.

ARTICLE SEVEN - HOLDERS' LISTS AND REPORTS BY TRUSTEE AND ISSUER

SECTION 701. Disclosure of Names and Addresses of Holders. Every Holder of Securities or coupons, by receiving and holding the same, agrees with the Issuer and the Trustee that neither the Issuer nor the Trustee nor any Authenticating Agent nor any Paying Agent nor any Security Registrar shall be held accountable by reason of the disclosure of any information as to the names and addresses of the Holders of Securities in accordance with TIA Section 312, regardless of the source from which such information was derived, and that the Trustee shall not be held accountable by reason of mailing any material pursuant to a request made under TIA Section 312(b).

SECTION 702. Reports by Trustee. The Trustee shall transmit to Holders such reports concerning the Trustee and its actions under this Indenture as may be required by TIA Section 313 at the times and in the manner provided by the TIA, which shall initially be not less than every twelve months commencing on []. A copy of each such report shall, at the time of such transmission to Holders, be filed by the Trustee with each stock exchange, if any, upon which any Securities are listed, with the Commission and with the Issuer. The Issuer will notify the Trustee when any Securities are listed on any stock exchange.

SECTION 703. Reports by Issuer. The Issuer will:

(1) file with the Trustee, within 15 days after the Issuer is required to file the same with the Commission, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the Commission may from time to time by rules and regulations prescribe) which the Issuer may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934; or, if the Issuer is not required to file information, documents or reports pursuant to either of such Sections, then it will file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such of the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of the Securities Exchange Act of 1934 in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations;

(2) file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such additional information, documents and reports with respect to compliance by the Issuer with the conditions and covenants of this Indenture as may be required from time to time by such rules and regulations; and

(3) transmit by mail to the Holders of Securities, within 30 days after the filing thereof with the Trustee, in the manner and to the extent provided in TIA Section 313(c), such summaries of any information, documents and reports required to be filed by the Issuer pursuant to paragraphs (1) and (2) of this Section as may be required by rules and regulations prescribed from time to time by the Commission.

SECTION 704. Issuer to Furnish Trustee Names and Addresses of Holders. The Issuer will furnish or cause to be furnished to the Trustee:

(a) semiannually, not later than 15 days after the Regular Record Date for interest for each series of Securities, a list, in such form as the Trustee may reasonably require, of the names and addresses of the Holders of Registered Securities of such series as of such Regular Record Date, or if there is no Regular Record Date for interest for such series of Securities, semiannually, upon such dates as are set forth in the Board Resolution or indenture supplemental hereto authorizing such series, and

(b) at such other times as the Trustee may request in writing, within 30 days after the receipt by the Issuer of any such request, a list of similar form and content as of a date not more than 15 days prior to the time such list is furnished,

provided, however, that, so long as the Trustee is the Security Registrar, no such list shall be required to be furnished.

ARTICLE EIGHT - CONSOLIDATION, MERGER, SALE, LEASE OR CONVEYANCE

SECTION 801. Consolidations and Mergers of Issuer and Sales, Leases and Conveyances Permitted Subject to Certain Conditions. The Issuer may consolidate with, or sell, lease or convey all or substantially all of its assets to, or merge with or into any other Person, provided that in any such case, (1) either the Issuer shall be the continuing Person, or the successor Person shall be a corporation or partnership organized and existing under the laws of the United States or a State thereof and such successor Person shall expressly assume the due and punctual payment of the principal of (and premium or Make-Whole Amount, if any) and any interest on all of the Securities, according to their tenor, and the due and punctual performance and observance of all of the covenants and conditions of this Indenture to be performed by the Issuer by supplemental indenture, complying with Article Nine hereof, satisfactory to the Trustee, executed and delivered to the Trustee by such Person and (2) immediately after giving effect to such transaction and treating any indebtedness which becomes an obligation of the Issuer or any Subsidiary as a result thereof as having been incurred by the Issuer or such Subsidiary at the time of such transaction, no Event of Default, and no event which, after notice or the lapse of time, or both, would become an Event of Default, shall have occurred and be continuing.

SECTION 802. Rights and Duties of Successor. In case of any such consolidation, merger, sale, lease or conveyance and upon any such assumption by the successor Person, such successor Person shall succeed to and be substituted for the Issuer, with the same effect as if it had been named herein as the party of the first part, and the predecessor Person, except in the event of a lease, shall be relieved of any further obligation under this Indenture and the Securities. Such successor Person thereupon may cause to be signed, and may issue either in its own name or in the name of the Issuer, any or all of the Securities issuable hereunder which theretofore shall not have been signed by the Issuer and delivered to the Trustee; and, upon the order of such successor Person, instead of the Issuer, and subject to all the terms, conditions and limitations in this Indenture prescribed, the Trustee shall authenticate and shall deliver any Securities which previously shall have been signed and delivered by the officers of the Issuer to the Trustee for authentication, and any Securities which such successor Person thereafter shall cause to be signed and delivered to the Trustee for that purpose. All the Securities so issued shall in all respects have the same legal rank and benefit under this Indenture as the Securities theretofore or thereafter issued in accordance with the terms of this Indenture as though all of such Securities had been issued at the date of the execution hereof.

In case of any such consolidation, merger, sale, lease or conveyance, such changes in phraseology and form (but not in substance) may be made in the Securities thereafter to be issued as may be appropriate.

SECTION 803. Officers' Certificate and Opinion of Counsel. Any consolidation, merger, sale, lease or conveyance permitted under Section 801 is also subject to the condition that the Trustee receive an Officers' Certificate and an Opinion of Counsel to the effect that

any such consolidation, merger, sale, lease or conveyance, and the assumption by any successor Person, complies with the provisions of this Article and that all conditions precedent herein provided for relating to such transaction have been complied with.

ARTICLE NINE - SUPPLEMENTAL INDENTURES

SECTION 901. Supplemental Indentures Without Consent of Holders. Without the consent of any Holders of Securities or coupons, the Issuer, when authorized by or pursuant to a Board Resolution, and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental hereto, in form satisfactory to the Trustee, for any of the following purposes:

(1) to evidence the succession of another Person to the Issuer and the assumption by any such successor of the covenants of the Issuer contained herein and in the Securities; or

(2) to add to the covenants of the Issuer for the benefit of the Holders of all or any series of Securities (and if such covenants are to be for the benefit of less than all series of Securities, stating that such covenants are expressly being included solely for the benefit of such series) or to surrender any right or power herein conferred upon the Issuer; or

(3) to add any additional Events of Default for the benefit of the Holders of all or any series of Securities (and if such Events of Default are to be for the benefit of less than all series of Securities, stating that such Events of Default are expressly being included solely for the benefit of such series); provided, however, that in respect of any such additional Events of Default such supplemental indenture may provide for a particular period of grace after default (which period may be shorter or longer than that allowed in the case of other defaults) or may provide for an immediate enforcement upon such default or may limit the remedies available to the Trustee upon such default or may limit the right of the Holders of a majority in aggregate principal amount of that or those series of Securities to which such additional Events of Default apply to waive such default; or

(4) to add to or change any of the provisions of this Indenture to provide that Bearer Securities may be registrable as to principal, to change or eliminate any restrictions on the payment of principal of or premium or Make-Whole Amount, if any, or interest on Bearer Securities, to permit Bearer Securities to be issued in exchange for Registered Securities, to permit Bearer Securities to be issued in exchange for Bearer Securities of other authorized denominations or to permit or facilitate the issuance of Securities in uncertificated form, provided that any such action shall not adversely affect the interests of the Holders of Securities of any series or any related coupons in any material respect; or

(5) to change or eliminate any of the provisions of this Indenture, provided that any such change or elimination shall become effective only when there is no Security Outstanding of any series created prior to the execution of such supplemental indenture which is entitled to the benefit of such provision; or

(6) to secure the Securities; or

(7) to establish the form or terms of Securities of any series and any related coupons as permitted by Sections 201 and 301; or

(8) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to the Securities of one or more series and to add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee; or (9) to cure any ambiguity, to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising under this Indenture which shall not be inconsistent with the provisions of this Indenture, provided such provisions shall not adversely affect the interests of the Holders of Securities of any series or any related coupons in any material respect; or

(10) to supplement any of the provisions of this Indenture to such extent as shall be necessary to permit or facilitate the defeasance and discharge of any series of Securities pursuant to Sections 401, 1402 and 1403; provided that any such action shall not adversely affect the interests of the Holders of Securities of such series and any related coupons or any other series of Securities in any material respect.

SECTION 902. Supplemental Indentures with Consent of Holders. With the consent of the Holders of not less than a majority in principal amount of all Outstanding Securities affected by such supplemental indenture, by Act of said Holders delivered to the Issuer and the Trustee, the Issuer, when authorized by or pursuant to a Board Resolution, and the Trustee may enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of modifying in any manner the rights of the Holders of Securities and any related coupons under this Indenture; provided, however, that no such supplemental indenture shall, without the consent of the Holder of each Outstanding Security affected thereby:

(1) change the Stated Maturity of the principal of (or premium or Make-Whole Amount, if any, on) or any installment of principal of or interest on, any Security; or reduce the principal amount thereof or the rate or amount of interest thereon, or any premium or Make-Whole Amount payable upon the redemption thereof, or reduce the amount of the principal of an Original Issue Discount Security that would be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 502 or the amount thereof provable in bankruptcy pursuant

to Section 504, or adversely affect any right of repayment at the option of the Holder of any Security, or change any Place of Payment where, or the currency or currencies, currency unit or units or composite currency or currencies in which, any Security or any premium or Make-Whole Amount or the interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption or repayment at the option of the Holder, on or after the Redemption Date or the Repayment Date, as the case may be), or

(2) reduce the percentage in principal amount of the Outstanding Securities of any series, the consent of whose Holders is required for any such supplemental indenture, or the consent of whose Holders is required for any waiver with respect to such series (or compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences) provided for in this Indenture, or reduce the requirements of Section 1504 for quorum or voting, or

(3) modify any of the provisions of this Section, Section 513 or Section 1009, except to increase the required percentage to effect such action or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holder of each Outstanding Security affected thereby, provided, however, that this clause shall not be deemed to require the consent of any Holder with respect to changes in the references to "the Trustee" and concomitant changes in this Section 902 and Section 1009, or the deletion of this proviso, in accordance with the requirements of Sections 609(b) and 901(1).

It shall not be necessary for any Act of Holders under this Section 902 to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such Act shall approve the substance thereof.

A supplemental indenture which changes or eliminates any covenant or other provision of this Indenture which has expressly been included solely for the benefit of one or more particular series of Securities, or which modifies the rights of the Holders of Securities of such series with respect to such covenant or other provision, shall be deemed not to affect the rights under this Indenture of the Holders of Securities of any other series.

SECTION 903. Execution of Supplemental Indentures. In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee shall be entitled to receive, and shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such supplemental indenture is authorized or permitted by this Indenture. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

SECTION 904. Effect of Supplemental Indentures. Upon the execution of any supplemental indenture under this Article, this Indenture shall be modified in accordance

therewith, and such supplemental indenture shall form a part of this Indenture for all purposes; and every Holder of Securities theretofore or thereafter authenticated and delivered hereunder and of any coupon appertaining thereto shall be bound thereby.

SECTION 905. Conformity with Trust Indenture Act. Every supplemental indenture executed pursuant to this Article shall conform to the requirements of the Trust Indenture Act as then in effect.

SECTION 906. Reference in Securities to Supplemental Indentures. Securities of any series authenticated and delivered after the execution of any supplemental indenture pursuant to this Article may, and shall, if required by the Trustee, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Issuer shall so determine, new Securities of any series so modified as to conform, in the opinion of the Trustee and the Issuer, to any such supplemental indenture may be prepared and executed by the Issuer and authenticated and delivered by the Trustee in exchange for Outstanding Securities of such series.

ARTICLE TEN - COVENANTS

SECTION 1001. Payment of Principal, Premium or Make-Whole Amount, if any; and Interest. The Issuer covenants and agrees for the benefit of the Holders of each series of Securities that it will duly and punctually pay the principal of (and premium or Make-Whole Amount, if any) and interest on the Securities of that series in accordance with the terms of such series of Securities, any coupons appertaining thereto and this Indenture. Unless otherwise specified as contemplated by Section 301 with respect to any series of Securities, any interest due on Bearer Securities on or before Maturity shall be payable only upon presentation and surrender of the several coupons for such interest installments as are evidenced thereby as they severally mature. Unless otherwise specified with respect to Securities of any series pursuant to Section 301, at the option of the Issuer, all payments of principal may be paid by check to the registered Holder of the Registered Security or other person entitled thereto against surrender of such Security.

SECTION 1002. Maintenance of Office or Agency. If Securities of a series are issuable only as Registered Securities, the Issuer shall maintain in each Place of Payment for any series of Securities an office or agency where Securities of that series may be presented or surrendered for payment, where Securities of that series may be surrendered for registration of transfer or exchange and where notices and demands to or upon the Issuer in respect of the Securities of that series and this Indenture may be served. If Securities of a series are issuable as Bearer Securities, the Issuer will maintain: (A) in the Borough of Manhattan, The City of New York, an office or agency where any Registered Securities of that series may be presented or surrendered for payment, where any Registered Securities of that series may be surrendered for registration of transfer, where Securities of that series may be surrendered for exchange, where notices and demands to or upon the Issuer in respect of the Securities of that series and this Indenture may be served and where Bearer Securities of that series and related

coupons may be presented or surrendered for payment in the circumstances described in the following paragraph (and not otherwise); (B) subject to any laws or regulations applicable thereto, in a Place of Payment for that series which is located outside the United States, an office or agency where Securities of that series and related coupons may be presented and surrendered for payment; provided, however, that if the Securities of that series are listed on any stock exchange located outside the United States and such stock exchange shall so require, the Issuer will maintain a Paying Agent for the Securities of that series in any required city located outside the United States, as the case may be, so long as the Securities of that series are listed on such exchange; and (C) subject to any laws or regulations applicable thereto, in a Place of Payment for that series located outside the United States an office or agency where any Registered Securities of that series may be surrendered for registration of transfer, where Securities of that series may be surrendered for exchange and where notices and demands to or upon the Issuer in respect of the Securities of that series and this Indenture may be served. The Issuer will give prompt written notice to the Trustee of the location, and any change in the location, of each such office or agency. If at any time the Issuer shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee, except that Bearer Securities of that series and the related coupons may be presented and surrendered for payment at the offices specified in the Security, in London, England, and the Issuer hereby appoints the same as its agent to receive such respective presentations, surrenders, notices and demands, and the Issuer hereby appoints the Trustee its agent to receive all such presentations, surrenders, notices and demands.

Unless otherwise specified with respect to any Securities pursuant to Section 301, no payment of principal, premium or Make-Whole Amount or interest on Bearer Securities shall be made at any office or agency of the Issuer in the United States or by check mailed to any address in the United States or by transfer to an account maintained with a bank located in the United States; provided, however, that, if the Securities of a series are payable in Dollars, payment of principal of and any premium or Make-Whole Amount and interest on any Bearer Security shall be made at the office of the Issuer's Paying Agent in the Borough of Manhattan, The City of New York, if (but only if) payment in Dollars of the full amount of such principal, premium or Make-Whole Amount, or interest, as the case may be, at all offices or agencies outside the United States maintained for the purpose by the Issuer in accordance with this Indenture, is illegal or effectively precluded by exchange controls or other similar restrictions.

The Issuer may from time to time designate one or more other offices or agencies where the Securities of one or more series may be presented or surrendered for any or all of such purposes, and may from time to time rescind such designations; provided, however, that no such designation or rescission shall in any manner relieve the Issuer of its obligation to maintain an office or agency in accordance with the requirements set forth above for Securities of any series for such purposes. The Issuer will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency. Unless otherwise specified with respect to any Securities pursuant to

Section 301 with respect to a series of Securities, the Issuer hereby designates as a Place of Payment for each series of Securities the office or agency of the Issuer in the Borough of Manhattan, The City of New York, and initially appoints the Trustee's agent with its Corporate Trust Office as Paying Agent in such city and as its agent to receive all such presentations, surrenders, notices and demands.

Unless otherwise specified with respect to any Securities pursuant to Section 301, if and so long as the Securities of any series (i) are denominated in a Foreign Currency or (ii) may be payable in a Foreign Currency, or so long as it is required under any other provision of the Indenture, then the Issuer will maintain with respect to each such series of Securities, or as so required, at least one exchange rate agent.

SECTION 1003. Money for Securities Payments to Be Held in Trust. If the Issuer shall at any time act as its own Paying Agent with respect to any series of any Securities and any related coupons, it will, on or before each due date of the principal of (and premium or Make-Whole Amount, if any), or interest on any of the Securities of that series, segregate and hold in trust for the benefit of the Persons entitled thereto a sum in the currency or currencies, currency unit or units or composite currency or currencies in which the Securities of such series are payable (except as otherwise specified pursuant to Section 301 for the Securities of such series) sufficient to pay the principal (and premium or Make-Whole Amount, if any) or interest so becoming due until such sums shall be paid to such Persons or otherwise disposed of as herein provided, and will promptly notify the Trustee of its action or failure so to act.

Whenever the Issuer shall have one or more Paying Agents for any series of Securities and any related coupons, it will, on or before each due date of the principal of (and premium or Make-Whole Amount, if any), or interest on any Securities of that series, deposit with a Paying Agent a sum (in the currency or currencies, currency unit or units or composite currency or currencies described in the preceding paragraph) sufficient to pay the principal (and premium or Make-Whole Amount, if any) or interest so becoming due, such sum to be held in trust for the benefit of the Persons entitled to such principal, premium or Make-Whole Amount, if any, or interest and (unless such Paying Agent is the Trustee) the Issuer will promptly notify the Trustee of its action or failure so to act.

The Issuer will cause each Paying Agent for any series of Securities other than the Trustee to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section, that such Paying Agent will

(1) hold all sums held by it for the payment of principal of (and premium or Make-Whole Amount, if any) or interest on Securities in trust for the benefit of the Persons entitled thereto until such sums shall be paid to such Persons or otherwise disposed of as herein provided;

(2) give the Trustee notice of any default by the Issuer (or any other obligor upon the Securities) in the making of any such payment of principal (and

premium or Make-Whole Amount, if any) or interest on the Securities of that series; and

(3) at any time during the continuance of any such default upon the written request of the Trustee, forthwith pay to the Trustee all sums so held in trust by such Paying Agent.

The Issuer may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, pay, or by Issuer Order direct any Paying Agent to pay, to the Trustee all sums held in trust by the Issuer or such Paying Agent, such sums to be held by the Trustee upon the same trusts as those upon which such sums were held by the Issuer or such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, such Paying Agent shall be released from all further liability with respect to such sums.

Except as otherwise provided in the Securities of any series, any money deposited with the Trustee or any Paying Agent, or then held by the Issuer, in trust for the payment of the principal of (and premium or Make-Whole Amount, if any) or interest on any Security of any series and remaining unclaimed for two years after such principal (and premium or Make-Whole Amount, if any) or interest has become due and payable shall be paid to the Issuer upon Issuer Request or (if then held by the Issuer) shall be discharged from such trust; and the Holder of such Security shall thereafter, as an unsecured general creditor, look only to the Issuer for payment of such principal of (and premium or Make-Whole Amount, if any) or interest on any Security, without interest thereon, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Issuer as trustee thereof, shall thereupon cease; provided, however, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Issuer cause to be published once, in an Authorized Newspaper, notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such publication, any unclaimed balance of such money then remaining will be repaid to the Issuer.

SECTION 1004. Existence. Subject to Article Eight, the Issuer will do or cause to be done all things necessary to preserve and keep in full force and effect its existence, all material rights and material franchises; provided, however, that the Issuer shall not be required to preserve any such right or franchise if the Board of Directors shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Issuer.

SECTION 1005. Maintenance of Properties. The Issuer will cause all of its material properties used or useful in the conduct of its business or the business of any Subsidiary to be maintained and kept in good condition, repair and working order and supplied with all necessary equipment and will cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of the Issuer may be necessary so that the business carried on in connection therewith may be properly and advantageously conducted at all times; provided, however, that the Issuer and its Subsidiaries shall not be

prevented from selling or otherwise disposing of their properties for value in the ordinary course of business.

SECTION 1006. Insurance. The Issuer will cause each of its and its Subsidiaries' insurable properties to be insured against loss or damage in an amount at least equal to their then full insurable value with insurers of recognized responsibility.

SECTION 1007. Payment of Taxes and Other Claims. The Issuer will pay or discharge or cause to be paid or discharged, before the same shall become delinquent, (1) all taxes, assessments and governmental charges levied or imposed upon it or any Subsidiary or upon the income, profits or property of the Issuer or any Subsidiary, and (2) all lawful claims for labor, materials and supplies which, if unpaid, might by law become a lien upon the property of the Issuer or any Subsidiary; provided, however, that the Issuer shall not be required to pay or discharge or cause to be paid or discharged any such tax, assessment, charge or claim whose amount, applicability or validity is being contested in good faith by appropriate proceedings.

SECTION 1008. Statement as to Compliance. The Issuer will deliver to the Trustee, within 120 days after the end of each fiscal year, a brief certificate from the principal executive officer, principal financial officer or principal accounting officer of the General Partner as to his or her knowledge of the Issuer's compliance with all conditions and covenants under this Indenture and, in the event of any noncompliance, specifying such noncompliance and the nature and status thereof. For purposes of this Section 1008, such compliance shall be determined without regard to any period of grace or requirement of notice under this Indenture.

SECTION 1009. Waiver of Certain Covenants. The Issuer may omit in any particular instance to comply with any term, provision or condition set forth in Sections 1004 to 1008, inclusive, if before or after the time for such compliance the Holders of at least a majority in principal amount of all outstanding Securities of such series, by Act of such Holders, either waive such compliance in such instance or generally waive compliance with such covenant or condition, but no such waiver shall extend to or affect such covenant or condition except to the extent so expressly waived, and, until such waiver shall become effective, the obligations of the Issuer and the duties of the Trustee in respect of any such term, provision or condition shall remain in full force and effect.

SECTION 1010. Additional Amounts. If any Securities of a series provide for the payment of Additional Amounts, the Issuer will pay to the holder of any Security of such series or any coupon appertaining thereto Additional Amounts as may be specified as contemplated by Section 301. Whenever in this Indenture there is mentioned, in any context, the payment of the principal of or any premium or interest on, or in respect of, any Security of any series or payment of any related coupon or the net proceeds received on the sale or exchange of any Security of any series, such mention shall be deemed to include mention of the payment of Additional Amounts provided by the terms of such series established pursuant to Section 301 to the extent that, in such context, Additional Amounts are, were or would be

payable in respect thereof pursuant to such terms; and express mention of the payment of Additional Amounts (if applicable) in any provisions hereof shall not be construed as excluding Additional Amounts in those provisions hereof where such express mention is not made.

Except as otherwise specified as contemplated by Section 301, if the Securities of a series provide for the payment of Additional Amounts, at least 10 days prior to the first Interest Payment Date with respect to that series of Securities (or if the Securities of that series will not bear interest prior to Maturity, the first day on which a payment of principal and any premium is made), and at least 10 days prior to each date of payment of principal and any premium or interest if there has been any change with respect to the matters set forth in the below mentioned Officers' Certificate, the Issuer will furnish the Trustee and the Issuer's principal Paying Agent or Paying Agents, if other than the Trustee, with an Officers' Certificate instructing the Trustee and such Paying Agent or Paying Agents whether such payment of principal of and any premium or interest on the Securities of that series shall be made to Holders of Securities of that series or any related coupons who are not United States Persons without withholding for or on account of any tax, assessment or other governmental charge described in the Securities of the series. If any such withholding shall be required, then such Officers' Certificate shall specify by country the amount, if any, required to be withheld on such payments to such Holders of Securities of that series or related coupons and the Issuer will pay to the Trustee or such Paying Agent the Additional Amounts required by the terms of such Securities. If the Trustee or any Paying Agent, as the case may be, shall not so receive the above mentioned certificate, then the Trustee or such Paying Agent shall be entitled (i) to assume that no such withholding or deduction is required with respect to any payment of principal or interest with respect to any Securities of a series or related coupons until it shall have received a certificate advising otherwise and (ii) to make all payments of principal and interest with respect to the Securities of a series or related coupons without withholding or deductions until otherwise advised. The Issuer covenants to indemnify the Trustee and any Paying Agent for, and to hold them harmless against, any loss, liability or expense reasonably incurred without negligence or bad faith on their part arising out of or in connection with actions taken or omitted by any of them or in reliance on any Officers' Certificate furnished pursuant to this Section or in reliance on the Issuer's not furnishing such an Officers' Certificate.

ARTICLE ELEVEN - REDEMPTION OF SECURITIES

SECTION 1101. Applicability of Article. Securities of any series which are redeemable before their Stated Maturity shall be redeemable in accordance with their terms and (except as otherwise specified as contemplated by Section 301 for Securities of any series) in accordance with this Article.

SECTION 1102. Election to Redeem; Notice to Trustee. The election of the Issuer to redeem any Securities shall be evidenced by or pursuant to a Board Resolution. In case of any redemption at the election of the Issuer of less than all of the Securities of any series, the

Issuer shall, at least 45 days prior to the giving of the notice of redemption in Section 1104 (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee of such Redemption Date and of the principal amount of Securities of such series to be redeemed. In the case of any redemption of Securities prior to the expiration of any restriction on such redemption provided in the terms of such Securities or elsewhere in this Indenture, the Issuer shall furnish the Trustee with an Officers' Certificate evidencing compliance with such restriction.

SECTION 1103. Selection by Trustee of Securities to Be Redeemed. If less than all the Securities of any series issued on the same day with the same terms are to be redeemed, the particular Securities to be redeemed shall be selected not more than 60 days prior to the Redemption Date by the Trustee, from the Outstanding Securities of such series issued on such date with the same terms not previously called for redemption, by such method as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of portions (equal to the minimum authorized denomination for Securities of that series or any integral multiple thereof) of the principal amount of Securities of such series of a denomination larger than the minimum authorized denomination for Securities of that series.

The Trustee shall promptly notify the Issuer and the Security Registrar (if other than itself) in writing of the Securities selected for redemption and, in the case of any Securities selected for partial redemption, the principal amount thereof to be redeemed.

For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Securities shall relate, in the case of any Security redeemed or to be redeemed only in part, to the portion of the principal amount of such Security which has been or is to be redeemed.

SECTION 1104. Notice of Redemption. Notice of redemption shall be given in the manner provided in Section 106, not less than 30 days nor more than 60 days prior to the Redemption Date, unless a shorter period is specified by the terms of such series established pursuant to Section 301, to each Holder of Securities to be redeemed, but failure to give such notice in the manner herein provided to the Holder of any Security designated for redemption as a whole or in part, or any defect in the notice to any such Holder, shall not affect the validity of the proceedings for the redemption of any other such Security or portion thereof.

Any notice that is mailed to the Holders of Registered Securities in the manner herein provided shall be conclusively presumed to have been duly given, whether or not the Holder receives the notice.

All notices of redemption shall state:

- (1) the Redemption Date,
- (2) the Redemption Price, accrued interest to the Redemption Date payable as provided in Section 1106, if any,

(3) if less than all Outstanding Securities of any series are to be redeemed, the identification (and, in the case of partial redemption, the principal amount) of the particular Security or Securities to be redeemed,

(4) in case any Security is to be redeemed in part only, the notice which relates to such Security shall state that on and after the Redemption Date, upon surrender of such Security, the holder will receive, without a charge, a new Security or Securities of authorized denominations for the principal amount thereof remaining unredeemed,

(5) that on the Redemption Date the Redemption Price and accrued interest to the Redemption Date payable as provided in Section 1106, if any, will become due and payable upon each such Security, or the portion thereof, to be redeemed and, if applicable, that interest thereon shall cease to accrue on and after said date,

(6) the Place or Places of Payment where such Securities, together in the case of Bearer Securities with all coupons appertaining thereto, if any, maturing after the Redemption Date, are to be surrendered for payment of the Redemption Price and accrued interest, if any,

(7) that the redemption is for a sinking fund, if such is the case,

(8) that, unless otherwise specified in such notice, Bearer Securities of any series, if any, surrendered for redemption must be accompanied by all coupons maturing subsequent to the date fixed for redemption or the amount of any such missing coupon or coupons will be deducted from the Redemption Price, unless security or indemnity satisfactory to the Issuer, the Trustee for such series and any Paying Agent is furnished,

(9) if Bearer Securities of any series are to be redeemed and any Registered Securities of such series are not to be redeemed, and if such Bearer Securities may be exchanged for Registered Securities not subject to redemption on this Redemption Date pursuant to Section 305 or otherwise, the last date, as determined by the Issuer, on which such exchanges may be made, and

(10) the CUSIP number of such Security, if any.

Notice of redemption of Securities to be redeemed at the election of the Issuer shall be given by the Issuer or, at the Issuer's request, by the Trustee in the name and at the expense of the Issuer.

SECTION 1105. Deposit of Redemption Price. On or prior to any Redemption Date, the Issuer shall deposit with the Trustee or with a Paying Agent (or, if the Issuer is acting as its own Paying Agent, which it may not do in the case of a sinking fund payment under

Article Twelve, segregate and hold in trust as provided in Section 1003) an amount of money in the currency or currencies, currency unit or units or composite currency or currencies in which the Securities of such series are payable (except as otherwise specified pursuant to Section 301 for the Securities of such series) sufficient to pay on the Redemption Date the Redemption Price of, and (except if the Redemption Date shall be an Interest Payment Date) accrued interest on, all the Securities or portions thereof which are to be redeemed on that date.

SECTION 1106. Securities Payable on Redemption Date. Notice of redemption having been given as aforesaid, the Securities so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified in the currency or currencies, currency unit or units or composite currency or currencies in which the Securities of such series are payable (except as otherwise specified pursuant to Section 301 for the Securities of such series) (together with accrued interest, if any, to the Redemption Date), and from and after such date (unless the Issuer shall default in the payment of the Redemption Price and accrued interest) such Securities shall, if the same were interest-bearing, cease to bear interest and the coupons for such interest appertaining to any Bearer Securities so to be redeemed, except to the extent provided below, shall be void. Upon surrender of any such Security for redemption in accordance with said notice, together with all coupons, if any, appertaining thereto maturing after the Redemption Date, such Security shall be paid by the Issuer at the Redemption Price, together with accrued interest, if any, to the Redemption Date; provided, however, that installments of interest on Bearer Securities whose Stated Maturity is on or prior to the Redemption Date shall be payable only at an office or agency located outside the United States (except as otherwise provided in Section 1002) and, unless otherwise specified as contemplated by Section 301, only upon presentation and surrender of coupons for such interest; and provided further that installments of interest on Registered Securities whose Stated Maturity is on or prior to the Redemption Date shall be payable to the Holders of such Securities, or one or more Predecessor Securities, registered as such at the close of business on the relevant Record Dates according to their terms and the provisions of Section 307.

If any Bearer Security surrendered for redemption shall not be accompanied by all appurtenant coupons maturing after the Redemption Date, such Security may be paid after deducting from the Redemption Price an amount equal to the face amount of all such missing coupons, or the surrender of such missing coupon or coupons may be waived by the Issuer and the Trustee if there be furnished to them such security or indemnity as they may require to save each of them and any Paying Agent harmless. If thereafter the Holder of such Security shall surrender to the Trustee or any Paying Agent any such missing coupon in respect of which a deduction shall have been made from the Redemption Price, such Holder shall be entitled to receive the amount so deducted; provided, however, that interest represented by coupons shall be payable only at an office or agency located outside the United States (except as otherwise provided in Section 1002) and, unless otherwise specified as contemplated by Section 301, only upon presentation and surrender of those coupons.

If any Security called for redemption shall not be so paid upon surrender thereof for redemption, the principal (and premium or Make-Whole Amount, if any) shall, until paid, bear interest from the Redemption Date at the rate borne by the Security.

SECTION 1107. Securities Redeemed in Part. Any Registered Security which is to be redeemed only in part (pursuant to the provisions of this Article or of Article Twelve) shall be surrendered at a Place of Payment therefor (with, if the Issuer or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Issuer and the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing) and the Issuer shall execute and the Trustee shall authenticate and deliver to the Holder of such Security without service charge a new Security or Securities of the same series, of any authorized denomination as requested by such Holder in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Security so surrendered. If a Global Security is so surrendered, the Issuer shall execute and the Trustee shall authenticate and deliver to the depository, without service charge, a new Global Security in a denomination equal to and in exchange for the unredeemed portion of the principal of the Global Security so surrendered.

ARTICLE TWELVE - SINKING FUNDS

SECTION 1201. Applicability of Article. The provisions of this Article shall be applicable to any sinking fund for the retirement of Securities of a series except as otherwise specified as contemplated by Section 301 for Securities of such series.

The minimum amount of any sinking fund payment provided for by the terms of Securities of any series is herein referred to as a "mandatory sinking fund payment," and any payment in excess of such minimum amount provided for by the terms of such Securities of any series is herein referred to as an "optional sinking fund payment." If provided for by the terms of any Securities of any series, the cash amount of any mandatory sinking fund payment may be subject to reduction as provided in Section 1202. Each sinking fund payment shall be applied to the redemption of Securities of any series as provided for by the terms of Securities of such series.

SECTION 1202. Satisfaction of Sinking Fund Payments with Securities. The Issuer may, in satisfaction of all or any part of any mandatory sinking fund payment with respect to the Securities of a series, (1) deliver Outstanding Securities of such series (other than any previously called for redemption) together in the case of any Bearer Securities of such series with all unmatured coupons appertaining thereto and (2) apply as a credit Securities of such series which have been redeemed either at the election of the Issuer pursuant to the terms of such Securities or through the application of permitted optional sinking fund payments pursuant to the terms of such Securities, as provided for by the terms of such Securities, or which have otherwise been acquired by the Issuer; provided that such Securities so delivered or applied as a credit have not been previously so credited. Such Securities shall be received and credited for such purpose by the Trustee at the applicable Redemption Price specified in

such Securities for redemption through operation of the sinking fund and the amount of such mandatory sinking fund payment shall be reduced accordingly.

SECTION 1203. Redemption of Securities for Sinking Fund. Not less than 60 days prior to each sinking fund payment date for Securities of any series, the Issuer will deliver to the Trustee an Officers' Certificate specifying the amount of the next ensuing mandatory sinking fund payment for that series pursuant to the terms of that series, the portion thereof, if any, which is to be satisfied by payment of cash in the currency or currencies, currency unit or units or composite currency or currencies in which the Securities of such series are payable (except as otherwise specified pursuant to Section 301 for the Securities of such series) and the portion thereof, if any, which is to be satisfied by delivering and crediting Securities of that series pursuant to Section 1202, and the optional amount, if any, to be added in cash to the next ensuing mandatory sinking fund payment, and will also deliver to the Trustee any Securities to be so delivered and credited. If such Officers' Certificate shall specify an optional amount to be added in cash to the next ensuing mandatory sinking fund payment, the Issuer shall thereupon be obligated to pay the amount therein specified. Not less than 30 days before each such sinking fund payment date the Trustee shall select the Securities to be redeemed upon such sinking fund payment date in the manner specified in Section 1103 and cause notice of the redemption thereof to be given in the name of and at the expense of the Issuer in the manner provided in Section 1104. Such notice having been duly given, the redemption of such Securities shall be made upon the terms and in the manner stated in Sections 1106 and 1107.

ARTICLE THIRTEEN - REPAYMENT AT THE OPTION OF HOLDERS

SECTION 1301. Applicability of Article. Repayment of Securities of any series before their Stated Maturity at the option of Holders thereof shall be made in accordance with the terms of such Securities, if any, and (except as otherwise specified by the terms of such series established pursuant to Section 301) in accordance with this Article.

SECTION 1302. Repayment of Securities. Securities of any series subject to repayment in whole or in part at the option of the Holders thereof will, unless otherwise provided in the terms of such Securities, be repaid at a price equal to the principal amount thereof, together with interest, if any, thereon accrued to the Repayment Date specified in or pursuant to the terms of such Securities. The Issuer covenants that on or prior to the Repayment Date it will deposit with the Trustee or with a Paying Agent (or, if the Issuer is acting as its own Paying Agent, segregate and hold in trust as provided in Section 1003) an amount of money in the currency or currencies, currency unit or units or composite currency or currencies in which the Securities of such series are payable (except as otherwise specified pursuant to Section 301 for the Securities of such series) sufficient to pay the principal (or, if so provided by the terms of the Securities of any series, a percentage of the principal) of, and (except if the Repayment Date shall be an Interest Payment Date) accrued interest on, all the Securities or portions thereof, as the case may be, to be repaid on such date.

SECTION 1303. Exercise of Option. Securities of any series subject to repayment at the option of the Holders thereof will contain an "Option to Elect Repayment" form on the reverse of such Securities. In order for any Security to be repaid at the option of the Holder, the Trustee must receive at the Place of Payment therefor specified in the terms of such Security (or at such other place or places of which the Issuer shall from time to time notify the Holders of such Securities) not earlier than 60 days nor later than 30 days prior to the Repayment Date (1) the Security so providing for such repayment together with the "Option to Elect Repayment" form on the reverse thereof duly completed by the Holder (or by the Holder's attorney duly authorized in writing) or (2) a telegram, telex, facsimile transmission or a letter from a member of a national securities exchange, or the National Association of Securities Dealers, Inc. ("NASD"), or a commercial bank or trust company in the United States setting forth the name of the Holder of the Security, the principal amount of the Security, the principal amount of the Security to be repaid, the CUSIP number, if any, or a description of the tenor and terms of the Security, a statement that the option to elect repayment is being exercised thereby and a guarantee that the Security to be repaid, together with the duly completed form entitled "Option to Elect Repayment" on the reverse of the Security, will be received by the Trustee not later than the fifth Business Day after the date of such telegram, telex, facsimile transmission or letter; provided, however, that such telegram, telex, facsimile transmission or letter shall only be effective if such Security and form duly completed are received by the Trustee by such fifth Business Day. If less than the entire principal amount of such Security is to be repaid in accordance with the terms of such Security, the principal amount of such Security to be repaid, in increments of the minimum denomination for Securities of such series, and the denomination or denominations of the Security or Securities to be issued to the Holder for the portion of the principal amount of such Security surrendered that is not to be repaid, must be specified. The principal amount of any Security providing for repayment at the option of the Holder thereof may not be repaid in part if, following such repayment, the unpaid principal amount of such Security would be less than the minimum authorized denomination of Securities of the series of which such Security to be repaid is a part. Except as otherwise may be provided by the terms of any Security providing for repayment at the option of the Holder thereof, exercise of the repayment option by the Holder shall be irrevocable unless waived by the Issuer.

SECTION 1304. When Securities Presented for Repayment Become Due and Payable. If Securities of any series providing for repayment at the option of the Holders thereof shall have been surrendered as provided in this Article and as provided by or pursuant to the terms of such Securities, such Securities or the portions thereof, as the case may be, to be repaid shall become due and payable and shall be paid by the Issuer on the Repayment Date therein specified, and on and after such Repayment Date (unless the Issuer shall default in the payment of such Securities on such Repayment Date) such Securities shall, if the same were interest-bearing, cease to bear interest and the coupons for such interest appertaining to any Bearer Securities so to be repaid, except to the extent provided below, shall be void. Upon surrender of any such Security for repayment in accordance with such provisions, together with all coupons, if any, appertaining thereto maturing after the Repayment Date, the principal amount of such Security so to be repaid shall be paid by the Issuer, together with accrued interest, if any, to the Repayment Date; provided, however, that coupons whose Stated

Maturity is on or prior to the Repayment Date shall be payable only at an office or agency located outside the United States (except as otherwise provided in Section 1002) and, unless otherwise specified pursuant to Section 301, only upon presentation and surrender of such coupons; and provided further that, in the case of Registered Securities, installments of interest, if any, whose Stated Maturity is on or prior to the Repayment Date shall be payable (but without interest thereon, unless the Issuer shall default in the payment thereof) to the Holders of such Securities, or one or more Predecessor Securities, registered as such at the close of business on the relevant Record Dates according to their terms and the provisions of Section 307.

If any Bearer Security surrendered for repayment shall not be accompanied by all appurtenant coupons maturing after the Repayment Date, such Security may be paid after deducting from the amount payable therefor as provided in Section 1302 an amount equal to the face amount of all such missing coupons, or the surrender of such missing coupon or coupons may be waived by the Issuer and the Trustee if there be furnished to them such security or indemnity as they may require to save each of them and any Paying Agent harmless. If thereafter the Holder of such Security shall surrender to the Trustee or any Paying Agent any such missing coupon in respect of which a deduction shall have been made as provided in the preceding sentence, such Holder shall be entitled to receive the amount so deducted; provided, however, that interest represented by coupons shall be payable only at an office or agency located outside the United States (except as otherwise provided in Section 1002) and, unless otherwise specified as contemplated by Section 301, only upon presentation and surrender of those coupons.

If the principal amount of any Security surrendered for repayment shall not be so repaid upon surrender thereof, such principal amount (together with interest, if any, thereon accrued to such Repayment Date) shall, until paid, bear interest from the Repayment Date at the rate of interest or Yield to Maturity (in the case of Original Issue Discount Securities) set forth in such Security.

SECTION 1305. Securities Repaid in Part. Upon surrender of any Registered Security which is to be repaid in part only, the Issuer shall execute and the Trustee shall authenticate and deliver to the Holder of such Security, without service charge and at the expense of the Issuer, a new Registered Security or Securities of the same series, of any authorized denomination specified by the Holder, in an aggregate principal amount equal to and in exchange for the portion of the principal of such Security so surrendered which is not to be repaid.

ARTICLE FOURTEEN - DEFEASANCE AND COVENANT DEFEASANCE

SECTION 1401. Applicability of Article; Issuer's Option to Effect Defeasance or Covenant Defeasance. If, pursuant to Section 301, provision is made for either or both of (a) defeasance of the Securities of or within a series under Section 1402 or (b) covenant defeasance of the Securities of or within a series under Section 1403, then the provisions of

such Section or Sections, as the case may be, together with the other provisions of this Article (with such modifications thereto as may be specified pursuant to Section 301 with respect to any Securities), shall be applicable to such Securities and any coupons appertaining thereto, and the Issuer may at its option by Board Resolution, at any time, with respect to such Securities and any coupons appertaining thereto, elect to have Section 1402 (if applicable) or Section 1403 (if applicable) be applied to such Outstanding Securities and any coupons appertaining thereto upon compliance with the conditions set forth below in this Article.

SECTION 1402. Defeasance and Discharge. Upon the Issuer's exercise of the above option applicable to this Section with respect to any Securities of or within a series, the Issuer shall be deemed to have been discharged from its obligations with respect to such Outstanding Securities and any coupons appertaining thereto on the date the conditions set forth in Section 1404 are satisfied (hereinafter, "defeasance"). For this purpose, such defeasance means that the Issuer shall be deemed to have paid and discharged the entire indebtedness represented by such Outstanding Securities and any coupons appertaining thereto, which shall thereafter be deemed to be "Outstanding" only for the purposes of Section 1405 and the other Sections of this Indenture referred to in clauses (A) and (B) below, and to have satisfied all of its other obligations under such Securities and any coupons appertaining thereto and this Indenture insofar as such Securities and any coupons appertaining thereto are concerned (and the Trustee, at the expense of the Issuer, shall execute proper instruments acknowledging the same), except for the following which shall survive until otherwise terminated or discharged hereunder: (A) the rights of Holders of such Outstanding Securities and any coupons appertaining thereto to receive, solely from the trust fund described in Section 1404 and as more fully set forth in such Section, payments in respect of the principal of (and premium or Make-Whole Amount, if any) and interest, if any, on such Securities and any coupons appertaining thereto when such payments are due, (B) the Issuer's obligations with respect to such Securities under Sections 305, 306, 1002 and 1003 and with respect to the payment of Additional Amounts, if any, on such Securities as contemplated by Section 1010, (C) the rights, powers, trusts, duties and immunities of the Trustee hereunder and (D) this Article. Subject to compliance with this Article Fourteen, the Issuer may exercise its option under this Section notwithstanding the prior exercise of its option under Section 1403 with respect to such Securities and any coupons appertaining thereto.

SECTION 1403. Covenant Defeasance. Upon the Issuer's exercise of the above option applicable to this Section with respect to any Securities of or within a series, the Issuer shall be released from its obligations under Sections 1004 to 1008, inclusive, and, if specified pursuant to Section 301, its obligations under any other covenant contained herein or in any indenture supplemental hereto, with respect to such Outstanding Securities and any coupons appertaining thereto on and after the date the conditions set forth in Section 1404 are satisfied (hereinafter, "covenant defeasance"), and such Securities and any coupons appertaining thereto shall thereafter be deemed to be not "Outstanding" for the purposes of any direction, waiver, consent or declaration or Act of Holders (and the consequences of any thereof) in connection with Sections 1004 to 1008, inclusive, or such other covenant, but shall continue to be deemed "Outstanding" for all other purposes hereunder. For this purpose, such covenant defeasance means that, with respect to such Outstanding Securities and any coupons

appertaining thereto, the Issuer may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such Section or such other covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such Section or such other covenant or by reason of reference in any such Section or such other covenant to any other provision herein or in any other document and such omission to comply shall not constitute a default or an Event of Default under Section 501(4) or 501(8) or otherwise, as the case may be, but, except as specified above, the remainder of this Indenture and such Securities and any coupons appertaining thereto shall be unaffected thereby.

SECTION 1404. Conditions to Defeasance or Covenant Defeasance. The following shall be the conditions to application of Section 1402 or Section 1403 to any Outstanding Securities of or within a series and any coupons appertaining thereto:

(a) The Issuer shall irrevocably have deposited or caused to be deposited with the Trustee (or another trustee satisfying the requirements of Section 607 who shall agree to comply with the provisions of this Article Fourteen applicable to it) as trust funds in trust for the purpose of making the following payments, specifically pledged as security for, and dedicated solely to, the benefit of the Holders of such Securities and any coupons appertaining thereto, (1) an amount in such currency, currencies or currency unit in which such Securities and any coupons appertaining thereto are then specified as payable at Stated Maturity, or (2) Government Obligations applicable to such Securities and coupons appertaining thereto (determined on the basis of the currency, currencies or currency unit in which such Securities and coupons appertaining thereto are then specified as payable at Stated Maturity) which through the scheduled payment of principal and interest in respect thereof in accordance with their terms will provide, not later than the due date of any payment of principal of (and premium or Make-Whole Amount, if any) and interest, if any, on such Securities and any coupons appertaining thereto, money in an amount, or (3) a combination thereof, in any case, in an amount, sufficient, without consideration of any reinvestment of such principal and interest, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, to pay and discharge, and which shall be applied by the Trustee (or other qualifying trustee) to pay and discharge, (i) the principal of (and premium or Make-Whole Amount, if any) and interest, if any, on such Outstanding Securities and any coupons appertaining thereto on the Stated Maturity of such principal or installment of principal or interest and (ii) any mandatory sinking fund payments or analogous payments applicable to such Outstanding Securities and any coupons appertaining thereto on the day on which such payments are due and payable in accordance with the terms of this Indenture and of such Securities and any coupons appertaining thereto.

(b) Such defeasance or covenant defeasance shall not result in a breach or violation of, or constitute a default under, this Indenture or any other material agreement or instrument to which the Issuer is a party or by which it is bound.

(c) No Event of Default or event which with notice or lapse of time or both would become an Event of Default with respect to such Securities and any coupons appertaining thereto shall have occurred and be continuing on the date of such deposit or,

insofar as Sections 501(6) and 501(7) are concerned, at any time during the period ending on the 91st day after the date of such deposit (it being understood that this condition shall not be deemed satisfied until the expiration of such period).

(d) In the case of an election under Section 1402, the Issuer shall have delivered to the Trustee an Opinion of Counsel stating that (i) the Issuer has received from, or there has been published by, the Internal Revenue Service a ruling, or (ii) since the date of execution of this Indenture, there has been a change in the applicable Federal income tax law, in either case to the effect that, and based thereon such opinion shall confirm that, the Holders of such Outstanding Securities and any coupons appertaining thereto will not recognize income, gain or loss for Federal income tax purposes as a result of such defeasance and will be subject to Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such defeasance had not occurred.

(e) In the case of an election under Section 1403, the Issuer shall have delivered to the Trustee an Opinion of Counsel to the effect that the Holders of such Outstanding Securities and any coupons appertaining thereto will not recognize income, gain or loss for Federal income tax purposes as a result of such covenant defeasance and will be subject to Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such covenant defeasance had not occurred.

(f) The Issuer shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent to the defeasance under Section 1402 or the covenant defeasance under Section 1403 (as the case may be) have been complied with and an Opinion of Counsel to the effect that either (i) as a result of a deposit pursuant to subsection (a) above and the related exercise of the Issuer's option under Section 1402 or Section 1403 (as the case may be), registration is not required under the Investment Company Act of 1940, as amended, by the Issuer, with respect to the trust funds representing such deposit or by the Trustee for such trust funds or (ii) all necessary registrations under said Act have been effected.

(g) Notwithstanding any other provisions of this Section, such defeasance or covenant defeasance shall be effected in compliance with any additional or substitute terms, conditions or limitations which may be imposed on the Issuer in connection therewith pursuant to Section 301.

SECTION 1405. Deposited Money and Government Obligations to Be Held in Trust; Other Miscellaneous Provisions. Subject to the provisions of the last paragraph of Section 1003, all money and Government Obligations (or other property as may be provided pursuant to Section 301) (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 1405, the "Trustee") pursuant to Section 1404 in respect of any Outstanding Securities of any series and any coupons appertaining thereto shall be held in trust and applied by the Trustee, in accordance with the provisions of such Securities and any coupons appertaining thereto and this Indenture, to the payment, either directly or through any Paying Agent (including the Issuer acting as its own

Paying Agent) as the Trustee may determine, to the Holders of such Securities and any coupons appertaining thereto of all sums due and to become due thereon in respect of principal (and premium or Make-Whole Amount, if any) and interest, but such money need not be segregated from other funds except to the extent required by law.

Unless otherwise specified with respect to any Security pursuant to Section 301, if, after a deposit referred to in Section 1404(a) has been made, (a) the Holder of a Security in respect of which such deposit was made is entitled to, and does, elect pursuant to Section 301 or the terms of such Security to receive payment in a currency or currency unit other than that in which the deposit pursuant to Section 1404(a) has been made in respect of such Security, or (b) a Conversion Event occurs in respect of the currency or currency unit in which the deposit pursuant to Section 1404(a) has been made, the indebtedness represented by such Security and any coupons appertaining thereto shall be deemed to have been, and will be, fully discharged and satisfied through the payment of the principal of (and premium or Make- Whole Amount, if any), and interest, if any, on such Security as the same becomes due out of the proceeds yielded by converting (from time to time as specified below in the case of any such election) the amount or other property deposited in respect of such Security into the currency or currency unit in which such Security becomes payable as a result of such election or Conversion Event based on the applicable market exchange rate for such currency or currency unit in effect on the second Business Day prior to each payment date, except, with respect to a Conversion Event, for such currency or currency unit in effect (as nearly as feasible) at the time of the Conversion Event.

The Issuer shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the Government Obligations deposited pursuant to Section 1404 or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of such Outstanding Securities and any coupons appertaining thereto.

Anything in this Article to the contrary notwithstanding, subject to Section 606, the Trustee shall deliver or pay to the Issuer from time to time upon Issuer Request any money or Government Obligations (or other property and any proceeds therefrom) held by it as provided in Section 1404 which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, are in excess of the amount thereof which would then be required to be deposited to effect a defeasance or covenant defeasance, as applicable, in accordance with this Article.

ARTICLE FIFTEEN - MEETINGS OF HOLDERS OF SECURITIES

SECTION 1501. Purposes for Which Meetings May Be Called. A meeting of Holders of Securities of any series may be called at any time and from time to time pursuant to this Article to make, give or take any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be made, given or taken by Holders of Securities of such series.

SECTION 1502. Call, Notice and Place of Meetings. (a) The Trustee may at any time call a meeting of Holders of Securities of any series for any purpose specified in Section 1501, to be held at such time and at such place as the Trustee shall determine. Notice of every meeting of Holders of Securities of any series, setting forth the time and the place of such meeting and in general terms the action proposed to be taken at such meeting, shall be given, in the manner provided in Section 106, not less than 20 nor more than 180 days prior to the date fixed for the meeting.

(b) In case at any time the Issuer, pursuant to a Board Resolution, or the Holders of at least 25% in principal amount of the Outstanding Securities of any series shall have requested the Trustee to call a meeting of the Holders of Securities of such series for any purpose specified in Section 1501, by written request setting forth in reasonable detail the action proposed to be taken at the meeting, and the Trustee shall not have made the first publication of the notice of such meeting within 20 days after receipt of such request or shall not thereafter proceed to cause the meeting to be held as provided herein, then the Issuer or the Holders of Securities of such series in the amount above specified, as the case may be, may determine the time and the place for such meeting and may call such meeting for such purposes by giving notice thereof as provided in subsection (a) of this Section.

SECTION 1503. Persons Entitled to Vote at Meetings. To be entitled to vote at any meeting of Holders of Securities of any series, a Person shall be (1) a Holder of one or more Outstanding Securities of such series, or (2) a Person appointed by an instrument in writing as proxy for a Holder or Holders of one or more Outstanding Securities of such series by such Holder or Holders. The only Persons who shall be entitled to be present or to speak at any meeting of Holders of Securities of any series shall be the Persons entitled to vote at such meeting and their counsel, any representatives of the Trustee and its counsel and any representatives of the Issuer and its counsel.

SECTION 1504. Quorum; Action. The Persons entitled to vote a majority in principal amount of the Outstanding Securities of a series shall constitute a quorum for a meeting of Holders of Securities of such series; provided, however, that if any action is to be taken at such meeting with respect to a consent or waiver which this Indenture expressly provides may be given by the Holders of not less than a specified percentage in principal amount of the Outstanding Securities of a series, the Persons entitled to vote such specified percentage in principal amount of the Outstanding Securities of such series shall constitute a quorum. In the absence of a quorum within 30 minutes after the time appointed for any such meeting, the meeting shall, if convened at the request of Holders of Securities of such series, be dissolved. In any other case the meeting may be adjourned for a period of not less than 10 days as determined by the chairman of the meeting prior to the adjournment of such meeting. In the absence of a quorum at the reconvening of any such adjourned meeting, such adjourned meeting may be further adjourned for a period of not less than 10 days; at the reconvening of any meeting adjourned or further adjourned for lack of a quorum, the persons entitled to vote 25% in aggregate principal amount of the then Outstanding Securities shall constitute a quorum for the taking of any action set forth in the notice of the original meeting. Notice of the reconvening of any adjourned meeting shall be given as provided in Section 1502(a),

except that such notice need be given only once not less than five days prior to the date on which the meeting is scheduled to be reconvened.

Except as limited by the proviso to Section 902, any resolution presented to a meeting or adjourned meeting duly reconvened at which a quorum is present as aforesaid may be adopted by the affirmative vote of the persons entitled to vote a majority in aggregate principal amount of the Outstanding Securities represented at such meeting; provided, however, that, except as limited by the proviso to Section 902, any resolution with respect to any request, demand, authorization, direction, notice, consent, waiver or other action which this Indenture expressly provides may be made, given or taken by the Holders of a specified percentage, which is less than a majority, in principal amount of the Outstanding Securities of a series may be adopted at a meeting or an adjourned meeting duly reconvened and at which a quorum is present as aforesaid by the affirmative vote of the Holders of such specified percentage in principal amount of the Outstanding Securities of that series.

Any resolution passed or decision taken at any meeting of Holders of Securities of any series duly held in accordance with this Section shall be binding on all the Holders of Securities of such series and the related coupons, whether or not present or represented at the meeting.

Notwithstanding the foregoing provisions of this Section 1504, if any action is to be taken at a meeting of Holders of Securities of any series with respect to any request, demand, authorization, direction, notice, consent, waiver or other action that this Indenture expressly provides may be made, given or taken by the Holders of a specified percentage in principal amount of all Outstanding Securities affected thereby, or of the Holders of such series and one or more additional series:

(i) there shall be no minimum quorum requirement for such meeting; and

(ii) the principal amount of the Outstanding Securities of such series that vote in favor of such request, demand, authorization, direction, notice, consent, waiver or other action shall be taken into account in determining whether such request, demand, authorization, direction, notice, consent, waiver or other action has been made, given or taken under this Indenture.

SECTION 1505. Determination of Voting Rights; Conduct and Adjournment of Meetings. (a) Notwithstanding any provisions of this Indenture, the Trustee may make such reasonable regulations as it may deem advisable for any meeting of Holders of Securities of a series in regard to proof of the holding of Securities of such series and of the appointment of proxies and in regard to the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidence of the right to vote, and such other matters concerning the conduct of the meeting as it shall deem appropriate. Except as otherwise permitted or required by any such regulations, the holding of Securities shall be proved in the manner specified in Section 104 and the appointment of any proxy shall be

proved in the manner specified in Section 104 or by having the signature of the Person executing the proxy witnessed or guaranteed by any trust company, bank or banker authorized by Section 104 to certify to the holding of Bearer Securities. Such regulations may provide that written instruments appointing proxies, regular on their face, may be presumed valid and genuine without the proof specified in Section 104 or other proof.

(b) The Trustee shall, by an instrument in writing appoint a temporary chairman of the meeting, unless the meeting shall have been called by the Issuer or by Holders of Securities as provided in Section 1502(b), in which case the Issuer or the Holders of Securities of the series calling the meeting, as the case may be, shall in like manner appoint a temporary chairman. A permanent chairman and a permanent secretary of the meeting shall be elected by vote of the Persons entitled to vote a majority in principal amount of the Outstanding Securities of such series represented at the meeting.

(c) At any meeting each Holder of a Security of such series or proxy shall be entitled to one vote for each \$1,000 principal amount of the Outstanding Securities of such series held or represented by him; provided, however, that no vote shall be cast or counted at any meeting in respect of any Security challenged as not Outstanding and ruled by the chairman of the meeting to be not Outstanding. The chairman of the meeting shall have no right to vote, except as a Holder of a Security of such series or proxy.

(d) Any meeting of Holders of Securities of any series duly called pursuant to Section 1502 at which a quorum is present may be adjourned from time to time by Persons entitled to vote a majority in principal amount of the Outstanding Securities of such series represented at the meeting, and the meeting may be held as so adjourned without further notice.

SECTION 1506. Counting Votes and Recording Action of Meetings. The vote upon any resolution submitted to any meeting of Holders of Securities of any series shall be by written ballots on which shall be subscribed the signatures of the Holders of Securities of such series or of their representatives by proxy and the principal amounts and serial numbers of the Outstanding Securities of such series held or represented by them. The permanent chairman of the meeting shall appoint two inspectors of votes who shall count all votes cast at the meeting for or against any resolution and who shall make and file with the secretary of the meeting their verified written reports in duplicate of all votes cast at the meeting. A record, at least in duplicate, of the proceedings of each meeting of Holders of Securities of any Series shall be prepared by the secretary of the meeting and there shall be attached to said record the original reports of the inspectors of votes on any vote by ballot taken thereat and affidavits by one or more persons having knowledge of the fact, setting forth a copy of the notice of the meeting and showing that said notice was given as provided in Section 1502 and, if applicable, Section 1504. Each copy shall be signed and verified by the affidavits of the permanent chairman and secretary of the meeting and one such copy shall be delivered to the Issuer and another to the Trustee to be preserved by the Trustee, the latter to have attached thereto the ballots voted at the meeting. Any record so signed and verified shall be conclusive evidence of the matters therein stated.

EXHIBIT A

FORM OF REDEEMABLE OR NON-REDEEMABLE SENIOR SECURITY

[Face of Security]

[If the Holder of this Security (as indicated below) is The Depository Trust Company ("DTC") or a nominee of DTC, this Security is a Global Security and the following two legends apply:

Unless this Security is presented by an authorized representative of The Depository Trust Company ("DTC"), 55 Water Street, New York, New York to the issuer or its agent for registration of transfer, exchange or payment, and such Security issued is registered in the name of CEDE & CO., or such other name as requested by an authorized representative of DTC, ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL, since the registered owner hereof, CEDE & CO., has an interest herein.

Unless and until this Security is exchanged in whole or in part for Securities in certificated form, this Security may not be transferred except as a whole by DTC to a nominee thereof or by a nominee thereof to DTC or another nominee of DTC or by DTC or any such nominee to a successor of DTC or a nominee of such successor.]

[If this Security is an Original Issue Discount Security, insert -- FOR PURPOSES OF SECTION 1272 THROUGH 1275 OF THE UNITED STATES INTERNAL REVENUE CODE, THE ISSUE PRICE OF THIS SECURITY IS____, THE AMOUNT OF ORIGINAL ISSUE DISCOUNT ON THIS SECURITY IS____, THE ISSUE DATE IS____, 19____ AND THE YIELD TO MATURITY IS %. [THE METHOD USED TO DETERMINE THE AMOUNT OF ORIGINAL ISSUE DISCOUNT APPLICABLE TO THE SHORT ACCRUAL PERIOD OF____, 19____ TO____, 19____, IS ____% OF THE PRINCIPAL AMOUNT OF THIS SECURITY.]

FIRST INDUSTRIAL, L.P.
[Designation of Series]

No. _____ \$ _____

FIRST INDUSTRIAL, L.P., a Delaware limited partnership (herein referred to as the "Issuer," which term includes any successor Person under the Indenture referred to on the reverse hereof), for value received, hereby promises to pay to _____ or registered assigns the principal sum of _____ Dollars on _____ (the "Stated Maturity Date") [or insert date fixed for earlier redemption (the "Redemption Date,"

and together with the Stated Maturity Date with respect to principal repayable on such date, the "Maturity Date.")]

[If the Security is to bear interest prior to Maturity, insert -- and to pay interest thereon from _____ or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semi-annually on _____ and _____ in each year (each, an "Interest Payment Date"), commencing _____, at the rate of ___% per annum, until the principal hereof is paid or duly provided for. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Holder in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the _____ or _____ (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date [at the office or agency of the Issuer maintained for such purpose; provided, however, that such interest may be paid, at the Issuer's option, by mailing a check to such Holder at its registered address or by transfer of funds to an account maintained by such Holder within the United States]. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Holder on such Regular Record Date, and may be paid to the Holder in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in the Indenture. Interest will be computed on the basis of a 360-day year of twelve 30-day months.]

[If the Security is not to bear interest prior to Maturity, insert -- The principal of this Security shall not bear interest except in the case of a default in payment of principal upon acceleration, upon redemption or at the [Stated] Maturity Date and in such case the overdue principal of this Security shall bear interest at the rate of % per annum (to the extent that the payment of such interest shall be legally enforceable), which shall accrue from the date of such default in payment to the date payment of such principal has been made or duly provided for. Interest on any overdue principal shall be payable on demand. Any such interest on any overdue principal that is not so paid on demand shall bear interest at the rate of % per annum (to the extent that the payment of such interest shall be legally enforceable), which shall accrue from the date of such demand for payment to the date payment of such interest has been made or duly provided for, and such interest shall also be payable on demand.]

The principal of this Security payable on the Stated Maturity Date [or the principal of, premium or Make-Whole Amount, if any, and, if the Redemption Date is not an Interest Payment Date, interest on this Security payable on the Redemption Date] will be paid against

presentation of this Security at the office or agency of the Issuer maintained for that purpose in _____, in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

Interest payable on this Security on any Interest Payment Date and on the [Stated] Maturity Date [or Redemption Date, as the case may be,] will include interest accrued from and including the next preceding Interest Payment Date in respect of which interest has been paid or duly provided for (or from and including _____, if no interest has been paid on this Security) to but excluding such Interest Payment Date or the [Stated] Maturity Date [or Redemption Date, as the case may be.] If any Interest Payment Date or the [Stated] Maturity Date or [Redemption Date] falls on a day that is not a Business Day, as defined below, principal, premium or Make-Whole Amount, if any, and/or interest payable with respect to such Interest Payment Date or [Stated] Maturity Date [or Redemption Date, as the case may be,] will be paid on the next succeeding Business Day with the same force and effect as if it were paid on the date such payment was due, and no interest shall accrue on the amount so payable for the period from and after such Interest Payment Date or [Stated] Maturity Date [or Redemption Date, as the case may be.] "Business Day" means any day, other than a Saturday or Sunday, on which banks in _____ are not required or authorized by law or executive order to close.

[If this Security is a Global Security, insert -- All payments of principal, premium or Make-Whole Amount, if any, and interest in respect of this Security will be made by the Issuer in immediately available funds.]

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the Certificate of Authentication hereon has been executed by the Trustee by manual signature of one of its authorized signatories, this Security shall not be entitled to any benefit under the Indenture, or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Issuer has caused this instrument to be duly executed under its facsimile corporate seal.

Dated: _____

FIRST INDUSTRIAL, L.P.

By: First Industrial Realty Trust, Inc.,
its general partner

By: _____

Attest:

Secretary

[Reverse of Security]

FIRST INDUSTRIAL, L.P.

This Security is one of a duly authorized issue of securities of the Issuer (herein called the "Securities"), issued and to be issued in one or more series under an Indenture, dated as of [], 1997 (herein called the "Indenture") between the Issuer and [], as Trustee (herein called the "Trustee," which term includes any successor trustee under the Indenture with respect to the series of which this Security is a part), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Issuer, the Trustee and the Holders of the Securities, and of the terms upon which the Securities are, and are to be, authenticated and delivered. This Security is one of the duly authorized series of Securities designated on the face hereof (collectively, the "Securities"), [if applicable, insert -- and the aggregate principal amount of the Securities to be issued under such series is limited to \$_____ (except for Securities authenticated and delivered upon transfer of, or in exchange for, or in lieu of other Securities).] All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

If an Event of Default, as defined in the Indenture, shall occur and be continuing, the principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.

[If applicable, insert -- The Securities may not be redeemed prior to the Stated Maturity Date.]

[If applicable, insert -- The Securities are subject to redemption [(1) (If applicable, insert -- on _____ in any year commencing with the year ____ and ending with the year ____ through operation of the sinking fund for this series at a Redemption Price equal to 100% of the principal amount, and (2)] [If applicable, insert -- at any time [on or after _____], as a whole or in part, at the election of the Issuer, at the following Redemption Prices (expressed as percentages of the principal amount):

If redeemed on or before _____, ___% and if redeemed during the 12-month period beginning _____ of the years indicated at the Redemption Prices indicated below.

Year	Redemption Price	Year	Redemption Price
----	-----	----	-----

and thereafter at a Redemption Price equal to ___% of the principal amount, together in the case of any such redemption [If applicable, insert -- (whether through operation of the sinking fund or otherwise)] with accrued interest to the Redemption Date; provided, however, that installments of interest on this Security whose Stated Maturity is on or prior to such Redemption Date will be payable to the Holder of this Security, or one or more Predecessor Securities, of record at the close of business on the relevant Record Dates referred to on the face hereof, all as provided in the Indenture.]

[If applicable, insert -- The Securities are subject to redemption (1) on _____ in any year commencing with the year ____ and ending with the year ____ through operation of the sinking fund for this series at the Redemption Prices for redemption through operation of the sinking fund (expressed as percentages of the principal amount) set forth in the table below, and (2) at any time [on or after _____], as a whole or in part, at the election of the Issuer, at the Redemption Prices for redemption otherwise than through operation of the sinking fund (expressed as percentages of the principal amount) set forth in the table below: If redeemed during the 12-month period beginning _____ of the years indicated,

Year	Redemption Price for Redemption Through Operation of the Sinking Fund	Redemption Price for Redemption Otherwise Than Through Operation of the Sinking Fund
------	---	--

and thereafter at a Redemption Price equal to ___% of the principal amount, together in the case of any such redemption (whether through operation of the sinking fund or otherwise) with accrued interest to the Redemption Date; provided, however, that installments of interest on this Security whose Stated Maturity is on or prior to such Redemption Date will be payable to the Holder of this Security, or one or more Predecessor Securities, of record at the close of business on the relevant Record Dates referred to on the face hereof, all as provided in the Indenture.]

[If applicable, insert -- Notwithstanding the foregoing, the Issuer may not, prior to _____, redeem any Securities as contemplated by [Clause (2) of] the preceding paragraph as a part of, or in anticipation of, any refunding operation by the application, directly or indirectly, of moneys borrowed having an interest cost to the Issuer (calculated in accordance with generally accepted financial practice) of less than ___% per annum.]

[If applicable, insert -- The sinking fund for the Securities provides for the redemption on _____ in each year, beginning with the year ____ and ending with the year ____, of [not less than] \$_____ ["mandatory sinking fund"] and not more than \$_____ aggregate principal amount of the Securities. [The Securities acquired or redeemed by the

Issuer otherwise than through [mandatory] sinking fund payments may be credited against subsequent [mandatory] sinking fund payments otherwise required to be made in the [describe order] order in which they become due.]]

Notice of redemption will be given by mail to Holders of Securities, not less than 30 nor more than 60 days prior to the Redemption Date, all as provided in the Indenture.

In the event of redemption of this Security in part only, a new Security or Securities for the unredeemed portion hereof shall be issued in the name of the Holder hereof upon the cancellation hereof.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Issuer and the rights of the Holders of the Securities under the Indenture at any time by the Issuer and the Trustee with the consent of the Holders of not less than a majority of the aggregate principal amount of all Securities issued under the Indenture at the time Outstanding and affected thereby. The Indenture also contains provisions permitting the Holders of not less than a majority of the aggregate principal amount of the Outstanding Securities, on behalf of the Holders of all such Securities, to waive compliance by the Issuer with certain provisions of the Indenture. Furthermore, provisions in the Indenture permit the Holders of not less than a majority of the aggregate principal amount, in certain instances, of the Outstanding Securities of any series to waive, on behalf of all of the Holders of Securities of such series, certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and other Securities issued upon the registration of transfer hereof or in exchange hereafter or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Issuer, which is absolute and unconditional, to pay the principal of (and premium or Make-Whole Amount, if any) and interest on this Security at the times, places and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein [and herein] set forth, the transfer of this Security is registrable in the Security Register of the Issuer upon surrender of this Security for registration of transfer at the office or agency of the Issuer in any place where the principal of (and premium or Make-Whole Amount, if any) and interest on this Security are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Issuer and the Security Registrar duly executed by, the Holder hereof or by his attorney duly authorized in writing, and thereupon one or more new

Securities, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

As provided in the Indenture and subject to certain limitations therein [and herein] set forth, this Security is exchangeable for a like aggregate principal amount of Securities of different authorized denominations but otherwise having the same terms and conditions, as requested by the Holder hereof surrendering the same.

The Securities of this series are issuable only in registered form [without coupons] in denominations of \$_____ and any integral multiple thereof.

No service charge shall be made for any such registration of transfer or exchange, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Issuer, the Trustee and any agent of the Issuer or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Issuer, the Trustee nor any such agent shall be affected by notice to the contrary.

No recourse shall be had for the payment of the principal of or premium or Make- Whole Amount, if any, or the interest on this Security, or for any claim based hereon, or otherwise in respect hereof, or based on or in respect of the Indenture or any indenture supplemental thereto, against any past, present or future stockholder, employee, officer, director, incorporator, limited or general partner, as such, of the Issuer or the General Partner or of any successor, either directly or through the Issuer or the General Partner or any successor, whether by virtue of any constitution, statute or rule of law or by the enforcement of any assessment or penalty or otherwise, all such liability being, by the acceptance hereof and as part of the consideration for the issue hereof, expressly waived and released.

The Indenture and the Securities shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements made and to be performed entirely in such State.

EXHIBIT B

FORMS OF CERTIFICATION

EXHIBIT B-1

FORM OF CERTIFICATE TO BE GIVEN BY PERSON ENTITLED
TO RECEIVE BEARER SECURITY OR TO OBTAIN INTEREST
PAYABLE PRIOR TO THE EXCHANGE DATE

CERTIFICATE

[Insert title or sufficient description of Securities to be delivered]

This is to certify that, as of the date hereof, and except as set forth below, the above-captioned Securities held by you for our account (i) are owned by person(s) that are not citizens or residents of the United States, domestic partnerships, domestic corporations or any estate or trust the income of which is subject to United States Federal income taxation regardless of its source ("United States person(s)"), (ii) are owned by United States person(s) that are (a) foreign branches of United States financial institutions (financial institutions, as defined in United States Treasury Regulations Section 1.165-12(c)(1)(v) are herein referred to as "financial institutions") purchasing for their own account or for resale, or (b) United States person(s) who acquired the Securities through foreign branches of United States financial institutions and who hold the Securities through such United States financial institutions on the date hereof (and in either case (a) or (b), each such United States financial institution hereby agrees, on its own behalf or through its agent, that you may advise First Industrial, L.P. or its agent that such financial institution will comply with the requirements of Section 165(j)(3)(A), (B) or (C) of the United States Internal Revenue Code of 1986, as amended, and the regulations thereunder), or (iii) are owned by United States or foreign financial institution(s) for purposes of resale during the restricted period (as defined in United States Treasury Regulations Section 1.163-5(c)(2)(i)(D)(7)), and, in addition, if the owner is a United States or foreign financial institution described in clause (iii) above (whether or not also described in clause (i) or (ii)), this is to further certify that such financial institution has not acquired the Securities for purposes of resale directly or indirectly to a United States person or to a person within the United States or its possessions.

As used herein, "United States" means the United States of America (including the States and the District of Columbia); and its "possessions" include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands.

We undertake to advise you promptly by tested telex on or prior to the date on which you intend to submit your certification relating to the above-captioned Securities held by you

for our account in accordance with your Operating Procedures if any applicable statement herein is not correct on such date, and in the absence of any such notification it may be assumed that this certification applies as of such date.

This certificate excepts and does not relate to [U.S.\$] of such interest in the above-captioned Securities in respect of which we are not able to certify and as to which we understand an exchange for an interest in a permanent Global Security or an exchange for and delivery of definitive Securities (or, if relevant, collection of any interest) cannot be made until we do so certify.

We understand that this certificate may be required in connection with certain tax legislation in the United States. If administrative or legal proceedings are commenced or threatened in connection with which this certificate is or would be relevant, we irrevocably authorize you to produce this certificate or a copy thereof to any interested party in such proceedings.

Dated: _____, ____

[To be dated no earlier than the 15th day prior to (i) the Exchange Date or (ii) the relevant Interest Payment Date occurring prior to the Exchange Date, as applicable]

[Name of Person Making Certification]

(Authorized Signature)

Name:

Title:

EXHIBIT B-2

FORM OF CERTIFICATE TO BE GIVEN BY EUROCLEAR
AND CEDEL S.A. IN CONNECTION WITH THE EXCHANGE OF
A PORTION OF A TEMPORARY GLOBAL SECURITY OR TO
OBTAIN INTEREST PAYABLE PRIOR TO THE EXCHANGE DATE

CERTIFICATE

[Insert title or sufficient description of Securities to be delivered]

This is to certify that, based solely on written certifications that we have received in writing, by tested telex or by electronic transmission from each of the persons appearing in our records as persons entitled to a portion of the principal amount set forth below (our "Member Organizations") substantially in the form attached hereto, as of the date hereof, [U.S.\$] principal amount of the above-captioned Securities (i) is owned by person(s) that are not citizens or residents of the United States, domestic partnerships, domestic corporations or any estate or trust the income of which is subject to United States Federal income taxation regardless of its source ("United States person(s)"), (ii) is owned by United States person(s) that are (a) foreign branches of United States financial institutions (financial institutions, as defined in U.S. Treasury Regulations Section 1.165-12(c)(1)(v) are herein referred to as "financial institutions") purchasing for their own account or for resale, or (b) United States person(s) who acquired the Securities through foreign branches of United States financial institutions and who hold the Securities through such United States financial institutions on the date hereof (and in either case (a) or (b), each such financial institution has agreed, on its own behalf or through its agent, that we may advise First Industrial, L.P. or its agent that such financial institution will comply with the requirements of Section 165(j)(3)(A), (B) or (C) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder), or (iii) is owned by United States or foreign financial institution(s) for purposes of resale during the restricted period (as defined in United States Treasury Regulations Section 1.163-5(c)(2)(i)(D)(7)), and, to the further effect, that financial institutions described in clause (iii) above (whether or not also described in clause (i) or (ii)) have certified that they have not acquired the Securities for purposes of resale directly or indirectly to a United States person or to a person within the United States or its possessions.

As used herein, "United States" means the United States of America (including the States and the District of Columbia); and its "Possessions" include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands.

We further certify that (i) we are not making available herewith for exchange (or, if relevant, collection of any interest) any portion of the temporary Global Security representing the above-captioned Securities excepted in the above-referenced certificates of Member Organizations and (ii) as of the date hereof we have not received any notification from any of our Member Organizations to the effect that the statements made by such Member

Organizations with respect to any portion of the part submitted herewith for exchange (or, if relevant, collection of any interest) are no longer true and cannot be relied upon as of the date hereof.

We understand that this certification is required in connection with certain tax legislation in the United States. If administrative or legal proceedings are commenced or threatened in connection with which this certificate is or would be relevant, we irrevocably authorize you to produce this certificate or a copy thereof to any interested party in such proceedings.

Dated: _____

[To be dated no earlier than the Exchange Date or the relevant Interest Payment Date occurring prior to the Exchange Date, as applicable]

[Morgan Guaranty Trust Company of New York,
Brussels Office,] as Operator of the Euroclear
System [CEDEL S.A.]

By: _____

[Cahill Gordon & Reindel Letterhead]

February 14, 1997

(212) 701-3000

First Industrial Realty Trust, Inc.
150 N. Wacker Drive, Suite 150
Chicago, IL 60606

Ladies and Gentlemen:

We have acted as counsel for First Industrial Realty Trust, Inc. (the "Company") and First Industrial, L.P. (the "Operating Partnership") in connection with the Registration Statement on Form S-3 (the "Registration Statement"), filed by the Company and the Operating Partnership with the Securities and Exchange Commission (the "Commission") for registration under the Securities Act of 1933, as amended (the "Securities Act"), of (A) securities of the Company consisting of (i) common stock, par value \$.01 per share (the "Common Stock"), (ii) preferred stock, par value \$.01 per share (the "Preferred Stock"), and (iii) depository shares which may represent shares of Preferred Stock (the "Depository Shares") to be offered from time to time by the Company for aggregate proceeds of up to \$150,000,000 and (B) senior debt securities of the Operating Partnership, to be offered from time to time by the Operating Partnership, pursuant to an indenture (the "Indenture") to be entered into between the Operating Partnership and a trustee to be identified in a prospectus supplement to the prospectus contained in the Registration Statement, for aggregate proceeds of up to \$350,000,000. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Registration Statement.

In connection therewith, we have examined, among other things, originals or copies, certified or otherwise identified to our satisfaction, of the Amended and Restated Articles of Incorporation and Bylaws of the Company, each as amended to date, the Second Amended and Restated Limited Partnership Agreement of the Operating Partnership, as amended to date, resolutions of the Board of Directors of the Company with respect to the filing of the Registration Statement and such other documents as we have deemed necessary or appropriate for the purpose of rendering this opinion.

In our examination of documents, instruments and other papers, we have assumed the genuineness of all signatures on original and certified documents and the conformity to original and certified documents of all copies submitted to us as conformed, photostatic or other copies. As to matters of fact, we have relied upon representations of officers of the Company.

Based upon the foregoing examination, information supplied and assumptions, it is our opinion that:

1. the Common Stock has been duly authorized by all necessary corporate action of the Company and when the shares of Common Stock have been issued, delivered and paid for or upon conversion, exchange or exercise of any Preferred Stock or Depositary Shares in accordance with the terms of such Preferred Stock or Depositary Shares or the instrument governing such Preferred Stock or Depositary Shares providing for such conversion, exchange or exercise as approved by the Company's Board of Directors, for the consideration approved by the Company's Board of Directors, such shares of Common Stock will be legally issued, fully paid and non-assessable;

2. the Preferred Stock and the representation of such Preferred Stock by Depositary Shares, as described in the prospectus contained in the Registration Statement, have been duly authorized by all necessary corporate action of the Company and when (a) the Company's Board of Directors has classified the Preferred Stock by setting the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications or terms or conditions of redemption and the SDAT has accepted for record Articles Supplementary setting forth the foregoing characteristics of each series of Preferred Stock prior to the issuance thereof, and (b) the shares of Preferred Stock and, if applicable, Depositary Shares, have been issued, delivered and paid for, such shares of Preferred Stock and, if applicable, Depositary Shares, will be legally issued, fully paid and non-assessable; and

3. with respect to Debt Securities, when (a) the Indenture under which a series of Debt Securities is to be issued has been

duly executed and delivered by the parties thereto and duly qualified under the Trust Indenture Act of 1939, as amended, (b) the definitive terms of any series of Debt Securities and of their issue and sale have been duly established in accordance with the provisions of the Indenture so as not to violate any applicable law or agreement or instrument then binding on the Operating Partnership, (c) such series of Debt Securities has been duly executed by the Operating Partnership and authenticated by the trustee under the Indenture, (d) such series of Debt Securities has been issued and delivered in the manner contemplated by the Indenture, the Registration Statement, the prospectus contained therein and the applicable prospectus supplement, and (e) such series of Debt Securities has been duly paid for by the purchasers thereof, such series of Debt Securities will be entitled to the benefits of the Indenture, and will be the valid and binding obligation of the Operating Partnership, enforceable in accordance with its terms, except as the enforceability thereof may be limited by the laws of bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other similar laws now or hereafter in effect relating to creditors' rights generally and subject, as to enforceability, to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

We are attorneys admitted to practice in the State of New York. We express no opinion concerning the laws of any jurisdiction other than the Delaware Revised Uniform Limited Partnership Act, the laws of the United States of America and the laws of the State of New York. With respect to matters of Maryland law, we have relied, without independent investigation, upon the opinion of McGuire, Woods, Battle & Boothe, L.L.P., a copy of which is attached hereto.

We hereby consent to the reference to our firm in the Registration Statement under the caption "Legal Matters" and to the inclusion of this opinion as an exhibit to the Registration Statement. Our consent to such reference does not constitute a consent under Section 7 of the Securities Act as in consenting to such reference we have not certified any part of the Registration Statement and do not otherwise come within the categories of persons whose consent is required under Section 7 or under the rules and regulations of the Commission thereunder.

Very truly yours,

/s/ Cahill Gordon & Reindel

[MWBB LETTERHEAD]

February 14, 1997

First Industrial Realty Trust, Inc.
150 N. Wacker Drive, Suite 150
Chicago, Illinois 60606

Ladies and Gentlemen:

This opinion is furnished in our capacity as special Maryland counsel for First Industrial Realty Trust, Inc., a Maryland corporation (the "Company"), in connection with the filing on February 14, 1997 with the Securities and Exchange Commission by the Company and First Industrial, L.P., a Delaware limited partnership ("FILP"), of a registration statement on Form S-3 (the "Registration Statement") pursuant to the Securities Act of 1933, as amended (the "Securities Act"), in connection with the shelf registration of \$150,000,000 in maximum aggregate offering price of (i) shares of the Company's preferred stock, par value \$.01 per share (the "Preferred Stock"), (ii) shares of Preferred Stock represented by depositary shares (the "Depositary Shares"), as described in the prospectus included in the Registration Statement (the "Prospectus"), and (iii) shares of the Company's common stock, par value \$.01 per share (the "Common Stock"), and \$350,000,000 in maximum offering price of debt securities of FILP (the "Debt Securities").

In connection with rendering this opinion, we have examined originals, or copies certified or otherwise identified to our satisfaction, of the Articles of Amendment and Restatement of the Company, dated June 13, 1994, and the Articles of Amendment of the Company, dated June 20, 1994 and May 31, 1996, respectively; Amended and Restated Bylaws of the Company, as amended to date; resolutions of the board of directors of the Company; the Registration Statement; the Prospectus; a

Certificate of Good Standing for the Company, dated February 13, 1997, issued by the State Department of Assessments and Taxation of Maryland (the "SDAT"); and such other certificates, receipts, records and documents relating to the Company, the authorization of the Preferred Stock, Depositary Shares and Common Stock, and the filing of the Registration Statement as we considered necessary for the purposes of rendering this opinion.

In conducting our examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity to originals of all documents submitted to us as copies. As to matters of fact which have not been independently established, we have relied upon representations of officers of the Company.

We are attorneys admitted to practice in the State of Maryland. We express no opinion concerning the laws of any jurisdictions other than the laws of the United States of America and the State of Maryland.

Based upon the foregoing, we are of the opinion that:

(1) The Preferred Stock and the representation of such Preferred Stock by Depositary Shares, as described in the Prospectus, have been duly authorized by all necessary corporate action of the Company and when (a) the Company's board of directors has classified the Preferred Stock by setting the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications or terms or conditions of redemption and the SDAT has accepted for record Articles Supplementary setting forth the foregoing characteristics of each series of Preferred Stock prior to the issuance thereof, and (b) the shares of Preferred Stock and, if applicable, Depositary Shares, have been issued, delivered, and paid for, such shares of Preferred Stock and, if applicable, Depositary Shares, will be legally issued, fully paid, and nonassessable.

(2) The Common Stock has been duly authorized by all necessary corporate action of the Company and when the shares of Common Stock have been issued, delivered, and paid for, or upon conversion, exchange or exercise of any Preferred Stock or

Depository Shares in accordance with the terms of such Preferred Stock or Depository Shares or the instrument governing such Preferred Stock or Depository Shares providing for such conversion, exchange or exercise as approved by the Company's board of directors, for the consideration approved by the Company's board of directors, such shares of Common Stock will be legally issued, fully paid, and nonassessable.

We do not provide any opinion with respect to the Debt Securities, nor do we provide any opinion with respect to the Depository Shares other than our opinion set forth herein concerning the Preferred Stock, fractional shares of which may be offered as Depository Shares.

The foregoing assumes that all requisite steps will be taken to comply with the requirements of the Securities Act and applicable requirements of state laws regulating the offer and sale of securities.

This opinion may be relied upon by Messrs. Cahill Gordon & Reindel with respect to that firm's opinion to be filed as an exhibit to the Registration Statement. In addition, we hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the reference to our firm under the caption "Legal Matters" in the Prospectus. Our consent to such reference does not constitute a consent under Section 7 of the Securities Act and in consenting to such reference we have not certified any part of the Registration Statement and do not otherwise come within the categories of persons whose consent is required under Section 7 or under the rules and regulations of the Commission thereunder.

Very truly yours,

/s/ McGuire Woods Battle & Boothe, L.L.P.

MCGUIRE WOODS BATTLE & BOOTHE, LLP

[Letterhead of Cahill Gordon & Reindel]

February 14, 1997

(212) 701-3000

First Industrial Realty Trust, Inc.
150 North Wacker Drive, Suite 150
Chicago, Illinois 60606

Ladies and Gentlemen:

We have acted as tax counsel to First Industrial Realty Trust, Inc. (the "Company") in connection with the Form S-3 Registration Statements filed by the Company with the Securities and Exchange Commission on February 14, 1997, including the documents incorporated by reference therein (the "Registration Statements").* We have been asked to provide our opinion on certain federal income tax matters arising under the Internal Revenue Code of 1986, as amended (the "Code"), relating to the Company's qualification for taxation as a real estate investment trust (a "REIT") under the Code.

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* Capitalized terms used in this letter that are not otherwise defined herein have the meanings ascribed to them in the Registration Statement.

The opinions set forth in this letter are based on relevant provisions of the Code, Treasury Regulations thereunder (including proposed and temporary regulations) and interpretations of the foregoing as expressed in court decisions and administrative determinations as of the date hereof. These provisions and interpretations are subject to changes that might result in modifications of our opinions.

For purposes of rendering the opinions contained in this letter, we have reviewed (i) the Registration Statements; (ii) the Articles of Incorporation of each of the Company, First Industrial Finance Corporation (the "Financing Partnership Subsidiary"), First Industrial Management Corporation (the "Mortgage Loan Properties Management Company"), First Industrial Third-Party Management Corporation ("First Industrial Management"), First Industrial Enterprises of Michigan, Inc. ("Damone/Andrew"), First Industrial Pennsylvania Corporation ("First Industrial Pennsylvania"), First Industrial Harrisburg Corporation ("First Industrial Harrisburg"), First Industrial Securities Corporation ("First Industrial Securities"), First Industrial Mortgage Corporation ("First Industrial Mortgage"), FR Acquisitions, Inc. ("FR Acquisitions"), First Industrial Indianapolis Corporation ("First Industrial Indianapolis") and FI Development Services Corporation ("First Industrial Development"); (iii) the partnership agreement of each of First Industrial, L.P. (the "Operating Partnership"), First Industrial Financing Partnership, L.P. (the "Financing Partnership"), First Industrial Pennsylvania, L.P. (the "Pennsylvania Partnership"), First Industrial Harrisburg, L.P. (the "Harrisburg Partnership"), First Industrial Securities, L.P. (the "Securities Partnership"), First Industrial Mortgage Partnership, L.P. (the "Mortgage Partnership"), First Industrial Indianapolis, L.P. (the "Indianapolis Partnership"), First Industrial Development Services Group, L.P. (the "Development Partnership") and FI Development Services Group, L.P. (the "FI Development Partnership"); and (iv) such other documents, law and facts as we have deemed necessary to render the opinions set forth in this letter. In our review, we have assumed the genuineness of all signatures; the proper execution of all documents; the authenticity of all documents submitted to us as originals; the conformity to originals of all documents submitted to us as copies; and the authenticity of the originals of any copies.

In addition, for purposes of rendering the opinions set forth herein, we have assumed that (i) each of the Company, the Financing Partnership Subsidiary, the Mortgage Loan Properties Management Company, First Industrial Management, First Industrial Pennsylvania, First Industrial Harrisburg, First Industrial

Securities, First Industrial Mortgage, FR Acquisitions, First Industrial Indianapolis and First Industrial Development is a validly organized and duly incorporated corporation under the laws of the State of Maryland; (ii) Damone/Andrew is a validly organized and duly incorporated corporation under the laws of the State of Michigan; and (iii) each of the Operating Partnership, the Financing Partnership, the Pennsylvania Partnership, the Harrisburg Partnership, the Securities Partnership, the Mortgage Partnership, the Indianapolis Partnership, the Development Partnership and the FI Development Partnership is a duly organized and validly existing limited partnership subject to the Delaware Revised Uniform Limited Partnership Act.

These opinions also are premised on certain written representations made by (i) the Company, both in its capacity as a corporate entity and as general partner of the Operating Partnership; (ii) the Financing Partnership Subsidiary in its capacity as general partner of the Financing Partnership; (iii) First Industrial Pennsylvania in its capacity as general partner of the Pennsylvania Partnership; (iv) First Industrial Harrisburg in its capacity as general partner of the Harrisburg Partnership; (v) First Industrial Securities in its capacity as general partner of the Securities Partnership; (vi) First Industrial Mortgage in its capacity as general partner of the Mortgage Partnership; (vii) First Industrial Indianapolis in its capacity as general partner of the Indianapolis Partnership; and (viii) First Industrial Development in its capacity as general partner of the Development Partnership and the FI Development Partnership, in certificates dated the date hereof (the "Certificates"). For purposes of our opinions, we have not made an independent investigation of the representations contained in the Certificates, and consequently we have relied on the representations therein that the information contained in the Certificates or otherwise furnished to us accurately describes all material facts relevant to our opinions.

Based upon and subject to the foregoing, we are of the opinion that:

(i) Commencing with the Company's taxable year ended on December 31, 1994, the Company has been organized in conformity with the requirements for qualification as a REIT under the Code, and the Company's method of operation, as described in the Registration Statements and as set forth in the Certificates, will enable it to meet the requirements for qualification and taxation as a REIT, provided that the Company continues to satisfy the applicable asset composition, source of income, shareholder

diversification, distribution, recordkeeping and other requirements of the Code necessary for a corporation to qualify as a REIT; and

(ii) The information in the Registration Statements under the heading "Certain Federal Income Tax Considerations", to the extent that such information constitutes conclusions of law, has been reviewed by us and is correct in all material respects.

We express no opinion with respect to the matters described herein or in the Registration Statements other than those expressly set forth herein. Our opinions are not binding on the Internal Revenue Service (the "IRS") and the IRS may disagree with the opinions contained herein. Although we believe that our opinions would be sustained if challenged, there can be no assurance that this will be the case. The opinions expressed herein are based upon the law as it currently exists. Consequently, future changes in the law may cause the federal income tax treatment of the matters referred to herein to be materially and adversely different from that described above. In addition, any variation in the facts from those set forth in the Registration Statements, the representations contained in the Certificates or otherwise provided to us may affect the conclusions stated herein. Moreover, the Company's qualification and taxation as a REIT depend upon the Company's ability to meet, through actual annual operating results, distribution levels, diversity of stock ownership and various other qualification tests imposed under the Code, none of which will be reviewed by us. Accordingly, no assurance can be given that the actual results of the Company's operations for any taxable year will satisfy the requirements for the Company to maintain its qualification as a REIT.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statements and to the reference to our firm therein as counsel to the Company. Our consent to such reference does not constitute a consent under Section 7 of the Securities Act of 1933, as amended, as in consenting to such reference we have not certified any part of the Registration Statements and do not otherwise come within the categories of persons whose consent is required under such Section 7 or under the rules and regulations of the Securities and Exchange Commission thereunder.

Very truly yours,

/s/ Cahill Gordon & Reindel

FIRST INDUSTRIAL REALTY TRUST, INC.
 COMPUTATION OF RATIO OF EARNINGS TO
 FIXED CHARGES AND PREFERRED
 STOCK DIVIDENDS (a)
 (Dollars in thousands)

	FOR THE NINE MONTHS ENDED SEPTEMBER 30,		FOR THE YEAR ENDED DECEMBER 31,				
	1996	1995	1995	1994	1993	1992	1991
	-----	-----	-----	-----	-----	-----	-----
Income (loss) before disposition of interest rate protection agreement, gain on sales of properties, extraordinary items and minority interest.....	\$ 24,963	\$ 14,278	\$ 19,756	\$ 8,855	\$ (3,399)	\$ (4,048)	\$ (3,588)
Plus interest expense and amortization of deferred financing costs and interest rate protection agreement	24,012	24,793	33,029	26,461	19,184	19,994	19,469
Earnings before disposition of interest rate protection agreement, gain on sales of properties, extraordinary items, minority interest and fixed charges.....	48,975	39,071	52,785	35,316	15,785	15,946	15,881
Fixed charges and preferred stock dividends(b).....	27,202	25,087	33,821	26,511	19,197	20,277	19,756
Ratio of earnings to combined fixed charges and preferred stock dividends(c).....	1.80x	1.56x	1.56x	1.33x	--(c)	--(c)	--(c)

(a) The Company completed its initial public offering on June 30, 1994. Information prior to the initial public offering includes the operations and accounts of the Company's predecessors and information subsequent to the initial public offering includes the historical operations and accounts of the Company.

(b) There was no preferred stock outstanding prior to September 30, 1995.

(c) Earnings represent earnings before disposition of interest rate protection agreement, gain on sales of properties, extraordinary items, minority interest and fixed charges. Fixed charges consist of interest expenses, capitalized interest, and amortization of interest rate protection agreement and deferred financing costs. For the fiscal years ended December 31, 1993, 1992 and 1991, earnings were not sufficient to cover fixed charges. Additional earnings of \$3.4 million, \$4.3 million and \$3.9 million, respectively, would have been required to achieve a ratio of 1.0 for such periods.

FIRST INDUSTRIAL, L.P.
 COMPUTATION OF RATIO OF EARNINGS TO
 FIXED CHARGES AND FIXED PREFERRED
 DISTRIBUTIONS (a)
 (Dollars in thousands)

	FOR THE NINE MONTHS ENDED SEPTEMBER 30,		FOR THE YEAR ENDED DECEMBER 31,				
	1996	1995	1995	1994	1993	1992	1991
	-----	-----	-----	-----	-----	-----	-----
Income (loss) before disposition of interest rate protection agreement, gain on sales of properties extraordinary items and minority interest.....	\$ 25,690	\$ 14,096	\$ 19,087	\$ 8,855	\$ (3,399)	\$ (4,048)	\$ (3,588)
Plus interest expense and amortization of deferred financing costs and interest rate protection agreement	24,012	24,793	33,029	26,461	19,184	19,994	19,469
Earnings before extraordinary items, minority interest and fixed charges.....	49,702	38,889	52,116	35,316	15,785	15,946	15,881
Fixed charges and fixed preferred distributions(b).....	27,202	25,087	33,821	26,511	19,197	20,277	19,756
Ratio of earnings to combined fixed charges and fixed preferred distributions (c).....	1.83x	1.55x	1.54x	1.33x	--(c)	--(c)	--(c)

(a) First Industrial Realty Trust, Inc., the general partner of First Industrial, L.P. (the "Operating Partnership"), completed its initial public offering on June 30, 1994. Information prior to the initial public offering includes the operations and accounts of the Operating Partnership's predecessors and information subsequent to the initial public offering includes the historical operations and accounts of the Operating Partnership.

(b) There was no preferred limited partnership interest prior to September 30, 1995.

(c) Earnings represent earnings before extraordinary items, minority interest and fixed charges. Fixed charges consist of interest expenses, capitalized interest and amortization of interest rate protection agreement and deferred financing costs. For the fiscal years ended December 31, 1993, 1992 and 1991, earnings were not sufficient to cover fixed charges. Additional earnings of \$3.4 million, \$4.3 million and \$3.9 million, respectively, would have been required to achieve a ratio of 1.0 for such periods.

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the inclusion in this registration statement on Form S-3 dated February 14, 1997 of our report dated February 12, 1997 on our audits of the consolidated financial statements and the financial statement schedule of First Industrial, L.P. and the combined financial statements of the Contributing Businesses and the incorporation by reference in this registration statement on Form S-3 of our report dated March 15, 1996, on our audits of the consolidated financial statements and the financial statement schedule of First Industrial Realty Trust, Inc. and the combined financial statements of the Contributing Businesses which is included in the 1995 Annual Report on Form 10-K, and our report dated May 13, 1996 on our audits of the combined historical statements of revenues and certain expenses of First Highland Properties and the Other Acquisition Properties which is included in the Form 8-K/A No. 1 filed May 17, 1996, and our report dated February 11, 1997, on our audit of the combined historical statement of revenues and certain expenses of the Acquisition Properties which is included in the Form 8-K filed February 12, 1997. We also consent to the reference to our firm under the caption "Experts."

/S/ COOPERS & LYBRAND L.L.P.

COOPERS & LYBRAND L.L.P.

Chicago, Illinois
February 14, 1997

WARNING: THE EDGAR SYSTEM ENCOUNTERED ERROR(S) WHILE PROCESSING THIS SCHEDULE.

9-MOS	YEAR		YEAR		9-MOS	
DEC-31-1996	JAN-01-1996	DEC-31-1995	JAN-01-1995	DEC-31-1994	JAN-01-1994	DEC-31-1995
SEP-30-1996	1	DEC-31-1995	1	DEC-31-1994	1	SEP-30-1995
	14,105		20,105		22,189	0
	0		0		0	0
	13,354		10,237		9,889	0
	0		0		0	0
	0		0		0	0
	964,721		757,516		669,608	0
	85,018		68,749		49,314	0
	943,612		757,307		690,988	0
	0		0		0	0
	0		0		0	0
	0		0		0	0
	0		0		0	0
943,612	757,307		690,988		0	0
	0		0		0	0
	101,461		106,474		0	78,532
	0		0		0	0
	(50,520)		(65,357)		0	(49,802)
	0		0		0	0
	0		0		0	0
(21,600)			(28,591)		0	(21,109)
29,341			12,526		0	7,621
	0		0		0	0
29,341			12,526		0	7,621
	0		0		0	0
(821)			0		0	0
	0		0		0	0
	28,520		12,526		0	7,621
	0		0		0	0
	0		0		0	0

WARNING: THE EDGAR SYSTEM ENCOUNTERED ERROR(S) WHILE PROCESSING THIS SCHEDULE.

