

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

**Form 10-K**

- ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
For the fiscal year ended December 31, 2019  
or  
 **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_  
**Commission File Number: 1-13102 (First Industrial Realty Trust, Inc.)**  
**333-21873 (First Industrial, L.P.)**



**FIRST INDUSTRIAL REALTY TRUST, INC.**  
**FIRST INDUSTRIAL, L.P.**  
(Exact name of Registrant as specified in its Charter)

**First Industrial Realty Trust, Inc.**  
**First Industrial, L.P.**

**Maryland**  
**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**36-3935116**  
**36-3924586**  
(I.R.S. Employer  
Identification No.)

**1 N. Wacker Drive, Suite 4200**  
**Chicago, Illinois, 60606**  
(Address of principal executive offices, zip code)

**(312) 344-4300**  
(Registrant's telephone number, including area code)

**Securities registered pursuant to Section 12(b) of the Act:**  
**Common Stock (First Industrial Realty Trust, Inc.)**  
(Title of Class)

**FR**  
(Trading Symbol)

**New York Stock Exchange**  
(Name of Exchange on which Registered)

**Securities registered pursuant to Section 12(g) of the Act:**  
**None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

<b>First Industrial Realty Trust, Inc.</b>	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
<b>First Industrial, L.P.</b>	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

<b>First Industrial Realty Trust, Inc.</b>	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
<b>First Industrial, L.P.</b>	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

<b>First Industrial Realty Trust, Inc.</b>	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
<b>First Industrial, L.P.</b>	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

**First Industrial Realty Trust, Inc.** Yes  No

**First Industrial, L.P.** Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

**First Industrial Realty Trust, Inc.:**

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
	(Do not check if a smaller reporting company)	Emerging growth company	<input type="checkbox"/>

**First Industrial, L.P.:**

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
	(Do not check if a smaller reporting company)	Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**First Industrial Realty Trust, Inc.**

**First Industrial, L.P.**

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

**First Industrial Realty Trust, Inc.** Yes  No

**First Industrial, L.P.** Yes  No

The aggregate market value of the voting and non-voting stock held by non-affiliates of First Industrial Realty Trust, Inc. was approximately \$4,593.5 million based on the closing price on the New York Stock Exchange for such stock on June 30, 2019.

At February 12, 2020, 127,036,879 shares of First Industrial Realty Trust, Inc.'s Common Stock, \$0.01 par value, were outstanding.

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**DOCUMENTS INCORPORATED BY REFERENCE**

Part III incorporates certain information by reference to First Industrial Realty Trust, Inc.'s definitive proxy statement expected to be filed with the Securities and Exchange Commission no later than 120 days after the end of First Industrial Realty Trust, Inc.'s fiscal year.

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## EXPLANATORY NOTE

This report combines the Annual Reports on Form 10-K for the period ended December 31, 2019 of First Industrial Realty Trust, Inc., a Maryland corporation (the "Company"), and First Industrial, L.P., a Delaware limited partnership (the "Operating Partnership"). Unless stated otherwise or the context otherwise requires, the terms "we," "our" and "us" refer to the Company and its subsidiaries, including the Operating Partnership and its consolidated subsidiaries.

The Company is a real estate investment trust and the general partner of the Operating Partnership. At December 31, 2019, the Company owned an approximate 98.1% common general partnership interest in the Operating Partnership. The remaining approximate 1.9% common limited partnership interests in the Operating Partnership are owned by certain limited partners. As the sole general partner of the Operating Partnership, the Company exercises exclusive and complete discretion over the Operating Partnership's day-to-day management and control and can cause it to enter into certain major transactions, including acquisitions, dispositions and refinancings. The management of the Company consists of the same members as the management of the Operating Partnership.

The Company and the Operating Partnership are managed and operated as one enterprise. The financial results of the Operating Partnership are consolidated into the financial statements of the Company. The Company has no significant assets other than its investment in the Operating Partnership. Substantially all of the Company's assets are held by, and its operations are conducted through, the Operating Partnership and its subsidiaries. Therefore, the assets and liabilities of the Company and the Operating Partnership are substantially the same.

We believe it is important to understand the differences between the Company and the Operating Partnership in the context of how the Company and the Operating Partnership operate as an interrelated, consolidated company. The main areas of difference between the consolidated financial statements of the Company and those of the Operating Partnership are:

- *Stockholders' Equity, Noncontrolling Interest and Partners' Capital.* The 1.9% equity interest in the Operating Partnership held by entities or persons other than the Company are classified within partners' capital in the Operating Partnership's financial statements and as a noncontrolling interest in the Company's financial statements.
- *Relationship to Other Real Estate Partnership.* The Company's operations are conducted primarily through the Operating Partnership and its subsidiaries, though operations are also conducted through eight other limited partnerships, which are referred to as the "Other Real Estate Partnerships." The Operating Partnership is a limited partner, holding at least a 99% interest, and the Company is a general partner, holding at least a .01% general partnership interest through eight separate wholly-owned corporations, in each of the Other Real Estate Partnerships. The Other Real Estate Partnerships are variable interest entities that both the Company and the Operating Partnership consolidate. The Company's direct general partnership interest in the Other Real Estate Partnerships is reflected as noncontrolling interest within the Operating Partnership's financial statements.
- *Relationship to Service Subsidiary.* The Company has a direct wholly-owned subsidiary that does not own any real estate but provides services to various other entities owned by the Company. Since the Operating Partnership does not have an ownership interest in this entity, its operations are reflected in the consolidated results of the Company but not the Operating Partnership. Also, this entity owes certain amounts to the Operating Partnership, for which a receivable is included on the Operating Partnership's balance sheet but is eliminated on the Company's consolidated balance sheet, since both this entity and the Operating Partnership are fully consolidated by the Company.

We believe combining the Company's and Operating Partnership's annual reports into this single report results in the following benefits:

- enhances investors' understanding of the Company and the Operating Partnership by enabling them to view the business as a whole and in the same manner as management views and operates the business;
- creates time and cost efficiencies through the preparation of one combined report instead of two separate reports; and
- eliminates duplicative disclosures and provides a more streamlined and readable presentation for our investors to review since a substantial portion of the Company's disclosure applies to both the Company and the Operating Partnership.

To help investors understand the differences between the Company and the Operating Partnership, this report provides the following separate disclosures for each of the Company and the Operating Partnership:

- consolidated financial statements;
- a single set of consolidated notes to such financial statements that includes separate discussions of each entity's stockholders' equity or partners' capital, as applicable; and
- a combined Management's Discussion and Analysis of Financial Condition and Results of Operations section that includes distinct information related to each entity.

This report also includes separate Part II, Item 9A, Controls and Procedures sections and separate Exhibits 31 and 32 certifications for the Company and the Operating Partnership in order to establish that the requisite certifications have been made and that the Company and the Operating Partnership are both compliant with Rule 13a-15 and Rule 15d-15 of the Securities Exchange Act of 1934, as amended, and 18 U.S.C. §1350.

**FIRST INDUSTRIAL REALTY TRUST, INC.**  
**FIRST INDUSTRIAL, L.P.**  
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## FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934 (the "Exchange Act"). We intend for such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on certain assumptions and describe our future plans, strategies and expectations, and are generally identifiable by use of the words "believe," "expect," "plan," "intend," "anticipate," "estimate," "project," "seek," "target," "potential," "focus," "may," "will," "should" or similar words. Although we believe the expectations reflected in forward-looking statements are based upon reasonable assumptions, we can give no assurance that our expectations will be attained or that results will not materially differ. Factors which could have a materially adverse effect on our operations and future prospects include, but are not limited to:

- changes in national, international, regional and local economic conditions generally and real estate markets specifically;
- changes in legislation/regulation (including changes to laws governing the taxation of real estate investment trusts) and actions of regulatory authorities;
- our ability to qualify and maintain our status as a real estate investment trust;
- the availability and attractiveness of financing (including both public and private capital) and changes in interest rates;
- the availability and attractiveness of terms of additional debt repurchases;
- our ability to retain our credit agency ratings;
- our ability to comply with applicable financial covenants;
- our competitive environment;
- changes in supply, demand and valuation of industrial properties and land in our current and potential market areas;
- our ability to identify, acquire, develop and/or manage properties on favorable terms;
- our ability to dispose of properties on favorable terms;
- our ability to manage the integration of properties we acquire;
- potential liability relating to environmental matters;
- defaults on or non-renewal of leases by our tenants;
- decreased rental rates or increased vacancy rates;
- higher-than-expected real estate construction costs and delays in development or lease-up schedules;
- potential natural disasters and other potentially catastrophic events such as acts of war and/or terrorism;
- litigation, including costs associated with prosecuting or defending claims and any adverse outcomes;
- risks associated with our investments in joint ventures, including our lack of sole decision-making authority; and
- other risks and uncertainties described in Item 1A, "Risk Factors" and elsewhere in this report as well as those risks and uncertainties discussed from time to time in our other Exchange Act reports and in our other public filings with the Securities and Exchange Commission (the "SEC").

We caution you not to place undue reliance on forward-looking statements, which reflect our outlook only and speak only as of the date of this report. We assume no obligation to update or supplement forward-looking statements.

**PART I**  
**THE COMPANY**

**Item 1. Business**

**Background**

First Industrial Realty Trust, Inc. is a self-administered and fully integrated real estate company which owns, manages, acquires, sells, develops and redevelops industrial real estate. The Company is a Maryland corporation organized on August 10, 1993 and a real estate investment trust ("REIT") as defined in the Internal Revenue Code of 1986 (the "Code"). As of December 31, 2019, our in-service portfolio consisted of 175 bulk warehouse properties, 96 regional warehouse properties, 136 light industrial properties and 26 R&D/flex properties, containing an aggregate of approximately 60.2 million square feet of gross leasable area ("GLA") located in 21 states. Our in-service portfolio includes all properties that have reached stabilized occupancy (defined as properties that are 90% leased), (re)developed properties upon the earlier of reaching 90% occupancy or one year from the date construction is completed and acquired properties that are at least 75% occupied at acquisition, unless we anticipate tenant move-outs within two years of ownership would drop occupancy below 75%. Acquired properties that are less than 75% occupied at acquisition or with tenants that we anticipate will move out within the first two years of ownership are placed in service upon the earlier of reaching 90% occupancy or one year after move out.

We began operations on July 1, 1994. The Company's operations are conducted primarily through the Operating Partnership, a Delaware limited partnership formed on November 23, 1993 of which the Company is the sole general partner (the "General Partner"), with an approximate 98.1% ownership interest ("General Partner Units") at December 31, 2019. The Operating Partnership also conducts operations through the Other Real Estate Partnerships, numerous limited liability companies ("LLCs") and certain taxable REIT subsidiaries ("TRSs"), the operating data of which, together with that of the Operating Partnership, is consolidated with that of the Company as presented herein. The Company does not have any significant assets or liabilities other than its investment in the Operating Partnership and its 100% ownership interest in the general partners of the Other Real Estate Partnerships. Noncontrolling interest in the Operating Partnership of approximately 1.9% at December 31, 2019, represents the aggregate partnership interest held by the limited partners thereof ("Limited Partner Units" and together with the General Partner Units, the "Units").

Profits, losses and distributions of the Operating Partnership, the LLCs, the Other Real Estate Partnerships and the TRSs are allocated to the general partner and the limited partners, the members or the shareholders, as applicable, of such entities in accordance with the provisions contained within their respective organizational documents.

We also own a 49% equity interest in, and provide various services to, a joint venture (the "Joint Venture") through a wholly owned subsidiary of the Operating Partnership. The Joint Venture is accounted for under the equity method of accounting. The operating data of the Joint Venture is not consolidated with that of the Company or the Operating Partnership as presented herein.

We utilize an operating approach which combines the effectiveness of decentralized, locally based property management, acquisition, sales and development functions with the cost efficiencies of centralized acquisition, sales and development support, capital markets expertise, asset management and fiscal control systems. At December 31, 2019, we had 155 employees.

**Available Information**

Our principal executive offices are located at One North Wacker, 42nd Floor, Chicago, Illinois 60606. Our telephone number is (312) 344-4300.

Copies of our respective annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to such reports that we file with the SEC are available without charge as soon as reasonably practicable on our website at [www.firstindustrial.com](http://www.firstindustrial.com). These documents also may be accessed through the SEC's website at [www.sec.gov](http://www.sec.gov). In addition, our Corporate Governance Guidelines, Code of Business Conduct and Ethics, charters of each committee of the Board of Directors, along with supplemental financial and operating information prepared by us, are all available without charge on our website or in print upon request. Amendments to, or waivers from, our Code of Business Conduct and Ethics that apply to our executive officers or directors will also be posted to our website. The information found on, or otherwise accessible through, our website is not incorporated into, and does not form a part of, this report or any other report or document we file with or furnish to the SEC.

## Business Objectives and Growth Plans

Our fundamental business objective is to maximize the total return to the Company's stockholders and the Operating Partnership's partners through an increase in cash flows and increases in the value of our properties and operations. Our long-term business growth plans include the following elements:

- *Internal Growth.* We seek to grow internally by (i) increasing revenues by renewing or re-leasing spaces subject to expiring leases at higher rental levels; (ii) contractual rent escalations on our long-term leases; (iii) increasing occupancy levels at properties where vacancies exist and maintaining occupancy elsewhere; (iv) controlling and minimizing property operating and general and administrative expenses; and (v) renovating existing properties.
- *External Growth.* We seek to grow externally through (i) the development of industrial properties; (ii) the acquisition of portfolios of industrial properties or individual properties which meet our investment parameters within our target markets; (iii) the expansion of our properties; and (iv) possible additional joint venture investments.
- *Portfolio Enhancement.* We continually seek to upgrade our overall portfolio via new investments as well as through the sale of select assets that we believe do not exhibit favorable characteristics for long-term cash flow growth.

Our ability to pursue our long-term growth plans is affected by market conditions and our financial condition and operating capabilities. See "Summary of Significant Transactions in 2019" under Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations."

## Business Strategies

We utilize the following six strategies in connection with the operation of our business:

- *Organizational Strategy.* We implement our decentralized property operations strategy through the deployment of experienced regional management teams and local property managers. We provide acquisition, development and financing assistance, asset management oversight and financial reporting functions from our headquarters in Chicago, Illinois to support our regional operations. We believe the size of our portfolio enables us to realize operating efficiencies by spreading overhead among many properties and by negotiating purchasing discounts.
- *Market Strategy.* Our market strategy is to concentrate on the top industrial real estate markets in the United States. These markets have one or more of the following characteristics: (i) favorable industrial real estate fundamentals, including improving industrial demand and constrained supply that can lead to long-term rent growth; (ii) warehouse distribution markets with favorable economic and business environments that should benefit from increases in distribution activity driven by growth in global trade and local consumption; and (iii) sufficient size to provide ample opportunity for growth through incremental investments as well as offer asset liquidity.
- *Leasing and Marketing Strategy.* We have an operational management strategy designed to enhance tenant satisfaction and portfolio performance. We pursue an active leasing strategy, which includes broadly marketing available space, seeking to renew existing leases at higher rents per square foot and seeking leases which provide for the pass-through of property-related expenses to the tenant. We also have local and national marketing programs which focus on the business and real estate brokerage communities and multi-national tenants.
- *Acquisition/Development Strategy.* Our acquisition/development strategy is to invest in industrial properties in the top industrial real estate markets in the United States through the deployment of experienced regional management teams.
- *Disposition Strategy.* We continually evaluate local market conditions and property-related factors in all of our markets for purposes of identifying assets suitable for disposition.
- *Financing Strategy.* To finance acquisitions, developments and debt maturities, as market conditions permit, we may utilize a portion of proceeds from property sales, unsecured debt offerings, term loans, mortgage financings and line of credit borrowings under our \$725.0 million unsecured revolving credit agreement (the "Unsecured Credit Facility"), and proceeds from the issuance, when and as warranted, of additional equity securities. We also continually evaluate joint venture arrangements as another source of capital to finance acquisitions and developments. As of February 12, 2020, we had approximately \$596.4 million available for additional borrowings under the Unsecured Credit Facility.

## **Future Property Acquisitions, Developments and Property Sales**

We have acquisition and development programs through which we seek to identify portfolio and individual industrial property acquisitions and developments. We also sell properties based on market conditions and property related factors. As a result, we are currently engaged in negotiations relating to the possible acquisition, development or sale of certain industrial properties in our portfolio.

When evaluating potential industrial property acquisitions and developments, as well as potential industrial property sales, we will consider such factors as: (i) the geographic area and type of property; (ii) the location, construction quality, condition and design of the property; (iii) the terms of tenant leases, including the potential for rent increases; (iv) the potential for economic growth and the general business, tax and regulatory environment of the area in which the property is located; (v) the occupancy and demand by tenants for properties of a similar type in the vicinity; (vi) competition from existing properties and the potential for the construction of new properties in the area; (vii) the potential for capital appreciation of the property; (viii) the ability to improve the property's performance through renovation; and (ix) the potential for expansion of the physical layout of the property and/or the number of sites.

## **Industry**

Industrial properties are typically used for the design, assembly, packaging, storage and distribution of goods and/or the provision of services. As a result, the demand for industrial space in the United States is related to the level of economic output and consumption, including e-commerce fulfillment. Accordingly, the competition we face to lease our existing properties and acquire or develop new properties varies with the levels of these factors.



**Item 1A. Risk Factors**

Our operations involve various risks that could adversely affect our business, including our financial condition, our results of operations, our cash flow, our liquidity, our ability to make distributions to holders of the Company's common stock and the Operating Partnership's Units, the market price of the Company's common stock and the market value of the Units. These risks, among others contained in our other filings with the SEC, include:

***Disruptions in the financial markets could affect our ability to obtain financing and may negatively impact our liquidity, financial condition and operating results.***

A significant amount of our existing indebtedness was issued through capital markets transactions. We anticipate that the capital markets could be a source of refinancing of our existing indebtedness in the future. This source of refinancing may not be available if volatility in or disruption of the capital markets occurs. From time to time, the capital and credit markets in the United States and other countries experience significant price volatility, dislocations and liquidity disruptions, which can cause the market prices of many securities and the spreads on prospective debt financings to fluctuate substantially. These circumstances can materially impact liquidity in the financial markets, making terms for certain financings less attractive, and in some cases result in the unavailability of financing. Furthermore, we could potentially lose access to available liquidity under our Unsecured Credit Facility if one or more participating lenders were to default on their commitments. If our ability to issue additional debt or equity securities or to borrow money under our Unsecured Credit Facility were to be impaired by volatility in or disruption of the capital markets, it could have a material adverse effect on our liquidity and financial condition.

In addition, price volatility in the capital and credit markets could make the valuation of our properties more difficult. There may be significant uncertainty in the valuation, or in the stability of the value, of our properties that could result in a substantial decrease in the value of our properties. As a result, we may not be able to recover the carrying amount of our properties, which may require us to recognize an impairment loss in earnings.

***Real estate investments fluctuate in value depending on conditions in the general economy and the real estate industry. These conditions may limit our revenues and available cash.***

The factors that affect the value of our real estate and the revenues we derive from our properties include, among other things:

- general economic conditions;
- local, regional, national and international economic conditions and other events and occurrences that affect the markets in which we own properties;
- local conditions such as oversupply or a reduction in demand in an area;
- increasing labor and material costs;
- the ability to collect on a timely basis all rents from tenants;
- changes in tenant operations, real estate needs and credit;
- changes in interest rates and in the availability, cost and terms of mortgage funding;
- zoning or other regulatory restrictions;
- competition from other available real estate;
- operating costs, including maintenance, insurance premiums and real estate taxes; and
- other factors that are beyond our control.

Our investments in real estate assets are concentrated in the industrial sector, and the demand for industrial space in the United States is related to the level of economic output. Accordingly, reduced economic output may lead to lower occupancy rates for our properties. In addition, if any of our tenants experiences a downturn in its business that weakens its financial condition, delays lease commencement, fails to make rental payments when due, becomes insolvent or declares bankruptcy, the result could be a termination of the tenant's lease, which could adversely affect our cash flow from operations. These factors may be amplified by a disruption of financial markets or more general economic conditions.

***Many real estate costs are fixed, even if income from properties decreases.***

Our financial results depend on leasing space to tenants on terms favorable to us. Our income and funds available for distribution to our stockholders and unitholders will decrease if a significant number of our tenants cannot pay their rent or we are unable to lease properties on favorable terms. In addition, if a tenant does not pay its rent, we may not be able to enforce our rights as landlord without delays and we may incur substantial legal costs. Costs associated with real property, such as real estate taxes and maintenance costs, generally are not reduced when circumstances cause a reduction in income from the property.

***We may be unable to renew leases or find other tenants on advantageous terms or at all.***

We are subject to the risks that, upon expiration, 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 the expiring lease terms. If we were unable to promptly renew a significant number of expiring leases or to promptly relet the spaces covered by such leases, or if the rental rates upon renewal or reletting were significantly lower than the current rates, our financial condition, results of operation, cash flow and ability to make distributions to our stockholders and unitholders, the market price of the Company's common stock and the market value of the Units could be adversely affected.

***We may be unable to acquire properties on advantageous terms or acquisitions may not perform as we expect.***

We have routinely acquired properties from third parties as conditions warrant and, as part of our business, we intend to continue to do so. The acquisition of properties entails various risks, including risks that our investments may not perform as expected and that our cost estimates for bringing an acquired property up to market standards, if necessary, may prove inaccurate. Further, we face significant competition for attractive investment opportunities from other well-capitalized real estate investors, including publicly-traded REITs and private investors. This competition increases as investments in real estate become attractive relative to other forms of investment. As a result of competition, we may be unable to acquire additional properties and purchase prices may increase. In addition, we expect to finance future acquisitions through a combination of borrowings under the Unsecured Credit Facility, proceeds from equity or debt offerings and debt originations and proceeds from property sales, which may not be available. Any of the above risks could adversely affect our financial condition, results of operations, cash flow and ability to make distributions to our stockholders and unitholders, the market price of the Company's common stock and the market value of the Units.

***We may obtain only limited warranties when we purchase a property and would have only limited recourse in the event our due diligence did not identify any issues that lower the value of our property.***

The seller of a property often sells such property in its "as is" condition on a "where is" basis and "with all faults," without any warranties of merchantability or fitness for a particular use or purpose. In addition, purchase agreements may contain only limited warranties, representations and indemnifications that will only survive for a limited period after the closing. The purchase of properties with limited warranties increases the risk that we may lose some or all of our invested capital in the property as well as the loss of rental income from that property.

***We may be unable to sell properties when appropriate or at all because real estate investments are not as liquid as certain other types of assets.***

Real estate investments generally cannot be sold quickly, which could limit our ability to adjust our property portfolio in response to changes in economic conditions or in the performance of the portfolio. This could adversely affect our financial condition and our ability to service debt and make distributions to our stockholders and unitholders. In addition, like other companies qualifying as REITs under the Code, our ability to sell assets may be restricted by tax laws that potentially result in punitive taxation on asset sales that fail to meet certain safe harbor rules or other criteria established under case law.

***We may be unable to sell properties on advantageous terms.***

We have routinely sold properties to third parties as conditions warrant and, as part of our business, we intend to continue to do so. However, our ability to sell properties on advantageous terms depends on factors beyond our control, including competition from other sellers and the availability of attractive financing for potential buyers. If we are unable to sell properties on favorable terms or to redeploy the proceeds in accordance with our business strategy, then our financial condition, results of operations, cash flow and ability to make distributions to our stockholders and unitholders, the market price of the Company's common stock and the market value of the Units could be adversely affected. Further, if we sell properties by providing financing to purchasers, defaults by the purchasers would adversely affect our operations and financial condition.

***We may be unable to complete development and re-development projects on advantageous terms.***

As part of our business, we develop new properties and re-develop existing properties as conditions warrant. This part of our business involves significant risks, including the following:

- we may not be able to obtain financing for these projects on favorable terms;
- we may not complete construction on schedule or within budget;
- we may not be able to obtain, or may experience delays in obtaining, all necessary zoning, land-use, building, occupancy and other governmental permits and authorizations;
- contractor and subcontractor disputes, strikes, labor disputes or supply chain disruptions may occur; and
- properties may perform below anticipated levels, producing cash flow below budgeted amounts, which may result in us paying too much for a property, cause the property to not be profitable and limit our ability to sell such properties to third parties.

To the extent these risks result in increased debt service expense, construction costs and delays in budgeted leasing, they could adversely affect our financial condition, results of operations, cash flow and ability to make distributions to our stockholders and unitholders, the market price of the Company's common stock and the market value of the Units.

***We own certain properties subject to ground leases that expose us to the loss of such property upon breach or termination of the ground lease.***

We own the building and improvements and lease the land underlying the improvements under several long-term ground leases. We could lose our interests in the properties if the ground leases are breached by us, terminated or lapse. As we get closer to the lease termination dates, the values of the properties could decrease without an extension in place. Certain of these ground leases have payments subject to annual escalations and/or periodic fair market value adjustments which could adversely affect our financial condition or results of operations.

***The Company might fail to qualify as a REIT under existing laws and/or federal income tax laws could change.***

The Company intends to operate so as to qualify as a REIT under the Code, and we believe that the Company is organized and will operate in a manner that allows us to continue to do so. However, qualification as a REIT involves the satisfaction of numerous requirements, some of which must be met on a recurring basis. These requirements are established under highly technical and complex Code provisions. There are only limited judicial and administrative interpretations of these provisions, and they involve the determination of various factual matters and circumstances not entirely within our 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 at corporate rates. This could result in a discontinuation or substantial reduction in distributions to our stockholders and unitholders, could reduce the cash available to pay interest and principal on debt securities and make further investments in real estate. Unless entitled to relief under certain statutory provisions, the Company would be disqualified from electing treatment as a REIT for the four taxable years following the year during which the Company failed to qualify.

The IRS, the United States Treasury Department and Congress frequently review federal income tax legislation, and we cannot predict whether, when or to what extent new federal laws, regulations, interpretations or rulings will be adopted. Additional changes to tax laws are likely to continue to occur in the future and any such legislative action may prospectively or retroactively modify the Company's tax treatment and therefore, may adversely affect taxation of us and/or our stockholders and unitholders. Any such changes could have an adverse effect on an investment in shares or on the market value or the resale potential of our properties. Stockholders and unitholders are urged to consult with their own tax advisor with respect to the impact of recent legislation, the status of legislative, regulatory, or administrative developments and proposals, and their potential effect on ownership of our shares.

***Certain property transfers may generate prohibited transaction income, resulting in a penalty tax on the gain attributable to the transaction.***

As part of our business, we sell properties to third parties as opportunities arise. Under the Code, a 100% penalty tax could be assessed on the tax gain recognized from sales of properties that are deemed to be prohibited transactions. The question of what constitutes a prohibited transaction is based on the facts and circumstances surrounding each transaction. The IRS could contend that certain sales of properties by us are prohibited transactions. While we have implemented controls to avoid prohibited transactions, if a dispute were to arise that was successfully argued by the IRS, the 100% penalty tax could be assessed against the Company's profits from these transactions.

***The REIT distribution requirements may limit our ability to retain capital and require us to turn to external financing sources.***

As a REIT, the Company must distribute to its stockholders at least 90% of its taxable income (determined without regard to the dividends-paid deduction and by excluding any net capital gain) to our stockholders each year and we may be subject to tax to the extent our taxable income is not fully distributed. The Company could, in certain instances, have taxable income without sufficient cash to enable it to meet this requirement. In that situation, we could be required to borrow funds or sell properties on adverse terms in order to do so. The distribution requirement could also limit our ability to accumulate capital to provide capital resources for our ongoing business, and to satisfy our debt repayment obligations and other liquidity needs, we may be more dependent on outside sources of financing, such as debt financing or issuances of additional capital stock, which may or may not be available on favorable terms. Additional debt financings may substantially increase our leverage and additional equity offerings may result in substantial dilution of stockholders' and unitholders' interests.

***We may pay some taxes.***

Even if we qualify as a REIT for U.S. federal income tax purposes, we may be subject to federal, state and local taxes on our income and property. From time to time changes in state and local tax laws or regulations are enacted, which may result in an increase in our tax liability. A shortfall in tax revenues for states and municipalities in which we operate may lead to an increase in the frequency and amount of such increase. These actions could adversely affect our financial condition and results of operations. In addition, our TRSs will be subject to federal, state and local income tax for income received.

In the normal course of business, certain of our legal entities have undergone tax audits and may undergo audits in the future. There can be no assurance that future audits will not occur with increased frequency or that the ultimate result of such audits will not have a material adverse effect on our results of operations.

***Failure to hedge effectively against interest rate changes may adversely affect our results of operations.***

In the normal course of business, we use derivatives to manage our exposure to interest rate volatility on debt instruments, including hedging for future debt issuances. At other times we may utilize derivatives to increase our exposure to floating interest rates. There can be no assurance that these hedging arrangements will have the desired beneficial impact. These arrangements, which can include a number of counterparties, may expose us to additional risks, including failure of any of our counterparties to perform under these contracts, and may involve extensive costs, such as transaction fees or breakage costs, if we terminate them. Hedging may reduce the overall returns on our investments, which could reduce our cash available for distribution to our stockholders and unitholders. Failure to hedge effectively against interest rate changes may materially adversely affect our financial condition, results of operations and cash flow. No strategy can completely insulate us from the risks associated with interest rate fluctuations.

We have adopted a practice relating to the use of derivative financial instruments which requires the Company's Board of Directors to authorize our use of derivative financial instruments to fix the interest rate on anticipated offerings of unsecured debt and to manage the interest rates on our variable rate borrowings. Our practice is that we do not use derivatives for speculative or trading purposes and intend only to enter into contracts with major financial institutions based on their credit rating and other factors, but the Company's Board of Directors may choose to change these practices in the future.

***Debt financing, the degree of leverage and rising interest rates could reduce our cash flow.***

We use debt to increase the rate of return to our stockholders and unitholders and to allow us to make more investments than we otherwise could. Our use of leverage presents an additional element of risk in the event that the cash flow from our properties is insufficient to meet both debt payment obligations and the distribution requirements of the REIT provisions of the Code. In addition, rising interest rates would reduce our cash flow by increasing the amount of interest due on our floating rate debt and on our fixed rate debt as it matures and is refinanced. Our organizational documents do not contain any limitation on the amount or percentage of indebtedness we may incur.

In July 2017, the Financial Conduct Authority announced it intended to stop compelling banks to submit rates for the calculation of LIBOR after 2021. As a result, in the U.S., the Federal Reserve Board and the Federal Reserve Bank of New York identified the Secured Overnight Financing Rate as its preferred alternative rate for USD LIBOR in debt and derivative financial instruments. Our revolving credit facility, our unsecured term loans and related interest rate swaps are indexed to LIBOR. Our loan documents contain provisions that contemplate alternative methods to determine the base rate applicable to our LIBOR-indexed debt to the extent LIBOR-indexed rates are not available. Additionally, no mandatory prepayment or redemption provisions would be triggered under our loan documents in the event that the LIBOR-indexed rates are not available. If our debt agreements and derivative contracts are not transitioned to a preferred alternative rate and LIBOR-indexed rates are discontinued or if the methods of calculating the rates change, interest rates on our current or future indebtedness may be adversely affected. While we currently expect LIBOR-indexed rates to be available until the end of 2021, it is possible that they will become unavailable prior to that time. We anticipate managing the transition to a preferred alternative rate using the language set out in our agreements however future market conditions may not allow immediate implementation of desired modifications and we may incur significant associated costs in doing so. We will continue to monitor and evaluate the potential impact on our debt payments and value of our related debt, however, we are not able to predict when LIBOR-indexed rates will cease to be available.

***Failure to comply with covenants in our debt agreements could adversely affect our financial condition.***

The terms of our agreements governing our indebtedness require that we comply with a number of financial and other covenants, such as maintaining debt service coverage and leverage ratios and maintaining insurance coverage. Complying with such covenants may limit our operational flexibility. Our failure to comply with these covenants could cause a default under the applicable debt agreement even if we have satisfied our payment obligations. Consistent with our prior practice, we will continue to interpret and certify our performance under these covenants in a good faith manner that we deem reasonable and appropriate. However, these financial covenants are complex and there can be no assurance that these provisions would not be interpreted by the noteholders or lenders in a manner that could impose and cause us to incur material costs. Our ability to meet our financial covenants may be adversely affected if economic and credit market conditions limit our ability to reduce our debt levels consistent with, or result in net operating income below, our current expectations. Under our revolving credit facility and our unsecured term loans, an event of default can also occur if the lenders, in their good faith judgment, determine that a material adverse change has occurred that could prevent timely repayment or materially impair our ability to perform our obligations under the loan agreement.

Upon the occurrence of an event of default, we would be subject to higher finance costs and fees, and the lenders under our Unsecured Credit Facility will not be required to lend any additional amounts to us. In addition, our indebtedness, together with accrued and unpaid interest and fees, could be accelerated and declared to be immediately due and payable. Furthermore, our Unsecured Credit Facility, our unsecured term loans and the indentures governing our senior unsecured notes contain certain cross-default provisions that may be triggered in the event that our other material indebtedness is in default. These cross-default provisions may require us to repay or restructure our Unsecured Credit Facility, our unsecured term loans or our senior unsecured notes (which includes our private placement notes), depending on which is in default, and such restructuring could adversely affect our financial condition, results of operations, cash flow and ability to make distributions to our stockholders and unitholders, the market price of the Company's common stock and the market value of the Units. If repayment of any of our indebtedness is accelerated, we cannot provide assurance that we would be able to borrow sufficient funds to refinance such indebtedness or that we would be able to sell sufficient assets to repay such indebtedness. Even if we were able to obtain new financing, it may not be on commercially reasonable terms, or terms that are acceptable to us.

***We may have to make lump-sum payments on our existing indebtedness.***

We are required to make lump-sum or "balloon" payments under the terms of some of our indebtedness. Our ability to make required payments of principal on outstanding indebtedness, whether at maturity or otherwise, may depend on our ability to refinance the applicable indebtedness or to sell properties. Currently, we have no commitments to refinance any of our indebtedness.

***Our mortgages may impact our ability to sell encumbered properties on advantageous terms or at all.***

Certain of our mortgages contain, and some future mortgages may contain, substantial prepayment premiums that we would have to pay upon the sale of a property, thereby reducing the net proceeds to us from the sale of any such property. As a result, our willingness to sell certain properties and the price at which we may desire to sell a property may be impacted. If we are unable to sell properties on favorable terms or redeploy the proceeds of property sales in accordance with our business strategy, then our financial condition, results of operations, cash flow and ability to make distributions to our stockholders and unitholders, the market price of the Company's common stock and the market value of the Units could be adversely affected.

***Adverse market and economic conditions could cause us to recognize impairment charges.***

We regularly review our real estate assets for impairment indicators, such as a decline in a property's occupancy rate, decline in general market conditions or a change in the expected hold period of an asset. If we determine that indicators of impairment are present, we review the properties affected by these indicators to determine whether an impairment charge is required. As a result, we may be required to recognize asset impairment, which could materially and adversely affect our business, financial condition and results of operations. We use considerable judgment in making determinations about impairments, from analyzing whether there are indicators of impairment, to the assumptions used in calculating the fair value of the investment. Accordingly, our subjective estimates and evaluations may not be accurate, and such estimates and evaluations are subject to change or revision.

***Earnings and cash dividends, asset value and market interest rates affect the price of the Company's common stock.***

The market value of the Company's common stock is based in large part upon the market's perception of the growth potential of the Company's earnings and cash dividends. The market value of the Company's common stock is also based upon the value of the Company's underlying real estate assets. For this reason, shares of the Company's common stock may trade at prices that are higher or lower than the Company's net asset value per share. To the extent that the Company retains operating cash flow for investment purposes, working capital reserves, or other purposes, these retained funds, while increasing the value of the Company's underlying assets, may not correspondingly increase the market price of the Company's common stock. The Company's failure to meet the market's expectations with regard to future earnings and the payment of cash dividends/distributions likely would adversely affect the market price of the Company's common stock. Further, the distribution yield on the common stock (as a percentage of the price of the common stock) relative to market interest rates may also influence the market price of the Company's common stock. An increase in market interest rates might lead prospective purchasers of the Company's common stock to expect a higher distribution yield, which would adversely affect the market price of the Company's common stock. Any reduction in the market price of the Company's common stock would, in turn, reduce the market value of the Units.

***We may become subject to litigation.***

We may become subject to litigation, including claims relating to our operations, offerings, and otherwise in the ordinary course of business. Some of these claims may result in significant defense costs and potentially significant judgments against us, some of which are not, or cannot be, insured against. Resolution of these types of matters could adversely impact our financial condition, results of operations and cash flow. Certain litigation or the resolution of certain litigation may affect the availability or cost of some of our insurance coverage, which could adversely impact our results of operations and cash flows, expose us to increased risks that would be uninsured, and/or adversely impact our ability to attract officers and directors.

***We may incur unanticipated costs and liabilities due to environmental problems.***

Under various federal, state and local laws, ordinances and regulations, we may, as a current or previous owner, developer or operator of real estate, 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 a property and any related damages to natural resources. Environmental 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 those conditions properly, may adversely affect our ability to rent or sell a property or to borrow using a property as collateral. The disposal or treatment of hazardous or toxic materials, or the arrangement of such disposal or treatment, may cause us to be liable for the costs of clean-up of such materials or for related natural resource damages occurring at or emanating from an off-site disposal or treatment facility, whether or not the facility is owned or operated by us. No assurance can be given that existing environmental assessments with respect to any of our properties reveal all environmental liabilities, that any prior owner or operator of any of our properties did not create any material environmental condition not known to us or that a material environmental condition does not otherwise exist as to any of our properties. Moreover, there can be no assurance that (i) changes to existing laws, ordinances or regulations will not impose any material environmental liability or (ii) the current environmental condition of our properties will not be affected by customers, by the condition of land or operations in the vicinity of our properties (such as releases from underground storage tanks), or by third parties unrelated to us.

All of our properties were subject to a Phase I or similar environmental assessment by independent environmental consultants at the time of acquisition. Phase I assessments are intended to discover and evaluate information regarding the environmental condition of the surveyed property and surrounding properties. Phase I assessments generally include a historical review, a public records review, an investigation of the surveyed site and surrounding properties, and preparation and issuance of a written report, but do not include soil sampling or subsurface investigations and typically do not include an asbestos survey. While some of these assessments have led to further investigation and sampling, none of our environmental assessments of our properties have revealed an environmental liability that we believe would have a material adverse effect on our business, financial condition or results of operations taken as a whole. However, we cannot give any assurance that such conditions do not exist or may not arise in the future. Material environmental conditions, liabilities or compliance concerns may arise after the environmental assessment has been completed.

Environmental laws in the U.S. also require that owners or operators of buildings containing asbestos properly manage and maintain the asbestos, adequately inform or train those who may come into contact with asbestos and undertake special precautions, including removal or other abatement, in the event that asbestos is disturbed during building renovation or demolition. These laws may impose fines and penalties on building owners or operators who fail to comply with these requirements and may allow third parties to seek recovery from owners or operators for personal injury associated with exposure to asbestos. Some of our properties may contain asbestos-containing building materials.

We invest in properties historically used for industrial, manufacturing and commercial purposes. Some of these properties contain, or may have contained, underground storage tanks for the storage of petroleum products and other hazardous or toxic substances. All of these operations create a potential for the release of petroleum products or other hazardous or toxic substances. Some of our properties are adjacent to or near other properties that may have contained or currently contain underground storage tanks used to store petroleum products, or other hazardous or toxic substances. In addition, previous or current occupants of our properties and adjacent properties may have engaged, or may in the future engage, in activities that may release petroleum products or other hazardous or toxic substances.

We have a portfolio environmental insurance policy that provides coverage for potential environmental liabilities, subject to the policy's coverage conditions and limitations, for most of our properties. From time to time, we may acquire properties or interests in properties, with known adverse environmental conditions where we believe that the environmental liabilities associated with these conditions are quantifiable and that the acquisition will yield a superior risk-adjusted return. In such an instance, we underwrite the costs of environmental investigation, clean-up and monitoring into the cost. Further, in connection with property dispositions, we may agree to remain responsible for, and to bear the cost of, remediating or monitoring certain environmental conditions on the properties.

***We are exposed to the potential impacts of future climate change.***

We are exposed to potential physical risks from possible future changes in climate. Our properties may be exposed to rare catastrophic weather events, such as severe storms or floods. If the frequency of extreme weather events increases, our exposure to these events could increase. We do not currently consider ourselves to be exposed to regulatory risks related to climate change, as the operation of our buildings typically does not generate a significant amount of greenhouse gas emissions. However, we may be adversely impacted as a real estate owner, manager and developer in the future by potential impacts to the supply chain or stricter energy efficiency standards or greenhouse gas regulations for the commercial building sectors. We cannot give any assurance that other such conditions do not exist or may not arise in the future. The potential impacts of future climate change on our real estate properties could adversely affect our ability to lease, develop or sell such properties or to borrow using such properties as collateral.

***Our insurance coverage does not include all potential losses.***

Real property is subject to casualty risk including damage, destruction, or loss resulting from events that are unusual, sudden and unexpected. Some of our properties are located in areas where casualty risk is higher due to earthquake, wind, wildfire and/or flood risk. We carry comprehensive insurance coverage to mitigate our casualty risk, in amounts and of a kind that we believe are appropriate for the markets where each of our properties and their business operations are located. Among other coverage, we carry property, boiler and machinery, general liability, cyber liability, fire, flood, terrorism, earthquake, extended coverage and rental loss insurance. Our coverage includes policy specifications and limits customarily carried for similar properties and business activities. We evaluate our level of insurance coverage and deductibles using analysis and modeling, as is customary in our industry. However, we do not insure against all types of casualty, and we may not fully insure against certain perils such as earthquake and cyber risk, either because coverage is not available or because we do not deem it to be economically feasible or prudent to do so. As a result, we could experience a significant loss of capital or revenues, and be exposed to obligations under recourse debt associated with a property. This could occur due to an uninsured or high deductible loss, a loss in excess of insured limits, or a loss not paid due to insurer insolvency.

***We may incur significant costs complying with various federal, state and local laws, regulations and covenants that are applicable to our properties and, in particular, costs associated with complying with regulations such as the Americans with Disabilities Act of 1990 (the "ADA") may result in unanticipated expenses.***

The properties in our portfolio are subject to various covenants and U.S. federal, state and local laws and regulatory requirements, including permitting and licensing requirements. Local regulations, including municipal or local ordinances, zoning restrictions and restrictive covenants imposed by community developers may restrict our use of our properties and may require us to obtain approval from local officials or restrict our use of our properties and may require us to obtain approval from local officials of community standards organizations at any time with respect to our properties, including prior to acquiring a property or when undertaking renovations of any of our existing properties. Among other things, these restrictions may relate to fire and safety, seismic or hazardous material abatement requirements. There can be no assurance that existing laws and regulatory policies will not adversely affect us or the timing or cost of any future acquisitions or renovations, or that additional regulation will not be adopted that increase such delays or result in additional costs. Our growth strategy may be affected by our ability to obtain permits, licenses and zoning relief. Our failure to obtain such permits, licenses and zoning relief or to comply with applicable laws could have an adverse effect on our financial condition, results of operations and cash flow.

In addition, under the ADA, all places of public accommodation are required to meet certain U.S. federal requirements related to access and use by disabled persons. Noncompliance with the ADA could result in an order to correct any non-complying feature, which could result in substantial capital expenditures. We do not conduct audits or investigations of all of these properties to determine their compliance and we cannot predict the ultimate cost of compliance with the ADA, or other legislation. If one or more of our properties in which we invest is not in compliance with the ADA, or other legislation, then we would be required to incur additional costs to bring the property into compliance. If we incur substantial costs to comply with the ADA or other legislation, our financial condition, results of operations, cash flow, our ability to satisfy debt service obligations and to make distributions to our stockholders and unitholders, the market price of the Company's common stock and the market value of the Units could be adversely affected.

***Terrorist attacks and other acts of violence or war may affect the market for the Company's common stock, the industry in which we conduct our operations and our profitability.***

Acts of violence, including terrorist attacks could occur in the localities in which we conduct business. More generally, these events could cause consumer confidence and spending to decrease or result in increased volatility in the worldwide financial markets and economy. These attacks or armed conflicts may adversely impact our operations or financial condition. In addition, losses resulting from these types of events may be uninsurable.

***We face risks relating to cybersecurity attacks that could cause loss of confidential information and other business disruptions.***

We rely extensively on computer systems to manage our business, and our business is at risk from and may be impacted by cybersecurity attacks and security breaches. These could include attempts to gain unauthorized access to our data and computer systems through malware, computer viruses, attachments to e-mails, persons inside our Company or persons with access to systems inside our Company, and other significant disruptions of our information technology networks and related systems.

The risk of a cybersecurity breach or disruption, particularly through a cyber-incident, including by computer hackers, foreign governments and cyber terrorists, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. Although we employ a number of measures to prevent, detect and mitigate these threats, which include password protection, frequent password change events, firewall detection systems, frequent backups, a redundant data system for core applications, periodic cyber dwelling reviews and annual penetration testing, even the most well protected information, networks, systems and facilities remain potentially vulnerable because the techniques used in such attempted security breaches evolve and generally are not recognized until launched against a target, and in some cases are designed to not be detected and, in fact, may not be detected. Accordingly, we may be unable to anticipate these techniques or to implement adequate security barriers or other preventative measures, and thus it is impossible for us to entirely mitigate this risk.



Moreover, although we maintain some of our own critical information technology systems, we also depend on third parties to provide important information technology services relating to, for instance, payroll, electronic communications and certain finance functions. The security measures employed by such third party service providers may prove to be ineffective at preventing breaches of their systems.

A successful cybersecurity attack could, among other things:

- compromise the confidential information of our employees, tenants and vendors;
- disrupt the proper functioning of our networks and systems, and therefore our operations and/or those of certain of our tenants;
- result in our inability to maintain the building systems relied upon by our tenants for the efficient use of their leased space;
- result in the unauthorized access to, and destruction, loss, theft, misappropriation or release of proprietary, confidential, sensitive or otherwise valuable information of ours or others, which others could use to compete against us or for disruptive, destructive or otherwise harmful purposes and outcomes;
- result in misstated financial reports, violations of loan covenants and/or missed reporting deadlines;
- result in our inability to properly monitor our compliance with the rules and regulations regarding our qualification as a REIT;
- require significant management attention and resources to remedy any damages that result;
- subject us to claims for breach of contract, damages, credits, penalties or termination of leases or other agreements; or
- damage our reputation among our tenants, investors and associates.

***Adverse changes in our credit ratings could negatively affect our liquidity and business operations.***

The credit ratings of our senior unsecured notes are based on our operating performance, liquidity and leverage ratios, overall financial position and other factors employed by the credit rating agencies in their rating analyses. Our credit ratings can affect the availability, terms and pricing of any indebtedness we may incur or preferred stock that we might issue going forward. There can be no assurance that we will be able to maintain any credit rating and, in the event any credit rating is downgraded, we could incur higher borrowing costs or may be unable to access certain or any capital markets.

***Our business could be adversely impacted if we have deficiencies in our disclosure controls and procedures or internal control over financial reporting.***

The design and effectiveness of our disclosure controls and procedures and internal control over financial reporting may not prevent all errors, misstatements or misrepresentations. While management will continue to review the effectiveness of our disclosure controls and procedures and internal control over financial reporting, there can be no guarantee that our internal control over financial reporting will be effective in accomplishing all control objectives all of the time. Deficiencies, including any material weakness, in our internal control over financial reporting which may occur could result in misstatements of our results of operations, restatements of our financial statements, a decline in the price/value of our securities, or otherwise materially adversely affect our business, reputation, results of operations, financial condition or liquidity.

***The Company is authorized to issue preferred stock. The issuance of preferred stock could adversely affect the holders of the Company's common stock issued pursuant to its public offerings.***

Our declaration of trust authorizes the Company to issue 225,000,000 common shares and 10,000,000 shares designated as preferred stock. Subject to approval by the Company's Board of Directors, the Company may issue preferred stock with rights, preferences and privileges that are more beneficial than the rights, preferences and privileges of its common stock. Holders of the Company's common stock do not have preemptive rights to acquire any shares issued by the Company in the future. If the Company ever creates and issues preferred stock with a distribution preference over common stock, payment of any distribution preferences on outstanding preferred stock would reduce the amount of funds available for the payment of distributions to our common stockholders and unitholders. In addition, holders of preferred stock are normally entitled to receive a preference payment in the event of liquidation, dissolution or winding up before any payment is made to our common stockholders, which would reduce the amount our common stockholders and unitholders, might otherwise receive upon such an occurrence. Also, under certain circumstances, the issuance of preferred stock may have the effect of delaying or preventing a change in control of the Company.

***The Company's Board of Directors may change its strategies, policies or procedures without stockholder approval, which may subject us to different and more significant risks in the future.***

Our investment, financing, leverage and distribution policies and our policies with respect to all other activities, including growth, debt, capitalization and operations, are determined by the Company's Board of Directors. These policies may be amended or revised at any time and from time to time at the discretion of the Company's Board of Directors without notice to or a vote of its stockholders. This could result in us conducting operational matters, making investments or pursuing different business or growth strategies. Under these circumstances, we may expose ourselves to different and more significant risks in the future, which could have a material adverse effect on our business and growth. In addition, the Company's Board of Directors may change its governance policies provided that such changes are consistent with applicable legal requirements. A change in these policies could have an adverse effect on our financial condition, results of operations, cash flow, ability to satisfy our principal and interest obligations, ability to make distributions to our stockholders and unitholders, the market price of the Company's common stock and the market value of the Units.

***Future sales or issuances of our common stock may cause the market price of our common stock to decline.***

The sale of substantial amounts of our common stock, whether directly by us or in the secondary market, the perception that such sales could occur or the availability of future issuances of shares of our common stock, limited partnership units of the Operating Partnership or other securities convertible into or exchangeable or exercisable for our common stock, could materially and adversely affect the market price of our common stock and our ability to raise capital through future offerings of equity or equity-related securities. In addition, we may issue capital stock that is senior to our common stock in the future for a number of reasons, including to finance our operations and business strategy, to adjust our ratio of debt to equity or for other reasons.

***The market price of our common stock may fluctuate significantly.***

The market price of our common stock may fluctuate significantly in response to many factors, including:

- actual or anticipated variations in our operating results, funds from operations, cash flows or liquidity,
- changes in our earnings estimates or those of analysts,
- changes in asset valuations and related impairment charges,
- changes in our dividend policy,
- publication of research reports about us or the real estate industry generally,
- the ability of our tenants to pay rent to us and meet their obligations to us under the current lease terms and our ability to re-lease space as leases expire,
- increases in market interest rates that lead purchasers of our common stock to demand a higher dividend yield,
- changes in market valuations of similar companies,
- adverse market reaction to the amount of our debt outstanding at any time, the amount of our debt maturing in the near- and medium-term and our ability to refinance our debt, or our plans to incur additional debt in the future,
- our ability to comply with applicable financial covenants under our unsecured line of credit and the indentures under which our senior unsecured indebtedness is, or may be, issued,
- additions or departures of key management personnel,
- actions by institutional stockholders,
- speculation in the press or investment community,
- general market and economic conditions.

Many of the factors listed above are beyond our control. Those factors may cause the market price of our common stock to decline significantly, regardless of our financial condition, results of operations and prospects. It is impossible to provide any assurance that the market price of our common stock will not fall in the future, and it may be difficult for holders to resell shares of our common stock at prices they find attractive, or at all.

***Certain provisions of our charter and bylaws could hinder, delay or prevent a change in control of our company.***

Certain provisions of our charter and our bylaws could have the effect of discouraging, delaying or preventing transactions that involve an actual or threatened change in control of our company. These provisions include the following:

- *Removal of Directors.* Under our charter, subject to the rights of one or more classes or series of preferred stock to elect one or more directors, a director may be removed only for cause and only by the affirmative vote of at least a majority of all votes entitled to be cast by our stockholders generally in the election of directors.
- *Preferred Stock.* Under our charter, our board of directors has the power to issue preferred stock from time to time in one or more series and to establish the terms, preferences and rights of any such series of preferred stock, all without approval of our stockholders.
- *Advance Notice Bylaws.* Our bylaws require advance notice procedures with respect to nominations of directors and shareholder proposals.
- *Ownership Limit.* For the purpose, among others, of preserving our status as a REIT under the Internal Revenue Code of 1986, as amended, our charter generally prohibits any single stockholder, or any group of affiliated stockholders, from beneficially owning more than 9.8% of our outstanding common and preferred stock unless our board of directors waives or modifies this ownership limit.
- *Stockholder Action by Written Consent.* Our bylaws contain a provision that permits our stockholders to take action by written consent in lieu of an annual or special meeting of stockholders only if the unanimous consent of the stockholders is obtained.
- *Ability of Stockholders to Call Special Meeting.* Under our bylaws, we are only required to call a special meeting at the request of the stockholders if the request is made by at least a majority of all votes entitled to be cast by our stockholders generally in the election of directors.
- *Maryland Control Share Acquisition Act.* Our bylaws contain a provision exempting acquisitions of our shares from the Maryland Control Share Acquisition Act. However, our board of directors may amend our bylaws in the future to repeal or modify this exemption, in which case any control shares of our company acquired in a control share acquisition will be subject to the Maryland Control Share Acquisition Act.

***We may be unable to retain and attract key management personnel.***

We may be unable to retain and attract talented executives. In the event of the loss of key management personnel or upon unexpected death, disability or retirement, we may not be able to find replacements with comparable skill, ability and industry expertise. Until suitable replacements are identified and retained, if at all, our operating results and financial condition could be materially and adversely affected.

***We could be subject to risks and liabilities in connection with joint venture arrangements.***

Our organizational documents do not limit the amount of available funds that we may invest in joint ventures. We currently have and may in the future selectively acquire, own and/or develop properties through joint ventures with other persons or entities when we deem such transactions are warranted by the circumstances. Joint venture investments, in general, involve certain risks not present where we act alone, including:

- joint venturers may share certain approval rights over major decisions, which might (i) significantly delay or make impossible actions and decisions we believe are necessary or advisable with respect to properties owned through a joint venture, and/or (ii) adversely affect our ability to develop, finance, lease or sell properties owned through a joint venture at the most advantageous time for us, if at all;
- joint venturers might experience financial distress, become bankrupt or otherwise fail to fund their share of any required capital contributions;
- joint venturers might have economic or other business interests or goals that are competitive or inconsistent with our business interests or goals that would affect our ability to develop, finance, lease, operate, manage or sell any properties owned by the applicable joint venture;
- joint venturers may have the power to act contrary to our instructions, requests, policies or objectives, including our current policy with respect to maintaining the Company's qualification as a REIT;
- joint venture agreements often restrict the transfer of a member's or joint venturer's interest or may otherwise restrict our ability to sell our interest when we would like to or on advantageous terms;
- disputes between us and our joint venturers may result in litigation or arbitration that would increase our expenses and prevent our officers and directors from focusing their time and effort on our business and subject the properties owned by the applicable joint venture to additional risk; and
- we may in certain circumstances be liable for the actions of our joint venturers.

The occurrence of one or more of the events described above could adversely affect our financial condition, results of operations, cash flow and ability to make distributions to our stockholders and unitholders, the market price of the Company's common stock and the market value of the Units.

**Item 1B. *Unresolved SEC Comments***

None.

**Item 2. *Properties***

**General**

At December 31, 2019, we owned 433 in-service industrial properties containing an aggregate of approximately 60.2 million square feet of GLA in 21 states, with a diverse base of more than 1,050 tenants engaged in a wide variety of businesses, including distribution, wholesale trade, professional services, manufacturing and retail. The average annual base rent per square foot for our in-service portfolio, calculated at December 31, 2019, was \$5.43. The properties are generally located in business parks that have convenient access to interstate highways and/or rail and air transportation. We maintain insurance on our properties that we believe is adequate.

We classify our properties into four industrial categories: bulk warehouse, regional warehouse, light industrial and R&D/flex. While some properties may have characteristics which fall under more than one property type, we use what we believe is the most dominant characteristic to categorize the property. Individual properties may be reclassified over time due to changes in building characteristics such as tenant use and office space build-out.

The following describes, generally, the different industrial categories:

- Bulk warehouse buildings are of more than 100,000 square feet, have a ceiling height of at least 22 feet and are comprised of 5%-15% of office space;
- Regional warehouses are of less than 100,000 square feet, have a ceiling height of at least 22 feet and are comprised of 5%-15% of office space;
- Light industrial properties are of less than 100,000 square feet, have a ceiling height of 16-21 feet and are comprised of 5%-50% of office space; and
- R&D/flex buildings are of less than 100,000 square feet, have a ceiling height of less than 16 feet and are comprised of 50% or more of office space.

The following tables summarize, by market, certain information as of December 31, 2019, with respect to the in-service properties.

### In-Service Property Summary Totals

Metropolitan Area	Bulk Warehouse		Regional Warehouse		Light Industrial		R&D/Flex		Total		Occupancy at 12/31/19
	GLA (in 000's)	Number of Properties	GLA (in 000's)	Number of Properties	GLA (in 000's)	Number of Properties	GLA (in 000's)	Number of Properties	GLA (in 000's)	Number of Properties	
Atlanta, GA	4,563	14	340	4	347	5	—	—	5,250	23	98.5%
Baltimore, MD	2,660	8	—	—	268	4	52	1	2,980	13	97.8%
Central/Eastern PA (A)	6,055	13	432	5	346	7	—	—	6,833	25	95.0%
Chicago, IL	5,092	15	326	6	255	5	—	—	5,673	26	96.1%
Cincinnati, OH	684	3	310	3	278	5	—	—	1,272	11	93.6%
Cleveland, OH	1,128	6	—	—	—	—	—	—	1,128	6	100.0%
Dallas/Ft. Worth, TX	4,644	25	484	6	971	17	—	—	6,099	48	98.8%
Denver, CO	1,135	5	717	7	986	21	156	5	2,994	38	99.1%
Detroit, MI	399	3	509	11	590	25	136	3	1,634	42	100.0%
Houston, TX	3,250	17	564	8	85	3	—	—	3,899	28	98.7%
Miami, FL	315	2	345	7	51	1	—	—	711	10	95.5%
Milwaukee, WI	707	3	90	1	—	—	—	—	797	4	100.0%
Minneapolis/St. Paul, MN	2,780	13	145	2	239	3	266	3	3,430	21	96.4%
Nashville, TN	979	3	—	—	164	2	—	—	1,143	5	100.0%
New Jersey (A)	1,359	6	—	—	781	14	172	3	2,312	23	98.7%
Orlando, FL	427	3	234	3	79	1	—	—	740	7	100.0%
Phoenix, AZ	1,579	6	445	7	38	1	—	—	2,062	14	99.5%
Seattle, WA	101	1	287	5	23	1	—	—	411	7	84.9%
Southern California (A)	7,152	25	1,312	21	727	20	—	—	9,191	66	97.7%
Tampa, FL	—	—	—	—	33	1	193	8	226	9	95.2%
Other (B)	1,181	4	—	—	—	—	212	3	1,393	7	100.0%
<b>Total</b>	<b>46,190</b>	<b>175</b>	<b>6,540</b>	<b>96</b>	<b>6,261</b>	<b>136</b>	<b>1,187</b>	<b>26</b>	<b>60,178</b>	<b>433</b>	<b>97.6%</b>
Occupancy by Industrial Property Type		97.9%		96.8%		96.2%		99.0%			

(A) Central/Eastern PA includes the markets of Central Pennsylvania and Philadelphia. New Jersey includes the markets of Northern and Central New Jersey. Southern California includes the markets of Los Angeles, the Inland Empire and San Diego.

(B) Properties are located in Greenville, KY; Indianapolis, IN; Kansas City, MO; Overland, MO; Richland Center, WI; and Salt Lake City, UT.

### Indebtedness

As of December 31, 2019, 62 of our 433 in-service industrial properties, with a net carrying value of \$265.0 million, are pledged as collateral under our mortgage financings, totaling \$174.4 million, excluding unamortized debt issuance costs. See Note 4 to the Consolidated Financial Statements and the accompanying Schedule III beginning on page S-1 for additional information.

## Property Acquisitions

During the year ended December 31, 2019, we acquired nine industrial properties and several land parcels for an aggregate purchase price of approximately \$147.9 million. The industrial properties were acquired at an expected stabilized capitalization rate of approximately 5.4%. The capitalization rate for these industrial property acquisitions was calculated using the estimated stabilized net operating income (excluding straight-line rent and above and below market lease amortization) and dividing it by the sum of the purchase price plus closing costs and estimated costs to stabilize the properties. The acquired industrial properties have the following characteristics:

Metropolitan Area	Number of Properties	GLA	Property Type	Occupancy at 12/31/19
Chicago, IL	1	172,654	Bulk Warehouse	60%
Denver, CO	1	84,700	Regional Warehouse	100%
Orlando, FL	1	54,000	Regional Warehouse	100%
Seattle, WA	1	23,360	Light Industrial	100%
Southern California	5	206,992	Regional Warehouse, Light Industrial	80%
Total	9	541,706		

## Development Activity

During the year ended December 31, 2019, we completed and placed in-service 13 developments totaling approximately 4.4 million square feet of GLA at a total cost of approximately \$324.7 million. Included in the total cost is \$13.0 million of leasing commissions. The capitalization rate for these development projects, calculated using the estimated stabilized net operating income (excluding straight-line rent adjustments) divided by the total investment in the developed property is 6.7%. The placed in-service development projects have the following characteristics:

Metropolitan Area	Number of Properties	GLA	Property Type	Occupancy at 12/31/19
Atlanta, GA	1	703,339	Bulk Warehouse	100%
Central/Eastern PA	2	988,920	Bulk Warehouse	75%
Chicago, IL	1	355,969	Bulk Warehouse	58%
Dallas, TX	1	863,328	Bulk Warehouse	100%
Denver, CO	1	555,840	Bulk Warehouse	100%
Houston, TX	1	126,250	Bulk Warehouse	100%
New Jersey	1	119,808	Bulk Warehouse	100%
Phoenix, AZ	1	50,184	Regional Warehouse	100%
Seattle, WA	1	66,751	Regional Warehouse	100%
Southern California	3	598,312	Bulk Warehouse	100%
Total	13	4,428,701		

As of December 31, 2019, we substantially completed five developments totaling approximately 0.9 million square feet of GLA. The estimated total investment for the five developments is approximately \$68.4 million, of which \$51.6 million has been incurred as of December 31, 2019. There can be no assurance that the actual completion cost for these developments will not exceed the estimated completion cost. The substantially completed developments have the following characteristics:

Metropolitan Area	Number of Properties	GLA	Property Type	Occupancy at 12/31/19
Dallas/Fort Worth, TX	3	543,197	Bulk Warehouse	12%
Houston, TX	2	371,950	Bulk Warehouse	15%
Total	5	915,147		

As of December 31, 2019, we have ten development projects that are under construction totaling approximately 2.1 million square feet of GLA. The estimated total investment for the ten development projects under construction is \$208.2 million, of which \$90.2 million has been incurred as of December 31, 2019. There can be no assurance that the actual completion cost for these developments will not exceed the estimated completion cost. The development projects under construction have the following characteristics:

Metropolitan Area	Number of Properties	GLA	Property Type	Anticipated Quarter of Building Completion
Phoenix, AZ	1	643,798	Regional Warehouse	Q1 2020
Central/Eastern PA	1	100,162	Bulk Warehouse	Q2 2020
Southern California	2	402,287	Bulk Warehouse	Q2 2020
Dallas/Fort Worth, TX	1	434,720	Bulk Warehouse	Q3 2020
Miami, FL	1	103,791	Bulk Warehouse	Q3 2020
Southern California	1	71,905	Regional Warehouse	Q3 2020
Miami, FL	3	373,930	Bulk Warehouse, Regional Warehouse	Q4 2020
Total	10	2,130,593		

### Property Sales

During the year ended December 31, 2019, we sold 40 industrial properties comprising approximately 5.9 million square feet of GLA, at a weighted average capitalization rate of 7.2%, and several land parcels for total gross sales proceeds of approximately \$315.8 million. The capitalization rate for the 40 industrial property sales is calculated by taking revenues of the property (excluding straight-line rent, lease inducement amortization, above and below market lease amortization) less operating expenses of the property for a period of the last twelve full months prior to sale and dividing the sum by the sales price of the property. The sold industrial properties have the following characteristics:

Metropolitan Area	Number of Properties	GLA	Property Type
Baltimore/Washington	1	46,851	Light Industrial
Central/Eastern PA	2	258,000	Bulk Warehouse, Regional Warehouse
Cincinnati, OH	2	100,000	R&D/Flex
Detroit, MI	2	61,904	Light Industrial
Miami, FL <sup>(A)</sup>	1	21,125	Light Industrial
Minneapolis/St. Paul, MN	3	223,706	Light Industrial, R&D/Flex
Phoenix, AZ <sup>(B)</sup>	1	618,350	Bulk Warehouse
Southern California	3	129,880	Light Industrial
Tampa, FL	4	284,574	Bulk Warehouse, Light Industrial, R&D/Flex
Other <sup>(C)</sup>	21	4,123,626	Bulk Warehouse, Regional Warehouse, Light Industrial
Total	40	5,868,016	

<sup>(A)</sup> Partial sale of a 0.1 million square-foot industrial property.

<sup>(B)</sup> This property is being recognized as sold due to the reclassification of the tenant's lease from an operating lease to a sales-type lease. Actual sale, in which title of the property will transfer to the tenant, is expected to occur in 3Q 2020 (See Note 10).

<sup>(C)</sup> Properties are located in Berkeley, MO; Earth City, MO; Edwardsville, IL; Indianapolis, IN; Jefferson County, KY; and Noblesville, IN.

## Tenant and Lease Information

We have a diverse base of more than 1,050 tenants engaged in a wide variety of businesses including distribution, wholesale trade, professional services, manufacturing and retail. At December 31, 2019, our leases have a weighted average lease length of 7.1 years and the majority provide for periodic rent increases that are either fixed or based on changes in the Consumer Price Index. Industrial tenants typically have net or semi-net leases and pay as additional rent their percentage of the property's operating costs, including the costs of common area maintenance, utilities, property taxes and insurance. As of December 31, 2019, approximately 97.6% of the GLA of our in-service properties was leased, and no single tenant or group of related tenants accounted for more than 2.5% of our rent revenues, nor did any single tenant or group of related tenants occupy more than 2.3% of the total GLA of our in-service properties.

### Leasing Activity

The following table provides a summary of our leasing activity for the year ended December 31, 2019. The table does not include month-to-month leases or leases with terms less than twelve months.

	Number of Leases Commenced	Square Feet Commenced (in 000's)	Net Rent Per Square Foot <sup>(A)</sup>	Straight Line Basis Rent Growth <sup>(B)</sup>	Weighted Average Lease Term <sup>(C)</sup>	Lease Costs Per Square Foot <sup>(D)</sup>	Weighted Average Tenant Retention <sup>(E)</sup>
New Leases	92	1,806	\$ 5.71	23.2%	5.5	\$ 4.59	N/A
Renewal Leases	157	7,329	\$ 5.46	26.8%	4.9	\$ 1.40	81.1%
Development / Acquisition Leases	26	4,833	\$ 5.17	N/A	8.6	N/A	N/A
Total / Weighted Average	275	13,968	\$ 5.39	26.0%	6.2	\$ 2.03	81.1%

<sup>(A)</sup> Net rent is the average base rent calculated in accordance with GAAP, over the term of the lease.

<sup>(B)</sup> Straight Line basis rent growth is a ratio of the change in net rent (including straight-line rent adjustments) on a new or renewal lease compared to the net rent (including straight-line rent adjustments) of the comparable lease. New leases where there were no prior comparable leases are excluded.

<sup>(C)</sup> The lease term is expressed in years. Assumes no exercise of lease renewal options, if any.

<sup>(D)</sup> Lease costs are comprised of the costs incurred or capitalized for improvements of vacant and renewal spaces, as well as the commissions paid and costs capitalized for leasing transactions. Lease costs per square foot represent the total turnover costs expected to be incurred on the leases signed during the period and do not reflect actual expenditures for the period.

<sup>(E)</sup> Represents the weighted average square feet of tenants renewing their respective leases.

The following table provides a summary of our leases that commenced during the year ended December 31, 2019, which included rent concessions during the lease term.

	Number of Leases With Rent Concessions	Square Feet (in 000's)	Rent Concessions (\$)
New Leases	59	1,338	\$ 1,799
Renewal Leases	12	502	384
Development / Acquisition Leases	24	3,811	6,944
Total	95	5,651	\$ 9,127



### Lease Expirations

Fundamentals for the United States industrial real estate market remained favorable in 2019, as continued growth in the general economy, including e-commerce supply chain activity, drove additional demand for space. New industrial space continued to be developed in response to this growth in demand. In 2019, new supply exceeded incremental demand for the first time on an annual basis since 2009. National vacancy levels remained low and the overall industry conditions resulted in environments supportive of rental rate growth in virtually all of our markets. Based on our recent experience, low levels of vacancy generally throughout our markets, and the 2020 forecast from a leading national research company, we expect our average net rental rates for renewal leases on a cash basis to be higher than the expiring rates. For 2020, net rental rates for new leases on a cash basis on average are also expected to be higher than the comparative prior leases, primarily due to the improvement in market conditions as compared to the conditions prevailing when the comparative leases were structured. The following table shows scheduled lease expirations for all leases for our in-service properties as of December 31, 2019.

Year of Expiration <sup>(A)</sup>	Number of Leases Expiring	GLA Expiring <sup>(B)</sup>	Percentage of GLA Expiring <sup>(B)</sup>	Annualized Base Rent Under Expiring Leases (In thousands) <sup>(C)</sup>	Percentage of Total Annualized Base Rent Expiring <sup>(C)</sup>
2020	133	3,733,974	6.3%	\$ 21,488	6.9%
2021	209	8,982,480	15.4%	47,644	15.5%
2022	187	7,085,005	12.1%	38,011	12.3%
2023	183	7,244,183	12.4%	40,306	13.1%
2024	154	6,809,544	11.6%	40,211	13.0%
2025	98	6,521,982	11.2%	32,917	10.7%
2026	48	4,528,246	7.7%	20,647	6.7%
2027	22	3,612,848	6.2%	17,748	5.8%
2028	13	1,992,721	3.4%	9,768	3.2%
2029	23	3,509,422	6.0%	19,192	6.2%
Thereafter	22	4,509,273	7.7%	20,377	6.6%
Total	1,092	58,529,678	100%	\$ 308,309	100%

<sup>(A)</sup> Includes leases that expire on or after January 1, 2020 and assumes tenants do not exercise existing renewal, termination or purchase options, except for one lease relating to a 618,350 square foot building for which the tenant already provided notice of intent to purchase during 2020.

<sup>(B)</sup> Does not include existing vacancies of 1,416,528 aggregate square feet and December 31, 2019 move outs of 231,821 aggregate square feet.

<sup>(C)</sup> Annualized base rent is calculated as monthly contractual base rent per the terms of the lease, as of December 31, 2019, multiplied by 12. If free rent is granted, then the first positive rent value is used.

### Item 3. Legal Proceedings

We are involved in legal proceedings arising in the ordinary course of business. All such proceedings, taken together, are not expected to have a material impact on our results of operations, financial position or liquidity.

### Item 4. Mine Safety Disclosures

None.

## PART II

### Item 5. *Market for Registrant's Common Equity / Partners' Capital, Related Stockholder / Unitholder Matters and Issuer Purchases of Equity Securities*

#### Market Information

The following table sets forth, for the periods indicated, the high and low closing prices per share of the Company's common stock, which trades on the New York Stock Exchange under the trading symbol "FR" and the dividends declared per share for the Company's common stock and the distributions declared per Unit for the Operating Partnership's Units. There is no established public trading market for the Units.

Quarter Ended	Closing High	Closing Low	Dividend/Distribution Declared
December 31, 2019	\$ 43.07	\$ 39.09	\$ 0.2300
September 30, 2019	\$ 40.07	\$ 36.77	\$ 0.2300
June 30, 2019	\$ 37.43	\$ 34.22	\$ 0.2300
March 31, 2019	\$ 35.47	\$ 28.04	\$ 0.2300
December 31, 2018	\$ 32.40	\$ 27.60	\$ 0.2175
September 30, 2018	\$ 33.87	\$ 30.78	\$ 0.2175
June 30, 2018	\$ 33.67	\$ 28.58	\$ 0.2175
March 31, 2018	\$ 31.17	\$ 27.75	\$ 0.2175

As of February 11, 2020, the Company had 364 common stockholders of record. The number of holders does not include individuals or entities who beneficially own shares but whose shares are held of record by a broker or clearing agency, but does include each such broker or clearing agency as one record holder. The Operating Partnership had 135 holders of record of Units registered with our transfer agent.

In order to comply with the REIT requirements of the Code, the Company is generally required to make common share distributions and preferred share distributions (other than capital gain distributions) to its shareholders in amounts that together at least equal i) the sum of a) 90% of the Company's "REIT taxable income" computed without regard to the dividends paid deduction and net capital gains and b) 90% of net income (after tax), if any, from foreclosure property, minus ii) certain excess non-cash income.

Our dividend/distribution policy is determined by the Company's Board of Directors and is dependent on multiple factors, including cash flow and capital expenditure requirements, as well as ensuring that the Company meets the minimum distribution requirements set forth in the Code. The Company met the minimum distribution requirements with respect to 2019.

Holders of Units are entitled to receive distributions when, as and if declared by the Company's Board of Directors, after the priority distributions required under the Operating Partnership's partnership agreement have been made with respect to preferred partnership interests in the Operating Partnership out of any funds legally available for that purpose.

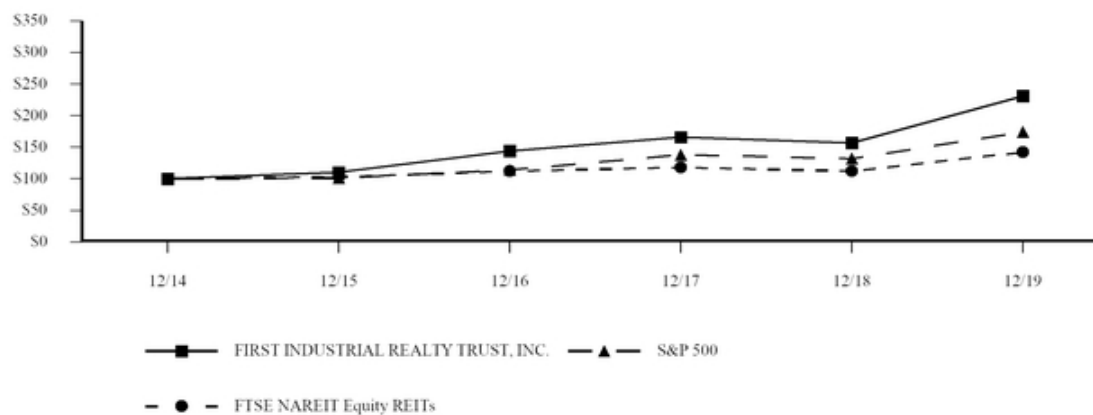
During the year ended December 31, 2019, the Operating Partnership issued 297,216 Limited Partner Units in connection with the issuance of equity compensation to certain employees and directors. See Note 11 to the consolidated financial statements for more information.

Subject to certain lock-up periods, holders of Limited Partner Units can redeem their Units by providing written notification to the General Partner of the Operating Partnership. Unless the General Partner provides notice of a redemption restriction to the holder, redemption must be made within seven business days after receipt of the holder's notice. The redemption can be effectuated, as determined by the General Partner, either by exchanging the Limited Partner Units for shares of common stock of the Company on a one-for-one basis, subject to adjustment, or by paying cash equal to the fair market value of such shares. Prior requests for redemption have generally been fulfilled with shares of common stock of the Company, and the Operating Partnership intends to continue this practice. If each Limited Partner Unit of the Operating Partnership were redeemed as of December 31, 2019, the Operating Partnership could satisfy its redemption obligations by making an aggregate cash payment of approximately \$100.6 million or by issuing 2,422,744 shares of the Company's common stock.

## Performance Graph

The following graph provides a comparison of the cumulative total stockholder return among the Company, the FTSE NAREIT Equity REIT Total Return Index (the "NAREIT Index") and the Standard & Poor's 500 Index ("S&P 500"). The NAREIT Index represents the performance of our publicly traded industrial REIT peers. The historical information set forth below is not necessarily indicative of future performance.

### COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN (A) Among First Industrial Realty Trust, Inc., the S&P 500 Index, and the FTSE NAREIT Equity REITs Index



(A) \$100 invested on 12/31/14 in stock or index, including reinvestment of dividends.  
Fiscal year ending December 31.

	12/14	12/15	12/16	12/17	12/18	12/19
FIRST INDUSTRIAL REALTY TRUST, INC.	\$ 100.00	\$ 110.31	\$ 143.90	\$ 166.17	\$ 156.81	\$ 231.06
S&P 500	\$ 100.00	\$ 101.38	\$ 113.51	\$ 138.29	\$ 132.23	\$ 173.86
FTSE NAREIT Equity REITs	\$ 100.00	\$ 103.20	\$ 111.99	\$ 117.84	\$ 112.39	\$ 141.61

(A) The information provided in this performance graph shall not be deemed to be "soliciting material," to be "filed" or to be incorporated by reference into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934 unless specifically treated as such.

## Item 6. Selected Financial Data

The following tables set forth the selected financial and operating data for the Company and the Operating Partnership on a consolidated basis. The following selected consolidated financial data should be read in conjunction with the Consolidated Financial Statements and Notes thereto and Management's Discussion and Analysis of Financial Condition and Results of Operations included elsewhere in this Form 10-K.

### The Company

	Year Ended 12/31/19	Year Ended 12/31/18	Year Ended 12/31/17	Year Ended 12/31/16	Year Ended 12/31/15
<b>(In thousands, except per share data)</b>					
<b>Statement of Operations Data:</b>					
Total Revenues	\$ 425,984	\$ 403,954	\$ 396,402	\$ 378,020	\$ 365,823
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders and Participating Securities	238,775	163,239	201,456	121,232	73,802
<b>Basic Per Share Data:</b>					
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	1.89	1.31	1.70	1.05	0.67
<b>Diluted Per Share Data:</b>					
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	1.88	1.31	1.69	1.05	0.66
Dividends/Distributions Per Share	\$ 0.92	\$ 0.87	\$ 0.84	\$ 0.76	\$ 0.51
Basic Weighted Average Shares	126,392	123,804	118,272	115,030	110,352
Diluted Weighted Average Shares	126,691	124,191	118,787	115,370	110,781
<b>Balance Sheet Data (End of Period):</b>					
Real Estate, Before Accumulated Depreciation	\$ 3,830,209	\$ 3,673,644	\$ 3,495,745	\$ 3,384,914	\$ 3,293,968
Total Assets	3,518,828	3,142,691	2,941,062	2,793,263	2,709,808
Indebtedness	1,483,565	1,297,783	1,296,997	1,347,092	1,434,168
Total Equity	1,798,263	1,679,911	1,475,877	1,284,625	1,115,135
<b>Other Data:</b>					
Funds from Operations Available to First Industrial Realty Trust, Inc.'s Common Stockholders and Participating Securities (A)	\$ 221,136	\$ 199,391	\$ 186,496	\$ 167,811	\$ 140,841

### The Operating Partnership

	Year Ended 12/31/19	Year Ended 12/31/18	Year Ended 12/31/17	Year Ended 12/31/16	Year Ended 12/31/15
<b>(In thousands, except per Unit data)</b>					
<b>Statement of Operations Data:</b>					
Total Revenues	\$ 425,984	\$ 403,954	\$ 396,402	\$ 378,020	\$ 365,823
Net Income Available to Unitholders and Participating Securities	243,628	167,246	208,158	125,547	76,682
<b>Basic Per Unit Data:</b>					
Net Income Available to Unitholders	1.89	1.31	1.70	1.05	0.67
<b>Diluted Per Unit Data:</b>					
Net Income Available to Unitholders	1.88	1.31	1.69	1.05	0.66
Distributions Per Unit	\$ 0.92	\$ 0.87	\$ 0.84	\$ 0.76	\$ 0.51
Basic Weighted Average Units	128,831	126,921	122,306	119,274	114,709
Diluted Weighted Average Units	129,241	127,308	122,821	119,614	115,138
<b>Balance Sheet Data (End of Period):</b>					
Real Estate, Before Accumulated Depreciation	\$ 3,830,209	\$ 3,673,644	\$ 3,495,745	\$ 3,384,914	\$ 3,293,968
Total Assets	3,528,849	3,152,799	2,951,180	2,803,701	2,720,523
Indebtedness	1,483,565	1,297,783	1,296,997	1,347,092	1,434,168
Total Partners' Capital	1,808,284	1,690,019	1,485,995	1,295,063	1,125,850

<sup>(A)</sup> Funds from operations ("FFO") is a non-GAAP measure used in the real estate industry. See definition and a complete reconciliation of FFO to Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders and Participating Securities under the caption "Supplemental Earnings Measure" under Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations."

**Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations**

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the sections of this Form 10-K titled "Forward-Looking Statements" and "Selected Financial Data" and the Consolidated Financial Statements and Notes thereto appearing elsewhere in this Form 10-K.

**Business Overview**

The Company is a self-administered and fully integrated real estate company which owns, manages, acquires, sells, develops and redevelops industrial real estate. The Company is a Maryland corporation organized on August 10, 1993 and a real estate investment trust as defined in the Code.

We believe our financial condition and results of operations are, primarily, a function of our performance in four key areas: leasing of industrial properties, acquisition and development of additional industrial properties, disposition of industrial properties and access to external capital.

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

Our revenue growth is also dependent, in part, on our ability to acquire existing, and develop new industrial properties on favorable terms. We seek to identify opportunities to acquire existing industrial properties on favorable terms, and, when conditions permit, also seek to acquire and develop new industrial properties on favorable terms. Existing properties, as they are acquired, and acquired and developed properties, as they are leased, generate revenue from rental income, tenant recoveries and fees, income from which, as discussed above, is a source of funds for our distributions to our stockholders and Unitholders. The acquisition and development of properties is impacted, variously, by property specific, market specific, general economic and other conditions, many of which are beyond our control. The acquisition and development of properties also entails various risks, including the risk that our investments may not perform as expected. For example, acquired existing and acquired and developed new properties may not sustain and/or achieve anticipated occupancy and rental rate levels. With respect to acquired and developed new properties, we may not be able to complete construction on schedule or within budget, resulting in increased debt service expense and construction costs and delays in leasing the properties. Also, we face significant competition for attractive acquisition and development opportunities from other well-capitalized real estate investors, including publicly-traded REITs and private investors. Further, as discussed below, we may not be able to finance the acquisition and development opportunities we identify. If we were unable to acquire and develop sufficient additional properties on favorable terms, or if such investments did not perform as expected, our revenue growth would be limited and our financial condition, results of operations, cash flow and ability to make distributions to our stockholders and Unitholders, the market price of the Company's common stock and the market value of the Units would be adversely affected.

We also generate income from the sale of our properties (including existing buildings, buildings which we have developed or re-developed on a merchant basis and land). The gain or loss on, and fees from, the sale of such properties are included in our income and can be a significant source of funds, in addition to revenues generated from rental income and tenant recoveries. Proceeds from sales are used to repay outstanding debt and, market conditions permitting, may be used to fund the acquisition of existing industrial properties, and the acquisition and development of new industrial properties. The sale of properties is impacted, variously, by property specific, market specific, general economic and other conditions, many of which are beyond our control. The sale of properties also entails various risks, including competition from other sellers and the availability of attractive financing for potential buyers of our properties. Further, our ability to sell properties is limited by safe harbor rules applying to REITs under the Code which relate to the number of properties that may be disposed of in a year, their tax bases and the cost of improvements made to the properties, along with other tests which enable a REIT to avoid punitive taxation on the sale of assets. If we are unable to sell properties on favorable terms, our income growth would be limited and our financial condition, results of operations, cash flow and ability to make distributions to our stockholders and Unitholders, the market price of the Company's common stock and the market value of the Units could be adversely affected.

We utilize a portion of the net sales proceeds from property sales, borrowings under our Unsecured Credit Facility and proceeds from the issuance, when and as warranted, of additional debt and equity securities to refinance debt and finance future acquisitions and developments. Access to external capital on favorable terms plays a key role in our financial condition and results of operations, as it impacts our cost of capital and our ability and cost to refinance existing indebtedness as it matures and our ability to fund acquisitions and developments. Our ability to access external capital on favorable terms is dependent on various factors, including general market conditions, interest rates, credit ratings on our debt, the market's perception of our growth potential, our current and potential future earnings and cash distributions and the market price of the Company's common stock. If we were unable to access external capital on favorable terms, our financial condition, results of operations, cash flow and ability to make distributions to our stockholders and Unitholders, the market price of the Company's common stock and the market value of the Units could be adversely affected.

### **Summary of Significant Transactions During 2019**

During 2019, we completed the following significant transactions and financing activities:

- We acquired nine industrial properties comprised of approximately 0.5 million square feet of GLA located in our Chicago, Denver, Orlando, Seattle and Southern California markets for an aggregate purchase price of \$66.8 million.
- We acquired 217.7 acres of land for development located in our Dallas, Miami, Philadelphia, Phoenix and Southern California markets for an aggregate purchase price of \$81.1 million.
- We developed and placed in-service, 13 industrial properties comprising approximately 4.4 million square feet of GLA located in our Atlanta, Central Pennsylvania, Chicago, Dallas, Denver, Houston, New Jersey, Phoenix, Seattle and Southern California markets at an estimated total cost of \$324.7 million. These properties were 91% leased at December 31, 2019.
- We sold 40 industrial properties comprised of approximately 5.9 million square feet of GLA and several land parcels for total gross sales proceeds of \$315.8 million.
- The Joint Venture sold 236 acres of land (including 39 acres we purchased from the Joint Venture) for gross sales proceeds of \$57.2 million.
- We issued \$150.0 million of ten-year private placement notes at a rate of 3.97%.
- We paid off \$117.2 million in mortgage loans payable.
- We declared an annual cash dividend of \$0.92 per common share or Unit, an increase of 5.7% from 2018.

## Results of Operations

### *Comparison of Year Ended December 31, 2019 to Year Ended December 31, 2018*

Our net income was \$243.9 million and \$167.3 million for the years ended December 31, 2019 and 2018, respectively.

The tables below summarize our revenues, property expenses and depreciation and other amortization by various categories for the years ended December 31, 2019 and 2018. Same store properties are properties owned prior to January 1, 2018 and held as an in-service property through December 31, 2019 and developments and redevelopments that were placed in service prior to January 1, 2018. Properties which are at least 75% occupied at acquisition are placed in service, unless we anticipate the tenants to move out within the first two years of ownership. Acquisitions that are less than 75% occupied at the date of acquisition, developments and redevelopments are placed in service as they reach the earlier of a) stabilized occupancy (defined as 90% occupied), or b) one year subsequent to acquisition or development/redevelopment construction completion. Acquired properties with occupancy greater than 75% at acquisition, but with tenants that we anticipate will move out within two years of ownership, will be placed in service upon the earlier of reaching 90% occupancy or twelve months after move out. Properties are moved from the same store classification to the redevelopment classification when capital expenditures for a project are estimated to exceed 25% of the undepreciated gross book value of the property. Acquired properties are properties that were acquired subsequent to December 31, 2017 and held as an operating property through December 31, 2019. Sold properties are properties that were sold subsequent to December 31, 2017. (Re)Developments include developments and redevelopments that were not: a) substantially complete 12 months prior to January 1, 2018; or b) stabilized prior to January 1, 2018. Other revenues are derived from the operations of properties not placed in service under one of the categories discussed above, the operations of our maintenance company and other miscellaneous revenues. Other property expenses are derived from the operations of properties not placed in service under one of the categories discussed above, the operations of our maintenance company, vacant land expenses and other miscellaneous regional expenses.

During the year ended December 31, 2018, one industrial property, comprising approximately 0.1 million square feet of GLA, was taken out of service for redevelopment. As a result of taking this industrial property out of service, the results of operations were reclassified from the same store property classification to the (re)development classification. During the year ended December 31, 2018, we completed the redevelopment of this property and as of December 31, 2018, the property was 100% leased. This property will return to the same store classification in the first quarter 2020.

During the year ended December 31, 2016, one industrial property, comprising approximately 28 thousand square feet of GLA, was taken out of service due to a fire which caused complete destruction of the building. The results of this property are included in the (re)development classification. The rebuild of this property was completed during the first quarter 2019 and as of December 31, 2019, the property is 100% leased. This property will return to the same store classification in the first quarter 2021.

Our future financial condition and results of operations, including rental revenues, may be impacted by the future acquisition, (re)development and sale of properties. Our future revenues and expenses may vary materially from historical rates.

For the years ended December 31, 2019 and 2018, the average occupancy rates of our same store properties were 97.4% and 97.7%, respectively.

	2019	2018	\$ Change	% Change
(In thousands)				
<b>REVENUES</b>				
Same Store Properties	\$ 353,293	\$ 340,381	\$ 12,912	3.8 %
Acquired Properties	9,654	2,663	6,991	262.5 %
Sold Properties	27,262	43,706	(16,444)	(37.6)%
(Re) Developments	32,583	6,898	25,685	372.4 %
Other	3,192	2,439	753	30.9 %
Real Estate Tax Reimbursement <sup>(A)</sup>	—	7,517	(7,517)	(100.0)%
Provision for Bad Debt <sup>(B)</sup>	—	350	(350)	(100.0)%
<b>Total Revenues</b>	<b>\$ 425,984</b>	<b>\$ 403,954</b>	<b>\$ 22,030</b>	<b>5.5 %</b>

<sup>(A)</sup> Prior to the adoption of ASU 2016-02 on January 1, 2019, we included reimbursement revenue related to real estate taxes that were paid directly by certain tenants to the taxing authorities in revenues. There was a corresponding expense amount included in property expenses related to this reimbursement income. To facilitate the comparison in the above table, the reimbursement of these amounts, as well as the corresponding expense in the Property Expense table below, for the year ended December 31, 2018 has been removed from the affected categories and shown separately.

<sup>(B)</sup> Prior to the adoption of ASU 2016-02, credit losses on lease receivables were included in property expenses. ASU 2016-02 requires credit losses on lease receivables to be netted with lease revenue. To facilitate the comparison in the above table, the provision for bad debt for the year ended December 31, 2018 has been removed from the affected categories and shown separately.

Revenues from same store properties increased \$12.9 million due primarily to an increase in rental rates as well as tenant recoveries. Revenues from acquired properties increased \$7.0 million due to the 19 industrial properties acquired subsequent to December 31, 2017 totaling approximately 1.6 million square feet of GLA. Revenues from sold properties decreased \$16.4 million due to the 93 industrial properties sold subsequent to December 31, 2017 totaling approximately 8.5 million square feet of GLA. Revenues from (re)developments increased \$25.7 million due to an increase in occupancy as well as tenant recoveries. Revenues from other increased \$0.8 million primarily due to the acquisition of two land sites, one during 2019 and the other in late 2018, for which we intend to develop industrial buildings in the future but currently we are leasing to tenants and collecting ground lease rent.

	2019	2018	\$ Change	% Change
(In thousands)				
<b>PROPERTY EXPENSES</b>				
Same Store Properties	\$ 88,494	\$ 84,239	\$ 4,255	5.1 %
Acquired Properties	3,617	1,094	2,523	230.6 %
Sold Properties	8,350	12,504	(4,154)	(33.2)%
(Re) Developments	7,711	3,692	4,019	108.9 %
Other	8,413	7,458	955	12.8 %
Real Estate Tax Expense <sup>(A)</sup>	—	7,517	(7,517)	(100.0)%
Provision for Bad Debt <sup>(B)</sup>	—	350	(350)	(100.0)%
<b>Total Property Expenses</b>	<b>\$ 116,585</b>	<b>\$ 116,854</b>	<b>\$ (269)</b>	<b>(0.2)%</b>

<sup>(A)</sup> Prior to the adoption ASU 2016-02 on January 1, 2019, we included real estate expenses that were paid directly by certain tenants to the taxing authorities within property expenses. There was a corresponding reimbursement amount included in revenues related to this reimbursement income. To facilitate the comparison in the above table, real estate taxes, as well as the corresponding reimbursement income in the preceding table, for the year ended December 31, 2018 have been removed from the affected categories and shown separately.

<sup>(B)</sup> Prior to the adoption of ASU 2016-02, credit losses on lease receivables were included in property expenses. ASU 2016-02 requires credit losses on lease receivables to be netted with lease revenue. To facilitate the comparison in the above table, the provision for bad debt for the year ended December 31, 2018 has been removed from the affected categories and shown separately.



Property expenses include real estate taxes, repairs and maintenance, property management, utilities, insurance and other property related expenses. Property expenses from same store properties increased \$4.3 million primarily due to an increase in real estate taxes and repairs and maintenance. Property expenses from acquired properties increased \$2.5 million due to properties acquired subsequent to December 31, 2017. Property expenses from sold properties decreased \$4.2 million due to properties sold subsequent to December 31, 2017. Property expenses from (re)developments increased \$4.0 million primarily due to the substantial completion of developments. Property expenses from other increased \$1.0 million primarily due to an increase in certain maintenance company expenses as well as an increase in real estate tax expense related to developable land.

General and administrative expense remained relatively unchanged. However, during the three months ended March 31, 2018, we incurred \$1.3 million of severance expense. The decrease in severance expense is offset by an increase in employee compensation and incentive compensation for the year ended December 31, 2019.

	2019	2018	\$ Change	% Change
(In thousands)				
<b>DEPRECIATION AND OTHER AMORTIZATION</b>				
Same Store Properties	\$ 95,584	\$ 98,518	\$ (2,934)	(3.0)%
Acquired Properties	5,710	2,168	3,542	163.4 %
Sold Properties	6,361	10,868	(4,507)	(41.5)%
(Re) Developments	12,539	3,940	8,599	218.2 %
Corporate Furniture, Fixtures and Equipment and Other	1,035	965	70	7.3 %
<b>Total Depreciation and Other Amortization</b>	<b>\$ 121,229</b>	<b>\$ 116,459</b>	<b>\$ 4,770</b>	<b>4.1 %</b>

Depreciation and other amortization from same store properties decreased \$2.9 million primarily due to certain improvements becoming fully depreciated during 2018 and 2019 as well as accelerated depreciation and amortization taken during the year ended December 31, 2018 attributable to certain tenants who terminated their leases early. Depreciation and other amortization from acquired properties increased \$3.5 million due to properties acquired subsequent to December 31, 2017. Depreciation and other amortization from sold properties decreased \$4.5 million due to properties sold subsequent to December 31, 2017. Depreciation and other amortization from (re)developments increased \$8.6 million primarily due to an increase in depreciation and amortization related to completed developments. Depreciation from corporate furniture, fixtures and equipment and other remained relatively unchanged.

The impairment charge for the year ended December 31, 2018 of \$2.8 million was due to marketing a property and a land parcel for sale and our assessment of the likelihood of potential sales transaction. The property and the land parcel for which impairment was recorded were sold later during the year ended December 31, 2018.

For the year ended December 31, 2019, we recognized \$124.9 million of gain on sale of real estate related to the sale of 40 industrial properties comprising approximately 5.9 million square feet of GLA and several land parcels. For the year ended December 31, 2018, we recognized \$81.6 million of gain on sale of real estate related to the sale of 53 industrial properties comprising approximately 2.6 million square feet of GLA and several land parcels.

Interest expense decreased \$0.5 million, or 1.0%, primarily due to a decrease in the weighted average interest rate for the year ended December 31, 2019 (4.01%) as compared to the year ended December 31, 2018 (4.24%), partially offset by an increase in the weighted average debt balance outstanding for the year ended December 31, 2019 (\$1,397.6 million) as compared to the year ended December 31, 2018 (\$1,334.8 million) and a decrease in capitalized interest of \$0.1 million for the year ended December 31, 2019 as compared to the year ended December 31, 2018.

Amortization of debt issuance costs decreased \$0.2 million, or 5.5%, primarily due to the payoffs of certain mortgage loans, partially offset by the amortization of debt issuance costs related to the issuance of the 2029 II Private Placement Notes in July 2019.

Equity in income of Joint Venture of \$16.2 million includes our pro-rata share of gain related to the sale of real estate from the Joint Venture and \$4.9 million of accrued incentive fees.

For the year ended December 31, 2019, the income tax provision of \$3.4 million was primarily related to our pro-rata share of gain from the sale of real estate from the Joint Venture as well as accrued incentive fees we earned from the Joint Venture. For the year ended December 31, 2018, the income tax benefit was not significant.

## Comparison of Year Ended December 31, 2018 to Year Ended December 31, 2017

A discussion of changes in our results of operations between 2018 and 2017 has been omitted from this Form 10-K and can be found in "Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations - Comparison of Year Ended December 31, 2018 to Year Ended December 31, 2017" of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2018.

### Critical Accounting Policies

We believe the following critical accounting policies relate to the more significant judgments and estimates used in the preparation of our consolidated financial statements. Refer to Note 2 to the Consolidated Financial Statements for further detail on our critical accounting policies, which are as follows:

- *Acquisitions of Real Estate Assets:* We allocate the purchase price of acquired real estate, including real estate acquired as a portfolio, based upon the fair value of the assets acquired and liabilities assumed, which generally consists of land, buildings, tenant improvements, leasing commissions and intangible assets including in-place leases, above market and below market leases and below market ground lease obligations. The purchase price is allocated to the fair value of the tangible assets of an acquired property by valuing the property as if it were vacant. The determination of fair value includes the use of significant assumptions such as land comparables, discount rates, terminal capitalization rates and market rent assumptions. Above-market and below-market lease and below market ground lease obligation values are recorded based on the present value (using a discount rate which reflects the risks associated with the leases acquired) of the difference between (i) the contractual amounts to be paid pursuant to each in-place lease and (ii) our estimate of fair market lease rents for each corresponding in-place lease. The purchase price is further allocated to in-place lease values based on our evaluation of the specific characteristics of each tenant's lease and an estimate of the lease revenue received during a reasonable lease-up period as if the property was vacant on the date of acquisition.
- *Impairment of Real Estate Assets:* We review our tangible and intangible real estate assets held for use for possible impairment when events or changes in circumstances indicate that their carrying amounts may not be recoverable. The judgments regarding the existence of indicators of impairment are based on the operating performance, market conditions, as well as our ability to hold and our intent with regard to each property. The judgments regarding whether the carrying amounts of these assets may not be recoverable are based on estimates of future undiscounted cash flows from properties which include estimates of future operating performance and market conditions. If any real estate investment is considered permanently impaired, a loss is recorded to reduce the carrying value of the property to its estimated fair value. The impairment assessment and fair value measurement requires the use of estimates and assumptions related to the timing and amounts of cash flow projections, discount rates and terminal capitalization rates.

### Liquidity and Capital Resources

At December 31, 2019, our cash and cash equivalents and restricted cash were approximately \$21.1 million and \$131.6 million, respectively. Restricted cash is comprised of gross proceeds from the sales of certain industrial properties. These sale proceeds will be disbursed as we exchange industrial properties under Section 1031 of the Code. We also had \$565.4 million available for additional borrowings under our Unsecured Credit Facility as of December 31, 2019.

We have considered our short-term (through December 31, 2020) liquidity needs and the adequacy of our estimated cash flow from operations and other expected liquidity sources to meet these needs. We have \$15.3 million in mortgage loans payable outstanding at December 31, 2019 maturing prior to December 31, 2020. Historically, we have utilized various sources of capital to satisfy similar payment obligations, including borrowings under our Unsecured Credit Facility and issuances of debt and equity securities, and we expect to satisfy these payment obligations on or prior to the maturity dates using one or more of these sources of capital. With the exception of this mortgage maturity, we believe that our principal short-term liquidity needs are to fund normal recurring expenses, property acquisitions, developments, renovations, expansions and other nonrecurring capital improvements, debt service requirements, the minimum distributions required to maintain the Company's REIT qualification under the Code and distributions approved by the Company's Board of Directors. We anticipate that these needs will be met with cash flows provided by operating activities as well as the disposition of select assets. These needs may also be met by the issuance of additional equity or debt securities or long-term unsecured indebtedness, subject to market conditions and contractual restrictions or borrowings under our Unsecured Credit Facility.

We expect to meet long-term (after December 31, 2020) liquidity requirements such as property acquisitions, developments, scheduled debt maturities, major renovations, expansions and other nonrecurring capital improvements through long-term unsecured and secured indebtedness, the disposition of select assets and the issuance of additional equity or debt securities, subject to market conditions.

As of February 12, 2020 we had approximately \$596.4 million available for additional borrowings under our Unsecured Credit Facility. Our Unsecured Credit Facility contains certain financial covenants including limitations on incurrence of debt and debt service coverage. Our access to borrowings may be limited if we fail to meet any of these covenants. We believe that we were in compliance with our financial covenants as of December 31, 2019, and we anticipate that we will be able to operate in compliance with our financial covenants in 2020.

As of December 31, 2019, our senior unsecured notes have been assigned credit ratings from Standard & Poor's, Moody's and Fitch Ratings of BBB/Stable, Baa2/Stable and BBB/Stable, respectively. A securities rating is not a recommendation to buy, sell or hold securities and is subject to revision or withdrawal at any time by the rating organization. In the event of a downgrade, we believe we would continue to have access to sufficient capital; however, our cost of borrowing would increase and our ability to access certain financial markets may be limited.

### Cash Flow Activity

The following table summarizes our cash flow activity for the Company for the years ended December 31, 2019 and 2018:

	Year Ended December 31,	
	2019	2018
	(In thousands)	
Net cash provided by operating activities	\$ 245,533	\$ 210,495
Net cash used in investing activities	(205,386)	(223,398)
Net cash provided by financing activities	62,198	16,794

The following table summarizes our cash flow activity for the Operating Partnership for the years ended December 31, 2019 and 2018:

	Year Ended December 31,	
	2019	2018
	(In thousands)	
Net cash provided by operating activities	\$ 245,620	\$ 210,505
Net cash used in investing activities	(205,386)	(223,398)
Net cash provided by financing activities	62,111	16,784

Changes in cash flow for the year ended December 31, 2019, compared to the prior year are described as follows:

*Operating Activities:* Cash provided by operating activities increased \$35.0 million for the Company (increased by \$35.1 million for the Operating Partnership), primarily due to the following:

- increase in NOI from same store properties, acquired properties, and recently developed properties of \$34.8 million, offset by decreases in NOI due to property disposals for a net total increase of approximately \$12.3 million;
- increase in distributions from our Joint Venture of \$16.0 million in 2019 as compared to 2018; and
- increase in accounts payable, accrued expenses, other liabilities, rents received in advance and security deposits partially offset by an increase in tenant accounts receivable, prepaid expenses and other assets due to timing of cash payments and cash receipts.

*Investing Activities:* Cash used in investing activities decreased \$18.0 million, primarily due to the following:

- increase of \$69.6 million in net proceeds received from the disposition of real estate in 2019 as compared to 2018; and
- decrease of \$31.9 million related to net contributions made to our Joint Venture in 2019 as compared to 2018; offset by:
- an aggregate increase of \$65.1 million related to the acquisition and development of real estate as well as payments for improvements and leasing commissions in 2019 as compared to 2018; and
- increase of \$21.8 million in escrow balances.

*Financing Activities:* Cash provided by financing activities increased \$45.4 million for the Company (increased \$45.3 million for the Operating Partnership), primarily due to the following:

- increase in net proceeds of our Unsecured Credit Facility of \$302.5 million; and
- decrease in repayments of mortgage loans payable of \$42.4 million; offset by:
- decrease of \$150.0 million related to the issuance of Private Placement Notes in 2019 compared to 2018;
- decrease of \$145.6 million related to the proceeds received from the issuance of common stock in an underwritten public offering during 2018; and
- increase in dividend and unit distributions of \$7.6 million due to the Company raising the dividend rate in 2019.

### **Contractual Obligations and Commitments**

The following table lists our contractual obligations and commitments as of December 31, 2019:

	Total	Payments Due by Period (In thousands)			
		Less Than 1 Year	1-3 Years	3-5 Years	Over 5 Years
Rent Payments Due on Operating and Ground Leases	\$ 71,537	\$ 2,321	\$ 4,527	\$ 3,982	\$ 60,707
Real Estate Development Costs <sup>(A)(B)</sup>	118,000	118,000	—	—	—
Long Term Debt	1,490,931	19,813	762,248	656	708,214
Interest Expense on Long Term Debt <sup>(A)(C)</sup>	313,541	51,695	81,754	60,911	119,181
Unsecured Credit Facility <sup>(D)</sup>	2,015	1,106	909	—	—
Total	\$ 1,996,024	\$ 192,935	\$ 849,438	\$ 65,549	\$ 888,102

<sup>(A)</sup> Not on balance sheet.

<sup>(B)</sup> Represents estimated remaining payments on the completion of development projects under construction. Estimated remaining costs include all costs necessary to place the properties into service and could extend beyond one year.

<sup>(C)</sup> Includes interest expense on our unsecured term loans, inclusive of the impact of interest rate swaps which effectively swap the variable interest rate to a fixed interest rate. Excludes interest expense on our Unsecured Credit Facility.

<sup>(D)</sup> Represents fees on our Unsecured Credit Facility which has a contractual maturity in October 2021.

### **Off-Balance Sheet Arrangements**

At December 31, 2019, we had letters of credit and performance bonds outstanding amounting to \$11.8 million in the aggregate. The letters of credit and performance bonds are not reflected as liabilities on our balance sheet. We have no other off-balance sheet arrangements, as defined in Item 303 of Regulation S-K, other than those disclosed on the Contractual Obligations and Commitments table above that have or are reasonably likely to have a current or future effect on our financial condition, results of operation or liquidity and capital resources.

## **Environmental**

We paid approximately \$0.3 million and \$0.4 million during the years ended December 31, 2019 and 2018, respectively, related to environmental expenditures. We estimate 2020 expenditures of approximately \$0.3 million. We estimate that the aggregate expenditures which need to be expended in 2020 and beyond with regard to currently identified environmental issues will not exceed approximately \$1.3 million.

## **Inflation**

For the last several years, inflation has not had a significant impact on us because of the relatively low inflation rates in our markets of operation. Most of our leases require the tenants to pay their share of operating expenses, including common area maintenance, real estate taxes and insurance, thereby reducing our exposure to increases in costs and operating expenses resulting from inflation. In addition, our leases have a weighted average lease length of 7.1 years which may enable us to replace existing leases with new leases at higher base rentals if rents of existing leases are below the then-existing market rate.

## **Market Risk**

The following discussion about our risk-management activities includes "forward-looking statements" that involve risk and uncertainties. Actual results could differ materially from those projected in the forward-looking statements. Our business subjects us to market risk from interest rates, as described below.

### **Interest Rate Risk**

The following analysis presents the hypothetical gain or loss in earnings, cash flows or fair value of the financial instruments and derivative instruments which are held by us at December 31, 2019 that are sensitive to changes in interest rates. While this analysis may have some use as a benchmark, it should not be viewed as a forecast.

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

At December 31, 2019, \$1,332.9 million or 89.4% of our total debt, excluding unamortized debt issuance costs, was fixed rate debt. This includes \$460.0 million of variable-rate debt that has been effectively swapped to a fixed rate through the use of derivative instruments. As of the same date, \$158.0 million or 10.6% of our total debt, excluding unamortized debt issuance costs, was variable rate debt. At December 31, 2018, 100.0% of our total debt was fixed rate debt. This included \$460.0 million of variable-rate debt that had been effectively swapped to a fixed rate through the use of derivative instruments.

For fixed rate debt, changes in interest rates generally affect the fair value of the debt, but not our earnings or cash flows. Conversely, for variable rate debt, changes in the base interest rate used to calculate the all-in interest rate generally do not impact the fair value of the debt, but would affect our future earnings and cash flows. The interest rate risk and changes in fair market value of fixed rate debt generally do not have a significant impact on us until we are required to refinance such debt. See Note 4 to the Consolidated Financial Statements for a discussion of the maturity dates of our various fixed rate debt.

Our variable rate debt is subject to risk based upon prevailing market interest rates. If the LIBOR rates relevant to our variable rate debt were to have increased 10%, we estimate that our interest expense during the years ended December 31, 2019 and 2018 would have increased by approximately \$0.23 million and \$0.07 million, respectively, based on our average outstanding floating-rate debt during the years ended December 31, 2019 and 2018. Additionally, if weighted average interest rates on our fixed rate debt were to have increased by 10% due to refinancing, interest expense would have increased by approximately \$5.3 million and \$5.6 million during the years ended December 31, 2019 and 2018.

As of December 31, 2019 and 2018, the estimated fair value of our debt was approximately \$1,554.7 million and \$1,312.4 million, respectively, based on our estimate of the then-current market interest rates.

The use of derivative financial instruments allows us to manage risks of increases in interest rates with respect to the effect these fluctuations would have on our earnings and cash flows. As of December 31, 2019 and 2018, we had derivative instruments with a notional aggregate amount outstanding of \$460.0 million which mitigate our exposure to our unsecured term loans' variable interest rates, which are based upon LIBOR (the "Term Loan Swaps"). Additionally, during December 2018 in anticipation of issuing long term debt in the future, we entered into two treasury locks (the "2018 Treasury Locks") with an aggregate notional value of \$100.0 million to manage our exposure to changes in the ten-year U.S. Treasury rate. During April 2019, we paid \$3.1 million to settle the 2018 Treasury Locks with our counterparties. The 2018 Treasury Locks fixed the ten-year U.S. Treasury rate at a weighted average of 2.93%. We designated both the Term Loan Swaps and the 2018 Treasury Locks as cash flow hedges. See Note 12 to the Consolidated Financial Statements for a more detailed discussion of these derivative instruments. Currently, we do not enter into financial instruments for trading or other speculative purposes.

## **Supplemental Earnings Measure**

Investors in and industry analysts following the real estate industry utilize funds from operations ("FFO") and net operating income ("NOI") as supplemental operating performance measures of an equity REIT. Historical cost accounting for real estate assets in accordance with accounting principles generally accepted in the United States of America ("GAAP") implicitly assumes that the value of real estate assets diminishes predictably over time through depreciation. Since real estate values instead have historically risen or fallen with market conditions, many industry analysts and investors prefer to supplement operating results that use historical cost accounting with measures such as FFO and NOI, among others. We provide information related to FFO and same store NOI ("SS NOI") both because such industry analysts are interested in such information, and because our management believes FFO and SS NOI are important performance measures. FFO and SS NOI are factors used by management in measuring our performance, including for purposes of determining the compensation of our executive officers under our 2019 incentive compensation plan.

Neither FFO nor SS NOI should be considered as a substitute for net income, or any other measures derived in accordance with GAAP. Neither FFO nor SS NOI represents cash generated from operating activities in accordance with GAAP and neither should be considered as an alternative to cash flow from operating activities as a measure of our liquidity, nor is either indicative of funds available for our cash needs, including our ability to make cash distributions.

### ***Funds From Operations***

The National Association of Real Estate Investment Trusts ("NAREIT") has recognized and defined for the real estate industry a supplemental measure of REIT operating performance, FFO, that excludes historical cost depreciation, among other items, from net income determined in accordance with GAAP. FFO is a non-GAAP financial measure. FFO is calculated by us in accordance with the definition adopted by the Board of Governors of NAREIT and therefore may not be comparable to other similarly titled measures of other companies.

Management believes that the use of FFO available to common stockholders and participating securities, combined with net income (which remains the primary measure of performance), improves the understanding of operating results of REITs among the investing public and makes comparisons of REIT operating results more meaningful. Management believes that, by excluding gains or losses related to sales of real estate assets, real estate asset depreciation and amortization and impairment of real estate, investors and analysts are able to identify the operating results of the long-term assets that form the core of a REIT's activity and use these operating results for assistance in comparing these operating results between periods or to those of different companies.

The following table shows a reconciliation of net income available to common stockholders and participating securities to the calculation of FFO available to common stockholders and participating securities as follows:

	Year Ended December 31,				
	2019	2018	2017	2016	2015
	(In thousands)				
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders and Participating Securities	\$ 238,775	\$ 163,239	\$ 201,456	\$ 121,232	\$ 73,802
Adjustments:					
Depreciation and Other Amortization of Real Estate	120,516	115,659	115,617	116,506	113,126
Equity in Depreciation and Other Amortization of Joint Ventures	—	—	—	—	17
Impairment of Real Estate <sup>(A)</sup>	—	2,285	—	—	626
Gain on Sale of Real Estate <sup>(A)</sup>	(124,942)	(80,909)	(131,058)	(68,202)	(44,022)
Gain on Sale Real Estate from Joint Ventures <sup>(A)</sup>	(16,714)	—	—	—	(63)
Income Tax Provision - Gain on Sale of Real Estate from Joint Venture	3,095	—	—	—	—
Noncontrolling Interest Share of Adjustments	406	(883)	481	(1,725)	(2,645)
Funds from Operations Available to First Industrial Realty Trust, Inc.'s Common Stockholders and Participating Securities	<u>\$ 221,136</u>	<u>\$ 199,391</u>	<u>\$ 186,496</u>	<u>\$ 167,811</u>	<u>\$ 140,841</u>

<sup>(A)</sup> In December 2018, NAREIT issued a white paper restating the definition of FFO. The restated definition provides an option to include or exclude gains and losses as well as impairment of non-depreciable real estate if the sales are deemed incidental. Prior to January 1, 2019, we included gains and losses on sales and impairment of our non-depreciable real estate in our calculation of NAREIT FFO. On January 1, 2019 we adopted the restated definition of NAREIT FFO on a prospective basis and now exclude gains and losses on sales and impairment of our non-depreciable real estate that we deem incidental.

### **Same Store Net Operating Income**

SS NOI is a non-GAAP financial measure that provides a measure of rental operations and, as calculated by us, that does not factor in depreciation and amortization, general and administrative expense, interest expense, impairment charges, equity in income and loss from joint venture, income tax benefit and expense, gains and losses on retirement of debt and gains and losses on the sale of real estate. We define SS NOI as revenues minus property expenses such as real estate taxes, repairs and maintenance, property management, utilities, insurance and other expenses, minus the NOI of properties that are not same store properties and minus the impact of straight-line rent, the amortization of lease inducements, the amortization of above/below market leases and lease termination fees. As so defined, SS NOI may not be comparable to same store net operating income or similar measures reported by other REITs that define same store properties or NOI differently. The major factors influencing SS NOI are occupancy levels, rental rate increases or decreases and tenant recoveries increases or decreases. Our success depends largely upon our ability to lease space and to recover the operating costs associated with those leases from our tenants.

The following table shows a reconciliation of the same store revenues and property expenses disclosed in the results of operations (and reconciled to revenues and expenses reflected on the statements of operations) to SS NOI for the years ended December 31, 2019 and 2018.

	Year Ended December 31,	
	2019	2018
	(In thousands)	
Same Store Revenues	\$ 353,293	\$ 340,381
Same Store Property Expenses	88,494	84,239
Same Store Net Operating Income Before Same Store Adjustments	\$ 264,799	\$ 256,142
Same Store Adjustments:		
Straight-line Rent	301	727
Above (Below) Market Lease Amortization	(1,027)	(1,013)
Lease Termination Fees	(1,575)	(1,183)
Same Store Net Operating Income	<u>\$ 262,498</u>	<u>\$ 254,673</u>

### **Subsequent Events**

From January 1, 2020 to February 12, 2020, we acquired one land parcel and one industrial property for an aggregate purchase price of approximately \$53.9 million, excluding transaction costs. In addition, we sold nine industrial properties for approximately \$26.5 million, excluding transaction costs.

#### **Item 7A. Quantitative and Qualitative Disclosures About Market Risk**

Response to this item is included in Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" above.

#### **Item 8. Financial Statements and Supplementary Data**

See Index to Financial Statements and Financial Statement Schedule included in Item 15.

#### **Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure**

None.



**Item 9A. Controls and Procedures**

**First Industrial Realty Trust, Inc.**

***Evaluation of Disclosure Controls and Procedures***

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in its periodic reports pursuant to the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, including the Company's principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required financial disclosure.

The Company carried out an evaluation, under the supervision and with the participation of management, including the Company's principal executive officer and principal financial officer, of the effectiveness of the design and operation of its disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(b) as of the end of the period covered by this report. Based upon this evaluation, the Company's principal executive officer and principal financial officer concluded that its disclosure controls and procedures were effective as of the end of the period covered by this report.

***Management's Report on Internal Control Over Financial Reporting***

Management is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Management has assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2019. In making its assessment of internal control over financial reporting, management used the *Internal Control-Integrated Framework (2013)* set forth by the Committee of Sponsoring Organizations of the Treadway Commission.

Management has concluded that, as of December 31, 2019, the Company's internal control over financial reporting was effective.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2019 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which appears herein within Item 15. See Report of Independent Registered Public Accounting Firm.

***Changes in Internal Control Over Financial Reporting***

There has been no change in the Company's internal control over financial reporting that occurred during the fourth quarter of 2019 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

## **First Industrial, L.P.**

### ***Evaluation of Disclosure Controls and Procedures***

The Operating Partnership maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in its periodic reports pursuant to the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, including the Company's principal executive officer and principal financial officer, on behalf of the Company in its capacity as the general partner of the Operating Partnership, as appropriate, to allow timely decisions regarding required financial disclosure.

The Operating Partnership carried out an evaluation, under the supervision and with the participation of management, including the Company's principal executive officer and principal financial officer, on behalf of the Company in its capacity as the general partner of the Operating Partnership, of the effectiveness of the design and operation of the Operating Partnership's disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(b) as of the end of the period covered by this report. Based upon this evaluation, the Company's principal executive officer and principal financial officer, on behalf of the Company in its capacity as the general partner of the Operating Partnership, concluded that the Operating Partnership's disclosure controls and procedures were effective as of the end of the period covered by this report.

### ***Management's Report on Internal Control Over Financial Reporting***

Management is responsible for establishing and maintaining adequate internal control over financial reporting. The Operating Partnership's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Management has assessed the effectiveness of the Operating Partnership's internal control over financial reporting as of December 31, 2019. In making its assessment of internal control over financial reporting, management used the *Internal Control-Integrated Framework (2013)* set forth by the Committee of Sponsoring Organizations of the Treadway Commission.

Management has concluded that, as of December 31, 2019, the Operating Partnership's internal control over financial reporting was effective.

The effectiveness of the Operating Partnership's internal control over financial reporting as of December 31, 2019 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which appears herein within Item 15. See Report of Independent Registered Public Accounting Firm.

### ***Changes in Internal Control Over Financial Reporting***

There has been no change in the Operating Partnership's internal control over financial reporting that occurred during the fourth quarter of 2019 that has materially affected, or is reasonably likely to materially affect, the Operating Partnership's internal control over financial reporting.

**Item 9B. Other Information**

**Item 5.02 Departure of Certain Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

**Chief Executive Officer Employment Agreement**

On February 11, 2020, the Company and the Operating Partnership entered into a new Employment Agreement (the “Employment Agreement”) with Peter E. Baccile, President and Chief Executive Officer of the Company, which replaces and supersedes Mr. Baccile’s current employment agreement. The new Employment Agreement is effective as of January 1, 2020. Mr. Baccile will continue to serve as the Company’s President and Chief Executive Officer, and the Employment Agreement will reflect the terms and conditions of Mr. Baccile’s continued employment.

The Employment Agreement has an initial term expiring on December 31, 2024. The Employment Agreement provides for a minimum annual base salary of \$850,000. Under the Employment Agreement, Mr. Baccile is also eligible for annual cash performance bonuses under the Company’s incentive bonus plan, based on the satisfaction of performance goals established by the Company’s Compensation Committee in accordance with the terms of such plan, with a target annual bonus of 169% of Mr. Baccile’s annual base salary and a maximum annual bonus of 225% of his annual base salary. Mr. Baccile is also entitled to participate in all long-term cash and equity incentive plans generally available to the senior executives of the Company. Beginning in 2021, Mr. Baccile will receive a minimum annual equity award with an aggregate value of no less than \$1,715,625 (the “Annual Awards”). Mr. Baccile will also be able to participate in all executive and employee benefit plans and programs of the Company.

Generally, under the Employment Agreement, if Mr. Baccile’s employment is terminated by the Company without cause and not due to disability or death, or by Mr. Baccile for good reason, Mr. Baccile will be entitled, in addition to any accrued and unpaid base salary, annual bonus or expenses (the “Accrued Obligations”), to severance payments payable in accordance with the Company’s regular payroll schedule equal to (i) 200% of the sum of Mr. Baccile’s then-current annual base salary and Mr. Baccile’s average annual bonus for the two years prior to the year in which the termination occurs (“Average Bonus”) paid in 24 equal payments over 24 months (300% if the termination occurs 4 months prior to or within 24 months following a change in control of the Company (“Change in Control Period”), which amount is payable in a single lump sum) and (ii) a prorated annual bonus for the year in which the termination occurs, based on actual performance (or the greater of Mr. Baccile’s target bonus and Average Bonus if Mr. Baccile is terminated during a Change in Control Period). Termination events triggering severance payments will also entitle Mr. Baccile, his spouse and eligible dependents to the continuation of medical and dental benefits for two years following the date of such termination at active employee costs, and any other benefits that Mr. Baccile is eligible to receive under any of the Company’s plans, programs, policies or practices, through the date of termination (the “Other Benefits”). Mr. Baccile has agreed to a two-year covenant not to compete or solicit customers and a two-year covenant not to solicit Company employees after termination.

The Employment Agreement provides that if Mr. Baccile’s employment is terminated due to his death or by the Company due to his disability, Mr. Baccile or his legal representatives will only be entitled to the Accrued Obligations and the Other Benefits. The Employment Agreement further provides that if Mr. Baccile’s employment is terminated by the Company for cause, or by Mr. Baccile other than for good reason, Mr. Baccile will only be entitled to the Accrued Obligations and the Other Benefits, except that the Accrued Obligations would exclude any unpaid annual bonus for the year prior to the year in which the termination occurs. Upon expiration of Mr. Baccile’s Employment Agreement, Mr. Baccile will be entitled to the Accrued Obligations, the Other Benefits and his regular annual bonus for the fiscal year ending on December 31, 2024.

The Employment Agreement was approved by the Company’s Board of Directors on February 11, 2020.

**Change in Control Policy**

Effective as of February 11, 2020, the Company adopted a change in control policy for certain executive officers (the “Change in Control Policy”). The Change in Control Policy provides for specified severance to select executive officers (“Executive Officers”) other than the Company’s Chief Executive Officer if such person’s employment with the Company or the Operating Partnership is terminated by the Company or Operating Partnership without “cause” or by the Executive Officer for “good reason” (as such terms are defined in the Change in Control Policy), from four months prior to, until 18 months following, a change in control of the Company.

If an Executive Officer is eligible for the severance described above and the Executive Officer executes a release in the form specified by the Change in Control Policy, such benefits would include: (i) within 45 days from the date of termination, a lump sum cash payment equal to, depending on the Executive Officer, between one and one-half and two times the sum of (A) the Executive Officer's highest annual rate of base salary over the last 12 months and (B) the average annual bonus paid to the Executive Officer for the immediately preceding two fiscal years prior to the year in which the termination occurs ("Bonus Amount"), (ii) a cash payment equal to the greater of the Executive Officer's target annual bonus or the Bonus Amount pro-rated based on the number of days the Executive Officer was employed by the Company during the fiscal year in which the date of termination occurred (less the amount of the annual bonus previously paid to the Executive Officer for such fiscal year, if any) and (iii) for 12 months following the date of termination, group medical, life and disability coverage for the Executive Officer and his or her eligible dependents, under the terms prevailing at the time of termination, and at the cost paid by similarly situated executives, or if continuation of such coverage is not possible, with a cash payment in an amount, on an after-tax basis and paid quarterly, equal to the Company's cost of providing such benefits.

Eligibility for benefits under the Change in Control Policy are conditioned upon the Executive Officer's covenant to comply with non-compete, non-solicitation, non-disparagement and non-disclosure provisions for a period of one year, depending on the Executive Officer, following his or her termination of employment, except as may be otherwise agreed by the Company.

### PART III

**Item 10, 11, 12, 13 and 14.**

***Directors, Executive Officers and Corporate Governance, Executive Compensation, Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters, Certain Relationships and Related Transactions and Director Independence and Principal Accountant Fees and Services***

The information required by Item 10, Item 11, Item 12, Item 13 and Item 14 is hereby incorporated or furnished, solely to the extent required by such item, from the Company's definitive proxy statement, which is expected to be filed with the SEC no later than 120 days after the end of the Company's fiscal year. Information from the Company's definitive proxy statement shall not be deemed to be "filed" or "soliciting material," or subject to liability for purposes of Section 18 of the Securities Exchange Act of 1934 to the maximum extent permitted under the Exchange Act.

### PART IV

**Item 15.        *Financial Statements, Financial Statement Schedule, and Exhibits***

(a) *Financial Statements, Financial Statement Schedule and Exhibits*

(1 & 2) See Index to Financial Statements and Financial Statement Schedule.

(3) Exhibits: The Exhibits required by Item 601 of Regulation S-K are listed in the Exhibit Index on page 44 to 46 of this report, which is incorporated herein by reference.

## EXHIBIT INDEX

Exhibits	Description
<a href="#">3.1</a>	<a href="#">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)</a>
<a href="#">3.2</a>	<a href="#">Third Amended and Restated Bylaws of the Company, dated May 7, 2015 (incorporated by reference to Exhibit 3.1 of the Form 8-K of the Company, filed May 7, 2015, File No. 1-13102)</a>
<a href="#">3.3</a>	<a href="#">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)</a>
<a href="#">3.4</a>	<a href="#">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)</a>
<a href="#">3.5</a>	<a href="#">Articles Supplementary relating to the Company's Junior Participating Preferred Stock, \$0.01 par value (incorporated by reference to Exhibit 4.10 of Form S-3 of the Company and First Industrial, L.P. dated September 24, 1997, Registration No. 333-29879)</a>
<a href="#">3.6</a>	<a href="#">Articles of Amendment to the Company's Articles of Incorporation, dated May 12, 2011 (incorporated by reference to Exhibit 3.1 of the Form 8-K of the Company filed June 2, 2011, File No. 1-13102)</a>
<a href="#">3.7</a>	<a href="#">Articles of Amendment to the Company's Articles of Incorporation, dated May 9, 2013 (incorporated by reference to Exhibit 3.1 of the Form 8-K of the Company filed May 10, 2013, File No. 1-13102)</a>
<a href="#">3.8</a>	<a href="#">Articles of Amendment to the Company's Articles of Incorporation (incorporated by reference to Exhibit 3.1 of the Form 8-K of the Company filed May 12, 2017, File No. 001-13102)</a>
<a href="#">3.9</a>	<a href="#">Thirteenth Amended and Restated Limited Partnership Agreement of First Industrial, L.P. (incorporated by reference to Exhibit 3.9 of the Company's Annual Report on Form 10-K for the year ended December 31, 2018, File No. 1-13102)</a>
<a href="#">4.1</a>	<a href="#">Indenture, dated as of May 13, 1997, between First Industrial, L.P. and First Trust National Association, as Trustee (incorporated by reference to Exhibit 4.1 of the Form 10-Q of the Company for the fiscal quarter ended March 31, 1997, as amended by Form 10-Q/A No. 1 of the Company filed May 30, 1997, File No. 1-13102)</a>
<a href="#">4.2</a>	<a href="#">Supplemental Indenture No. 1, dated as of May 13, 1997, between First Industrial, L.P. and First Trust National Association as Trustee relating to \$100 million of 7.15% Notes due 2027 (incorporated by reference to Exhibit 4.2 of the Form 10-Q of the Company for the fiscal quarter ended March 31, 1997, as amended by Form 10-Q/A No. 1 of the Company filed May 30, 1997, File No. 1-13102)</a>
<a href="#">4.3</a>	<a href="#">Supplemental Indenture No. 3 dated October 28, 1997 between First Industrial, L.P. and First Trust National Association providing for the issuance of Medium-Term Notes due Nine Months or more from Date of Issue (incorporated by reference to Exhibit 4.1 of Form 8-K of First Industrial, L.P., dated November 3, 1997, as filed November 3, 1997, File No. 333-21873)</a>
<a href="#">4.4</a>	<a href="#">7.50% Medium-Term Note due 2017 in principal amount of \$100 million issued by First Industrial, L.P. (incorporated by reference to Exhibit 4.19 of the Company's Annual Report on Form 10-K for the year ended December 31, 1997, File No. 1-13102)</a>
<a href="#">4.5</a>	<a href="#">Trust Agreement, dated as of May 16, 1997, between First Industrial, L.P. and First Bank National Association, as Trustee (incorporated by reference to Exhibit 4.5 of the Form 10-Q of First Industrial, L.P. for the fiscal quarter ended March 31, 1997, File No. 333-21873)</a>
<a href="#">4.6</a>	<a href="#">7.60% Notes due 2028 in principal amount of \$200 million issued by First Industrial, L.P. (incorporated by reference to Exhibit 4.2 of the Form 8-K of First Industrial, L.P. dated July 15, 1998, File No. 333-21873)</a>
<a href="#">4.7</a>	<a href="#">Supplemental Indenture No. 5, dated as of July 14, 1998, between First Industrial, L.P. and U.S. Bank Trust National Association, relating to First Industrial, L.P.'s 7.60% Notes due July 15, 2028 (incorporated by reference to Exhibit 4.1 of the Form 8-K of First Industrial, L.P. dated July 15, 1998, File No. 333-21873)</a>
<a href="#">4.8</a>	<a href="#">Supplemental Indenture No. 11, dated as of May 7, 2007, relating to 5.95% Senior Notes due 2017, by and between the First Industrial, L.P. and U.S. Bank National Association (incorporated by reference to Exhibit 4.1 of the Form 8-K of the Company, filed May 7, 2007, File No. 1-13102)</a>
<a href="#">4.9*</a>	<a href="#">Description of the Registrant's Securities registered pursuant to Section 12 of the Securities Exchange Act of 1934</a>
<a href="#">10.1</a>	<a href="#">Contribution Agreement, dated March 19, 1996, among FR Acquisitions, Inc. and the parties listed on the signature pages thereto (incorporated by reference to Exhibit 10.1 of the Form 8-K of the Company, dated April 3, 1996, File No. 1-13102)</a>
<a href="#">10.2</a>	<a href="#">Contribution Agreement, dated January 31, 1997, among FR Acquisitions, Inc. and the parties listed on the signature pages thereto (incorporated by reference to Exhibit 10.58 of the Company's Annual Report on Form 10-K for the year ended December 31, 1996, File No. 1-13102)</a>
<a href="#">10.3†</a>	<a href="#">Form of 2013 Long-Term Incentive Program (incorporated by reference to Exhibit 10.1 of the Form 8-K of the Company filed June 25, 2013, File No. 1-13102)</a>

Exhibits	Description
10.4†	<a href="#">2014 Stock Incentive Plan (as amended and restated) as of December 31, 2018 (incorporated by reference to Exhibit 10.4 of the Company's Annual Report on Form 10-K for the year ended December 31, 2018, File No. 1-13102)</a>
10.5†	<a href="#">Employment Agreement, dated August 2, 2016, by and among First Industrial, L.P., First Industrial Realty Trust, Inc. and Peter E. Baccile (incorporated by reference to Exhibit 10.1 of the Form 8-K of the Company and the Operating Partnership, filed August 3, 2016, Company's File No. 1-13102 and Operating Partnership's File No. 333-21873)</a>
10.6*†	<a href="#">Employment Agreement, dated February 11, 2020, by and among First Industrial, L.P., First Industrial Realty Trust, Inc. and Peter E. Baccile</a>
10.7*†	<a href="#">Executive Change in Control Severance Policy, dated February 11, 2020</a>
10.8	<a href="#">Unsecured Term Loan Agreement dated as of January 29, 2014 among First Industrial, L.P., First Industrial Realty Trust, Inc., Wells Fargo Bank, N.A. and the other lenders thereunder (incorporated by reference to Exhibit 10.1 of the Form 8-K of the Company filed January 29, 2014, File No. 1-13102)</a>
10.9	<a href="#">First Amendment, dated as of April 20, 2015, to Unsecured Term Loan Agreement, dated as of January 29, 2014, among First Industrial, L.P., First Industrial Realty Trust, Inc., Wells Fargo Bank, N.A. and the other lenders thereunder (incorporated by reference to Exhibit 10.2 of the Form 10-Q of the Company for the fiscal quarter ended March 31, 2015, File No. 1-13102)</a>
10.10	<a href="#">Unsecured Term Loan Agreement, dated as of September 11, 2015, among First Industrial, L.P., First Industrial Realty Trust, Inc., Wells Fargo Bank, National Association, PNC Bank, National Association, Regions Bank, U.S. Bank, National Association and the other lenders thereunder (incorporated by reference to Exhibit 10.1 of the Form 8-K of the Company filed September 14, 2015, File No. 1-13102)</a>
10.11	<a href="#">Second Amendment, dated as of January 26, 2017, to Unsecured Term Loan Agreement, dated as of January 29, 2014, by and among First Industrial, L.P., First Industrial Realty Trust, Inc., certain lenders signatory thereto and Wells Fargo Bank, National Association, as Administrative Agent (incorporated by reference to Exhibit 10.3 of the Form 8-K of the Company and the Operating Partnership, filed February 23, 2017, Company's File No. 1-13102 and Operating Partnership's File No. 333-21873)</a>
10.12	<a href="#">First Amendment, dated as of January 26, 2017, to Unsecured Term Loan Agreement, dated as of September 11, 2015, by and among First Industrial, L.P., First Industrial Realty Trust, Inc., certain lenders signatory thereto and Wells Fargo Bank, National Association, as Administrative Agent (incorporated by reference to Exhibit 10.4 of the Form 8-K of the Company and the Operating Partnership, filed February 23, 2017, Company's File No. 1-13102 and Operating Partnership's File No. 333-21873)</a>
10.13	<a href="#">Note and Guaranty Agreement, dated as of February 21, 2017, by and among First Industrial, L.P., First Industrial Realty Trust, Inc. and the purchasers of the notes party thereto (including the forms of each of the 4.30% Series A Guaranteed Senior Notes due April 20, 2027 and 4.40% Series B Guaranteed Senior Notes due April 20, 2029) (incorporated by reference to Exhibit 10.1 of the Form 8-K of the Company and the Operating Partnership, filed February 23, 2017, Company's File No. 1-13102 and Operating Partnership's File No. 333-21873)</a>
10.14	<a href="#">Distribution Agreement, dated as of March 16, 2017, among First Industrial Realty Trust, Inc., First Industrial, L.P., and Wells Fargo Securities, LLC (incorporated by reference to Exhibit 10.1 of the Form 8-K of the Company and the Operating Partnership, filed March 16, 2017, Company's File No. 1-13102 and Operating Partnership's File No. 333-21873)</a>
10.15	<a href="#">Third Amended and Restated Unsecured Revolving Credit Agreement dated as of October 31, 2017, among First Industrial, L.P., First Industrial Realty Trust, Inc., Wells Fargo Bank, N.A. and the other lenders thereunder (incorporated by reference to Exhibit 10.1 of the Form 8-K of the Company and the Operating Partnership, filed November 2, 2017, Company's File No. 1-13102 and Operating Partnership's File No. 333-21873)</a>
10.16	<a href="#">Third Amendment, dated as of October 31, 2017, to Unsecured Term Loan Agreement, dated as of January 29, 2014, among First Industrial, L.P., First Industrial Realty Trust, Inc., Wells Fargo Bank, N.A. and the other lenders thereunder (incorporated by reference to Exhibit 10.2 of the Form 8-K of the Company and the Operating Partnership, filed November 2, 2017, Company's File No. 1-13102 and Operating Partnership's File No. 333-21873)</a>
10.17	<a href="#">Second Amendment, dated as of October 31, 2017, to Unsecured Term Loan Agreement, dated as of September 11, 2015, among First Industrial, L.P., First Industrial Realty Trust, Inc., certain lenders signatory thereto and Wells Fargo Bank, National Association, as Administrative Agent (incorporated by reference to Exhibit 10.3 of the Form 8-K of the Company and the Operating Partnership, filed November 2, 2017, Company's File No. 1-13102 and Operating Partnership's File No. 333-21873)</a>
10.18	<a href="#">Note and Guaranty Agreement, dated as of December 12, 2017, by and among First Industrial, L.P., First Industrial Realty Trust, Inc. and the purchasers of the notes party thereto (including the forms of each of the 3.86% Series C Guaranteed Senior Notes due February 15, 2028 and 3.96% Series D Guaranteed Senior Notes due February 15, 2030) (incorporated by reference to Exhibit 10.1 of the Form 8-K of the Company and the Operating Partnership, filed December 15, 2017, Company's File No. 1-13102 and Operating Partnership's File No. 333-21873)</a>
10.19	<a href="#">First Amendment, dated as of December 12, 2017, to Note and Guaranty Agreement, dated as of February 21, 2017, among First Industrial, L.P., First Industrial Realty Trust, Inc. and the purchasers of the notes party thereto (incorporated by reference to Exhibit 10.2 of the Form 8-K of the Company and the Operating Partnership, filed December 15, 2017, Company's File No. 1-13102 and Operating Partnership's File No. 333-21873)</a>

Exhibits	Description
<a href="#">10.20</a>	<a href="#">Note and Guaranty Agreement, dated as of May 16, 2019, by and among First Industrial, L.P., First Industrial Realty Trust, Inc. and the purchasers of the notes party thereto (including the form of the 3.97% Series E Guaranteed Senior Notes due July 23, 2029) (incorporated by reference to Exhibit 10.1 of the Form 8-K of the Company and the Operating Partnership, filed May 20, 2019, Company's File No. 1-13102 and Operating Partnership's File No. 333-21873)</a>
<a href="#">21.1*</a>	<a href="#">Subsidiaries of the Registrants</a>
<a href="#">23.1*</a>	<a href="#">Consent of PricewaterhouseCoopers LLP with respect to First Industrial Realty Trust, Inc.</a>
<a href="#">23.2*</a>	<a href="#">Consent of PricewaterhouseCoopers LLP with respect to First Industrial, L.P.</a>
<a href="#">31.1*</a>	<a href="#">Certification of Principal Executive Officer of First Industrial Realty Trust, Inc. pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended</a>
<a href="#">31.2*</a>	<a href="#">Certification of Principal Financial Officer of First Industrial Realty Trust, Inc. pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended</a>
<a href="#">31.3*</a>	<a href="#">Certification of Principal Executive Officer of First Industrial Realty Trust, Inc., in its capacity as the sole general partner of First Industrial, L.P., pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended</a>
<a href="#">31.4*</a>	<a href="#">Certification of Principal Financial Officer of First Industrial Realty Trust, Inc., in its capacity as the sole general partner of First Industrial, L.P., pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended</a>
<a href="#">32.1**</a>	<a href="#">Certification of the Principal Executive Officer and Principal Financial Officer of First Industrial Realty Trust, Inc. pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>
<a href="#">32.2**</a>	<a href="#">Certification of the Principal Executive Officer and Principal Financial Officer of First Industrial Realty Trust, Inc., in its capacity as the sole general partner of First Industrial, L.P., pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>
101.1*	The following financial statements from First Industrial Realty Trust, Inc.'s and First Industrial L.P.'s Annual Report on Form 10-K for the year ended December 31, 2019, formatted in XBRL: (i) Consolidated Balance Sheets (audited), (ii) Consolidated Statements of Operations (audited), (iii) Consolidated Statements of Comprehensive Income (audited), (iv) Consolidated Statement of Changes in Stockholders' Equity / Consolidated Statement of Changes in Partners' Capital (audited), (v) Consolidated Statements of Cash Flows (audited) and (vi) Notes to Consolidated Financial Statements (audited)
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

\* Filed herewith.

\*\* Furnished herewith.

† Indicates a compensatory plan or arrangement contemplated by Item 15 a (3) of Form 10-K.

**Item 16. Form 10-K Summary**

Not applicable.



**FIRST INDUSTRIAL REALTY TRUST, INC.**  
**FIRST INDUSTRIAL, L.P.**  
**INDEX TO FINANCIAL STATEMENTS AND FINANCIAL STATEMENT SCHEDULE**

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## Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of

First Industrial Realty Trust, Inc.:

### ***Opinions on the Financial Statements and Internal Control over Financial Reporting***

We have audited the accompanying consolidated balance sheets of First Industrial Realty Trust, Inc. and its subsidiaries (the “Company”) as of December 31, 2019 and 2018, and the related consolidated statements of operations, of comprehensive income, of changes in stockholders’ equity and of cash flows for each of the three years in the period ended December 31, 2019, including the related notes and financial statement schedule listed in the accompanying index (collectively referred to as the “consolidated financial statements”). We also have audited the Company’s internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2019 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

### ***Basis for Opinions***

The Company’s management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management’s Report on Internal Control Over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company’s consolidated financial statements and on the Company’s internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

### ***Definition and Limitations of Internal Control over Financial Reporting***

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### ***Critical Audit Matters***

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

### ***Purchase Price Allocation***

As described in Notes 2 and 3 to the consolidated financial statements, upon acquisition of a property, management allocates the purchase price of the property based upon the fair value of the assets acquired and liabilities assumed, which generally consists of land, buildings, tenant improvements, leasing commissions and intangible assets including in-place leases, above market and below market leases and below market ground lease obligations. The purchase price is allocated to the fair value of the tangible assets of an acquired property by valuing the property as if it were vacant. The determination of fair value includes the use of significant assumptions such as land comparables, discount rates, terminal capitalization rates and market rent assumptions. Above and below market leases and below market ground lease obligations are valued based on the present value of the difference between prevailing market rates and the in-place rates measured over a period equal to the remaining term of the lease for above market leases and below market ground lease obligations, or the remaining term of the lease plus the term of any below market fixed rate renewal options for below market leases. The purchase price is further allocated to in-place lease values based on an estimate of the lease revenue received during a reasonable lease-up period as if the property was vacant on the date of acquisition. The Company completed nine acquisitions for consideration of approximately \$147.9 million, of which approximately \$101.8 million was recorded to land, \$44.6 million to buildings, improvements and other assets, and \$1.5 million to net leasing intangibles during the year ended December 31, 2019.

The principal considerations for our determination that performing procedures relating to purchase price allocation is a critical audit matter are (i) the significant judgment by management when developing the fair value estimates, which resulted in a high degree of auditor judgment, subjectivity and effort in performing procedures relating to the fair value of tangible and intangible assets and liabilities; (ii) significant audit effort was necessary in evaluating the significant assumptions applied to determine the fair value of tangible and intangible assets and liabilities, including discount rates, land comparables, terminal capitalization rates and market rent; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge to assist in evaluating the audit evidence obtained from these procedures.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the purchase price allocations, including controls over the valuation methods and significant assumptions, such as discount rates, land comparables, terminal capitalization rates and market rent. These procedures also included, among others, (i) reading the purchase and sales agreements and (ii) testing management's process for estimating the fair value of tangible and intangible assets and liabilities. Testing management's process included evaluating the appropriateness of the valuation methods and the reasonableness of significant assumptions used by management in developing the fair value estimate, including discount rates, land comparables, terminal capitalization rates and market rent. Evaluating the significant assumptions relating to the discount rates, land comparables, terminal capitalization rates and market rent involved obtaining evidence to support the reasonableness of the assumptions, including whether the assumptions used were consistent with evidence obtained in other areas of the audit and third party market data. Professionals with specialized skill and knowledge were used to assist in evaluating the reasonableness of the land comparables.

/s/PricewaterhouseCoopers LLP  
Chicago, Illinois  
February 13, 2020

We have served as the Company's auditor since 1993.

## Report of Independent Registered Public Accounting Firm

To the Partners of

First Industrial, L.P.:

### ***Opinions on the Financial Statements and Internal Control over Financial Reporting***

We have audited the accompanying consolidated balance sheets of First Industrial, L.P. and its subsidiaries (the “Operating Partnership”) as of December 31, 2019 and 2018, and the related consolidated statements of operations, of comprehensive income, of changes in partners’ capital and of cash flows for each of the three years in the period ended December 31, 2019, including the related notes and financial statement schedule listed in the accompanying index (collectively referred to as the “consolidated financial statements”). We also have audited the Operating Partnership’s internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Operating Partnership as of December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2019 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Operating Partnership maintained, in all material respects, effective internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

### ***Basis for Opinions***

The Operating Partnership’s management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management’s Report on Internal Control Over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Operating Partnership’s consolidated financial statements and on the Operating Partnership’s internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Operating Partnership in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

### ***Definition and Limitations of Internal Control over Financial Reporting***

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### ***Critical Audit Matters***

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

### ***Purchase Price Allocation***

As described in Notes 2 and 3 to the consolidated financial statements, upon acquisition of a property, management allocates the purchase price of the property based upon the fair value of the assets acquired and liabilities assumed, which generally consists of land, buildings, tenant improvements, leasing commissions and intangible assets including in-place leases, above market and below market leases and below market ground lease obligations. The purchase price is allocated to the fair value of the tangible assets of an acquired property by valuing the property as if it were vacant. The determination of fair value includes the use of significant assumptions such as land comparables, discount rates, terminal capitalization rates and market rent assumptions. Above and below market leases and below market ground lease obligations are valued based on the present value of the difference between prevailing market rates and the in-place rates measured over a period equal to the remaining term of the lease for above market leases and below market ground lease obligations, or the remaining term of the lease plus the term of any below market fixed rate renewal options for below market leases. The purchase price is further allocated to in-place lease values based on an estimate of the lease revenue received during a reasonable lease-up period as if the property was vacant on the date of acquisition. The Operating Partnership completed nine acquisitions for consideration of approximately \$147.9 million, of which approximately \$101.8 million was recorded to land, \$44.6 million to buildings, improvements and other assets, and \$1.5 million to net leasing intangibles during the year ended December 31, 2019.

The principal considerations for our determination that performing procedures relating to purchase price allocation is a critical audit matter are (i) the significant judgment by management when developing the fair value estimates, which resulted in a high degree of auditor judgment, subjectivity and effort in performing procedures relating to the fair value of tangible and intangible assets and liabilities; (ii) significant audit effort was necessary in evaluating the significant assumptions applied to determine the fair value of tangible and intangible assets and liabilities, including discount rates, land comparables, terminal capitalization rates and market rent; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge to assist in evaluating the audit evidence obtained from these procedures.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the purchase price allocations, including controls over the valuation methods and significant assumptions, such as discount rates, land comparables, terminal capitalization rates and market rent. These procedures also included, among others, (i) reading the purchase and sales agreements and (ii) testing management's process for estimating the fair value of tangible and intangible assets and liabilities. Testing management's process included evaluating the appropriateness of the valuation methods and the reasonableness of significant assumptions used by management in developing the fair value estimate, including discount rates, land comparables, terminal capitalization rates and market rent. Evaluating the significant assumptions relating to the discount rates, land comparables, terminal capitalization rates and market rent involved obtaining evidence to support the reasonableness of the assumptions, including whether the assumptions used were consistent with evidence obtained in other areas of the audit and third party market data. Professionals with specialized skill and knowledge were used to assist in evaluating the reasonableness of the land comparables.

/s/ PricewaterhouseCoopers LLP  
Chicago, Illinois  
February 13, 2020

We have served as the Operating Partnership's auditor since 1996.

**FIRST INDUSTRIAL REALTY TRUST, INC.**  
**CONSOLIDATED BALANCE SHEETS**

	December 31, 2019	December 31, 2018
	(In thousands, except share and per share data)	
<b>ASSETS</b>		
Assets:		
Investment in Real Estate:		
Land	\$ 957,478	\$ 909,318
Buildings and Improvements	2,782,430	2,704,850
Construction in Progress	90,301	59,476
Less: Accumulated Depreciation	(804,780)	(811,784)
Net Investment in Real Estate	<u>3,025,429</u>	<u>2,861,860</u>
Operating Lease Right-of-Use Assets	24,877	—
Cash and Cash Equivalents	21,120	43,102
Restricted Cash	131,598	7,271
Tenant Accounts Receivable, Net	8,529	5,185
Investment in Joint Venture	18,208	23,326
Deferred Rent Receivable, Net	77,703	71,079
Deferred Leasing Intangibles, Net	28,533	29,678
Prepaid Expenses and Other Assets, Net	182,831	101,190
Total Assets	<u>\$ 3,518,828</u>	<u>\$ 3,142,691</u>
<b>LIABILITIES AND EQUITY</b>		
Liabilities:		
Indebtedness:		
Mortgage Loans Payable, Net	\$ 173,685	\$ 296,470
Senior Unsecured Notes, Net	694,015	544,504
Unsecured Term Loans, Net	457,865	456,809
Unsecured Credit Facility	158,000	—
Accounts Payable, Accrued Expenses and Other Liabilities	114,637	78,665
Operating Lease Liabilities	22,369	—
Deferred Leasing Intangibles, Net	11,893	9,560
Rents Received in Advance and Security Deposits	57,534	47,927
Dividends and Distributions Payable	30,567	28,845
Total Liabilities	<u>1,720,565</u>	<u>1,462,780</u>
Commitments and Contingencies	—	—
Equity:		
First Industrial Realty Trust Inc.'s Stockholders' Equity:		
Common Stock (\$0.01 par value, 225,000,000 shares authorized and 126,994,478 and 126,307,431 shares issued and outstanding)	1,270	1,263
Additional Paid-in-Capital	2,140,847	2,131,556
Distributions in Excess of Accumulated Earnings	(370,835)	(490,807)
Accumulated Other Comprehensive (Loss) Income	(6,883)	3,502
Total First Industrial Realty Trust, Inc.'s Stockholders' Equity	<u>1,764,399</u>	<u>1,645,514</u>
Noncontrolling Interest	33,864	34,397
Total Equity	<u>1,798,263</u>	<u>1,679,911</u>
Total Liabilities and Equity	<u>\$ 3,518,828</u>	<u>\$ 3,142,691</u>

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



**FIRST INDUSTRIAL REALTY TRUST, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2017
(In thousands, except per share data)			
<b>Revenues:</b>			
Lease Revenue	\$ 422,236	\$ 398,822	\$ 391,884
Other Revenue	3,748	5,132	4,518
Total Revenues	<u>425,984</u>	<u>403,954</u>	<u>396,402</u>
<b>Expenses:</b>			
Property Expenses	116,585	116,854	113,494
General and Administrative	28,569	27,749	28,079
Depreciation and Other Amortization	121,229	116,459	116,364
Impairment of Real Estate	—	2,756	—
Total Expenses	<u>266,383</u>	<u>263,818</u>	<u>257,937</u>
<b>Other Income (Expense):</b>			
Gain on Sale of Real Estate	124,942	81,600	131,269
Interest Expense	(50,273)	(50,775)	(57,199)
Amortization of Debt Issuance Costs	(3,218)	(3,404)	(3,162)
Settlement Gain on Derivative Instruments	—	—	1,896
Loss from Retirement of Debt	—	(39)	(1,775)
Total Other Income (Expense)	<u>71,451</u>	<u>27,382</u>	<u>71,029</u>
Income from Operations Before Equity in Income (Loss) of Joint Venture and Income Tax (Provision) Benefit	231,052	167,518	209,494
Equity in Income (Loss) of Joint Venture	16,235	(276)	—
Income Tax (Provision) Benefit	(3,406)	92	(1,193)
Net Income	<u>243,881</u>	<u>167,334</u>	<u>208,301</u>
Less: Net Income Attributable to the Noncontrolling Interest	(5,106)	(4,095)	(6,845)
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders and Participating Securities	<u>238,775</u>	<u>163,239</u>	<u>201,456</u>
<b>Basic Earnings Per Share:</b>			
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	<u>\$ 1.89</u>	<u>\$ 1.31</u>	<u>\$ 1.70</u>
<b>Diluted Earnings Per Share:</b>			
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	<u>\$ 1.88</u>	<u>\$ 1.31</u>	<u>\$ 1.69</u>
Weighted Average Shares Outstanding - Basic	<u>126,392</u>	<u>123,804</u>	<u>118,272</u>
Weighted Average Shares Outstanding - Diluted	<u>126,691</u>	<u>124,191</u>	<u>118,787</u>

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

**FIRST INDUSTRIAL REALTY TRUST, INC.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2017
	(In thousands)		
Net Income	\$ 243,881	\$ 167,334	\$ 208,301
Payments to Settle Derivative Instruments	(3,149)	—	—
Mark-to-Market (Loss) Gain on Derivative Instruments	(7,671)	2,096	5,981
Amortization of Derivative Instruments	233	96	205
Comprehensive Income	233,294	169,526	214,487
Comprehensive Income Attributable to Noncontrolling Interest	(4,884)	(4,149)	(6,642)
Comprehensive Income Attributable to First Industrial Realty Trust, Inc.	\$ 228,410	\$ 165,377	\$ 207,845

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

**FIRST INDUSTRIAL REALTY TRUST, INC.**  
**CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY**

	Common Stock	Additional Paid-in- Capital	Distributions in Excess of Accumulated Earnings	Accumulated Other Comprehensive (Loss) Income	Noncontrolling Interest	Total
Balance as of December 31, 2016	\$ 1,172	\$ 1,886,771	\$ (641,859)	\$ (4,643)	\$ 43,184	\$ 1,284,625
Net Income	—	—	201,456	—	6,845	208,301
Other Comprehensive Income	—	—	—	6,389	(203)	6,186
Issuance of Common Stock, Net of Issuance Costs	25	74,636	—	—	—	74,661
Stock Based Compensation Activity	2	6,932	(724)	—	—	6,210
Common Stock Dividends and Unit Distributions (\$0.84 Per Share/Unit)	—	—	(100,720)	—	(3,386)	(104,106)
Conversion of Limited Partner Units to Common Stock	—	364	—	—	(364)	—
Reallocation—Additional Paid-in-Capital	—	(1,593)	—	—	1,593	—
Reallocation—Other Comprehensive Income	—	—	—	(408)	408	—
Balance as of December 31, 2017	\$ 1,199	\$ 1,967,110	\$ (541,847)	\$ 1,338	\$ 48,077	\$ 1,475,877
Net Income	—	—	163,239	—	4,095	167,334
Other Comprehensive Income	—	—	—	2,138	54	2,192
Issuance of Common Stock, Net of Issuance Costs	48	145,360	—	—	—	145,408
Stock Based Compensation Activity	3	4,791	(3,282)	—	—	1,512
Common Stock Dividends and Unit Distributions (\$0.87 Per Share/Unit)	—	—	(108,917)	—	(2,561)	(111,478)
Conversion of Limited Partner Units to Common Stock	13	16,592	—	—	(16,605)	—
Retirement of Limited Partner Units	—	—	—	—	(934)	(934)
Reallocation—Additional Paid-in-Capital	—	(2,297)	—	—	2,297	—
Reallocation—Other Comprehensive Income	—	—	—	26	(26)	—
Balance as of December 31, 2018	\$ 1,263	\$ 2,131,556	\$ (490,807)	\$ 3,502	\$ 34,397	\$ 1,679,911
Net Income	—	—	238,775	—	5,106	243,881
Other Comprehensive Loss	—	—	—	(10,365)	(222)	(10,587)
Stock Based Compensation Activity	2	4,397	(1,696)	—	1,877	4,580
Common Stock Dividends and Unit Distributions (\$0.92 Per Share/Unit)	—	—	(117,107)	—	(2,415)	(119,522)
Conversion of Limited Partner Units to Common Stock	5	7,191	—	—	(7,196)	—
Reallocation—Additional Paid-in-Capital	—	(2,297)	—	—	2,297	—
Reallocation—Other Comprehensive Income	—	—	—	(20)	20	—
Balance as of December 31, 2019	\$ 1,270	\$ 2,140,847	\$ (370,835)	\$ (6,883)	\$ 33,864	\$ 1,798,263

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

**FIRST INDUSTRIAL REALTY TRUST, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2017
(In thousands)			
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Net Income	\$ 243,881	\$ 167,334	\$ 208,301
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:			
Depreciation	98,333	94,626	94,078
Amortization of Debt Issuance Costs	3,218	3,404	3,162
Other Amortization, including Stock Based Compensation	28,780	26,976	29,252
Impairment of Real Estate	—	2,756	—
Provision for Bad Debt	—	350	177
Equity in (Income) Loss of Joint Venture	(16,235)	276	—
Distributions from Joint Venture	15,959	—	—
Gain on Sale of Real Estate	(124,942)	(81,600)	(131,269)
Loss from Retirement of Debt	—	39	1,775
Gain on Casualty and Involuntary Conversion	—	(392)	(1,321)
Payments to Settle Derivative Instruments	(3,149)	—	—
Straight-line Rental Income and Expense, Net	(10,884)	(2,165)	(5,299)
Increase in Tenant Accounts Receivable, Prepaid Expenses and Other Assets, Net and Operating Lease Right-of-Use Assets	(11,523)	(4,199)	(5,829)
Increase (Decrease) in Accounts Payable, Accrued Expenses, Other Liabilities, Rents Received in Advance and Security Deposits and Operating Lease Liabilities	22,095	3,090	(465)
Net Cash Provided by Operating Activities	<u>245,533</u>	<u>210,495</u>	<u>192,562</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Acquisitions of Real Estate	(152,744)	(157,787)	(175,303)
Additions to Investment in Real Estate and Non-Acquisition Tenant Improvements and Lease Costs	(294,633)	(224,466)	(146,003)
Net Proceeds from Sales of Investments in Real Estate	254,416	184,783	228,102
(Increase) Decrease in Escrows	(23,113)	(1,326)	564
Proceeds from Casualty and Involuntary Conversion	—	906	10,094
Contributions to and Investments in Joint Venture	(210)	(25,190)	—
Distributions from Joint Venture	8,711	1,829	—
Other Investing Activity	2,187	(2,147)	51
Net Cash Used in Investing Activities	<u>(205,386)</u>	<u>(223,398)</u>	<u>(82,495)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Financing and Equity Issuance Costs	(954)	(2,975)	(6,864)
Proceeds from the Issuance of Common Stock, Net of Underwriter's Discount	—	145,584	74,880
Tax Paid on Shares Withheld	(4,384)	(6,020)	(2,401)
Common Stock Dividends and Unit Distributions Paid	(117,214)	(109,649)	(100,524)
Repayments on Mortgage Loans Payable	(123,250)	(165,646)	(46,832)
Prepayments of Penalties Associated with Retirement of Debt	—	—	(1,453)
Proceeds from Senior Unsecured Notes	150,000	300,000	200,000
Repayments of Senior Unsecured Notes	—	—	(156,852)
Proceeds from Unsecured Credit Facility	415,000	237,000	429,000
Repayments on Unsecured Credit Facility	(257,000)	(381,500)	(474,000)
Net Cash Provided by (Used in) Financing Activities	<u>62,198</u>	<u>16,794</u>	<u>(85,046)</u>
Net Increase in Cash, Cash Equivalents and Restricted Cash	102,345	3,891	25,021
Cash, Cash Equivalents and Restricted Cash, Beginning of Year	50,373	46,482	21,461
Cash, Cash Equivalents and Restricted Cash, End of Year	<u>\$ 152,718</u>	<u>\$ 50,373</u>	<u>\$ 46,482</u>

**FIRST INDUSTRIAL REALTY TRUST, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)**

	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2017
(In thousands)			
<b>SUPPLEMENTAL INFORMATION TO STATEMENTS OF CASH FLOWS:</b>			
Interest Paid, Net of Interest Expense Capitalized in Connection with Development Activity	\$ 47,801	\$ 47,408	\$ 56,844
Interest Expense Capitalized in Connection with Development Activity	\$ 5,757	\$ 5,869	\$ 4,353
Income Taxes Paid	\$ 3,583	\$ 457	\$ 769

Cash Paid for Operating Lease Liabilities	\$ 2,084	\$ —	\$ —
Supplemental Schedule of Non-Cash Operating Activities:			
Operating Lease Liabilities Arising from Obtaining Right-of-Use Assets	\$ 22,871	\$ —	\$ —
Supplemental Schedule of Non-Cash Investing and Financing Activities:			
Common Stock Dividends and Unit Distributions Payable	\$ 30,567	\$ 28,845	\$ 27,016
Exchange of Limited Partnership Units for Common Stock:			
Noncontrolling Interest	\$ (7,196)	\$ (16,605)	\$ (364)
Common Stock	5	13	—
Additional Paid-in-Capital	7,191	16,592	364
Total	\$ —	\$ —	\$ —
Lease Reclassification from Operating Lease to Sales-Type Lease:			
Lease Receivable	\$ 54,521	\$ —	\$ —
Land	(24,803)	—	—
Building, Net of Accumulated Depreciation	(17,845)	—	—
Deferred Rent Receivable	(2,073)	—	—
Other Assets, Net of Accumulated Amortization	(1,194)	—	—
Gain on Sale Recognized Due to Lease Reclassification	\$ 8,606	\$ —	\$ —
Assumption of Indebtedness and Other Liabilities in Connection with the Acquisition of Real Estate	\$ 1,466	\$ 11,878	\$ 1,269
Accounts Payable Related to Construction in Progress and Additions to Investment in Real Estate	\$ 51,107	\$ 31,545	\$ 38,597
Write-off of Fully Depreciated Assets	\$ (37,892)	\$ (43,654)	\$ (35,560)

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

**FIRST INDUSTRIAL, L.P.**  
**CONSOLIDATED BALANCE SHEETS**

	December 31, 2019	December 31, 2018
	(In thousands, except Unit data)	
<b>ASSETS</b>		
Assets:		
Investment in Real Estate:		
Land	\$ 957,478	\$ 909,318
Buildings and Improvements	2,782,430	2,704,850
Construction in Progress	90,301	59,476
Less: Accumulated Depreciation	(804,780)	(811,784)
Net Investment in Real Estate (including \$240,847 and \$260,528 related to consolidated variable interest entities, see Note 5)	3,025,429	2,861,860
Operating Lease Right-of-Use Asset	24,877	—
Cash and Cash Equivalents	21,120	43,102
Restricted Cash	131,598	7,271
Tenant Accounts Receivable, Net	8,529	5,185
Investment in Joint Venture	18,208	23,326
Deferred Rent Receivable, Net	77,703	71,079
Deferred Leasing Intangibles, Net	28,533	29,678
Prepaid Expenses and Other Assets, Net	192,852	111,298
<b>Total Assets</b>	<b>\$ 3,528,849</b>	<b>\$ 3,152,799</b>
<b>LIABILITIES AND PARTNERS' CAPITAL</b>		
Liabilities:		
Indebtedness:		
Mortgage Loans Payable, Net (including \$11,009 and \$20,497 related to consolidated variable interest entities, see Note 5)	\$ 173,685	\$ 296,470
Senior Unsecured Notes, Net	694,015	544,504
Unsecured Term Loans, Net	457,865	456,809
Unsecured Credit Facility	158,000	—
Accounts Payable, Accrued Expenses and Other Liabilities	114,637	78,665
Operating Lease Liabilities	22,369	—
Deferred Leasing Intangibles, Net	11,893	9,560
Rents Received in Advance and Security Deposits	57,534	47,927
Distributions Payable	30,567	28,845
<b>Total Liabilities</b>	<b>1,720,565</b>	<b>1,462,780</b>
Commitments and Contingencies	—	—
Partners' Capital:		
First Industrial L.P.'s Partners' Capital:		
General Partner Units (126,994,478 and 126,307,431 units outstanding)	1,750,656	1,619,342
Limited Partners Units (2,422,744 and 2,624,167 units outstanding)	63,618	66,246
Accumulated Other Comprehensive (Loss) Income	(7,013)	3,574
<b>Total First Industrial L.P.'s Partners' Capital</b>	<b>1,807,261</b>	<b>1,689,162</b>
Noncontrolling Interest	1,023	857
<b>Total Partners' Capital</b>	<b>1,808,284</b>	<b>1,690,019</b>
<b>Total Liabilities and Partners' Capital</b>	<b>\$ 3,528,849</b>	<b>\$ 3,152,799</b>

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

**FIRST INDUSTRIAL L.P.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2017
(In thousands, except per Unit data)			
<b>Revenues:</b>			
Lease Revenue	\$ 422,236	\$ 398,822	\$ 391,884
Other Revenue	3,748	5,132	4,518
Total Revenues	<u>425,984</u>	<u>403,954</u>	<u>396,402</u>
<b>Expenses:</b>			
Property Expenses	116,585	116,854	113,494
General and Administrative	28,569	27,749	28,079
Depreciation and Other Amortization	121,229	116,459	116,364
Impairment of Real Estate	—	2,756	—
Total Expenses	<u>266,383</u>	<u>263,818</u>	<u>257,937</u>
<b>Other Income (Expense):</b>			
Gain on Sale of Real Estate	124,942	81,600	131,269
Interest Expense	(50,273)	(50,775)	(57,199)
Amortization of Debt Issuance Costs	(3,218)	(3,404)	(3,162)
Settlement Gain on Derivative Instruments	—	—	1,896
Loss from Retirement of Debt	—	(39)	(1,775)
Total Other Income (Expense)	<u>71,451</u>	<u>27,382</u>	<u>71,029</u>
Income from Operations Before Equity in Income (Loss) of Joint Venture and Income Tax (Provision) Benefit	231,052	167,518	209,494
Equity in Income (Loss) of Joint Ventures	16,235	(276)	—
Income Tax (Provision) Benefit	(3,406)	92	(1,193)
Net Income	<u>243,881</u>	<u>167,334</u>	<u>208,301</u>
Less: Net Income Attributable to the Noncontrolling Interest	(253)	(88)	(143)
Net Income Available to Unitholders and Participating Securities	<u>\$ 243,628</u>	<u>\$ 167,246</u>	<u>\$ 208,158</u>
<b>Basic Earnings Per Unit:</b>			
Net Income Available to Unitholders	<u>\$ 1.89</u>	<u>\$ 1.31</u>	<u>\$ 1.70</u>
<b>Diluted Earnings Per Unit:</b>			
Net Income Available to Unitholders	<u>\$ 1.88</u>	<u>\$ 1.31</u>	<u>\$ 1.69</u>
Weighted Average Units Outstanding - Basic	<u>128,831</u>	<u>126,921</u>	<u>122,306</u>
Weighted Average Units Outstanding - Diluted	<u>129,241</u>	<u>127,308</u>	<u>122,821</u>

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

**FIRST INDUSTRIAL L.P.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2017
	(In thousands)		
Net Income	\$ 243,881	\$ 167,334	\$ 208,301
Payments to Settle Derivative Instruments	(3,149)	—	—
Mark-to-Market (Loss) Gain on Derivative Instruments	(7,671)	2,096	5,981
Amortization of Derivative Instruments	233	96	205
Comprehensive Income	\$ 233,294	\$ 169,526	\$ 214,487
Comprehensive Income Attributable to Noncontrolling Interest	(253)	(88)	(143)
Comprehensive Income Attributable to Unitholders	\$ 233,041	\$ 169,438	\$ 214,344

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



**FIRST INDUSTRIAL, L.P.**  
**CONSOLIDATED STATEMENTS OF CHANGES IN PARTNERS' CAPITAL**

	General Partner Units	Limited Partner Units	Accumulated Other Comprehensive (Loss) Income	Noncontrolling Interest	Total
Balance as of December 31, 2016	\$ 1,219,755	\$ 79,156	\$ (4,804)	\$ 956	\$ 1,295,063
Net Income	201,313	6,845	—	143	208,301
Other Comprehensive Income	—	—	6,186	—	6,186
Contribution of General Partner Units, Net of Issuance Costs	74,661	—	—	—	74,661
Stock Based Compensation Activity	6,210	—	—	—	6,210
Unit Distributions (\$0.84 Per Unit)	(100,720)	(3,386)	—	—	(104,106)
Conversion of Limited Partner Units to General Partner Units	364	(364)	—	—	—
Contributions from Noncontrolling Interest	—	—	—	40	40
Distributions to Noncontrolling Interest	—	—	—	(360)	(360)
Balance as of December 31, 2017	\$ 1,401,583	\$ 82,251	\$ 1,382	\$ 779	\$ 1,485,995
Net Income	163,151	4,095	—	88	167,334
Other Comprehensive Income	—	—	2,192	—	2,192
Contribution of General Partner Units, Net of Issuance Costs	145,408	—	—	—	145,408
Stock Based Compensation Activity	1,512	—	—	—	1,512
Unit Distributions (\$0.87 Per Unit)	(108,917)	(2,561)	—	—	(111,478)
Conversion of Limited Partner Units to General Partner Units	16,605	(16,605)	—	—	—
Retirement of Limited Partner Units	—	(934)	—	—	(934)
Contributions from Noncontrolling Interest	—	—	—	126	126
Distributions to Noncontrolling Interest	—	—	—	(136)	(136)
Balance as of December 31, 2018	\$ 1,619,342	\$ 66,246	\$ 3,574	\$ 857	\$ 1,690,019
Net Income	238,522	5,106	—	253	243,881
Other Comprehensive Loss	—	—	(10,587)	—	(10,587)
Stock Based Compensation Activity	2,703	1,877	—	—	4,580
Unit Distributions (\$0.92 Per Unit)	(117,107)	(2,415)	—	—	(119,522)
Conversion of Limited Partner Units to General Partner Units	7,196	(7,196)	—	—	—
Contributions from Noncontrolling Interest	—	—	—	32	32
Distributions to Noncontrolling Interest	—	—	—	(119)	(119)
Balance as of December 31, 2019	\$ 1,750,656	\$ 63,618	\$ (7,013)	\$ 1,023	\$ 1,808,284

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

**FIRST INDUSTRIAL, L.P.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2017
(In thousands)			
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Net Income	\$ 243,881	\$ 167,334	\$ 208,301
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:			
Depreciation	98,333	94,626	94,078
Amortization of Debt Issuance Costs	3,218	3,404	3,162
Other Amortization, including Stock Based Compensation	28,780	26,976	29,252
Impairment of Real Estate	—	2,756	—
Provision for Bad Debt	—	350	177
Equity in (Income) Loss of Joint Venture	(16,235)	276	—
Distributions from Joint Venture	15,959	—	—
Gain on Sale of Real Estate	(124,942)	(81,600)	(131,269)
Loss from Retirement of Debt	—	39	1,775
Gain on Casualty and Involuntary Conversion	—	(392)	(1,321)
Payments to Settle Derivative Instruments	(3,149)	—	—
Straight-line Rental Income and Expense, Net	(10,884)	(2,165)	(5,299)
Increase in Tenant Accounts Receivable, Prepaid Expenses and Other Assets, Net and Operating Lease Right-of-Use Assets	(11,436)	(4,189)	(5,510)
Increase (Decrease) in Accounts Payable, Accrued Expenses, Other Liabilities, Rents Received in Advance and Security Deposits	22,095	3,090	(465)
Net Cash Provided by Operating Activities	<u>245,620</u>	<u>210,505</u>	<u>192,881</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Acquisitions of Real Estate	(152,744)	(157,787)	(175,303)
Additions to Investment in Real Estate and Non-Acquisition Tenant Improvements and Lease Costs	(294,633)	(224,466)	(146,003)
Net Proceeds from Sales of Investments in Real Estate	254,416	184,783	228,102
(Increase) Decrease in Escrows	(23,113)	(1,326)	565
Proceeds from Casualty and Involuntary Conversion	—	906	10,094
Contributions to and Investments in Joint Venture	(210)	(25,190)	—
Distributions from Joint Venture	8,711	1,829	—
Other Investing Activity	2,187	(2,147)	51
Net Cash Used in Investing Activities	<u>(205,386)</u>	<u>(223,398)</u>	<u>(82,494)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Financing and Equity Issuance Costs	(954)	(2,975)	(6,864)
Contribution of General Partner Units	—	145,584	74,880
Tax Paid on Shares of the Company Withheld	(4,384)	(6,020)	(2,401)
Unit Distributions Paid	(117,214)	(109,649)	(100,524)
Contributions from Noncontrolling Interests	32	126	40
Distributions to Noncontrolling Interests	(119)	(136)	(360)
Repayments on Mortgage Loans Payable	(123,250)	(165,646)	(46,832)
Prepayments of Penalties Associated with Retirement of Debt	—	—	(1,453)
Proceeds from Senior Unsecured Notes	150,000	300,000	200,000
Repayments of Senior Unsecured Notes	—	—	(156,852)
Proceeds from Unsecured Credit Facility	415,000	237,000	429,000
Repayments on Unsecured Credit Facility	(257,000)	(381,500)	(474,000)
Net Cash Provided by (Used in) Financing Activities	<u>62,111</u>	<u>16,784</u>	<u>(85,366)</u>
Net Increase in Cash, Cash Equivalents and Restricted Cash	102,345	3,891	25,021
Cash, Cash Equivalents and Restricted Cash, Beginning of Year	50,373	46,482	21,461
Cash, Cash Equivalents and Restricted Cash, End of Year	<u>\$ 152,718</u>	<u>\$ 50,373</u>	<u>\$ 46,482</u>

**FIRST INDUSTRIAL, L.P.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)**

	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2017
(In thousands)			
<b>SUPPLEMENTAL INFORMATION TO STATEMENTS OF CASH FLOWS:</b>			
Interest Paid, Net of Interest Expense Capitalized in Connection with Development Activity	\$ 47,801	\$ 47,408	\$ 56,844
Interest Expense Capitalized in Connection with Development Activity	\$ 5,757	\$ 5,869	\$ 4,353
Income Taxes Paid	\$ 3,583	\$ 457	\$ 769
Cash Paid for Operating Lease Liabilities	\$ 2,084	\$ —	\$ —
Supplemental Schedule of Non-Cash Operating Activities:			
Operating Lease Liabilities Arising from Obtaining Right-of-Use Assets	\$ 22,871	\$ —	\$ —
Supplemental Schedule of Non-Cash Investing and Financing Activities:			
General and Limited Partner Unit Distributions Payable	\$ 30,567	\$ 28,845	\$ 27,016
Exchange of Limited Partner Units for General Partner Units:			
Limited Partner Units	\$ (7,196)	\$ (16,605)	\$ (364)
General Partner Units	7,196	16,605	364
Total	\$ —	\$ —	\$ —
Lease Reclassification from Operating Lease to Sales-Type Lease:			
Lease Receivable	\$ 54,521	\$ —	\$ —
Land	(24,803)	—	—
Building, Net of Accumulated Depreciation	(17,845)	—	—
Deferred Rent Receivable	(2,073)	—	—
Other Assets, Net of Accumulated Amortization	(1,194)	—	—
Gain on Sale Recognized Due to Lease Reclassification	\$ 8,606	\$ —	\$ —
Assumption of Indebtedness and Other Liabilities in Connection with the Acquisition of Real Estate	\$ 1,466	\$ 11,878	\$ 1,269
Accounts Payable Related to Construction in Progress and Additions to Investment in Real Estate	\$ 51,107	\$ 31,545	\$ 38,597
Write-off of Fully Depreciated Assets	\$ (37,892)	\$ (43,654)	\$ (35,560)

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

**FIRST INDUSTRIAL REALTY TRUST, INC. AND FIRST INDUSTRIAL, L.P.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(Dollars in thousands, except per share and Unit data)**

## **1. Organization**

First Industrial Realty Trust, Inc. (the "Company") is a self-administered and fully integrated real estate company which owns, manages, acquires, sells, develops and redevelops industrial real estate. The Company is a Maryland corporation organized on August 10, 1993 and a real estate investment trust ("REIT") as defined in the Internal Revenue Code of 1986 (the "Code"). Unless stated otherwise or the context otherwise requires, the terms "we," "our" and "us" refer to the Company and its subsidiaries, including its operating partnership, First Industrial, L.P. (the "Operating Partnership"), and its consolidated subsidiaries.

We began operations on July 1, 1994. The Company's operations are conducted primarily through the Operating Partnership, of which the Company is the sole general partner (the "General Partner"), with an approximate 98.1% and 98.0% ownership interest ("General Partner Units") at December 31, 2019 and 2018, respectively. The Operating Partnership also conducts operations through eight other limited partnerships (the "Other Real Estate Partnerships"), numerous limited liability companies ("LLCs") and certain taxable REIT subsidiaries ("TRSs"), the operating data of which, together with that of the Operating Partnership, is consolidated with that of the Company as presented herein. The Operating Partnership holds at least a 99% limited partnership interest in each of the Other Real Estate Partnerships. The general partners of the Other Real Estate Partnerships are separate corporations, wholly-owned by the Company, each with at least a .01% general partnership interest in the Other Real Estate Partnerships. The Company does not have any significant assets or liabilities other than its investment in the Operating Partnership and its 100% ownership interest in the general partners of the Other Real Estate Partnerships. Noncontrolling interest in the Operating Partnership of approximately 1.9% and 2.0% at December 31, 2019 and 2018, respectively, represents the aggregate partnership interest held by the limited partners thereof ("Limited Partner Units" and together with the General Partner Units, the "Units").

We also own a 49% equity interest in, and provide various services to, a joint venture (the "Joint Venture") through a wholly owned subsidiary of the Operating Partnership. The Joint Venture is accounted for under the equity method of accounting. The operating data of the Joint Venture is not consolidated with that of the Company or the Operating Partnership as presented herein.

Profits, losses and distributions of the Operating Partnership, the LLCs, the Other Real Estate Partnerships and the TRSs are allocated to the general partner and the limited partners, the members or the shareholders, as applicable, of such entities in accordance with the provisions contained within their respective organizational documents.

As of December 31, 2019, we owned 440 industrial properties located in 21 states, containing an aggregate of approximately 61.3 million square feet of gross leasable area ("GLA"). Of the 440 properties owned on a consolidated basis, none of them are directly owned by the Company.

Any references to the number of industrial properties and square footage in the financial statement footnotes are unaudited.

## **2. Summary of Significant Accounting Policies**

### ***Basis of Presentation***

The accompanying consolidated financial statements at December 31, 2019 and 2018 and for each of the years ended December 31, 2019, 2018 and 2017 include the accounts and operating results of the Company and the Operating Partnership. All intercompany transactions have been eliminated in consolidation.

### ***Use of Estimates***

In order to conform with generally accepted accounting principles ("GAAP"), in preparation of our consolidated financial statements we are required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of December 31, 2019 and 2018, and the reported amounts of revenues and expenses for each of the years ended December 31, 2019, 2018 and 2017. Actual results could differ from those estimates.

### ***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 term maturity of these investments.

## Restricted Cash

Restricted cash includes cash held in escrow in connection with gross proceeds from the sales of certain industrial properties. These sales proceeds will be disbursed as we exchange into properties under Section 1031 of the Code. The carrying amount approximates fair value due to the short term maturity of these investments. For purposes of our consolidated statements of cash flows, changes in restricted cash are aggregated with cash and cash equivalents.

## Investment in Real Estate and Depreciation

Investment in real estate is carried at cost, less accumulated depreciation and amortization. We review our properties on a quarterly basis for impairment and provide a provision if impairments exist. To determine if an impairment may exist, we review our properties and identify those that have had either an event of change or event of circumstances warranting further assessment of recoverability (such as a decrease in occupancy, a decline in general market conditions or a change in the expected hold period of an asset or asset group). The judgments regarding the existence of indicators of impairment are based on the operating performance, market conditions, as well as our ability to hold and our intent with regard to each property. If further assessment of recoverability is needed, we estimate the future net cash flows expected to result from the use of the property and its eventual disposition. Estimated future net cash flows are based on estimates of future operating performance and market conditions. If the sum of the expected future net cash flows (undiscounted and without interest charges) is less than the carrying amount of the property or group of properties, we will recognize an impairment loss based upon the estimated fair value of the property or group of properties. The assessment of fair value requires the use of estimated and assumptions relating to the timing and amounts of cash flow projections, discount rates and terminal capitalization rates. For properties we consider held for sale, we cease depreciating the properties and value the properties at the lower of depreciated cost or fair value, less costs to dispose. If circumstances arise that were previously considered unlikely, and, as a result, we decide not to sell a property or group of properties previously classified as held for sale, we will reclassify the properties as held and used. Properties are measured at the lower of their carrying amounts (adjusted for any depreciation and amortization expense that would have been recognized had the properties been continuously classified as held and used) or fair value at the date of the subsequent decision not to sell.

Interest costs, real estate taxes, compensation costs of development personnel and other directly related costs incurred during construction periods are capitalized and depreciated commencing with the date the property is substantially completed. Upon substantial completion, we reclassify construction in progress to building, tenant improvements and leasing commissions. Such costs begin to be capitalized to the development projects from the point we are undergoing necessary activities to get the development ready for its intended use and cease when the development projects are substantially completed and held available for occupancy. Interest is capitalized using the weighted average borrowing rate during the period.

Depreciation expense is computed using the straight-line method based on the following useful lives:

	<u>Years</u>
Buildings and Improvements	7 to 50
Land Improvements	3 to 20
Furniture, Fixtures and Equipment	3 to 10
Tenant Improvements	Lease Term

Construction expenditures for tenant improvements, leasehold improvements and leasing commissions (inclusive of incentive compensation costs of personnel directly attributable to executed leases) are capitalized and amortized over the terms of each specific lease. Repairs and maintenance are charged to expense when incurred. Expenditures for improvements are capitalized.

Upon acquisition of a property, we allocate the purchase price of the property based upon the fair value of the assets acquired and liabilities assumed, which generally consists of land, buildings, tenant improvements, leasing commissions and intangible assets including in-place leases, above market and below market leases and below market ground lease obligations. We allocate the purchase price to the fair value of the tangible assets of an acquired property by valuing the property as if it were vacant. The determination of fair value includes the use of significant assumptions such as land comparables, discount rates, terminal capitalization rates and market rent assumptions. Acquired above and below market leases and below market ground lease obligations are valued based on the present value of the difference between prevailing market rates and the in-place rates measured over a period equal to the remaining term of the lease for above market leases and below market ground lease obligations, or the remaining term of the lease plus the term of any below market fixed rate renewal options for below market leases. The above market lease values are amortized as a reduction of rental revenue over the remaining term of the respective leases, and the below market lease values are amortized as an increase to base rental revenue over the remaining initial term plus the term of any below market fixed rate renewal options of the respective leases.

The purchase price is further allocated to in-place lease values based on an estimate of the lease revenue received during a reasonable lease-up period as if the property was vacant on the date of acquisition. The value of in-place lease intangibles, which are included in the line item *Deferred Leasing Intangibles, Net* are amortized over the remaining initial lease term (including expected renewal periods) as adjustments to depreciation and other amortization expense. If a tenant terminates its lease early, the unamortized portion of the tenant improvements, leasing commissions, above and below market leases and the in-place lease value is immediately accelerated and fully amortized on the date of the termination.

As defined by GAAP, a business is an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or other economic benefits directly to investors or other owners, members or participants. Our typical acquisitions consist of properties whereby substantially all the fair value or gross assets acquired is concentrated in a single asset (land, building, and in-place leases) and, therefore, will be accounted for as asset acquisitions, which permits the capitalization of transaction costs to the basis of the acquired property.

Deferred leasing intangibles, net of accumulated amortization, included in our total assets and total liabilities consist of the following:

	December 31, 2019	December 31, 2018
In-Place Leases	\$ 20,188	\$ 19,971
Above Market Leases	2,197	2,569
Below Market Ground Lease Obligation	1,597	1,643
Tenant Relationships	4,551	5,495
Total Included in Total Assets, Net of \$29,541 and \$26,337 of Accumulated Amortization	<u>\$ 28,533</u>	<u>\$ 29,678</u>
Below Market Leases	\$ 11,893	\$ 9,560
Total Included in Total Liabilities, Net of \$13,045 and \$11,356 of Accumulated Amortization	<u>\$ 11,893</u>	<u>\$ 9,560</u>

Amortization expense related to in-place leases and tenant relationships was \$6,303, \$6,267 and \$6,648 for the years ended December 31, 2019, 2018 and 2017, respectively. Rental revenues increased by \$1,281, \$1,095 and \$1,116 related to net amortization of above and below market leases. We will recognize net amortization expense related to deferred leasing intangibles over the next five years, for properties owned as of December 31, 2019 as follows:

	Estimated Amortization of In-Place Leases and Tenant Relationships	Estimated Net Increase to Rental Revenues Related to Above and Below Market Leases
2020	\$ 6,166	\$ 1,716
2021	\$ 4,052	\$ 1,262
2022	\$ 3,631	\$ 1,225
2023	\$ 3,197	\$ 973
2024	\$ 2,425	\$ 993

#### **Debt Issuance Costs**

Debt issuance 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. Unamortized debt issuance costs are written-off when debt is retired before the maturity date. Debt issuance costs are presented as a direct deduction from the carrying amount of the respective debt liability, consistent with debt discounts, except for the debt issuance costs related to the unsecured credit facility which are included in the line item *Prepaid Expenses and Other Assets, Net* on the consolidated balance sheets.

### ***Investment in Joint Venture***

Investment in joint venture represents a noncontrolling equity interest in one joint venture. We have determined to account for our investment in this joint venture under the equity method of accounting, as we do not have a majority voting interest, operational control or financial control. Control is determined using accounting standards related to the consolidation of joint ventures and variable interest entities ("VIEs"). Under the equity method of accounting, our share of earnings or losses of a joint venture is reflected in income as earned and contributions or distributions increase or decrease our investment in joint venture as paid or received, respectively. Differences between our carrying value of our investment in this joint venture and our underlying equity in such joint venture are amortized and included as an adjustment to our equity in income (loss).

On a periodic basis, management assesses whether there are any indicators that the value of our investment in this joint venture may be impaired. An investment is impaired only if our estimate of the fair value of the investment is less than the carrying value of the investment, and such decline in value is deemed to be other than temporary. To the extent impairment has occurred, the loss shall be measured as the excess of the carrying value of the investment over the value of the investment.

### ***Limited Partner Units***

Limited Partner Units are reported within Partners' Capital in the Operating Partnership's balance sheet as of December 31, 2019 and 2018 because they are not redeemable for cash or other assets (a) at a fixed or determinable date, (b) at the option of the Unitholder or (c) upon the occurrence of an event that is not solely within the control of the Operating Partnership. Redemption can be effectuated, as determined by the General Partner, either by exchanging the Units for shares of common stock of the Company on a one-for-one basis, subject to adjustment, or by paying cash equal to the fair market value of such shares.

The Operating Partnership is the only significant asset of the Company and economic, fiduciary and contractual means align the interests of the Company and the Operating Partnership. The Company's Board of Directors and officers of the Company direct the Company to act when acting in its capacity as sole general partner of the Operating Partnership. Because of this, the Operating Partnership is deemed to have effective control of the form of redemption consideration. As of December 31, 2019, all criteria were met for the Operating Partnership to control the actions or events necessary to issue the maximum number of the Company's common shares required to be delivered upon redemption of all remaining Limited Partner Units.

### ***Stock Based Compensation***

We measure compensation cost for all stock-based awards at fair value on the date of grant and recognize compensation expense over the service period for awards expected to vest.

Net income is allocated to common stockholders or Unitholders and participating securities based upon their proportionate share of weighted average shares or Units plus weighted average participating securities. Participating securities are unvested share-based and Unit-based payment awards that contain non-forfeitable rights to dividends or dividend equivalents. Restricted stock or restricted Unit awards granted to employees and directors are considered participating securities as they receive non-forfeitable dividend or dividend equivalents at the same rate as common stock or Units.

### ***Revenue Recognition***

We lease our properties to tenants under agreements that are classified as leases. We recognize, as rental income, the total minimum lease payments under the leases on a straight-line basis over the lease term. Generally, under the terms of our leases, the majority of property operating expenses, including real estate taxes, insurance, and other property operating expenses are recovered from our tenants and recognized as tenant recovery revenue in the same period we incur the related expenses. As the timing and straight-line pattern of transfer to the lessee for rental revenue and the associated rental recoveries are the same and our leases qualify as operating leases, we account for the present rental revenue and tenant recovery revenue as a single component under *Lease Revenue*.

We assess the collectibility of lease receivables (including future minimum rental payments) both at commencement and throughout the lease term. If we conclude that collection of lease payments is not probable at lease commencement, we will recognize lease payments only as they are received. If our assessment of collectibility changes during the lease term, any difference between the revenue that would have been received under the straight-line method and the lease payments that have been collected will be recognized as a current period adjustment to *Lease Revenue*.

If a lease provides for tenant improvements, we determine whether we or the tenant is the owner of the tenant improvements. When we are the owner of the tenant improvements, any tenant improvements funded by the tenant are treated as lease payments which are deferred and amortized as revenue over the lease term. When the tenant is the owner of the tenant improvements, we record any tenant improvement allowance funded as a lease inducement and amortize it as a reduction of revenue over the lease term.

Revenue is generally recognized on payments received from tenants for early lease terminations upon the effective termination of a tenant's lease and when we have no further obligations under the lease.

### ***Gain on Sale of Real Estate***

Asset sales are generally recognized when control of the asset being sold is transferred to the buyer. As the assets are sold, their costs and related accumulated depreciation, if any, are derecognized with resulting gains or losses reflected in net income. Estimated future costs to be incurred by us after completion of each sale are accrued and included in the determination of the gain on sales.

When leases contain purchase options, we assess the probability that the tenant will execute the purchase option both at lease commencement or at the time the tenant communicates their intent to execute the purchase option. If we determine the execution of the purchase option is likely, we will account for the lease as a sales-type lease and derecognize the associated real estate assets on our balance sheet and record a gain or loss on sale.

### ***Discontinued Operations and Assets Held for Sale***

We report results of operations from real estate assets that are sold or classified as held for sale as discontinued operations provided the disposal represents a strategic shift that has (or will have) a major effect on our operations and financial results.

We generally classify certain properties and related assets and liabilities as held for sale when the sale of an asset has been duly approved by management, a legally enforceable contract has been executed and the buyer's due diligence period, if any, has expired. At such time, the respective assets and liabilities are presented separately on the consolidated balance sheets. Assets held for sale are reported at the lower of carrying value or estimated fair value less estimated costs to sell.

### ***Income Taxes***

The Company has elected to be taxed as a REIT under the Code. To qualify as a REIT, the Company must meet a number of organizational and operational requirements, including a requirement to distribute at least 90% of its adjusted taxable income to its stockholders. Management intends to continue to adhere to these requirements and to maintain the Company's REIT status. As a REIT, the Company is entitled to a tax deduction for some or all of the dividends it pays to shareholders. Accordingly, the Company generally will not be subject to federal income taxes as long as it currently distributes to shareholders an amount equal to or in excess of the Company's taxable income. If the Company fails to qualify as a REIT in any taxable year, it will be subject to federal income taxes and may not be able to qualify as a REIT for four subsequent taxable years.

REIT qualification reduces, but does not eliminate, the amount of state and local taxes we pay. In addition, certain activities that we undertake may be conducted by entities which have elected to be treated as a TRS. TRSs are subject to both federal, state and local income taxes.

We may also be subject to certain federal excise and franchise taxes if we engage in certain types of transactions. A benefit or provision has been made for federal, state and local income taxes in the accompanying consolidated financial statements. The provision for excise and franchise taxes has been reflected in general and administrative expense in the consolidated statements of operations and has not been separately stated due to its insignificance.

In accordance with partnership taxation, each of the partners of the Operating Partnership is responsible for reporting their share of taxable income or loss.

### ***Earnings Per Share and Earnings Per Unit ("EPS" and "EPU")***

Basic net income per common share or Unit is computed by dividing net income available to common shareholders or Unitholders by the weighted average number of common shares or Units outstanding for the period.

Diluted net income per common share or Unit is computed by dividing net income available to common shareholders or Unitholders by the sum of the weighted average number of common shares or Units outstanding and any dilutive non-participating securities for the period.



## ***Derivative Financial Instruments***

During the normal course of business, we have used derivative instruments for the purpose of managing interest rate risk on anticipated offerings of long term debt. Receipts or payments that result from the settlement of derivative instruments used to fix the interest rate on anticipated offerings of senior unsecured notes are amortized over the life of the derivative or the life of the debt and is included in interest expense. Receipts or payments resulting from derivative instruments used to convert floating rate debt to fixed rate debt are recognized as a component of interest expense.

To qualify for hedge accounting, derivative instruments used for risk management purposes must effectively reduce the risk exposure that they are designed to hedge. In addition, at inception of a qualifying cash flow hedging relationship, the underlying transaction or transactions, must be, and are expected to remain, probable of occurring in accordance with our related assertions. We recognize all derivative instruments in the line items *Prepaid Expenses and Other Assets, Net or Accounts Payable, Accrued Expenses and Other Liabilities* at fair value. Changes in fair value of derivative instruments that are not designated in hedging relationships or that do not meet the criteria of hedge accounting are recognized in earnings. For derivative instruments designated in qualifying cash flow hedging relationships, changes in fair value related to the effective portion of the derivative instruments are recognized in accumulated other comprehensive income (loss), whereas changes in fair value of the ineffective portion are recognized in earnings. If it is determined that a derivative instrument ceases to be highly effective as a hedge, or that it is probable the underlying forecasted transaction will not occur, we discontinue its cash flow hedge accounting prospectively and records the appropriate adjustment to earnings based on the current fair value of the derivative instrument. The credit risks associated with derivative instruments are controlled through the evaluation and monitoring of the creditworthiness of the counterparty. In the event that the counterparty fails to meet the terms of the derivative instruments, our exposure is limited to the fair value of agreements, not the notional amounts.

## ***Fair Value***

GAAP establishes a framework for measuring fair value and requires disclosures about fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants. The guidance establishes a hierarchy for inputs used in measuring fair value based on observable and unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are based on market data obtained from independent sources. Unobservable inputs are inputs that reflect our assumptions of pricing the asset or liability based on the best information available in the circumstances. We estimate fair value using available market information and valuation methodologies we believe to be appropriate for these purposes. The fair value hierarchy consists of the following three broad levels:

- Level 1 - quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - inputs other than quoted prices within Level 1 that are either directly or indirectly observable for the asset or liability; and
- Level 3 - unobservable inputs in which little or no market data exists for the asset or liability.

Our assets and liabilities that are measured at fair value are classified in their entirety based on the lowest level of input that is significant to their fair value measurement. Considerable judgment and a high degree of subjectivity are involved in developing these estimates and, accordingly, they are not necessarily indicative of amounts that we would realize on disposition.

## ***Segment Reporting***

Management views the Company, inclusive of the Operating Partnership, as a single segment based on its method of internal reporting.

## ***Reclassifications***

We adopted Financial Accounting Standards Board ("FASB") Accounting Standards Codification 842 *Leases* effective January 1, 2019. Upon adoption of the new standard, tenant recovery revenue and fee revenue collected for delinquent lease payments for 2018 and 2017 have been reclassified to the *Lease Revenue* line item in the Consolidated Statements of Operations to conform to the 2019 financial statement presentation. This reclassification had no impact to the 2018 or 2017 results of operations.

Certain amounts included in the Consolidated Financial Statements and Notes to the Consolidated Financial Statements for 2018 have been reclassified to conform to the 2019 financial statement presentation.

### **Recent Accounting Pronouncements Adopted**

In February 2016, the FASB issued Accounting Standards Update ("ASU") No. 2016-02, Leases (Topic 842) ("ASU 2016-02"), which amended the existing accounting standards for lease accounting to increase transparency and comparability among organizations by requiring the recognition of right-of-use assets and lease liabilities on the balance sheet.

We adopted the standard effective January 1, 2019 and have elected to use January 1, 2019 as our date of initial application. Consequently, financial information will not be updated and disclosures required under the new standard will not be provided for periods presented before January 1, 2019 as these prior periods conform to Accounting Standards Codification 840. We elected the package of practical expedients permitted under the transition guidance within the new standard. By adopting these practical expedients, we were not required to reassess (1) whether an existing contract meets the definition of a lease; (2) the lease classification for existing leases; or (3) costs previously capitalized as initial direct costs.

As a lessor, our rental revenue remained mainly consistent with previous guidance, apart from the narrower definition of initial direct costs that can be capitalized. The new standard defines initial direct costs as only the incremental costs of signing a lease. As such, certain compensation and certain external legal fees related to the execution of successful lease agreements no longer meet the definition of initial direct costs under the new standard and will be accounted for in the line item *General and Administrative Expense*. However, the adoption of the standard, along with the adoption of ASU No. 2018-11, Leases - Targeted Improvements which the FASB issued in July 2018, did change our presentation of our results from operations in the Consolidated Statements of Operations. The main changes caused by the adoption of the standards are:

- The new standard provided a practical expedient, which allows lessors to combine non-lease components with the related lease components if both the timing and pattern of transfer are the same for the non-lease component(s) and the related lease component, and the lease component would be classified as an operating lease. Lessors are permitted to apply the practical expedient to all existing leases on a retrospective or prospective basis. We elected the practical expedient to combine our lease and non-lease components that meet the defined criteria. The non-lease components of our leases primarily consist of common area maintenance reimbursements from our tenants.
- The new standard also requires lessors to exclude from variable payments recorded in lease revenues certain lessor costs, such as real estate taxes, that the lessor contractually requires the lessee to pay directly to a third party on its behalf. Several of our leases require tenants to pay real estate taxes directly to taxing authorities. For periods prior to January 1, 2019, we recorded these payments in the line item *Property Expenses* with an offset in the line item *Lease Revenue*. For the years ended December 31, 2018 and 2017, \$7,517 and \$7,734, respectively, of these payments are included in the aforementioned line items.
- The new standard requires our expected credit loss related to the collectibility of lease receivables to be reflected as an adjustment to the line item *Lease Revenue*. For the year ended December 31, 2018 and 2017, the credit loss related to the collectibility of lease receivables was recognized in the line item *Property Expenses* and was not significant.

We are a lessee on a limited number of ground and office leases. Under the new standard, the expense pattern for these leases is generally consistent with that of our historical recognition; however, we are required to record right-of-use assets and lease liabilities on our Consolidated Balance Sheets. Operating lease right-of-use assets and liabilities are recognized at commencement of the lease based on the present value of the lease payments over the lease term. As most of our leases do not provide an implicit rate, we use our incremental borrowing rate based on information available at lease commencement to determine the present value of lease payments. For leases that commenced prior to the effective date of the standard, we recognized right-of-use assets and lease liabilities based on the present value of remaining lease payments and the incremental borrowing rate on the date of adoption. We have elected the short term lease exemption for certain qualifying leases with lease terms of twelve months or less and, accordingly, did not record right-of-use assets and lease liabilities. We have also elected the practical expedient to not separate lease and non-lease components. For additional disclosures related to leases, refer to Note 10.

In August 2017, the FASB issued ASU 2017-12, "Derivatives and Hedging (Topic 815): Targeting Improvements to Accounting for Hedging Activities" ("ASU 2017-12"). ASU 2017-12 is intended to better align financial reporting for hedging activities with the economic objectives of those activities. We adopted ASU 2017-02 effective January 1, 2019, and the adoption did not impact our financial condition or results of operations.

### 3. Investment in Real Estate

#### Acquisitions

The following table summarizes our acquisition of industrial properties from third parties for the years ended December 31, 2019, 2018 and 2017. The revenue and net income associated with the acquisition of the industrial properties, since their respective acquisition dates, are not significant for years ended December 31, 2019, 2018 or 2017.

	Year Ended December 31,		
	2019	2018	2017
Number of Industrial Properties Acquired	9	10	8
GLA (in millions)	0.5	1.0	1.1
Purchase Price <sup>(A)</sup>	\$ 147,887	\$ 167,546	\$ 174,209

<sup>(A)</sup> Purchase price includes the acquisition of several land parcels for the years ended December 31, 2019, 2018 and 2017 and excludes closing costs incurred with the acquisition of the industrial properties and land parcels that have been capitalized.

The following table summarizes the fair value of amounts recognized for each major class of asset and liability for the industrial properties and land parcels acquired during the years ended December 31, 2019 and 2018:

	Year Ended December 31,	
	2019	2018
Land	\$ 101,764	\$ 79,347
Building and Improvements	43,693	81,747
Other Assets	859	1,225
In-Place Leases	5,601	5,302
Above Market Leases	34	662
Below Market Leases	(4,064)	(737)
Total Purchase Price	\$ 147,887	\$ 167,546
Assumed Mortgage Loan (See Note 4)	—	(11,654)
Total Net Assets Acquired	\$ 147,887	\$ 155,892

#### Sales

The following table summarizes our property dispositions for the years ended December 31, 2019, 2018 and 2017:

	Year Ended December 31,		
	2019	2018	2017
Number of Industrial Properties Sold <sup>(A)</sup>	40	53	60
GLA (in millions)	5.9	2.6	4.6
Gross Proceeds from the Sale of Real Estate <sup>(B)</sup>	\$ 315,768	\$ 192,047	\$ 236,059
Gain on Sale of Real Estate <sup>(B)</sup>	\$ 124,942	\$ 81,600	\$ 131,269

<sup>(A)</sup> The years ended December 31, 2019 and 2018 include partial sales of 0.1 million and 0.1 million square-foot industrial properties, respectively.

<sup>(B)</sup> Gross proceeds and gain on sale of real estate include the sale of several land parcels for the years ended December 31, 2019, 2018 and 2017. In addition, included in the above table for the year ended December 31, 2019, is gross proceeds of \$54,521 and gain on sale of \$8,606 related to the reclassification of a lease from an operating lease to a sales-type lease. See Note 10 for additional information.

## Impairment Charges

The impairment charges of \$2,756 recorded during the year ended December 31, 2018 were due to marketing one industrial property and one land parcel for sale and our assessment of the likelihood and timing of a potential sale transaction. The fair market values were determined using third party offers. Valuations based on third party offers included bona fide contract prices and letter of intent amounts that we believe were indicative of fair value and fall into Level 3 of the fair value hierarchy. The property and the land parcel for which impairment was recorded were sold later during the year ended December 31, 2018.

## 4. Indebtedness

The following table discloses certain information regarding our indebtedness:

	Outstanding Balance at		Interest Rate at December 31, 2019	Effective Interest Rate at Issuance	Maturity Date
	December 31, 2019	December 31, 2018			
<b>Mortgage Loans Payable, Gross</b>	\$ 174,360	\$ 297,610	4.03% – 6.50%	4.03% – 6.50%	July 2020 – August 2028
<i>Unamortized Debt Issuance Costs</i>	(675)	(1,246)			
<i>Unamortized Premiums</i>	—	106			
<b>Mortgage Loans Payable, Net</b>	<u>\$ 173,685</u>	<u>\$ 296,470</u>			
<b>Senior Unsecured Notes, Gross</b>					
2027 Notes	6,070	6,070	7.15%	7.11%	5/15/2027
2028 Notes	31,901	31,901	7.60%	8.13%	7/15/2028
2032 Notes	10,600	10,600	7.75%	7.87%	4/15/2032
2027 Private Placement Notes	125,000	125,000	4.30%	4.30%	4/20/2027
2028 Private Placement Notes	150,000	150,000	3.86%	3.86%	2/15/2028
2029 Private Placement Notes	75,000	75,000	4.40%	4.40%	4/20/2029
2029 II Private Placement Notes	150,000	—	3.97%	4.23%	7/23/2029
2030 Private Placement Notes	150,000	150,000	3.96%	3.96%	2/15/2030
<b>Subtotal</b>	<u>\$ 698,571</u>	<u>\$ 548,571</u>			
<i>Unamortized Debt Issuance Costs</i>	(4,485)	(3,990)			
<i>Unamortized Discounts</i>	(71)	(77)			
<b>Senior Unsecured Notes, Net</b>	<u>\$ 694,015</u>	<u>\$ 544,504</u>			
<b>Unsecured Term Loans, Gross</b>					
2014 Unsecured Term Loan <sup>(A)</sup>	\$ 200,000	\$ 200,000	3.39%	N/A	1/29/2021
2015 Unsecured Term Loan <sup>(A)</sup>	260,000	260,000	2.89%	N/A	9/12/2022
<b>Subtotal</b>	<u>\$ 460,000</u>	<u>\$ 460,000</u>			
<i>Unamortized Debt Issuance Costs</i>	(2,135)	(3,191)			
<b>Unsecured Term Loans, Net</b>	<u>\$ 457,865</u>	<u>\$ 456,809</u>			
<b>Unsecured Credit Facility <sup>(B)</sup></b>	<u>\$ 158,000</u>	<u>\$ —</u>	2.90%	N/A	10/29/2021

<sup>(A)</sup> The interest rate at December 31, 2019 also reflects the derivative instruments we entered into to effectively convert the variable rate to a fixed rate. See Note 12.

<sup>(B)</sup> The maturity date may be extended an additional year at our election, subject to certain restrictions. Amounts exclude unamortized debt issuance costs of \$2,300 and \$3,554 as of December 31, 2019 and 2018, respectively, which are included in the line item *Prepaid Expenses and Other Assets, Net*.

### ***Mortgage Loans Payable, Net***

During the years ended December 31, 2019 and 2018, we paid off mortgage loans in the amount of \$117,199 and \$157,782, respectively. In connection with mortgage loans paid off during the years ended December 31, 2018 and 2017, we recognized \$39 and \$1,653 within the line item *Loss from Retirement of Debt* representing the write-off of unamortized debt issuance costs offset by the write off of an unamortized premium.

During the year ended December 31, 2018, we assumed a mortgage loan in the amount of \$11,654 in conjunction with the acquisition of three industrial properties, totaling approximately 0.2 million square feet of GLA. The mortgage loan bears interest at a fixed rate of 4.17%, principal payments are amortized over 30 years and the loan matures in August 2028.

As of December 31, 2019, mortgage loans payable are collateralized, and in some instances cross-collateralized, by industrial properties with a net carrying value of \$264,956. We believe the Operating Partnership and the Company were in compliance with all covenants relating to mortgage loans as of December 31, 2019.

### ***Senior Unsecured Notes, Net***

During the year ended December 31, 2019, the Operating Partnership issued \$150,000 of 3.97% Series E Guaranteed Senior Notes Due July 23, 2029 (the "2029 II Private Placement Notes") in a private placement pursuant to a Note and Guaranty Agreement dated May 16, 2019.

During the year ended December 31, 2018, the Operating Partnership issued \$150,000 of 3.86% Series C Guaranteed Senior Notes due February 15, 2028 (the "2028 Private Placement Notes") and \$150,000 of 3.96% Series D Guaranteed Senior Notes due February 15, 2030 (the "2030 Private Placement Notes") in a private placement pursuant to a Note and Guaranty Agreement dated December 12, 2017.

During the year ended December 31, 2017, the Operating Partnership issued \$125,000 of 4.30% Series A Guaranteed Senior Notes due April 20, 2027 (the "2027 Private Placement Notes") and \$75,000 of 4.40% Series B Guaranteed Senior Notes due April 20, 2029 (the "2029 Private Placement Notes") in private placement pursuant to a Note and Guaranty Agreement dated February 21, 2017.

The 2028 Private Placement Notes, the 2030 Private Placement Notes, the 2027 Private Placement Notes, the 2029 Private Placement Notes and the 2029 II Private Placement Notes (collectively, the "Private Placement Notes") are unsecured obligations of the Operating Partnership that are fully and unconditionally guaranteed by the Company and require semi-annual interest payments.

### ***Unsecured Term Loans, Net***

On January 29, 2014, we entered into a seven-year, \$200,000 unsecured loan (the "2014 Unsecured Term Loan") with a syndicate of financial institutions. At December 31, 2018, the 2014 Unsecured Term Loan requires interest only payments and bears interest at a variable rate based on LIBOR plus 110 basis points. During the year ended December 31, 2017, we recognized \$51 within the line item *Loss from Retirement of Debt* related to the write-off of unamortized debt issuance costs related to a lender that opted out of its position and whose position was replaced by other lenders.

On September 11, 2015, we entered into a seven-year, \$260,000 unsecured loan (the "2015 Unsecured Term Loan"; together with the 2014 Unsecured Term Loan, the "Unsecured Term Loans") with a syndicate of financial institutions. At December 31, 2018, the 2015 Unsecured Term Loan requires interest only payments and bears interest at a variable rate based on LIBOR plus 110 basis points. The interest rates on the Unsecured Term Loans vary based on the Company's leverage ratio or, at our election, the Company's credit ratings.

### ***Unsecured Credit Facility***

As of December 31, 2019, we have a \$725,000 revolving credit agreement (the "Unsecured Credit Facility"). We may request that the borrowing capacity under the Unsecured Credit Facility be increased to \$1,000,000, subject to certain restrictions. The Unsecured Credit Facility matures on October 29, 2021, with an option to extend an additional one year at our election, subject to certain restrictions. The interest rate on the Unsecured Credit Facility varies based on our leverage ratio. At December 31, 2019, the Unsecured Credit Facility provides for interest only payments at LIBOR plus 110 basis points.

During the year ended December 31, 2017, in connection with the amendment, we recognized \$71 within the line item *Loss from Retirement of Debt* related to the write-off of unamortized debt issuance costs related to a lender that opted out of its position and whose position was replaced by other lenders.

## Indebtedness

The following is a schedule of the stated maturities and scheduled principal payments of our indebtedness, exclusive of premiums, discounts and debt issuance costs, for the next five years as of December 31, and thereafter:

	Amount
2020	\$ 19,813
2021	425,294
2022	336,954
2023	321
2024	335
Thereafter	708,214
Total	<u>\$ 1,490,931</u>

The Unsecured Credit Facility, the Unsecured Term Loans, the Private Placement Notes and the indentures governing our senior unsecured notes contain certain financial covenants, including limitations on incurrence of debt and debt service coverage. Under the Unsecured Credit Facility and the Unsecured Term Loans, an event of default can occur if the lenders, in their good faith judgment, determine that a material adverse change has occurred which could prevent timely repayment or materially impair our ability to perform our obligations under the loan agreements. We believe that the Operating Partnership and the Company were in compliance with all covenants relating to the Unsecured Credit Facility, the Unsecured Term Loans, the Private Placement Notes and indentures governing our senior unsecured notes as of December 31, 2019. However, these financial covenants are complex and there can be no assurance that these provisions would not be interpreted by our lenders and noteholders in a manner that could impose and cause us to incur material costs.

## Fair Value

At December 31, 2019 and 2018, the fair value of our indebtedness was as follows:

	December 31, 2019		December 31, 2018	
	Carrying Amount <sup>(A)</sup>	Fair Value	Carrying Amount <sup>(A)</sup>	Fair Value
Mortgage Loans Payable, Net	\$ 174,360	\$ 179,287	\$ 297,716	\$ 304,508
Senior Unsecured Notes, Net	698,500	756,351	548,494	546,607
Unsecured Term Loans	460,000	460,902	460,000	461,317
Unsecured Credit Facility	158,000	158,141	—	—
Total	<u>\$ 1,490,860</u>	<u>\$ 1,554,681</u>	<u>\$ 1,306,210</u>	<u>\$ 1,312,432</u>

<sup>(A)</sup> The carrying amounts include unamortized premiums and/or discounts and exclude unamortized debt issuance costs.

The fair values of our mortgage loans payable were determined by discounting the future cash flows using the current rates at which similar loans would be made based upon similar remaining maturities. The current market rates we utilized were internally estimated. The fair value of the senior unsecured notes were determined by using rates, as advised by our bankers, that are based upon recent trades within the same series of the senior unsecured notes, recent trades for senior unsecured notes with comparable maturities, recent trades for fixed rate unsecured notes from companies with profiles similar to ours, as well as overall economic conditions. The fair value of the Unsecured Credit Facility and the Unsecured Term Loans was determined by discounting the future cash flows using current rates at which similar loans would be made to borrowers with similar credit ratings and for the same remaining term, assuming no repayment until maturity. We have concluded that our determination of fair value for each of our mortgage loans payable, senior unsecured notes, the Unsecured Term Loans and the Unsecured Credit Facility was primarily based upon Level 3 inputs.

## 5. Variable Interest Entities

The Other Real Estate Partnerships are VIEs of the Operating Partnership and the Operating Partnership is the primary beneficiary, thus causing the Other Real Estate Partnerships to be consolidated by the Operating Partnership. In addition, the Operating Partnership is a VIE of the Company and the Company is the primary beneficiary.

The following table summarizes the assets and liabilities of the Other Real Estate Partnerships included in our consolidated balance sheets:

	December 31, 2019	December 31, 2018
<b>ASSETS</b>		
Assets:		
Net Investment in Real Estate	\$ 240,847	\$ 260,528
Other Assets, Net	69,982	25,059
Total Assets	<u>\$ 310,829</u>	<u>\$ 285,587</u>
<b>LIABILITIES AND PARTNERS' CAPITAL</b>		
Liabilities:		
Mortgage Loans Payable, Net	\$ 11,009	\$ 20,497
Other Liabilities, Net	21,088	9,045
Partners' Capital	278,732	256,045
Total Liabilities and Partners' Capital	<u>\$ 310,829</u>	<u>\$ 285,587</u>

### Joint Venture

During the second quarter of 2018, we entered into the Joint Venture with a third party partner for the purpose of developing, leasing, operating and potentially selling approximately 532 net developable acres of land located in the Phoenix, Arizona metropolitan area. The purchase price for the land was \$49,000, which amount was funded by the Joint Venture via cash equity contributions from us and our joint venture partner. Through a wholly-owned subsidiary of the Operating Partnership, we own a 49% interest in the Joint Venture.

During the year ended December 31, 2019, the Joint Venture sold three land parcels, totaling 236 net developable acres, for gross proceeds of \$57,178 and a total gain on sale of real estate of \$30,236. Our economic share of the gain on sale is \$14,816. However, we were the purchaser of one of the land parcels, acquiring 39 net developable acres from the Joint Venture. Accordingly, we netted our gain on sale pertaining to that sale in the amount of \$3,121 against the basis of the land acquired. During the year ended December 31, 2018, the Joint Venture sold one land parcel, totaling 21 net developable acres, for gross proceeds of \$3,973 and total gain on sale of real estate of \$181. Net income (loss) of the Joint Venture for the years ended December 31, 2019 and 2018 was \$29,999 and \$(302), respectively.

Under the Joint Venture's operating agreement, we act as the managing member of the Joint Venture and are entitled to receive fees for providing management, leasing, development, construction supervision, disposition and asset management services to the Joint Venture. In addition, the Joint Venture's operating agreement provides us the ability to earn an incentive fee based on the ultimate financial performance of the Joint Venture. The incentive fee is calculated using a hypothetical liquidation basis assuming the remaining net assets of the Joint Venture are distributed at book value. For the year ended December 31, 2019, we recognized an incentive fee of \$4,880, which is recorded in the *Equity In Income of Joint Venture* line item in the consolidated statements of operations and as an increase to the *Investment in Joint Venture* line item on the consolidated balance sheets. Any incentive fee earned will be calculated based on the final economic performance of the Joint Venture and will be paid towards the end of the Joint Venture's life.

During the year ended December 31, 2019, we recognized fees of \$146 from the Joint Venture related to asset management and development services we provided to the Joint Venture. At December 31, 2019, we had a receivable from the Joint Venture of \$588.

As part of our assessment of the appropriate accounting treatment for the Joint Venture, we reviewed the operating agreement of the Joint Venture in order to determine our rights and the rights of our joint venture partner, including whether those rights are protective or participating. The operating agreement contains certain protective rights, such as the requirement of member approval to sell, finance or refinance the property and to pay capital expenditures and operating expenditures outside of the approved budget. However, we and our Joint Venture partner jointly (i) approve the annual budget, (ii) approve certain expenditures, (iii) review and approve the Joint Venture's tax return before filing and (iv) approve each lease at a developed property. We consider the latter rights substantive participation rights that result in shared, joint power over the activities that most significantly impact the performance of the Joint Venture. As such, we concluded to account for our investment in the Joint Venture under the equity method of accounting.

## **6. Stockholders' Equity of the Company and Partners' Capital of the Operating Partnership**

### ***Operating Partnership Units***

The Operating Partnership has issued General Partner Units and Limited Partner Units. The General Partner Units resulted from capital contributions from the Company. The Limited Partner Units are issued in conjunction with the acquisition of certain properties as well as through the issuance of Performance LTIP Units and Service LTIP Units (as defined in Note 11). Subject to certain lock-up periods, holders of Limited Partner Units can redeem their Units by providing written notification to the General Partner. Unless the General Partner provides notice of a redemption restriction to the holder, redemption must be made within seven business days after receipt of the holder's notice. The redemption can be effectuated, as determined by the General Partner, either by exchanging the Limited Partner Units for shares of common stock of the Company on a one-for-one basis, subject to adjustment, or by paying cash equal to the fair market value of such shares. Prior requests for redemption have generally been fulfilled with shares of common stock of the Company, and the Operating Partnership intends to continue this practice. If each Limited Partner Unit of the Operating Partnership were redeemed as of December 31, 2019, the Operating Partnership could satisfy its redemption obligations by making an aggregate cash payment of approximately \$100,568 or by issuing 2,422,744 shares of the Company's common stock.

### ***Preferred Stock or General Partner Preferred Units***

The Company has 10,000,000 shares of preferred stock authorized. As of December 31, 2019 and 2018, there were no preferred shares or general partner preferred Units outstanding.



### Shares of Common Stock or Unit Contributions

The following table is a roll-forward of the Company's shares of common stock outstanding and the Operating Partnership's Units outstanding, including equity compensation awards which are discussed Note 11, for the three years ended December 31, 2019:

	Shares of Common Stock Outstanding	General Partner and Limited Partner Units Outstanding
<b>Balance at December 31, 2016</b>	117,107,746	121,147,121
Issuance of Common Stock/Contribution of General Partner Units <sup>(A)</sup>	2,560,000	2,560,000
Issuance of Restricted Stock/Restricted Unit Awards	275,793	275,793
Repurchase and Retirement of Restricted Stock/Restricted Unit Awards	(91,513)	(91,513)
Conversion of Limited Partner Units <sup>(B)</sup>	31,154	—
<b>Balance at December 31, 2017</b>	119,883,180	123,891,401
Issuance of Common Stock/Contribution of General Partner Units <sup>(A)</sup>	4,800,000	4,800,000
Issuance of Restricted Stock/Restricted Unit Awards	227,059	227,059
Vesting of Performance units (as defined in Note 11)	150,772	150,772
Repurchase and Retirement of Restricted Stock/Restricted Unit Awards	(104,301)	(104,301)
Conversion of Limited Partner Units <sup>(B)</sup>	1,350,721	—
Retirement of Limited Partner Units <sup>(C)</sup>	—	(33,333)
<b>Balance at December 31, 2018</b>	126,307,431	128,931,598
Issuance of Service Awards and Performance Awards (as defined in Note 11)	109,353	406,569
Vesting of Performance units (as defined Note 11)	169,033	169,033
Repurchase and Retirement of Service Awards and Performance Awards (as defined in Note 11)	(76,855)	(89,978)
Conversion of Limited Partner Units <sup>(B)</sup>	485,516	—
<b>Balance at December 31, 2019</b>	126,994,478	129,417,222

<sup>(A)</sup> During the years ended December 31, 2018 and 2017, the Company issued 4,800,000 and 2,560,000 shares of the Company's common stock in an underwritten public offering. Proceeds to the Company, net of the underwriter's discount, were \$145,584 and \$74,880. The proceeds were contributed to the Operating Partnership in exchange for General Partner Units and are reflected in the Operating Partnership's financial statements as a general partner contribution.

<sup>(B)</sup> For the years ended December 31, 2019, 2018 and 2017, 485,516, 1,350,721 and 31,154 Limited Partner Units, respectively, were converted into an equivalent number of shares of common stock of the Company, resulting in a reclassification of \$7,196, \$16,605 and \$364, respectively, of noncontrolling interest to the Company's stockholders' equity.

<sup>(C)</sup> During the year ended December 31, 2018, 33,333 Limited Partner Units were forfeited by a unitholder and were retired by the Operating Partnership.

### ATM Program

On March 16, 2017, we entered into distribution agreements with sales agents to sell up to 8,000,000 shares of the Company's common stock, for up to \$200,000 aggregate gross sales proceeds, from time to time in "at-the-market" offerings (the "2017 ATM Program"). Under the terms of the 2017 ATM Program, sales are to be made primarily in transactions that are deemed to be "at-the-market" offerings, including sales made directly on the New York Stock Exchange or sales made through a market maker other than on an exchange or by privately negotiated transactions. During the years ended December 31, 2019, 2018 and 2017, the Company did not issue any shares of common stock under the 2017 ATM Program.

## Dividends/Distributions

The following table summarizes dividends/distributions accrued during the past three years:

	2019 Total Dividend/ Distribution	2018 Total Dividend/ Distribution	2017 Total Dividend/ Distribution
Common Stock/Operating Partnership Units	\$ 119,522	\$ 111,478	\$ 104,106

## 7. Accumulated Other Comprehensive (Loss) Income

The following table summarizes the changes in accumulated other comprehensive (loss) income by component for the years ended December 31, 2019 and 2018:

	Derivative Instruments	Total for Operating Partnership	Comprehensive (Loss) Income Attributable to Noncontrolling Interest	Total for Company
Balance as of December 31, 2017	\$ 1,382	\$ 1,382	\$ (44)	\$ 1,338
Other Comprehensive Income Before Reclassifications	1,987	1,987	(28)	1,959
Amounts Reclassified from Accumulated Other Comprehensive Income	205	205	—	205
Net Current Period Other Comprehensive Income	2,192	2,192	(28)	2,164
Balance as of December 31, 2018	\$ 3,574	\$ 3,574	\$ (72)	\$ 3,502
Other Comprehensive Loss Before Reclassifications	(9,603)	(9,603)	202	(9,401)
Amounts Reclassified from Accumulated Other Comprehensive (Loss) Income	(984)	(984)	—	(984)
Net Current Period Other Comprehensive Loss	(10,587)	(10,587)	202	(10,385)
Balance as of December 31, 2019	\$ (7,013)	\$ (7,013)	\$ 130	\$ (6,883)

The following table summarizes the reclassifications out of accumulated other comprehensive (loss) income for the years ended December 31, 2019, 2018 and 2017:

Accumulated Other Comprehensive (Income) Loss Components	Amount Reclassified from Accumulated Other Comprehensive (Income) Loss			Affected Line Items in the Consolidated Statements of Operations
	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2017	
Derivative Instruments:				
Amortization of Previously Settled Derivative Instruments	233	96	205	Interest Expense
Net Settlement (Receipts) Payments to our Counterparties	(1,217)	109	4,336	Interest Expense
	\$ (984)	\$ 205	\$ 4,541	Total

The effective portion of changes in the fair value of derivatives designated and that qualify as cash flow hedges is recorded in other comprehensive income and is subsequently reclassified to earnings through interest expense over the life of the derivative or over the life of the debt. In the next 12 months, we expect to amortize approximately \$410 into net income by increasing interest expense for derivative instruments we settled in previous periods. Additionally, recurring settlement payments or receipts related to the 2014 Swaps and 2015 Swaps (as defined in Note 12) will also be reclassified to interest expense. See Note 12 for more information about our derivatives.

## 8. Earnings Per Share and Earnings Per Unit (EPS/EPU)

The computation of basic and diluted EPS of the Company is presented below:

	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2017
<b>Numerator:</b>			
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders and Participating Securities	\$ 238,775	\$ 163,239	\$ 201,456
Net Income Allocable to Participating Securities	(518)	(513)	(646)
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	<u>\$ 238,257</u>	<u>\$ 162,726</u>	<u>\$ 200,810</u>
<b>Denominator (In Thousands):</b>			
Weighted Average Shares - Basic	126,392	123,804	118,272
<b>Effect of Dilutive Securities:</b>			
Performance units (See Note 11)	299	387	515
Weighted Average Shares - Diluted	<u>126,691</u>	<u>124,191</u>	<u>118,787</u>
<b>Basic EPS:</b>			
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	<u>\$ 1.89</u>	<u>\$ 1.31</u>	<u>\$ 1.70</u>
<b>Diluted EPS:</b>			
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	<u>\$ 1.88</u>	<u>\$ 1.31</u>	<u>\$ 1.69</u>

The computation of basic and diluted EPU of the Operating Partnership is presented below:

	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2017
<b>Numerator:</b>			
Net Income Available to Unitholders and Participating Securities	243,628	167,246	208,158
Net Income Allocable to Participating Securities	(732)	(513)	(646)
Net Income Available to Unitholders	<u>\$ 242,896</u>	<u>\$ 166,733</u>	<u>\$ 207,512</u>
<b>Denominator (In Thousands):</b>			
Weighted Average Units - Basic	128,831	126,921	122,306
<b>Effect of Dilutive Securities that Result in the Issuance of General Partner Units:</b>			
Performance units and certain Performance LTIP Units (See Note 11)	410	387	515
Weighted Average Units - Diluted	<u>129,241</u>	<u>127,308</u>	<u>122,821</u>
<b>Basic EPS:</b>			
Net Income Available to Unitholders	<u>\$ 1.89</u>	<u>\$ 1.31</u>	<u>\$ 1.70</u>
<b>Diluted EPU:</b>			
Net Income Available to Unitholders	<u>\$ 1.88</u>	<u>\$ 1.31</u>	<u>\$ 1.69</u>

Participating securities include 296,371, 405,436 and 408,248 of unvested restricted stock outstanding at December 31, 2019, 2018 and 2017, respectively, which participate in non-forfeitable distributions. At December 31, 2019, 2018, and 2017, participating securities for the Operating Partnership include 421,928, 405,436 and 408,248, respectively, of restricted Unit awards and certain Service LTIP Units (see Note 11), which participate in non-forfeitable distributions. Under the two class method, participating security holders are allocated income, in proportion to total weighted average shares or Units outstanding, based upon the greater of net income or common stock dividends or Unit distributions declared.

## 9. Income Taxes

Our Consolidated Financial Statements include the operations of our TRSs, which are not entitled to the dividends paid deduction and are subject to federal, state and local income taxes on its taxable income. During the years ended December 31, 2019, 2018 and 2017, the Company qualified as a REIT and incurred no federal income tax expense; accordingly, the only federal income taxes included in the accompanying Consolidated Financial Statements relate to activities of our TRSs. The components of the income tax (provision) benefit for the years ended December 31, 2019, 2018 and 2017 is comprised of the following:

	Year Ended December 31,		
	2019	2018	2017
<b>Current:</b>			
Federal	\$ (169)	\$ 22	\$ (859)
State	(839)	(310)	(344)
<b>Deferred:</b>			
Federal	(2,334)	400	—
State	(64)	(20)	10
<b>Total Income Tax (Provision) Benefit</b>	<b>\$ (3,406)</b>	<b>\$ 92</b>	<b>\$ (1,193)</b>

Deferred income taxes represent the tax effect of the temporary differences between the book and tax basis of assets and liabilities. Deferred income tax assets and liabilities include the following as of December 31, 2019 and 2018:

	Year Ended December 31,	
	2019	2018
Basis Difference - Real Estate Properties	\$ 1,388	\$ 739
Section 163(j) Interest Limitation	600	344
Other - Temporary Differences	329	184
Valuation Allowance	(850)	(840)
<b>Total Deferred Income Tax Assets, Net of Allowance</b>	<b>\$ 1,467</b>	<b>\$ 427</b>
Deferred Income - Investment in Joint Venture	\$ (3,374)	\$ —
Other - Temporary Differences	(295)	(231)
<b>Total Deferred Income Tax Liabilities</b>	<b>\$ (3,669)</b>	<b>\$ (231)</b>
<b>Total Net Deferred Income Tax (Liabilities) Assets</b>	<b>\$ (2,202)</b>	<b>\$ 196</b>

A valuation allowance is recorded if we believe it is more likely than not that all or some portion of our deferred income tax assets will not be realized. We do not have projections of future taxable income or other sources of taxable income in one of the TRSs significant enough to allow us to believe it is more likely than not that we will realize our deferred income tax assets. Therefore, we have recorded a valuation allowance against the deferred income tax assets within that TRS. An increase or decrease in the valuation allowance that results from a change in circumstances, and which causes a change in our judgment about the realizability of the related deferred income tax assets, is included in the current income tax provision.

The differences between the income tax provision calculated at the statutory U.S. federal income tax rate and the actual income tax provision recorded are as follows:

	Year Ended December 31,		
	2019	2018	2017
Tax (Provision) Benefit at Federal Rate	\$ (2,556)	\$ 436	\$ (1,416)
Change in Federal Tax Rate	—	—	(609)
State Tax Provision, Net of Federal Benefit	(903)	(417)	(376)
Change in Valuation Allowance	(10)	144	1,197
Other	63	(71)	11
Net Income Tax (Provision) Benefit	<u>\$ (3,406)</u>	<u>\$ 92</u>	<u>\$ (1,193)</u>

We evaluate tax positions taken in the financial statements on a quarterly basis under the interpretation for accounting for uncertainty in income taxes. As a result of this evaluation, we may recognize a tax benefit from an uncertain tax position only if it is "more-likely-than-not" that the tax position will be sustained on examination by taxing authorities. As of December 31, 2019, we do not have any unrecognized tax benefits.

We file income tax returns in the U.S. and various states. The statute of limitations for income tax returns is generally three years. As such, our tax returns that are subject to examination would be primarily from 2016 and thereafter. There were no material interest or penalties recorded for the years ended December 31, 2019, 2018 and 2017.

#### **Federal Income Tax Treatment of Common Dividends**

For the years ended December 31, 2019, 2018 and 2017, the dividends paid to the Company's common shareholders per common share for income tax purposes were characterized as follows:

	2019	As a Percentage of Distributions	2018	As a Percentage of Distributions	2017	As a Percentage of Distributions
Ordinary Income <sup>(A)</sup>	\$ 0.7650	83.15%	\$ 0.6858	78.83%	\$ 0.6552	74.23%
Unrecaptured Section 1250 Capital Gain	0.1074	11.68%	0.1497	17.21%	0.1627	18.43%
Other Capital Gain	0.0460	5.00%	0.0330	3.79%	0.0648	7.34%
Qualified Dividend	0.0016	0.17%	0.0015	0.17%	—	0.00%
	<u>\$ 0.9200</u>	<u>100.00%</u>	<u>\$ 0.8700</u>	<u>100.00%</u>	<u>\$ 0.8827</u>	<u>100.00%</u>

<sup>(A)</sup> For the years ended December 31, 2019 and 2018, the Code Section 199A dividend is equal to the total ordinary income dividend.

The income tax characterization of dividends to common shareholders is based on the calculation of Taxable Earnings and Profits, as defined in the Code. Taxable Earnings and Profits differ from regular taxable income due primarily to differences in the estimated useful lives and methods used to compute depreciation and in the recognition of gains and losses on the sale of real estate assets.

## 10. Leases

### *Lessee Disclosures*

We are a lessee on a limited number of ground and office leases (the "Operating Leases"). Our office leases have remaining lease terms of less than one year to seven years and our ground leases have remaining terms of 35 years to 52 years. For the year ended December 31, 2019, we recognized \$2,443 of operating lease expense, inclusive of short-term and variable lease costs which are not significant.

The following is a schedule of the maturities of operating lease liabilities for the next five years as of December 31, 2019, and thereafter:

2020	\$	2,321
2021		2,288
2022		2,238
2023		2,068
2024		1,915
Thereafter		60,707
<b>Total Lease Payments</b>		<b>71,537</b>
Less Imputed Interest <sup>(A)</sup>		(49,168)
<b>Total</b>	<b>\$</b>	<b>22,369</b>

<sup>(A)</sup> Calculated using the discount rate for each lease.

As of December 31, 2019, our weighted average remaining lease term for the Operating Leases is 41.3 years and the weighted average discount rate is 7.2%.

A number of the Operating Leases include options to extend the lease term. For purposes of determining our lease term, we excluded periods covered by an option since it was not reasonably certain at lease commencement that we would exercise the options.

### *Lessor Disclosures*

Our properties and certain land parcels are leased to tenants and classified as operating leases. Future minimum rental receipts, excluding variable payments and tenant reimbursements of expenses, under non-cancelable operating leases executed as of December 31, 2019 are approximately as follows:

2020	\$	321,896
2021		294,820
2022		256,262
2023		219,396
2024		175,696
Thereafter		510,976
<b>Total</b>	<b>\$</b>	<b>1,779,046</b>

Several of our operating leases include options to extend the lease term and/or to purchase the building. For purposes of determining the lease term and lease classification, we exclude these extension periods and purchase options unless it is reasonably certain at lease commencement that the option will be exercised.

During the year ended December 31, 2019, a tenant exercised its lease option to purchase a 0.6 million square foot building located in our Phoenix market. The option includes a fixed purchase price and an expected closing date in August 2020. At the time the tenant exercised the option, we reassessed the lease classification of this lease and, based on various qualitative factors, we determined that it was reasonably certain the tenant would close on the acquisition of the building. Accordingly, during the year ended December 31, 2019, we reclassified the lease from an operating lease to a sales-type lease, which resulted in a gain on sale of \$8,606. Additionally, we derecognized the net book value of the property and recorded a lease receivable of \$54,521 which represents the discounted present value of the remaining lease payments and the fixed purchase option price. The lease receivable is included in *Prepaid and Other Assets, Net* on our Consolidated Balance Sheets. See Supplemental Information to the Statements of Cash Flows. Future minimum cash receipts, excluding tenant reimbursements of expenses, for this sales-type lease through the expected close date of August 2020 are \$56,830.

## 11. Long-Term Compensation

### Stock Based Compensation

The Company maintains a stock incentive plan which is administered by the Compensation Committee of the Board of Directors for which officers, certain employees and the Company's independent directors are eligible to participate in (the "Stock Incentive Plan"). Among other forms of allowed awards, awards made under the Stock Incentive Plan during the three years ended December 31, 2019 have been in the form of restricted stock awards, restricted stock unit awards, performance share awards and performance unit awards. Special provisions apply to awards granted under the Stock Incentive Plan in the event of a change in control in the Company. As of December 31, 2019, awards covering 1.1 million shares of common stock were available to be granted under the Stock Incentive Plan.

### LTIP Units

During 2018, the Company modified the Stock Incentive Plan to allow for certain officers, employees and directors to choose between restricted stock awards and restricted limited partner units ("LTIP Units"). An LTIP Unit is a class of limited partnership interest of the Operating Partnership that is structured as a "profits interest" for U.S. federal income tax purposes. Generally, LTIP Units entitle the holder to receive distributions from the Operating Partnership that are equivalent to the dividends and distributions that would be made with respect to the number of shares of Common Stock underlying such LTIP Units, though receipt of such distributions may be delayed or made contingent on vesting. Once an LTIP Unit has vested and received allocations of book income sufficient to increase the book capital account balance associated with such LTIP Unit (which will initially be zero) to equal, on a per-unit basis, the book capital account balance associated with a "common" Limited Partner Unit of the Operating Partnership, it automatically becomes a common Limited Partner Unit that is convertible by the holder into one share of Common Stock or a cash equivalent, at the Company's option.

### Awards with Performance Measures

During the years ended December 31, 2019, 2018 and 2017, the Company granted 36,064, 179,288, and 195,951 performance units ("Performance units"), respectively to certain employees. In addition, for the year ended December 31, 2019 the Company granted 166,942 LTIP Units, based on performance-based criteria ("Performance LTIP Units" and, together with the Performance units, collectively the "Performance Awards") to certain employees. The Performance Awards vest based upon the relative total shareholder return ("TSR") of the Company's common stock compared to a weighted average TSR of the MSCI US REIT Index and the NAREIT Industrial Index over a performance period of three years. Compensation expense is charged to earnings over the vesting periods for Performance Awards. At the end of the measuring period, vested Performance units convert into shares of common stock. The participant is also entitled to dividend equivalents for shares issued pursuant to vested Performance Awards. The Operating Partnership issues General Partner Units to the Company in the same amounts for vested Performance units.

The Performance Awards issued for the years ended December 31, 2019, 2018 and 2017, had fair value of \$2,527, \$2,381, and \$2,473, respectively. The fair values were determined by a lattice-binomial option-pricing model based on Monte Carlo simulations using the following assumptions:

	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2017
Expected dividend yield	3.02%	2.67%	2.71%
Expected volatility - range used	18.53% - 19.72%	15.83% - 17.87%	21.50% - 21.80%
Expected volatility - weighted average	19.10%	17.02%	21.68%
Risk-free interest rate	2.45% - 2.57%	1.57% - 2.04%	0.66% - 1.58%

Performance Award transactions for the year ended December 31, 2019 are summarized as follows:

	Performance Units	Weighted Average Grant Date Fair Value	Performance LTIP Units	Weighted Average Grant Date Fair Value
Outstanding at December 31, 2018	595,383	\$ 11.79	—	\$ —
Issued	36,064	\$ 12.45	166,942	\$ 12.45
Forfeited	(13,455)	\$ 12.97	(10,240)	\$ 12.45
Vested	(237,270)	\$ 10.06	—	\$ —
Outstanding at December 31, 2019	380,722	\$ 12.89	156,702	\$ 12.45

#### Service Based Awards

During the years ended December 31, 2019, 2018 and 2017, the Company awarded 109,353, 227,059, and 275,793, shares respectively of restricted stock awards to certain employees and outside directors. In addition, for the year ended December 31, 2019 the Company awarded 112,428 LTIP Units ("Service LTIP Units" and, together with the restricted stock awards, collectively the "Service Awards") to certain employees and outside directors. The fair value is based on the Company's stock price on the date such awards were approved by the Compensation Committee of the Board of Directors. The Service Awards granted to employees were based upon the prior achievement of certain corporate performance goals and will vest ratably over a period of three years based on continued employment. Service Awards granted to outside directors vest after a one-year period. The Operating Partnership issued restricted Unit awards to the Company in the same amount for the restricted stock awards. Compensation expense is charged to earnings over the vesting periods for the Service Awards.

The Service Awards issued for the years ended December 31, 2019, 2018 and 2017 had fair value of \$7,627, \$6,558 and \$7,291, respectively. Service Based Award transactions for the year ended December 31, 2019 are summarized as follows:

	Restricted Stock Awards	Weighted Average Grant Date Fair Value	Service LTIP Units	Weighted Average Grant Date Fair Value
Outstanding at December 31, 2018	405,436	\$ 26.64	—	\$ —
Issued	109,353	\$ 35.17	112,428	\$ 33.64
Forfeited	(9,851)	\$ 29.48	(1,788)	\$ 33.58
Vested	(208,567)	\$ 25.40	—	\$ —
Outstanding at December 31, 2019	296,371	\$ 30.56	110,640	\$ 33.64

#### Compensation Expense Related to Long-Term Compensation

For the years ended December 31, 2019, 2018 and 2017, we recognized \$8,376, \$7,586 and \$8,611, respectively, in compensation expense related to Performance Awards and Service Awards. Performance Award and Service Award compensation expense capitalized in connection with development activities was \$870 and \$472 for the years ended December 31, 2019 and 2018 and was not significant for the year ended December 31, 2017. At December 31, 2019, we had \$9,432 in unrecognized compensation related to unvested Performance Awards and Service Awards. The weighted average period that the unrecognized compensation is expected to be recognized is 0.88 years.

#### 401(k) Plan

Under the Company's 401(k) Plan, all eligible employees may participate by making voluntary contributions and the Company may make, but is not required to make, matching contributions, which are funded by the Operating Partnership. For the years ended December 31, 2019, 2018 and 2017, total expense related to matching contributions was \$926, \$688 and \$518, respectively.



## 12. Derivative Instruments

Our objectives in using derivatives are to add stability to interest expense and to manage our cash flow volatility and exposure to interest rate movements. To accomplish this objective, we primarily use derivative instruments as part of our interest rate risk management strategy. Derivative instruments designated as cash flow hedges involve the receipt of variable-rate amounts from a counterparty in exchange for fixed-rate payments over the life of the agreements without exchange of the underlying notional amount.

During December 2018, in anticipation of issuing long-term debt in the future, we entered into two treasury locks with an aggregate notional value of \$100,000 to manage our exposure to changes in the ten year U.S. Treasury rate (the "2018 Treasury Locks"). During April 2019, we paid \$3,149 to settle the 2018 Treasury Locks with our counterparties. The 2018 Treasury Locks fixed the ten year U.S. Treasury rate at a weighted average of 2.93%. We had designated the 2018 Treasury Locks as cash flow hedges and are amortizing the payment made to our counterparties into interest expense over the 10-year life of the 2029 II Private Placement Notes (see Note 4).

In connection with the originations of the Unsecured Term Loans (see Note 4), we entered into interest rate swaps to manage our exposure to changes in the one month LIBOR rate. The four interest rate swaps, which fix the variable rate of the 2014 Unsecured Term Loan, have an aggregate notional value of \$200,000, mature on January 29, 2021 and fix the LIBOR rate at a weighted average rate of 2.29% (the "2014 Swaps"). The six interest rate swaps, which fix the variable rate of the 2015 Unsecured Term Loan, have an aggregate notional value of \$260,000, mature on September 12, 2022 and fix the LIBOR rate at a weighted average rate of 1.79% (the "2015 Swaps"). We designated the 2014 Swaps and 2015 Swaps as cash flow hedges.

In September 2017, we entered into two treasury locks (the "2017 Treasury Locks"), with an aggregate notional value of \$100,000, in order to fix the interest rate on an anticipated unsecured debt offering. The 2017 Treasury Locks fixed the ten year U.S. Treasury rate at a weighted average rate of approximately 2.18%. Since we did not designate the 2017 Treasury Locks as hedges the change in the fair value of the 2017 Treasury Locks was recorded within the consolidated statement of operations. During the year ended December 31, 2017 we settled the 2017 Treasury Locks and recognized \$1,896 in the line item *Settlement Gain on Derivative Instruments*.

Our agreements with our derivative counterparties contain provisions where if we default on any of our indebtedness, then we could also be declared in default on our derivative obligations subject to certain thresholds. As of December 31, 2019, we had not posted any collateral related to these agreements and were not in breach of any of the provisions of these agreements. If we had breached these agreements, we could have been required to settle our obligations under the agreements at their termination value.

The following table sets forth our financial assets and liabilities related to the 2014 Swaps and the 2015 Swaps, which are included in the line item *Accounts Payable, Accrued Expenses and Other Liabilities* and are accounted for at fair value on a recurring basis as of December 31, 2019:

Description	Fair Value	Fair Value Measurements at Reporting Date Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
<b>Derivatives designated as a hedging instrument:</b>				
<b>Liabilities:</b>				
2014 Swaps	\$ (1,478)	—	\$ (1,478)	—
2015 Swaps	\$ (1,711)	—	\$ (1,711)	—

There was no ineffectiveness recorded on the 2014 Swaps and the 2015 Swaps during the year ended December 31, 2019.

The estimated fair value of the 2014 Swaps and the 2015 Swaps was determined using the market standard methodology of netting the discounted fixed cash payments and the discounted expected variable cash receipts. The variable cash receipts are based on an expectation of interest rates (forward curves) derived from observable market interest rate curves. In addition, credit valuation adjustments are incorporated in the fair value to account for potential non-performance risk, including our own non-performance risk and the respective counterparty's non-performance risk. We determined that the significant inputs used to value the 2014 Swaps and the 2015 Swaps fell within Level 2 of the fair value hierarchy.

### **13. Related Party Transactions**

At December 31, 2019 and 2018, the Operating Partnership had receivable balances of \$10,031 and \$10,118, respectively, from a direct wholly-owned subsidiary of the Company.

### **14. Commitments and Contingencies**

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

At December 31, 2019, we had outstanding letters of credit and performance bonds in the aggregate amount of \$11,842.

In conjunction with the development of industrial properties, we have entered into agreements with general contractors for the construction of industrial properties. At December 31, 2019, we had ten industrial properties totaling approximately 2.1 million square feet of GLA under construction. The estimated total investment as of December 31, 2019 is approximately \$208,200 (unaudited). Of this amount, approximately \$118,000 (unaudited) remains to be funded. There can be no assurance that the actual completion cost will not exceed the estimated total investment.

### **15. Subsequent Events**

From January 1, 2020 to February 12, 2020, we acquired one land parcel and one industrial property for an aggregate purchase price of approximately \$53,852, excluding transaction costs. In addition, we sold nine industrial properties for approximately \$26,500, excluding transaction costs.

## 16. Quarterly Financial Information (unaudited)

The following tables summarize the Company's unaudited quarterly financial information for each of the years ended December 31, 2019 and 2018.

	Year Ended December 31, 2019			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Total Revenues	\$ 104,541	\$ 104,095	\$ 106,590	\$ 110,758
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders and Participating Securities	\$ 23,803	\$ 39,800	\$ 78,311	\$ 96,861
Net Income Allocable to Participating Securities	(60)	(89)	(170)	(199)
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	\$ 23,743	\$ 39,711	\$ 78,141	\$ 96,662
Basic EPS:				
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	\$ 0.19	\$ 0.31	\$ 0.62	\$ 0.76
Diluted EPS:				
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	\$ 0.19	\$ 0.31	\$ 0.62	\$ 0.76
Weighted Average Shares Basic/Diluted (In Thousands):				
Weighted Average Shares - Basic	126,194	126,206	126,480	126,682
Weighted Average Shares - Diluted	126,456	126,489	126,783	127,030
	Year Ended December 31, 2018			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Total Revenues	\$ 99,771	\$ 98,845	\$ 100,256	\$ 105,082
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders and Participating Securities	\$ 36,292	\$ 45,209	\$ 30,911	\$ 50,827
Net Income Allocable to Participating Securities	(97)	(151)	(101)	(164)
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	\$ 36,195	\$ 45,058	\$ 30,810	\$ 50,663
Basic EPS:				
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	\$ 0.30	\$ 0.36	\$ 0.24	\$ 0.40
Diluted EPS:				
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	\$ 0.30	\$ 0.36	\$ 0.24	\$ 0.40
Weighted Average Shares Basic/Diluted (In Thousands):				
Weighted Average Shares - Basic	119,846	123,616	125,768	125,897
Weighted Average Shares - Diluted	120,211	124,085	126,130	126,249

The following tables summarize the Operating Partnership's unaudited quarterly financial information for each of the years ended December 31, 2019 and 2018.

	Year Ended December 31, 2019			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Total Revenues	\$ 104,541	\$ 104,095	\$ 106,590	\$ 110,758
Net Income Available to Unitholders and Participating Securities	\$ 24,314	\$ 40,689	\$ 79,969	\$ 98,656
Net Income Allocable to Participating Securities	(76)	(128)	(249)	(279)
Net Income Available to Unitholders	\$ 24,238	\$ 40,561	\$ 79,720	\$ 98,377
Basic EPU:				
Net Income Available to Unitholders	\$ 0.19	\$ 0.31	\$ 0.62	\$ 0.76
Diluted EPU:				
Net Income Available to Unitholders	\$ 0.19	\$ 0.31	\$ 0.62	\$ 0.76
Weighted Average Units Basic/Diluted (In Thousands):				
Weighted Average Units - Basic	128,818	128,831	128,837	128,837
Weighted Average Units - Diluted	129,178	129,221	129,256	129,308

	Year Ended December 31, 2018			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Total Revenues	\$ 99,771	\$ 98,845	\$ 100,256	\$ 105,082
Net Income Available to Unitholders and Participating Securities	\$ 37,443	\$ 46,382	\$ 31,508	\$ 51,913
Net Income Allocable to Participating Securities	(97)	(151)	(101)	(164)
Net Income Available to Unitholders	\$ 37,346	\$ 46,231	\$ 31,407	\$ 51,749
Basic EPU:				
Net Income Available to Unitholders	\$ 0.30	\$ 0.36	\$ 0.24	\$ 0.40
Diluted EPU:				
Net Income Available to Unitholders	\$ 0.30	\$ 0.36	\$ 0.24	\$ 0.40
Weighted Average Units Basic/Diluted (In Thousands):				
Weighted Average Units - Basic	123,729	126,832	128,526	128,526
Weighted Average Units - Diluted	124,094	127,301	128,888	128,878

**FIRST INDUSTRIAL REALTY TRUST, INC. AND FIRST INDUSTRIAL, L.P.**  
**SCHEDULE III: REAL ESTATE AND ACCUMULATED DEPRECIATION**  
**As of December 31, 2019**

Building Address	Location (City/State)	(a) Encumbrances	Initial Cost		Costs Capitalized Subsequent to Acquisition or Completion and Valuation Provision	Gross Amount Carried At Close of Period 12/31/19			Accumulated Depreciation 12/31/2019	Year Acquired/ Constructed
			Land	Buildings and Improvements		Land	Buildings and Improvements	Total		
<b>Properties (b)</b>										
(In thousands)										
<b>Atlanta</b>										
1650 Highway 155	McDonough, GA	—	779	4,544	(669)	345	4,309	4,654	2,704	1994
4051 Southmeadow Parkway	Atlanta, GA	—	726	4,130	1,661	726	5,791	6,517	3,260	1994
4071 Southmeadow Parkway	Atlanta, GA	—	750	4,460	1,924	828	6,306	7,134	3,729	1994
4081 Southmeadow Parkway	Atlanta, GA	—	1,012	5,918	2,031	1,157	7,804	8,961	4,504	1994
5570 Tulane Dr	Atlanta, GA	—	527	2,984	1,195	546	4,160	4,706	2,185	1996
955 Cobb Place	Kennesaw, GA	—	780	4,420	877	804	5,273	6,077	2,787	1997
1005 Sigman Road	Conyers, GA	—	566	3,134	1,221	574	4,347	4,921	1,977	1999
2050 East Park Drive	Conyers, GA	—	452	2,504	860	459	3,357	3,816	1,606	1999
3060 South Park Blvd	Ellenwood, GA	—	1,600	12,464	3,422	1,604	15,882	17,486	6,457	2003
175 Greenwood Industrial Parkway	McDonough, GA	—	1,550	—	7,542	1,550	7,542	9,092	2,877	2004
5095 Phillip Lee Drive	Atlanta, GA	—	735	3,627	(213)	740	3,409	4,149	2,993	2005
6514 Warren Drive	Norcross, GA	—	510	1,250	166	513	1,413	1,926	673	2005
6544 Warren Drive	Norcross, GA	—	711	2,310	278	715	2,584	3,299	1,360	2005
5356 E. Ponce De Leon	Stone Mountain, GA	—	604	3,888	977	610	4,859	5,469	2,784	2005
5390 E. Ponce De Leon	Stone Mountain, GA	—	397	1,791	569	402	2,355	2,757	1,189	2005
1755 Enterprise Drive	Buford, GA	—	712	2,118	(57)	716	2,057	2,773	970	2006
4555 Atwater Court	Buford, GA	—	881	3,550	423	885	3,969	4,854	1,684	2006
80 Liberty Industrial Parkway	McDonough, GA	—	756	3,695	(1,560)	467	2,424	2,891	1,112	2007
596 Bonnie Valentine	Pendergrass, GA	—	2,580	21,730	2,052	2,594	23,768	26,362	6,675	2007
11415 Old Roswell Road	Alpharetta, GA	—	2,403	1,912	814	2,428	2,701	5,129	1,198	2008
1281 Highway 155 S.	McDonough, GA	—	2,501	—	17,048	2,502	17,047	19,549	1,706	2016
4955 Oakley Industrial Blvd	Fairburn, GA	—	3,650	—	34,413	3,661	34,402	38,063	303	2019
<b>Baltimore</b>										
16522 Hunters Green Parkway	Hagerstown, MD	—	1,390	13,104	5,667	1,863	18,298	20,161	6,750	2003
22520 Randolph Drive	Dulles, VA	—	3,200	8,187	228	3,208	8,407	11,615	2,683	2004
22630 Dulles Summit Court	Dulles, VA	—	2,200	9,346	(870)	2,206	8,470	10,676	2,917	2004
11204 McCormick Road	Hunt Valley, MD	—	1,017	3,132	216	1,038	3,327	4,365	1,840	2005
11110 Pepper Road	Hunt Valley, MD	—	918	2,529	554	938	3,063	4,001	1,613	2005
10709 Gilroy Road	Hunt Valley, MD	1,714	913	2,705	(84)	913	2,621	3,534	1,886	2005
10707 Gilroy Road	Hunt Valley, MD	—	1,111	3,819	832	1,136	4,626	5,762	2,642	2005
38 Loveton Circle	Sparks, MD	—	1,648	2,151	(192)	1,690	1,917	3,607	1,134	2005

**FIRST INDUSTRIAL REALTY TRUST, INC. AND FIRST INDUSTRIAL, L.P.**  
**SCHEDULE III: REAL ESTATE AND ACCUMULATED DEPRECIATION**  
as of December 31, 2019

Building Address	Location (City/State)	(a) Encumbrances	Initial Cost		Costs Capitalized Subsequent to Acquisition or Completion and Valuation Provision	Gross Amount Carried At Close of Period 12/31/19			Accumulated Depreciation 12/31/2019	Year Acquired/ Constructed
			Land	Buildings and Improvements		Land	Buildings and Improvements	Total		
(In thousands)										
1225 Bengies Road	Baltimore, MD	—	2,640	270	13,829	2,823	13,916	16,739	4,951	2008
18212 Shawley Drive	Hagerstown, MD	—	1,000	5,847	2,825	1,016	8,656	9,672	2,890	2004
400 Old Post Road	Aberdeen, MD	—	3,411	17,144	1,514	3,411	18,658	22,069	3,626	2015
500 Old Post Road	Aberdeen, MD	—	5,959	30,533	146	5,959	30,679	36,638	5,139	2015
581 Welltown Road/Tyson Blvd	Winchester, VA	—	2,320	—	11,276	2,401	11,195	13,596	3,459	2007
<b>Central/Eastern Pennsylvania</b>										
1214-B Freedom Road	Cranberry Township, PA	—	31	994	613	200	1,438	1,638	1,433	1994
401 Russell Drive	Middletown, PA	—	262	857	1,847	287	2,679	2,966	2,349	1994
2700 Commerce Drive	Middletown, PA	—	196	997	857	206	1,844	2,050	1,650	1994
2701 Commerce Drive	Middletown, PA	—	141	859	1,399	164	2,235	2,399	1,766	1994
2780 Commerce Drive	Middletown, PA	—	113	743	1,289	209	1,936	2,145	1,677	1994
350 Old Silver Spring Road	Mechanicsburg, PA	—	510	2,890	5,872	541	8,731	9,272	4,389	1997
14 McFadden Road	Palmer, PA	—	600	1,349	(274)	625	1,050	1,675	435	2004
431 Railroad Avenue	Shiremanstown, PA	—	1,293	7,164	2,245	1,341	9,361	10,702	5,734	2005
6951 Allentown Blvd	Harrisburg, PA	—	585	3,176	(1)	601	3,159	3,760	1,412	2005
320 Reliance Road	Washington, PA	—	201	1,819	(348)	178	1,494	1,672	1,010	2005
2801 Red Lion Road	Philadelphia, PA	—	950	5,916	54	964	5,956	6,920	3,409	2005
1351 Eisenhower Blvd., Bldg. 1	Harrisburg, PA	—	382	2,343	3	387	2,341	2,728	985	2006
1351 Eisenhower Blvd., Bldg. 2	Harrisburg, PA	—	436	1,587	(315)	443	1,265	1,708	521	2006
200 Cascade Drive, Bldg. 1	Allentown, PA	—	2,133	17,562	759	2,769	17,685	20,454	8,026	2007
200 Cascade Drive, Bldg. 2	Allentown, PA	—	310	2,268	(93)	316	2,169	2,485	824	2007
1490 Dennison Circle	Carlisle, PA	—	1,500	—	12,954	2,341	12,113	14,454	3,794	2008
298 First Avenue	Gouldsboro, PA	—	7,022	—	57,292	7,019	57,295	64,314	16,149	2008
225 Cross Farm Lane	York, PA	—	4,718	—	23,163	4,715	23,166	27,881	7,099	2008
2455 Boulevard of Generals	Norristown, PA	—	1,200	4,800	950	1,226	5,724	6,950	2,717	2008
105 Steamboat Blvd	Manchester, PA	—	4,085	14,464	70	4,070	14,549	18,619	4,623	2012
20 Leo Lane	York County, PA	—	6,884	—	27,483	6,889	27,478	34,367	4,099	2013
3895 Eastgate Blvd Bldg A	Easton, PA	—	4,855	—	17,867	4,388	18,334	22,722	2,178	2015
3895 Eastgate Blvd Bldg B	Easton, PA	—	3,459	—	13,848	3,128	14,179	17,307	1,907	2015
112 Bordnersville Road	Jonestown, PA	—	13,702	—	42,000	13,724	41,978	55,702	1,368	2018
122 Bordnersville Road	Jonestown, PA	—	3,165	—	11,282	3,171	11,276	14,447	302	2018

**FIRST INDUSTRIAL REALTY TRUST, INC. AND FIRST INDUSTRIAL, L.P.**  
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**As of December 31, 2019**

Building Address	Location (City/State)	(a) Encumbrances	Initial Cost		Costs Capitalized Subsequent to Acquisition or Completion and Valuation Provision	Gross Amount Carried At Close of Period 12/31/19			Accumulated Depreciation 12/31/2019	Year Acquired/ Constructed
			Land	Buildings and Improvements		Land	Buildings and Improvements	Total		
(In thousands)										
<b>Chicago</b>										
720-730 Landwehr Drive	Northbrook, IL	—	521	2,982	926	521	3,908	4,429	2,354	1994
1385 101st Street	Lemont, IL	—	967	5,554	1,520	968	7,073	8,041	4,057	1994
2300 Windsor Court	Addison, IL	—	688	3,943	823	696	4,758	5,454	2,821	1994
305-311 Era Drive	Northbrook, IL	—	200	1,154	1,159	205	2,308	2,513	1,076	1994
800 Business Drive	Mount Prospect, IL	—	631	3,493	328	666	3,786	4,452	1,818	2000
580 Slawin Court	Mount Prospect, IL	—	233	1,292	(27)	162	1,336	1,498	782	2000
1005 101st Street	Lemont, IL	4,585	1,200	6,643	1,610	1,220	8,233	9,453	3,576	2001
175 Wall Street	Glendale Heights, IL	—	427	2,363	714	433	3,071	3,504	1,222	2002
251 Airport Road	North Aurora, IL	3,553	983	—	6,644	983	6,644	7,627	2,672	2002
400 Crossroads Pkwy	Bolingbrook, IL	—	1,178	9,453	1,655	1,181	11,105	12,286	4,963	2005
7801 W. Industrial Drive	Forest Park, IL	—	1,215	3,020	1,325	1,220	4,340	5,560	2,292	2005
725 Kimberly Drive	Carol Stream, IL	—	793	1,395	5	801	1,392	2,193	712	2005
17001 S. Vincennes	Thornton, IL	—	497	504	3	513	491	1,004	420	2005
2900 W. 166th Street	Markham, IL	—	1,132	4,293	(1,328)	1,134	2,963	4,097	926	2007
555 W. Algonquin Rd	Arlington Heights, IL	—	574	741	2,360	579	3,096	3,675	1,207	2007
1501 Oakton Street	Elk Grove Village, IL	4,668	3,369	6,121	134	3,482	6,142	9,624	2,355	2008
16500 W. 103rd Street	Woodridge, IL	—	744	2,458	529	762	2,969	3,731	1,261	2008
8505 50th Street	Kenosha, WI	—	3,212	—	33,063	3,212	33,063	36,275	10,145	2008
4100 Rock Creek Blvd	Joliet, IL	—	4,476	16,061	830	4,476	16,891	21,367	4,523	2013
10100 58th Place	Kenosha, WI	—	4,201	17,604	74	4,201	17,678	21,879	4,630	2013
401 Airport Road	North Aurora, IL	—	534	1,957	12	534	1,969	2,503	463	2014
3737 84th Avenue	Somers, WI	—	1,943	—	24,116	1,943	24,116	26,059	2,304	2016
81 Paragon Drive	Romeoville, IL	—	1,787	7,252	1,362	1,788	8,613	10,401	1,083	2016
10680 88th Ave	Pleasant Prairie, WI	—	1,376	4,757	—	1,376	4,757	6,133	435	2017
8725 31st Street	Somers, WI	—	2,133	—	27,578	2,134	27,577	29,711	2,472	2017
3500 Channahon Road	Joliet, IL	—	2,595	—	17,506	2,598	17,503	20,101	646	2017
1998 Melissa Lane	Aurora, IL	—	2,401	9,970	942	2,400	10,913	13,313	368	2019
<b>Cincinnati</b>										
4700-4750 Creek Road	Blue Ash, OH	—	1,080	6,118	1,478	1,109	7,567	8,676	4,136	1996
4436 Muhlhauser Road	Hamilton, OH	—	630	—	5,345	630	5,345	5,975	2,255	2002
4438 Muhlhauser Road	Hamilton, OH	—	779	—	6,318	779	6,318	7,097	2,677	2002
4663 Dues Drive	Westchester, OH	—	858	2,273	606	875	2,862	3,737	1,918	2005

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(In thousands)										
9345 Princeton-Glendale Road	Westchester, OH	—	818	1,648	561	840	2,187	3,027	1,786	2006
9525 Glades Drive	Westchester, OH	—	347	1,323	240	355	1,555	1,910	749	2007
9774-9792 Windisch Road	Westchester, OH	—	392	1,744	185	394	1,927	2,321	637	2007
9808-9830 Windisch Road	Westchester, OH	—	395	2,541	483	397	3,022	3,419	1,160	2007
9842-9862 Windisch Road	Westchester, OH	—	506	3,148	213	508	3,359	3,867	1,292	2007
9872-9898 Windisch Road	Westchester, OH	—	546	3,039	257	548	3,294	3,842	1,347	2007
9902-9922 Windisch Road	Westchester, OH	—	623	4,003	819	627	4,818	5,445	2,374	2007
<b>Cleveland</b>										
30311 Emerald Valley Parkway	Glenwillow, OH	5,587	681	11,838	(526)	691	11,302	11,993	4,590	2006
30333 Emerald Valley Parkway	Glenwillow, OH	—	466	5,447	(648)	475	4,790	5,265	2,027	2006
7800 Cochran Road	Glenwillow, OH	—	972	7,033	338	991	7,352	8,343	3,427	2006
7900 Cochran Road	Glenwillow, OH	3,094	775	6,244	(377)	792	5,850	6,642	2,499	2006
7905 Cochran Road	Glenwillow, OH	3,499	920	6,174	119	922	6,291	7,213	2,709	2006
8181 Darrow Road	Twinsburg, OH	—	2,478	6,791	4,014	2,496	10,787	13,283	4,218	2008
<b>Dallas/Ft. Worth</b>										
2406-2416 Walnut Ridge	Dallas, TX	—	178	1,006	1,197	172	2,209	2,381	808	1997
2401-2419 Walnut Ridge	Dallas, TX	—	148	839	414	142	1,259	1,401	656	1997
900-906 Great Southwest Pkwy	Arlington, TX	—	237	1,342	799	270	2,108	2,378	943	1997
3000 West Commerce	Dallas, TX	—	456	2,584	1,202	469	3,773	4,242	2,102	1997
405-407 113th	Arlington, TX	—	181	1,026	450	185	1,472	1,657	759	1997
816 111th Street	Arlington, TX	—	251	1,421	230	258	1,644	1,902	841	1997
1602-1654 Terre Colony	Dallas, TX	—	458	2,596	771	468	3,357	3,825	1,565	2000
2220 Merritt Drive	Garland, TX	—	352	1,993	409	316	2,438	2,754	1,047	2000
2485-2505 Merritt Drive	Garland, TX	—	431	2,440	551	443	2,979	3,422	1,302	2000
2110 Hutton Drive	Carrollton, TX	—	374	2,117	399	255	2,635	2,890	1,415	2001
2025 McKenzie Drive	Carrollton, TX	—	437	2,478	570	442	3,043	3,485	1,300	2001
2019 McKenzie Drive	Carrollton, TX	—	502	2,843	636	507	3,474	3,981	1,472	2001
2029-2035 McKenzie Drive	Carrollton, TX	—	306	1,870	545	306	2,415	2,721	1,017	2001
2015 McKenzie Drive	Carrollton, TX	1,891	510	2,891	660	516	3,545	4,061	1,453	2001
2009 McKenzie Drive	Carrollton, TX	1,673	476	2,699	416	481	3,110	3,591	1,383	2001
900-1100 Avenue S	Grand Prairie, TX	—	623	3,528	1,067	629	4,589	5,218	1,808	2002
Plano Crossing Bus. Park	Plano, TX	6,499	1,961	11,112	878	1,981	11,970	13,951	5,029	2002



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825-827 Avenue H	Arlington, TX	1,949	600	3,006	412	604	3,414	4,018	1,824	2004
1013-31 Avenue M	Grand Prairie, TX	—	300	1,504	278	302	1,780	2,082	880	2004
1172-84 113th Street	Grand Prairie, TX	—	700	3,509	(81)	704	3,424	4,128	1,460	2004
1200-16 Avenue H	Arlington, TX	—	600	2,846	844	604	3,686	4,290	1,539	2004
1322-66 W. North Carrier Parkway	Grand Prairie, TX	3,673	1,000	5,012	1,560	1,006	6,566	7,572	2,986	2004
2401-2407 Centennial Dr	Arlington, TX	1,760	600	2,534	644	604	3,174	3,778	1,628	2004
3111 West Commerce Street	Dallas, TX	3,011	1,000	3,364	1,844	1,011	5,197	6,208	2,759	2004
13800 Senlac Drive	Farmers Branch, TX	2,329	823	4,042	(63)	825	3,977	4,802	2,076	2005
801-831 S Great Southwest Pkwy	Grand Prairie, TX	—	2,581	16,556	773	2,586	17,324	19,910	12,130	2005
801 Heinz Way	Grand Prairie, TX	—	599	3,327	339	601	3,664	4,265	2,069	2005
901-937 Heinz Way	Grand Prairie, TX	—	493	2,758	56	481	2,826	3,307	1,759	2005
3301 Century Circle	Irving, TX	—	760	3,856	(125)	771	3,720	4,491	1,408	2007
3901 W Miller Road	Garland, TX	—	1,912	—	14,046	1,947	14,011	15,958	3,846	2008
1251 North Cockrell Hill Road	Dallas, TX	—	2,064	—	13,630	1,073	14,621	15,694	2,082	2015
1171 North Cockrell Hill Road	Dallas, TX	—	1,215	—	10,972	632	11,555	12,187	1,520	2015
3996 Scientific Drive	Arlington, TX	—	1,301	—	8,082	1,349	8,034	9,383	1,515	2015
750 Gateway Boulevard	Coppell, TX	—	1,452	4,679	80	1,452	4,759	6,211	729	2015
2250 East Bardin Road	Arlington, TX	—	1,603	—	10,110	1,603	10,110	11,713	1,093	2016
2001 Midway Road	Lewisville, TX	—	3,963	—	11,171	3,963	11,171	15,134	21	2019
2025 Midway Road	Lewisville, TX	—	2,243	—	7,627	2,243	7,627	9,870	56	2019
5300 Mountain Creek	Dallas, TX	—	4,675	—	47,578	4,779	47,474	52,253	101	2019
3700 Sandshell Drive	Fort Worth, TX	—	1,892	—	8,602	1,901	8,593	10,494	—	2019
<b>Denver</b>										
4785 Elati	Denver, CO	—	173	981	390	175	1,369	1,544	626	1997
4770 Fox Street	Denver, CO	—	132	750	330	134	1,078	1,212	540	1997
3851-3871 Revere	Denver, CO	—	361	2,047	489	368	2,529	2,897	1,376	1997
4570 Ivy Street	Denver, CO	—	219	1,239	111	220	1,349	1,569	733	1997
5855 Stapleton Drive North	Denver, CO	—	288	1,630	149	290	1,777	2,067	964	1997
5885 Stapleton Drive North	Denver, CO	—	376	2,129	254	380	2,379	2,759	1,278	1997
5977 North Broadway	Denver, CO	—	268	1,518	515	271	2,030	2,301	1,050	1997
5952-5978 North Broadway	Denver, CO	—	414	2,346	773	422	3,111	3,533	1,628	1997
4721 Ironton Street	Denver, CO	—	232	1,313	383	236	1,692	1,928	879	1997
7003 E 47th Ave Drive	Denver, CO	—	441	2,689	1	441	2,690	3,131	1,515	1997

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9500 West 49th Street - A	Wheatridge, CO	978	283	1,625	192	287	1,813	2,100	1,002	1997
9500 West 49th Street - B	Wheatridge, CO	811	225	1,272	243	227	1,513	1,740	788	1997
9500 West 49th Street - C	Wheatridge, CO	2,103	600	3,409	505	601	3,913	4,514	2,160	1997
9500 West 49th Street - D	Wheatridge, CO	997	246	1,537	358	247	1,894	2,141	1,059	1997
451-591 East 124th Avenue	Thornton, CO	—	383	2,145	333	383	2,478	2,861	1,316	1997
6547 South Racine Circle	Englewood, CO	—	739	4,241	463	739	4,704	5,443	2,510	1997
11701 East 53rd Avenue	Denver, CO	—	416	2,355	297	422	2,646	3,068	1,448	1997
5401 Oswego	Denver, CO	—	273	1,547	232	278	1,774	2,052	940	1997
445 Bryant Street	Denver, CO	7,472	1,829	10,219	3,356	1,829	13,575	15,404	6,563	1998
12055 E 49th Ave/4955 Peoria	Denver, CO	—	298	1,688	510	305	2,191	2,496	1,116	1998
4940-4950 Paris	Denver, CO	—	152	861	275	156	1,132	1,288	565	1998
7367 South Revere Parkway	Centennial, CO	—	926	5,124	1,324	934	6,440	7,374	3,328	1998
8200 East Park Meadows Drive	Lone Tree, CO	4,781	1,297	7,348	1,211	1,304	8,552	9,856	3,929	2000
3250 Quentin Street	Aurora, CO	—	1,220	6,911	954	1,230	7,855	9,085	3,584	2000
8020 Southpark Circle	Littleton, CO	—	739	—	3,169	781	3,127	3,908	1,362	2000
8810 W. 116th Circle	Broomfield, CO	—	312	—	1,849	370	1,791	2,161	820	2001
8820 W. 116th Circle	Broomfield, CO	—	338	1,918	343	372	2,227	2,599	956	2003
8835 W. 116th Circle	Broomfield, CO	—	1,151	6,523	1,157	1,304	7,527	8,831	3,329	2003
18150 E. 32nd Place	Aurora, CO	—	563	3,188	194	572	3,373	3,945	1,488	2004
3400 Fraser Street	Aurora, CO	—	616	3,593	(134)	620	3,455	4,075	1,553	2005
7005 E. 46th Avenue Drive	Denver, CO	—	512	2,025	229	517	2,249	2,766	962	2005
4001 Salazar Way	Frederick, CO	3,291	1,271	6,508	(713)	1,276	5,790	7,066	2,159	2006
5909-5915 N. Broadway	Denver, CO	—	495	1,268	131	500	1,394	1,894	931	2006
21301 E 33rd Drive	Aurora, CO	6,290	2,860	8,202	924	2,859	9,127	11,986	1,312	2017
21110 E 31st Circle	Aurora, CO	—	1,564	7,047	6	1,564	7,053	8,617	124	2019
22300 E. 26th Avenue	Aurora, CO	—	4,881	—	28,430	4,890	28,421	33,311	237	2019
<b>Detroit</b>										
47461 Clipper	Plymouth Township, MI	—	122	723	159	122	882	1,004	526	1994
449 Executive Drive	Troy, MI	—	125	425	1,007	218	1,339	1,557	1,227	1994
1416 Meijer Drive	Troy, MI	—	94	394	477	121	844	965	734	1994
1624 Meijer Drive	Troy, MI	—	236	1,406	898	373	2,167	2,540	2,064	1994
1972 Meijer Drive	Troy, MI	—	315	1,301	787	372	2,031	2,403	1,877	1994

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1707 Northwood Drive	Troy, MI	—	95	262	1,398	239	1,516	1,755	1,355	1994
1826 Northwood Drive	Troy, MI	—	55	208	472	103	632	735	568	1994
1864 Northwood Drive	Troy, MI	—	57	190	489	107	629	736	581	1994
2730 Research Drive	Rochester Hills, MI	—	903	4,215	1,182	903	5,397	6,300	4,894	1994
2791 Research Drive	Rochester Hills, MI	—	557	2,731	736	560	3,464	4,024	2,928	1994
2871 Research Drive	Rochester Hills, MI	—	324	1,487	412	327	1,896	2,223	1,664	1994
2870 Technology Drive	Rochester Hills, MI	—	275	1,262	369	279	1,627	1,906	1,541	1994
2900 Technology Drive	Rochester Hills, MI	—	214	977	723	219	1,695	1,914	1,219	1994
2930 Technology Drive	Rochester Hills, MI	—	131	594	432	138	1,019	1,157	832	1994
2950 Technology Drive	Rochester Hills, MI	—	178	819	305	185	1,117	1,302	960	1994
23014 Commerce Drive	Farmington Hills, MI	—	39	203	189	56	375	431	350	1994
23035 Commerce Drive	Farmington Hills, MI	—	71	355	291	93	624	717	552	1994
23093 Commerce Drive	Farmington Hills, MI	—	211	1,024	1,000	295	1,940	2,235	1,701	1994
23135 Commerce Drive	Farmington Hills, MI	—	146	701	312	158	1,001	1,159	942	1994
23163 Commerce Drive	Farmington Hills, MI	—	111	513	359	138	845	983	798	1994
23177 Commerce Drive	Farmington Hills, MI	—	175	1,007	661	254	1,589	1,843	1,485	1994
4400 Purks Drive	Auburn Hills, MI	—	602	3,410	3,865	612	7,265	7,877	3,973	1995
32975 Capitol Avenue	Livonia, MI	—	135	748	(13)	77	793	870	386	1998
11923 Brookfield Avenue	Livonia, MI	—	120	665	(306)	32	447	479	314	1998
47711 Clipper Street	Plymouth Township, MI	—	539	2,983	579	575	3,526	4,101	1,843	1998
12874 Westmore Avenue	Livonia, MI	—	137	761	(230)	58	610	668	391	1998
1775 Bellingham	Troy, MI	—	344	1,902	481	367	2,360	2,727	1,186	1998
1785 East Maple	Troy, MI	—	92	507	210	98	711	809	362	1998
980 Chicago	Troy, MI	—	206	1,141	333	220	1,460	1,680	748	1998
1935-55 Enterprise Drive	Rochester Hills, MI	—	1,285	7,144	1,326	1,371	8,384	9,755	4,490	1998
5500 Enterprise Court	Warren, MI	—	675	3,737	945	721	4,636	5,357	2,366	1998
750 Chicago Road	Troy, MI	—	323	1,790	404	345	2,172	2,517	1,164	1998
800 Chicago Road	Troy, MI	—	283	1,567	380	302	1,928	2,230	1,013	1998
850 Chicago Road	Troy, MI	—	183	1,016	279	196	1,282	1,478	658	1998
4872 S. Lapeer Road	Lake Orion Twsp, MI	—	1,342	5,441	481	1,412	5,852	7,264	3,041	1999
1400 Allen Drive	Troy, MI	—	209	1,154	393	212	1,544	1,756	712	2000
1408 Allen Drive	Troy, MI	—	151	834	104	153	936	1,089	441	2000
28435 Automation Blvd	Wixom, MI	—	621	—	3,661	628	3,654	4,282	1,375	2004

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32200 N Avis Drive	Madison Heights, MI	—	503	3,367	(921)	195	2,754	2,949	1,021	2005
100 Kay Industrial Drive	Orion Township, MI	—	677	2,018	259	685	2,269	2,954	1,320	2005
42555 Merrill Road	Sterling Heights, MI	—	1,080	2,300	3,415	1,090	5,705	6,795	3,068	2006
200 Northpointe Drive	Orion Township, MI	—	723	2,063	(396)	734	1,656	2,390	810	2006
<b>Houston</b>										
3351 Rauch St	Houston, TX	—	272	1,541	689	278	2,224	2,502	1,094	1997
3801-3851 Yale St	Houston, TX	—	413	2,343	1,523	425	3,854	4,279	1,737	1997
3337-3347 Rauch Street	Houston, TX	—	227	1,287	539	233	1,820	2,053	868	1997
8505 N Loop East	Houston, TX	—	439	2,489	849	449	3,328	3,777	1,614	1997
4749-4799 Eastpark Dr	Houston, TX	—	594	3,368	1,291	611	4,642	5,253	2,440	1997
4851 Homestead Road	Houston, TX	2,309	491	2,782	1,683	504	4,452	4,956	2,177	1997
3365-3385 Rauch Street	Houston, TX	—	284	1,611	519	290	2,124	2,414	1,061	1997
5050 Campbell Road	Houston, TX	—	461	2,610	1,011	470	3,612	4,082	1,846	1997
4300 Pine Timbers	Houston, TX	2,153	489	2,769	1,180	499	3,939	4,438	1,965	1997
2500-2530 Fairway Park Drive	Houston, TX	—	766	4,342	2,044	792	6,360	7,152	2,973	1997
6550 Longpointe	Houston, TX	—	362	2,050	914	370	2,956	3,326	1,487	1997
1815 Turning Basin Dr	Houston, TX	—	487	2,761	2,230	531	4,947	5,478	2,325	1997
1819 Turning Basin Dr	Houston, TX	—	231	1,308	930	251	2,218	2,469	1,044	1997
1805 Turning Basin Dr	Houston, TX	—	564	3,197	2,611	616	5,756	6,372	2,865	1997
11505 State Highway 225	LaPorte City, TX	—	940	4,675	10	940	4,685	5,625	1,925	2005
1500 E. Main Street	LaPorte City, TX	—	201	1,328	(91)	204	1,234	1,438	1,220	2005
7230-7238 Wynnwood	Houston, TX	—	254	764	235	259	994	1,253	647	2007
7240-7248 Wynnwood	Houston, TX	—	271	726	359	276	1,080	1,356	627	2007
7250-7260 Wynnwood	Houston, TX	—	200	481	1,501	203	1,979	2,182	851	2007
6400 Long Point	Houston, TX	—	188	898	138	188	1,036	1,224	527	2007
7967 Blankenship	Houston, TX	—	307	1,166	192	307	1,358	1,665	570	2010
8800 City Park Loop East	Houston, TX	—	3,717	19,237	(535)	3,717	18,702	22,419	6,336	2011
4800 West Greens Road	Houston, TX	—	3,350	—	17,030	3,312	17,068	20,380	3,294	2014
611 East Sam Houston Parkway S	Pasadena, TX	—	1,970	7,431	1,313	2,013	8,701	10,714	1,170	2015
619 East Sam Houston Parkway S	Pasadena, TX	—	2,879	11,713	785	2,876	12,501	15,377	1,653	2015
6913 Guhn Road	Houston, TX	—	1,367	—	7,393	1,367	7,393	8,760	216	2018

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607 East Sam Houston Parkway	Pasadena, TX	—	2,076	11,674	231	2,076	11,905	13,981	366	2018
615 East Sam Houston Parkway	Pasadena, TX	—	4,265	11,983	(130)	4,265	11,853	16,118	468	2018
2737 W. Grand Parkway N	Katy, TX	—	2,885	—	8,110	2,885	8,110	10,995	14	2019
2747 W. Grand Parkway N	Katy, TX	—	2,885	—	9,446	2,885	9,446	12,331	17	2019
<b>Miami</b>										
4700 NW 15th Avenue	Ft. Lauderdale, FL	—	908	1,883	330	912	2,209	3,121	917	2007
4710 NW 15th Avenue	Ft. Lauderdale, FL	—	830	2,722	126	834	2,844	3,678	1,000	2007
4720 NW 15th Avenue	Ft. Lauderdale, FL	—	937	2,455	302	942	2,752	3,694	1,098	2007
4740 NW 15th Avenue	Ft. Lauderdale, FL	—	1,107	3,111	360	1,112	3,466	4,578	1,176	2007
4750 NW 15th Avenue	Ft. Lauderdale, FL	—	947	3,079	399	951	3,474	4,425	1,202	2007
4800 NW 15th Avenue	Ft. Lauderdale, FL	—	1,092	3,308	118	1,097	3,421	4,518	1,163	2007
6891 NW 74th Street	Medley, FL	—	857	3,428	3,777	864	7,198	8,062	2,824	2007
12601 & 12605 NW 115th Avenue	Medley, FL	—	1,424	—	295	477	1,242	1,719	311	2008
1351 NW 78th Avenue	Doral, FL	—	3,111	4,634	10	3,111	4,644	7,755	753	2016
2500 NW 19th Street	Pompano Beach, FL	—	8,824	11,660	290	8,824	11,950	20,774	1,651	2017
<b>Milwaukee</b>										
5355 South Westridge Drive	New Berlin, WI	—	1,630	7,058	36	1,646	7,078	8,724	2,488	2004
17005 W. Ryerson Road	New Berlin, WI	2,023	403	3,647	120	405	3,765	4,170	2,264	2005
16600 West Glendale Ave	New Berlin, WI	1,595	704	1,923	799	715	2,711	3,426	2,087	2006
N58W15380 Shawn Circle	Menomonee Falls, WI	—	1,188	—	17,020	1,204	17,004	18,208	5,741	2008
<b>Minneapolis/St. Paul</b>										
6201 West 111th Street	Bloomington, MN	—	1,358	8,622	13,263	1,519	21,724	23,243	14,140	1994
1030 Lone Oak Road	Eagan, MN	1,849	456	2,703	811	456	3,514	3,970	2,142	1994
1060 Lone Oak Road	Eagan, MN	2,420	624	3,700	871	624	4,571	5,195	2,722	1994
5400 Nathan Lane	Plymouth, MN	—	749	4,461	1,133	757	5,586	6,343	3,222	1994
6655 Wedgwood Road	Maple Grove, MN	—	1,466	8,342	5,938	1,466	14,280	15,746	7,839	1994
12155 Nicollet Ave.	Burnsville, MN	—	286	—	1,957	288	1,955	2,243	1,093	1995
5775 12th Avenue	Shakopee, MN	3,133	590	—	5,868	590	5,868	6,458	2,418	1998
1157 Valley Park Drive	Shakopee, MN	—	760	—	7,683	888	7,555	8,443	3,327	1999
9600 West 76th Street	Eden Prairie, MN	—	1,000	2,450	69	1,036	2,483	3,519	995	2004
7600 69th Avenue	Greenfield, MN	—	1,500	8,328	(95)	1,510	8,223	9,733	2,462	2004
1087 Park Place	Shakopee, MN	2,833	1,195	4,891	(246)	1,198	4,642	5,840	1,786	2005

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5391 12th Avenue SE	Shakopee, MN	—	1,392	8,149	110	1,395	8,256	9,651	2,894	2005
4701 Valley Industrial Blvd S	Shakopee, MN	4,465	1,296	7,157	753	1,299	7,907	9,206	4,090	2005
6455 City West Parkway	Eden Prairie, MN	—	659	3,189	1,273	665	4,456	5,121	2,393	2006
7035 Winnetka Avenue North	Brooklyn Park, MN	—	1,275	—	7,335	1,343	7,267	8,610	2,352	2007
139 Eva Street	St. Paul, MN	—	2,132	3,105	(286)	2,175	2,776	4,951	1,003	2008
21900 Dodd Boulevard	Lakeville, MN	—	2,289	7,952	(902)	2,289	7,050	9,339	2,373	2010
375 Rivertown Drive	Woodbury, MN	—	2,635	8,157	1,452	2,635	9,609	12,244	2,663	2014
935 Aldrin Drive	Eagan, MN	—	2,096	7,884	138	2,096	8,022	10,118	1,649	2014
7050 Winnetka Avenue North	Brooklyn Park, MN	—	1,623	—	7,751	1,634	7,740	9,374	1,050	2014
7051 West Broadway	Brooklyn Park, MN	3,309	1,275	—	5,829	1,279	5,825	7,104	738	2014
<b>Nashville</b>										
1931 Air Lane Drive	Nashville, TN	—	489	2,785	635	493	3,416	3,909	1,762	1997
4640 Cummings Park	Nashville, TN	—	360	2,040	673	365	2,708	3,073	1,259	1999
1740 River Hills Drive	Nashville, TN	—	848	4,383	542	888	4,885	5,773	2,819	2005
211 Ellery Court	Nashville, TN	1,639	606	3,192	(279)	616	2,903	3,519	1,148	2007
130 Maddox Road	Mount Juliet, TN	—	1,778	—	23,942	1,778	23,942	25,720	6,601	2008
<b>New Jersey</b>										
14 World's Fair Drive	Franklin, NJ	—	483	2,735	878	503	3,593	4,096	1,816	1997
12 World's Fair Drive	Franklin, NJ	—	572	3,240	855	593	4,074	4,667	2,167	1997
22 World's Fair Drive	Franklin, NJ	—	364	2,064	582	375	2,635	3,010	1,353	1997
26 World's Fair Drive	Franklin, NJ	—	361	2,048	595	377	2,627	3,004	1,391	1997
24 World's Fair Drive	Franklin, NJ	—	347	1,968	540	362	2,493	2,855	1,338	1997
20 World's Fair Drive Lot 13	Somerset, NJ	—	9	—	2,734	691	2,052	2,743	896	1999
45 Route 46	Pine Brook, NJ	—	969	5,491	1,142	978	6,624	7,602	2,993	2000
43 Route 46	Pine Brook, NJ	—	474	2,686	508	479	3,189	3,668	1,507	2000
39 Route 46	Pine Brook, NJ	—	260	1,471	283	262	1,752	2,014	811	2000
26 Chapin Road	Pine Brook, NJ	—	956	5,415	608	965	6,014	6,979	2,791	2000
30 Chapin Road	Pine Brook, NJ	—	960	5,440	582	970	6,012	6,982	2,790	2000
20 Hook Mountain Road	Pine Brook, NJ	—	1,507	8,542	1,401	1,534	9,916	11,450	4,743	2000
30 Hook Mountain Road	Pine Brook, NJ	—	389	2,206	402	396	2,601	2,997	1,185	2000
16 Chapin Road	Pine Brook, NJ	—	885	5,015	698	901	5,697	6,598	2,634	2000
20 Chapin Road	Pine Brook, NJ	—	1,134	6,426	812	1,154	7,218	8,372	3,266	2000

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2500 Main Street	Sayreville, NJ	—	944	—	4,469	944	4,469	5,413	1,867	2002
2400 Main Street	Sayreville, NJ	—	996	—	5,397	996	5,397	6,393	2,064	2003
7851 Airport Highway	Pennsauken, NJ	—	160	508	328	162	834	996	458	2003
309-313 Pierce Street	Somerset, NJ	—	1,300	4,628	606	1,309	5,225	6,534	2,185	2004
400 Cedar Lane	Florence Township, NJ	—	9,730	—	26,221	9,730	26,221	35,951	2,276	2016
301 Bordentown Hedding Road	Bordentown, NJ	—	3,983	15,881	30	3,984	15,910	19,894	1,374	2017
302 Bordentown Hedding Road	Bordentown, NJ	—	2,738	8,190	396	2,738	8,586	11,324	449	2018
304 Bordentown Hedding Road	Bordentown, NJ	—	3,684	—	7,689	3,629	7,744	11,373	45	2019
<b>Orlando</b>										
6301 Hazeltine National Drive	Orlando, FL	—	909	4,613	228	920	4,830	5,750	1,968	2005
8751 Skinner Court	Orlando, FL	—	1,691	7,249	(5)	1,692	7,243	8,935	927	2016
4473 Shader Road	Orlando, FL	—	2,094	10,444	63	2,094	10,507	12,601	1,261	2016
550 Gills Drive	Orlando, FL	—	1,321	6,176	12	1,321	6,188	7,509	508	2017
450 Gills Drive	Orlando, FL	—	1,031	6,406	—	1,031	6,406	7,437	416	2017
4401 Shader Road	Orlando, FL	—	1,037	7,116	4	1,037	7,120	8,157	347	2018
770 Gills Drive	Orlando, FL	—	851	5,195	4	851	5,199	6,050	51	2019
<b>Phoenix</b>										
1045 South Edward Drive	Tempe, AZ	—	390	2,160	768	396	2,922	3,318	1,211	1999
50 South 56th Street	Chandler, AZ	—	1,206	3,218	1,426	1,252	4,598	5,850	2,336	2004
245 W. Lodge	Tempe, AZ	—	898	3,066	(2,153)	362	1,449	1,811	576	2007
1590 E Riverview Dr.	Phoenix, AZ	—	1,293	5,950	(267)	1,292	5,684	6,976	1,615	2008
14131 N. Rio Vista Blvd	Peoria, AZ	5,368	2,563	9,388	(428)	2,563	8,960	11,523	2,458	2008
8716 W. Ludlow Drive	Peoria, AZ	6,588	2,709	10,970	463	2,709	11,433	14,142	3,341	2008
3815 W. Washington St.	Phoenix, AZ	—	1,675	4,514	316	1,719	4,786	6,505	1,651	2008
9180 W. Buckeye Road	Tolleson, AZ	—	1,904	6,805	3,160	1,923	9,946	11,869	3,305	2008
8644 West Ludlow Drive	Peoria, AZ	—	1,726	7,216	—	1,726	7,216	8,942	1,329	2014
8606 West Ludlow Drive	Peoria, AZ	—	956	2,668	123	956	2,791	3,747	539	2014
8679 West Ludlow Drive	Peoria, AZ	—	672	2,791	—	672	2,791	3,463	525	2014
94th Avenue & Buckeye Road	Tolleson, AZ	—	4,315	—	16,901	4,315	16,901	21,216	1,915	2015
16560 W. Sells Drive	Goodyear, AZ	—	6,259	—	30,695	6,269	30,685	36,954	1,686	2018
16951 W. Camelback Road	Goodyear, AZ	—	1,805	—	5,105	1,805	5,105	6,910	32	2019

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<b>Seattle</b>										
1901 Raymond Ave SW	Renton, WA	—	4,458	2,659	544	4,594	3,067	7,661	1,205	2008
19014 64th Avenue South	Kent, WA	—	1,990	3,979	452	2,042	4,379	6,421	1,925	2008
18640 68th Avenue South	Kent, WA	—	1,218	1,950	310	1,258	2,220	3,478	1,106	2008
6407 S 210th Street	Kent, WA	—	1,737	3,508	—	1,737	3,508	5,245	256	2018
1402 Puyallup Street	Sumner, WA	—	3,766	4,457	382	3,766	4,839	8,605	128	2018
22718 58th Place	Kent, WA	—	1,446	2,388	3	1,447	2,390	3,837	—	2019
14302 24th Street East Lot 1	Sumner, WA	—	2,643	—	9,927	2,643	9,927	12,570	173	2019
<b>Southern California</b>										
1944 Vista Bella Way	Rancho Dominguez, CA	2,599	1,746	3,148	465	1,822	3,537	5,359	2,002	2005
2000 Vista Bella Way	Rancho Dominguez, CA	—	817	1,673	232	853	1,869	2,722	1,070	2005
2835 East Ana Street	Rancho Dominguez, CA	2,104	1,682	2,750	85	1,772	2,745	4,517	1,496	2005
665 N. Baldwin Park Blvd.	City of Industry, CA	—	2,124	5,219	2,759	2,143	7,959	10,102	2,487	2006
27801 Avenue Scott	Santa Clarita, CA	5,012	2,890	7,020	423	2,902	7,431	10,333	3,128	2006
2610 & 2660 Columbia St	Torrance, CA	—	3,008	5,826	320	3,031	6,123	9,154	2,436	2006
433 Alaska Avenue	Torrance, CA	—	681	168	13	684	178	862	118	2006
2325 Camino Vida Roble	Carlsbad, CA	1,554	1,441	1,239	563	1,446	1,797	3,243	714	2006
2335 Camino Vida Roble	Carlsbad, CA	816	817	762	125	821	883	1,704	394	2006
2345 Camino Vida Roble	Carlsbad, CA	560	562	456	151	565	604	1,169	315	2006
2355 Camino Vida Roble	Carlsbad, CA	432	481	365	56	483	419	902	204	2006
2365 Camino Vida Roble	Carlsbad, CA	855	1,098	630	55	1,102	681	1,783	364	2006
2375 Camino Vida Roble	Carlsbad, CA	1,066	1,210	874	140	1,214	1,010	2,224	503	2006
6451 El Camino Real	Carlsbad, CA	—	2,885	1,931	719	2,895	2,640	5,535	1,179	2006
13100 Gregg Street	Poway, CA	2,835	1,040	4,160	887	1,073	5,014	6,087	2,540	2007
21730-21748 Marilla St.	Chatsworth, CA	—	2,585	3,210	281	2,608	3,468	6,076	1,505	2007
8015 Paramount	Pico Rivera, CA	—	3,616	3,902	(510)	3,657	3,351	7,008	1,566	2007
3365 E. Slauson	Vernon, CA	—	2,367	3,243	(559)	2,396	2,655	5,051	1,241	2007
3015 East Ana	Rancho Dominguez, CA	—	19,678	9,321	6,239	20,144	15,094	35,238	5,854	2007
1250 Rancho Conejo Blvd.	Thousand Oaks, CA	—	1,435	779	45	1,441	818	2,259	401	2007
1260 Rancho Conejo Blvd.	Thousand Oaks, CA	—	1,353	722	(722)	675	678	1,353	308	2007
1270 Rancho Conejo Blvd.	Thousand Oaks, CA	—	1,224	716	(2)	1,229	709	1,938	347	2007



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100 West Sinclair Street	Perris, CA	—	4,894	3,481	(5,233)	1,819	1,323	3,142	766	2007
14050 Day Street	Moreno Valley, CA	—	2,538	2,538	545	2,565	3,056	5,621	1,369	2008
12925 Marlay Avenue	Fontana, CA	—	6,072	7,891	309	6,090	8,182	14,272	4,707	2008
18201-18291 Santa Fe	Rancho Dominguez, CA	—	6,720	—	9,457	6,897	9,280	16,177	2,887	2008
1011 Rancho Conejo	Thousand Oaks, CA	—	7,717	2,518	(170)	7,752	2,313	10,065	1,230	2008
20700 Denker Avenue	Torrance, CA	4,143	5,767	2,538	341	5,964	2,682	8,646	1,532	2008
18408 Laurel Park Road	Rancho Dominguez, CA	—	2,850	2,850	907	2,874	3,733	6,607	1,577	2008
19021 S. Reyes Ave.	Rancho Dominguez, CA	—	8,183	7,501	390	8,545	7,528	16,073	1,918	2008
24870 Nandina Avenue	Moreno Valley, CA	—	13,543	—	21,278	6,482	28,339	34,821	5,577	2012
6185 Kimball Ave	Chino, CA	—	6,385	—	10,994	6,382	10,997	17,379	1,834	2013
5553 Bandini Blvd	Bell, CA	—	32,536	—	21,622	32,540	21,617	54,157	3,505	2013
16875 Heacock Street	Moreno Valley, CA	—	—	6,831	(750)	—	6,082	6,082	1,065	2014
4710 Guasti Road	Ontario, CA	4,889	2,846	6,564	213	2,846	6,777	9,623	1,284	2014
17100 Perris Blvd	Moreno Valley, CA	—	6,388	—	25,801	6,395	25,794	32,189	4,219	2014
13414 S. Figueroa	Los Angeles, CA	3,857	1,701	—	6,580	1,887	6,394	8,281	887	2014
3841 Ocean Ranch Boulevard	Oceanside, CA	—	4,400	—	8,039	4,400	8,039	12,439	1,346	2015
3831 Ocean Ranch Boulevard	Oceanside, CA	—	2,693	—	4,584	2,694	4,583	7,277	744	2015
3821 Ocean Ranch Boulevard	Oceanside, CA	—	2,792	—	4,469	2,792	4,469	7,261	719	2015
145 West 134th Street	Los Angeles, CA	—	2,901	2,285	173	2,901	2,458	5,359	519	2015
6150 Sycamore Canyon Boulevard	Riverside, CA	—	3,182	10,643	1	3,182	10,644	13,826	1,608	2015
17825 Indian Street	Moreno Valley, CA	—	5,034	22,095	55	5,034	22,150	27,184	3,171	2015
24901 San Michele Road	Moreno Valley, CA	—	1,274	—	11,546	1,274	11,546	12,820	1,147	2016
1445 Engineer Street	Vista, CA	—	6,816	4,417	55	6,816	4,472	11,288	843	2016
19067 Reyes Ave	Rancho Dominguez, CA	—	9,281	3,920	3,476	9,381	7,296	16,677	652	2016
10586 Tamarind Avenue	Fontana, CA	—	4,275	8,275	298	4,275	8,573	12,848	720	2017
2777 Loker Ave West	Carlsbad, CA	10,729	7,599	13,267	422	7,599	13,689	21,288	1,326	2017
7105 Old 215 Frontage Road	Riverside, CA	—	4,900	—	12,731	4,900	12,731	17,631	998	2017
28545 Livingston Avenue	Valencia, CA	—	9,813	10,954	2,207	9,813	13,161	22,974	854	2018
3801 Ocean Ranch Blvd	Oceanside, CA	2,964	2,907	6,151	(11)	2,909	6,138	9,047	357	2018
3809 Ocean Ranch Blvd	Oceanside, CA	3,240	3,140	6,964	45	3,141	7,008	10,149	397	2018
3817 Ocean Ranch Blvd	Oceanside, CA	4,981	5,438	10,278	(2)	5,442	10,272	15,714	607	2018

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24385 Nandina Avenue	Moreno Valley, CA	—	17,023	—	62,788	17,066	62,745	79,811	2,107	2018
14999 Summit Drive	Eastvale, CA	—	1,508	—	3,129	1,508	3,129	4,637	139	2018
14969 Summit Drive	Eastvale, CA	—	3,847	—	11,217	3,847	11,217	15,064	927	2018
14939 Summit Drive	Eastvale, CA	—	3,107	—	8,409	3,107	8,409	11,516	352	2018
14909 Summit Drive	Eastvale, CA	—	7,099	—	19,242	7,099	19,242	26,341	983	2018
14940 Summit Drive	Eastvale, CA	—	5,423	—	13,973	5,423	13,973	19,396	564	2018
14910 Summit Drive	Eastvale, CA	—	1,873	—	5,388	1,873	5,388	7,261	292	2018
930 Columbia Avenue	Riverside, CA	—	1,813	3,840	52	1,813	3,892	5,705	57	2019
305 Sequoia Avenue	Ontario, CA	—	6,641	8,155	15	6,641	8,170	14,811	144	2019
3051 E. Maria Street	Rancho Dominguez, CA	—	1,392	1,532	3	1,392	1,535	2,927	49	2019
1709-1811 W. Mahalo Place	Compton, CA	—	2,132	1,961	2	2,130	1,965	4,095	57	2019
1964 Kellogg Avenue	Carlsbad, CA	—	3,836	3,524	25	3,836	3,549	7,385	54	2019
353 Perry Street	Perris, CA	—	1,780	—	18,871	1,788	18,863	20,651	117	2019
8572 Spectrum Lane	San Diego, CA	—	806	3,225	1,054	806	4,279	5,085	90	2019
<b>Tampa</b>										
5455 W Waters Avenue	Tampa, FL	—	307	1,742	353	326	2,076	2,402	1,096	1997
5553 W Waters Avenue	Tampa, FL	—	307	1,742	321	326	2,044	2,370	1,090	1997
5501 W Waters Avenue	Tampa, FL	—	215	871	410	242	1,254	1,496	640	1997
5503 W Waters Avenue	Tampa, FL	—	98	402	170	110	560	670	287	1997
5555 W Waters Avenue	Tampa, FL	—	213	1,206	593	221	1,791	2,012	869	1997
5557 W Waters Avenue	Tampa, FL	—	59	335	76	62	408	470	208	1997
5463 W Waters Avenue	Tampa, FL	—	497	2,751	1,501	560	4,189	4,749	2,100	1998
5461 W Waters Avenue	Tampa, FL	—	261	—	1,336	265	1,332	1,597	672	1998
5481 W Waters Avenue	Tampa, FL	—	558	—	3,680	561	3,677	4,238	1,354	1999
<b>Other</b>										
600 Greene Drive	Greenville, KY	—	294	8,570	(727)	296	7,841	8,137	7,044	2008
1335 Sadlier Circle East	Indianapolis, IN	—	81	460	244	86	699	785	369	1996
7501 NW 106th Terrace	Kansas City, MO	—	4,152	—	13,697	4,228	13,621	17,849	3,825	2008
1908-2000 Innerbelt	Overland, MO	5,832	1,590	9,026	1,554	1,591	10,579	12,170	5,698	2004
1500 Peebles Drive	Richland Center, WI	—	1,577	1,018	(441)	1,528	626	2,154	569	2005
1815-1957 South 4650 West	Salt Lake City, UT	—	1,707	10,873	62	1,713	10,929	12,642	4,343	2006

**FIRST INDUSTRIAL REALTY TRUST, INC. AND FIRST INDUSTRIAL, L.P.**  
**SCHEDULE III: REAL ESTATE AND ACCUMULATED DEPRECIATION**  
**As of December 31, 2019**

Building Address	Location (City/State)	(a) Encumbrances	Initial Cost		Costs Capitalized Subsequent to Acquisition or Completion and Valuation Provision	Gross Amount Carried At Close of Period 12/31/19			Accumulated Depreciation 12/31/2019	Year Acquired/ Constructed
			Land	Buildings and Improvements		Land	Buildings and Improvements	Total		
(In thousands)										
<b>Developments in Process</b>										
First Sawgrass Commerce Center	Coconut Creek, FL	—	5,703	—	949	5,703	949	6,652	—	2019
First Redwood Logistics Center I Buildings A & B	Fontana, CA	—	15,156	—	20,152	15,154	20,154	35,308	—	2017
First Redwood II Logistics Center Building C	Fontana, CA	—	3,333	—	740	3,333	740	4,073	—	2018
First Cypress Creek Commerce Center Building B	Fort Lauderdale, FL	—	—	—	487	—	487	487	—	2019
First Cypress Creek Commerce Center Building C	Fort Lauderdale, FL	—	—	—	778	—	778	778	—	2019
First Cypress Creek Commerce Center Building D	Fort Lauderdale, FL	—	—	—	711	—	711	711	—	2019
Ferrero BTS @ PV303	Goodyear, AZ	—	5,660	—	35,644	5,658	35,646	41,304	—	2019
First Independence Logistics Center	Philadelphia, PA	—	2,059	—	4,657	2,087	4,629	6,716	—	2019
First Park 121 Building E	Lewisville, TX	—	7,519	—	1,649	7,520	1,648	9,168	—	2019
<b>Land Parcels</b>										
Land Parcels			196,219	966	31,460	191,465	37,181	228,646	4,452	
<b>Total</b>		<b>174,360</b>	<b>968,404</b>	<b>1,443,723</b>	<b>1,418,082</b>	<b>957,478</b>	<b>2,872,731</b>	<b>3,830,209</b>	<b>804,780</b>	

**FIRST INDUSTRIAL REALTY TRUST, INC. AND FIRST INDUSTRIAL, L.P.**  
**SCHEDULE III: REAL ESTATE AND ACCUMULATED DEPRECIATION**  
**As of December 31, 2019**

**NOTES:**

- (a) See description of encumbrances in Note 4 of the Notes to Consolidated Financial Statements. For purposes of this schedule the total principal balance of a mortgage loan payable that is collateralized by a pool of properties is allocated among the properties in the pool based on each property's carrying balance.
- (b) Depreciation is computed based upon the following estimated lives:

Buildings and Improvements	7 to 50 years
Land Improvements	3 to 20 years
Tenant Improvements, Leasehold Improvements	Lease Term

At December 31, 2019, the aggregate cost of land and buildings and equipment for federal income tax purpose was approximately \$3.7 billion (excluding construction in progress).

The changes in investment in real estate for the three years ended December 31, are as follows:

	2019	2018	2017
	(In thousands)		
Balance, Beginning of Year	\$ 3,673,644	\$ 3,495,745	\$ 3,388,611
Acquisition of Real Estate Assets	148,660	162,769	168,517
Construction Costs and Improvements	289,877	190,383	137,361
Disposition of Real Estate Assets	(258,639)	(148,408)	(170,928)
Impairment of Real Estate	—	(2,756)	—
Write-off of Fully Depreciated and Other Assets	(23,333)	(24,089)	(27,816)
Balance, End of Year	<u>\$ 3,830,209</u>	<u>\$ 3,673,644</u>	<u>\$ 3,495,745</u>

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

	2019	2018	2017
	(In thousands)		
Balance, Beginning of Year	\$ 811,784	\$ 789,919	\$ 797,919
Depreciation for Year	98,333	94,626	94,078
Disposition of Real Estate Assets	(82,919)	(49,144)	(78,844)
Write-off of Fully Depreciated and Other Assets	(22,418)	(23,617)	(23,234)
Balance, End of Year	<u>\$ 804,780</u>	<u>\$ 811,784</u>	<u>\$ 789,919</u>



## SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

### FIRST INDUSTRIAL, L.P.

By: **FIRST INDUSTRIAL REALTY TRUST, INC.**  
as general partner

By: /s/ PETER E. BACCILE  
**Peter E. Baccile**  
President, Chief Executive Officer and Director (Principal Executive Officer)

Date: February 13, 2020

By: /s/ SCOTT A. MUSIL  
**Scott A. Musil**  
Chief Financial Officer  
(Principal Financial Officer)

Date: February 13, 2020

By: /s/ SARA E. NIEMIEC  
**Sara E. Niemiec**  
Chief Accounting Officer  
(Principal Accounting Officer)

Date: February 13, 2020

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ BRUCE W. DUNCAN</u> <b>Bruce W. Duncan</b>	Chairman of the Board of Directors	February 13, 2020
<u>/s/ PETER E. BACCILE</u> <b>Peter E. Baccile</b>	President, Chief Executive Officer and Director	February 13, 2020
<u>/s/ JOHN RAU</u> <b>John Rau</b>	Lead Independent Director	February 13, 2020
<u>/s/ MATTHEW S. DOMINSKI</u> <b>Matthew S. Dominski</b>	Director	February 13, 2020
<u>/s/ H. PATRICK HACKETT, JR.</u> <b>H. Patrick Hackett, Jr.</b>	Director	February 13, 2020
<u>/s/ DENISE A. OLSEN</u> <b>Denise A. Olsen</b>	Director	February 13, 2020
<u>/s/ L. PETER SHARPE</u> <b>L. Peter Sharpe</b>	Director	February 13, 2020
<u>/s/ W. EDWIN TYLER</u> <b>W. Edwin Tyler</b>	Director	February 13, 2020

**DESCRIPTION OF SECURITIES  
REGISTERED PURSUANT TO SECTION 12 OF THE  
SECURITIES EXCHANGE ACT OF 1934**

First Industrial Realty Trust, Inc. ("the Company") has one class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended: our common stock, par value \$0.01 per share (the "common stock"). The following summary of the Company's common stock does not purport to be complete and is subject to and qualified in its entirety by reference to Maryland law and to our charter and bylaws, each of which are incorporated by reference as an exhibit to the Annual Report on Form 10-K of which this Exhibit 4.10 is a part. Unless stated otherwise or the context requires otherwise, the terms "we," "our" and "us" refer to the Company.

**General**

Under our charter, the Company has authority to issue 225 million shares of its common stock, par value \$.01 per share. Under Maryland law, stockholders generally are not responsible for the corporation's debts or obligations. Stockholders may, however, be liable for contribution if they knowingly receive an improper distribution from the Company in violation of the Company's charter or Maryland law.

**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 our charter regarding excess stock, common stockholders will be entitled to receive dividends on shares of common stock if, as and when authorized and declared by our board of directors out of assets legally available for that purpose. 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 our charter regarding excess stock, common stockholders will 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 our charter 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, common stockholders will possess the exclusive voting power of the Company. 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.

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

Subject to the provisions of our charter 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.

Under the Maryland General Corporation Law (the "MGCL"), a corporation generally cannot, subject to certain exceptions, dissolve, amend its charter, 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, and only in certain situations, the corporation's charter provides for a lesser percentage requirement, which percentage shall not be less than a majority of all of the votes to be cast on the matter. Our charter does not provide for a lesser percentage in such situations.

The Company's common stock is listed on the New York Stock Exchange, and the transfer agent and registrar for the common stock is Computershare Trust Company, N.A.

### **Restrictions on Ownership**

For the Company to qualify as a real estate investment trust, or REIT, under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended (the "Code"), among other things, not more than 50% in value of its outstanding capital stock may be owned, actually or by attribution, by five or fewer individuals (as defined in the Code to include certain entities) during the last half of a taxable year. Our capital stock must also 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. For various purposes, including to ensure that we remain a qualified REIT, our charter, subject to certain exceptions, provides that no person (or group, as declared in Section 13(d) of the Exchange Act) may own, or be deemed to own by virtue of the attribution provisions of the Code, more than an aggregate of 9.8% of our total capital stock, or more than 9.8% of either our common stock or our preferred stock, as a class. 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 our disqualification as a REIT, including any transfer that results in the capital stock being owned by fewer than 100 persons or results in us 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 constitute shares of "excess stock," as defined in our charter, that will be transferred, by operation of law, to a trust for the exclusive benefit of one or more charitable organizations selected by our board of directors. The trustee of the charitable trust will have the right to vote the shares while the excess stock is held in trust, and any dividend or distribution payable with respect to the excess stock will be paid to the trustee of the charitable trust.

In addition, we will have the right, for a period of 90 days after the later of the date of any event that resulted in excess stock or the date on which the board of directors determines that such an event has occurred, to purchase all or any portion of the excess stock from the original stockholder at the lesser of the price paid for the capital stock by the original stockholder (or, in the case of a transfer without value or an event other than a transfer that results in excess stock, the market price on the date of such event) and the market price of the capital stock on the date we exercise our option to purchase, as determined in the manner set forth in our charter. The 90-day period begins on the date of the violative event if the original stockholder gives notice to us of the event or, if no such notice is given, the date the board of directors determines that a violative event has occurred. We may also direct the trustee to transfer the shares to a third party whose ownership would not violate our restrictions on transfer. For this transfer, proceeds would be distributed in a manner comparable to the distribution of proceeds from a Company purchase.

### **Preferred Stock**

Under the Company's charter, the Company has authority to issue 10 million shares of its preferred stock, par value \$.01 per share. The board of directors may, from time to time, authorize the issuance of shares of preferred stock in one or more series. Prior to issuance of shares of each series, the Company's board of directors is required by the MGCL and our charter to fix for each series, subject to the provisions of the charter regarding 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 those shares as may be permitted by Maryland law. These rights, powers, restrictions and limitations could include the right to receive specified dividend payments and payments on liquidation prior to any payments to holders of common stock or other capital stock of the Company ranking junior to the preferred stock or include voting rights that limit the voting power of the holders of common stock of the Company. The preferred stock will be, when issued, fully paid and nonassessable and will have no preemptive rights. The Company's 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 those shares of common stock.



## Certain Provisions of Maryland Law and the Company's Charter and Bylaws

The following summary of certain provisions of Maryland law is not complete and is qualified by reference to Maryland law and the Company's charter and bylaws.

### Business Combinations

Under the MGCL, certain "business combinations" (as defined in the MGCL) between a Maryland corporation and an interested stockholder are prohibited for five years after the most recent date on which the interested stockholder became an interested stockholder. Under the MGCL, an "interested stockholder" includes a person (other than the corporation or any subsidiary) who is:

- the beneficial owner, directly or indirectly, of 10 percent or more of the voting power of the outstanding voting stock of the corporation after the date on which the corporation had 100 or more beneficial owners of its stock; or
- is an affiliate or associate of the corporation and was the beneficial owner, directly or indirectly, of 10 percent or more of the voting power of the then outstanding stock of the corporation (i) at any time within the two-year period immediately prior to the date in question, and (ii) after the date on which the corporation had 100 or more beneficial owners of its stock.

Business combinations for the purposes of the preceding paragraph are defined by the MGCL to include certain mergers, consolidations, recapitalizations, share exchanges and asset transfers, some issuances and reclassifications of equity securities, the adoption of a plan of liquidation or dissolution or the receipt by an interested stockholder or its affiliate of any loan advance, guarantee, pledge or other financial assistance or tax advantage provided by the Company. After the five-year moratorium period, any such business combination must be recommended by the board of directors of the corporation and approved by the affirmative vote of at least:

- 80% of the votes entitled to be cast by holders of outstanding shares of voting stock of the corporation voting together as a single group; and
- two-thirds of the votes entitled to be cast by holders of voting stock of the corporation other than voting stock held by the interested stockholder with whom (or with whose affiliate) the business combination is to be effected or by any affiliate or associate of the interested stockholder voting together as a single voting group.

The super-majority vote requirements will not apply if, among other things, the corporation's stockholders receive an aggregate amount of cash and non-cash consideration that has a market value determined as of the valuation date and in accordance with the requirements of Section 3-603(b)(1) or (2), as applicable, of the MGCL for their shares and the consideration is received in cash or in the same form as previously paid by the interested stockholder for its shares. These provisions of Maryland law do not apply, however, to business combinations that are approved or exempted by the board of directors of the corporation prior to the most recent time that the interested stockholder becomes an interested stockholder.

## Control Share Acquisitions

The MGCL provides that “control shares” (as defined in the MGCL) of a Maryland corporation acquired in a “control share acquisition” (as defined in the MGCL) have no voting rights except to the extent approved by a vote of two-thirds of the votes entitled to be cast on the matter, excluding shares of stock owned by the acquiring person (meaning the person who makes or proposes to make a control share acquisition) or by officers of the corporation or directors who are also employees of the corporation. “Control shares” are voting shares of stock that, if aggregated with all other shares of stock previously acquired by that person, would entitle the acquiring person to exercise voting power in electing directors within one of the following ranges of voting power:

- one-tenth or more but less than one-third of all voting power;
- one-third or more but less than a majority of all voting power; or
- a majority or more of all voting power.

Control shares do not include shares that the acquiring person is then entitled to vote as a result of having previously obtained stockholder approval. A “control share acquisition” means the acquisition of ownership of or power to direct the voting power of issued and outstanding control shares, subject to certain exceptions.

An acquiring person may compel the board of directors, upon satisfaction of certain conditions, including an undertaking to pay certain expenses, to call a special meeting of stockholders to be held within 50 days after receiving a demand to consider the voting rights of the shares. If no request for a meeting is made, the corporation may itself present the question at any meeting of stockholders.

If voting rights are not approved at the meeting or if the acquiring person does not deliver an acquiring person statement as required by the MGCL, then, subject to certain conditions and limitations, the corporation may redeem any or all of the control shares, except those for which voting rights have previously been approved, at any time during a period commencing on the 11th day after the control share acquisition and ending 60 days after an acquiring person statement has been delivered. The corporation’s redemption of the control shares will be for fair value determined, without regard to the absence of voting rights for the control shares, as of the date of the last control share acquisition or of any meeting of stockholders at which the voting rights of the control shares are considered and not approved. If voting rights for control shares are approved at a stockholders meeting and the acquiring person becomes entitled to vote a majority of the shares entitled to vote, all other stockholders may exercise appraisal rights. The fair value of the shares as determined for purposes of the appraisal rights may not be less than the highest price per share paid in the control share acquisition. Certain limitations and restrictions otherwise applicable to the exercise of dissenters’ rights do not apply in the context of a control share acquisition.

The control share acquisition statute does not apply to:

- shares acquired in a merger, consolidation or share exchange if the corporation is a party to the transaction; or
- acquisitions approved or exempted by our charter or bylaws and adopted at any time before the acquisition of the shares.

Our bylaws contain a provision exempting any and all acquisitions of our shares of capital stock from the control share provisions of the MGCL. There can be no assurance that this bylaw provision will not be amended or eliminated in the future.

### Title 3, Subtitle 8 of the MGCL

Subtitle 8 of Title 3 of the MGCL allows Maryland corporations with a class of equity securities registered under the Exchange Act to elect to be governed by all or any part of certain Maryland law provisions relating to extraordinary actions and unsolicited takeovers. The election to be governed by one or more of these provisions can be made by a Maryland corporation in its charter or bylaws or by resolution adopted by the board of directors so long as the corporation has at least three directors who, at the time of electing to be subject to the provisions, are not:

- officers or employees of the corporation;
- persons seeking to acquire control of the corporation;
- directors, officers, affiliates or associates of any person seeking to acquire control; or
- nominated or designated as directors by a person seeking to acquire control.

Subtitle 8 provides that a Maryland corporation can elect to be subject to all or any portion of the following provisions notwithstanding any contrary provisions contained in its existing charter or bylaws:

- a classified board;
- a two-thirds stockholder vote requirement for removing a director;
- a requirement that the number of directors be fixed only by vote of the directors;
- a requirement that a vacancy on the board be filled only by the majority vote of the remaining directors, even if the remaining directors do not constitute a quorum, and any such director elected to fill a vacancy shall hold office for the remainder of the full term of the directorship in which the vacancy occurred and until a successor is elected and qualifies; or
- a majority stockholder vote requirement for the calling of a special meeting of stockholders.

Through provisions in our charter and bylaws unrelated to Subtitle 8, we currently vest in our board of directors the exclusive power to fix the number of directorships and require, unless called by the Chairman of our board of directors, our President or a majority of the board of directors, the request of stockholders entitled to cast a majority of all votes entitled to be cast to call a special meeting.

### 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. For the purpose, among others, of assisting the Company in meeting this requirement, we may from time to time take certain actions to limit the beneficial ownership, directly or indirectly, by individuals of our outstanding equity securities.

### Amendment of Charter

Our charter may be amended only by the affirmative vote of the holders of not less than two-thirds of all of the votes entitled to be cast on the matter, except that the affirmative vote of a majority of the board of directors is required to change the name of the Company or change the name or other designation or the par value of any class or series of stock of the Company and the aggregate par value of the stock of the Company.

## Meetings of Stockholders

Our bylaws provide for annual meetings of stockholders to be held on such date and time as may be established from time to time by our board of directors. Special meetings of stockholders may be called by:

- our Chairman of the board of directors or our President;
- a majority of the board of directors; or
- the Secretary upon the written request of stockholders holding at least a majority of our outstanding capital stock entitled to vote at the meeting.

Our bylaws provide that any stockholder of record wishing to nominate a director or have a stockholder proposal considered at an annual meeting must provide written notice and certain supporting documentation to the Company relating to the nomination or proposal not later than the close of business on the 120th day nor earlier than the close of business on the 150th day prior to the first anniversary of the date of the Company's proxy statement in connection with the previous year's annual meeting of stockholders. In the event that the annual meeting of stockholders is advanced or delayed by more than 30 calendar days from the anniversary of the previous year's annual meeting, stockholders generally must provide written notice within 10 calendar days after the date on which notice of the meeting is mailed to stockholders or the date the meeting is publicly disclosed.

The purpose of requiring stockholders to give us advance notice of nominations and other business is to afford our board of directors a meaningful opportunity to consider the qualifications of the proposed nominees or the advisability of the other proposed business and, to the extent deemed necessary or desirable by our board of directors, to inform stockholders and make recommendations about the qualifications or business, as well as to provide a more orderly procedure for conducting meetings of stockholders. Although our bylaws do not give our board of directors any power to disapprove stockholder nominations for the election of directors or proposals for action, they may have the effect of precluding a contest for the election of directors or the consideration of stockholder proposals if the proper procedures are not followed and of discouraging or deterring a third party from conducting a solicitation of proxies to elect its own slate of directors or to approve its own proposal. Our bylaws may have those effects without regard to whether consideration of the nominees or proposal might be harmful or beneficial to us and our stockholders.

## Exclusive Forum Provision

Our bylaws provide that, unless the Company consents in writing to the selection of an alternate forum, the sole and exclusive forum for (a) any derivative action or proceeding brought on behalf of the Company, (b) any action asserting a claim of breach of any duty owed by any director, officer or other employee of the Company to the Company or its stockholders, (c) any action asserting a claim against the Company or any director or officer or other employee of the Company arising pursuant to any provision of the MGCL or the Company's charter or bylaws or (d) any action asserting a claim against the Company or any director or officer or other employee of the Company that is governed by the internal affairs doctrine shall be the Circuit Court for Baltimore City, Maryland, or, if that court does not have jurisdiction, the United States District Court for the District of Maryland, Baltimore Division.

## EMPLOYMENT AGREEMENT

AGREEMENT (this "**Agreement**") by and among FIRST INDUSTRIAL, L.P. (the "**Employer**"), FIRST INDUSTRIAL REALTY TRUST, INC. ("**FR**" and, together with the Employer, the "**Company**") and PETER E. BACCILE (the "**Executive**"), executed on February 11, 2020 (the "**Execution Date**"), and effective as of January 1, 2020 (the "**Effective Date**").

WHEREAS, the Company and Executive entered into that certain Employment Agreement dated September 29, 2016 (the "**2016 Agreement**").

WHEREAS, the Employer is desirous of continuing the employment of the Executive on the terms and conditions, and for the consideration, hereinafter set forth, and the Executive is desirous of continuing to be employed by the Employer on such terms and conditions and for such consideration set forth herein.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

1. **Term.**

(a) The Company and Employer acknowledge and agree that the 2016 Agreement is terminated and of no further force and effect effective on the Effective Date of this Agreement, except with respect to such terms and conditions stated therein that survive the termination or expiration of the 2016 Agreement. In the event of a conflict between the 2016 Agreement and this Agreement, this Agreement shall control.

(b) The Employer hereby agrees to continue to employ the Executive, and the Executive hereby agrees to continue to serve the Company, subject to the terms and conditions of this Agreement, for the period commencing on the Effective Date and ending on December 31, 2024 (the "**Term**"), unless previously terminated in accordance with the provisions of Section 3 hereof. The period of the Executive's employment hereunder until terminated in accordance with the provisions of Section 3 shall be referred to herein as the "**Employment Period**."

2. **Terms of Employment.**

(a) **Position and Duties.**

(i) Executive shall continue to serve as President and Chief Executive Officer of FR during the Employment Period, and shall perform customary and appropriate duties as may be reasonably assigned to the Executive from time to time by the Board of Directors of FR (the "**Board**"). The Executive shall have such responsibilities, power and authority as those normally associated with the position of President and Chief Executive Officer in public companies of a similar stature to FR. Executive shall be the senior-most executive of the Company and shall report solely and directly to the Board. The Executive shall continue to serve on the Board until the next annual meeting of the shareholders of FR, and shall be nominated for reelection to the Board at the next meeting of the FR shareholders and at each subsequent meeting of FR shareholders occurring during the Employment Period at which the Executive's Board seat is up for election, and so long as the Executive remains on the Board shall serve without compensation other than that herein provided. Unless otherwise requested by the entire Board, upon the cessation of Executive's employment with the Employer for any reason, the Executive shall resign from the Board.

(ii) During the Employment Period, and excluding any periods of vacation and sick leave to which the Executive is entitled, the Executive agrees to devote his full professional time and attention to the business and affairs of the Company and, to the extent necessary to discharge the responsibilities assigned to the Executive hereunder, to use the Executive's reasonable best efforts to perform faithfully and efficiently such responsibilities at reasonably appropriate locations. During the Employment Period, it shall not be a violation of this Agreement for the Executive to serve (A) on the board of one other for-profit corporation

selected by the Executive (subject to the reasonable approval of the Board), or (B) on civic or charitable boards or committees, or to deliver lectures, fulfill speaking engagements or teach at educational institutions and manage personal investments, so long as the activities described in the preceding clauses (A) and (B) do not materially interfere with the performance of the Executive's responsibilities in accordance with this Agreement and the Executive complies with applicable provisions of FR's Code of Business Conduct and Ethics.

(b) **Compensation.**

(i) **Base Salary.** During the Employment Period, the Executive shall receive from the Employer an annual base salary ("**Annual Base Salary**") of \$850,000. The Executive's Annual Base Salary shall be reviewed at least annually by the Compensation Committee of the Board (the "**Committee**") pursuant to its normal performance review policies for senior executives. The Committee may, but shall not be required to, increase the Annual Base Salary at any time for any reason and the term "Annual Base Salary" as utilized in this Agreement shall refer to the Annual Base Salary as increased from time to time. The Annual Base Salary shall not be reduced after any such increase, and any increase in Annual Base Salary shall not serve to limit or reduce any other obligation to the Executive under this Agreement. The Annual Base Salary shall be paid at such intervals as the Employer pays executives' salaries generally.

(ii) **Annual Bonus.** The Executive shall be paid an annual cash performance bonus (an "**Annual Bonus**") in respect of each calendar year that ends during the Employment Period, to the extent earned based on performance against objective and reasonably attainable performance criteria. The performance criteria for any particular calendar year shall be determined in good faith by the Committee no later than ninety (90) days after the commencement of such calendar year and, in any event, shall be substantially consistent with the performance criteria applicable to other senior executives of the Company for the applicable year. The Executive's target Annual Bonus for a calendar year shall equal 169% of his Annual Base Salary (the "**Target Bonus**") for that year if target levels of performance for that year are achieved, with greater or lesser amounts (including zero) paid for performance above and below target (such greater and lesser amounts to be determined by a formula established by the Committee for that year, consistent with past practices, when it establishes the targets and performance criteria for that year), and with a maximum bonus no greater than 225% of his Annual Base Salary. The Executive's Annual Bonus for a calendar year shall be determined by the Committee after the end of the calendar year and shall be paid to the Executive when annual bonuses for that year are paid to other senior executives of the Company generally, but in no event later than March 15 of the following calendar year, unless the Executive shall elect to defer the receipt of such Annual Bonus pursuant to an arrangement implemented by the Employer that meets the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "**Code**"). In carrying out its functions under this Section 2(b)(ii), the Committee shall at all times act reasonably and in good faith, and shall consult with Executive to the extent appropriate. The Annual Bonus shall be paid in cash, fully vested and freely transferable shares of common stock of FR ("**Common Stock**") or LTIP Units (as hereinafter defined), or a combination thereof, as determined by the Committee provided that the percentage of the Executive's Annual Bonus paid in equity shall not be greater than that of other senior executives generally.

(iii) **Long-Term Awards.** The Executive shall be entitled to participate in all long-term cash, equity and LTIP Unit incentive plans, practices, policies and programs applicable generally to other senior executives of the Company ("**LTI Plans**") on a level determined by the Committee reasonably and in good faith to be commensurate with his position, and provided further that the value of which shall be no less than that of senior executive officers generally, including without limitation, the below described awards ("**Annual Awards**" and each an "**Annual Award**"). On an annual basis, beginning in 2021, the aggregate value of the target RSUs and Performance Units (each, hereinafter defined), calculated in the manner set forth below, shall not be less than \$1,715,625 (to be allocated 30% as RSUs and 70% as Performance Units (at target level performance), unless such allocation is otherwise changed by the Committee):

(A) **Time-Based Restricted Stock Unit Awards.** The amount of Executive's annual time-based restricted stock unit awards ("**RSUs**") shall be determined by the Committee in good faith, but not less than the value set forth in subsection (iii) above calculated by dividing the

total dollar amount of the RSU award by the closing price per share of Common Stock as of the grant date (or, if the grant date is not a trading day, the immediately preceding trading day); provided that such RSUs shall ratably vest in equal annual installments on each of the first three (3) anniversaries of the date of issuance (or at such earlier dates as may be established by the Committee, and as may be permitted the applicable stock plan) ("**Restriction Period**") subject to continued employment through such date and shall be as otherwise set forth in the Grant Agreement (as hereinafter defined) for such RSUs, subject to treatment in connection with a termination of employment no less favorable to the Executive than the terms set forth in this Agreement that are to apply to such RSUs.

(B) **Performance Units.** The amount of the Executive's annual performance unit award pursuant to the 2013 Long-Term Incentive Program, as amended in 2014 ("**Performance Units**") shall have a target award ("**Target Award**") as determined by the Committee, but not less than the target value set forth in subsection (iii) above calculated by dividing the total dollar amount of Performance Units granted that would vest if target level of performance is achieved, with a greater or lesser amount (including zero) paid for performance above or below target, respectively, (such greater or lesser amount to be determined by a formula established by the Committee for such Performance Units when it establishes the Target Award and performance criteria (each a "**Performance Metric**") for such Performance Units) by the closing price per share of Common Stock as of the grant date (or, if the grant date is not a trading day, the immediately preceding trading day) (and, in addition thereto, the same calculation shall be performed at the maximum value, which shall be 250% of target). The Performance Units shall vest, based upon levels of achievement of the Performance Metrics, following a three (3)-year performance period ("**Performance Period**") and continued employment through the end of the Performance Period (except as set forth in the Grant Agreement), in accordance with the terms and conditions of the Grant Agreement for such Performance Units, subject to treatment in connection with a termination of employment no less favorable to the Executive than the terms set forth in this Agreement that are to apply to such Performance Units.

The Executive may elect to receive his Annual Awards in the form of LTIP Units in the Employer ("**LTIP Units**"), as such LTIP Units program is then existing, constituted and administered by the Company. For purposes herein, the LTIP Units awards, where elected by the Executive, shall be referred to herein as the Annual Awards. The Executive's awards under the LTI Plans shall be consistent with the terms set forth above and memorialized in grant agreements entered into by the Company and Executive with respect to each award under the LTI Plans (each a "**Grant Agreement**"). Notwithstanding anything in this Agreement to the contrary, to the extent that the provisions of the applicable LTI Plan or Grant Agreement provide for more generous vesting provisions to the Executive than those set forth in this Agreement, the terms of the applicable LTI Plan or Grant Agreement shall control.

(iv) **2020 Awards.** For calendar year 2020, the Executive has previously been granted the following LTIP Units ("**2020 Awards**");

(A) **Time-Based Restricted Stock Unit Awards/LTIP Units.** Effective as of January 1, 2020, the Executive was granted 12,402 LTIP Units, which number of units was based upon \$514,688 (30% of \$1,715,625) divided by \$41.51 (the closing price per share of Common Stock as of December 31, 2019), that shall ratably vest in equal annual installments on each of the first three (3) anniversaries of January 1, 2020, in each case, subject to continued employment through such date, in accordance with the terms and conditions of a Grant Agreement for such LTIP Units executed by the Company and the Executive, with treatment in connection with a Change in Control Event or termination of employment no less favorable to the Executive than the terms set forth in Sections 4 and 5 of this Agreement that are to apply to such LTIP Units.

(B) **Performance-Based LTIP Units** Effective as of January 1, 2020, the Executive was granted LTIP Units with vesting to occur in three separate tranches based on achievement of Performance Metrics and continued employment over a 1-year, 2-year and 3-year

performance period in accordance with the terms and conditions of Grant Agreement for such LTIP Units executed by the Company and the Executive, pursuant to which: (i) units with a value equal to \$203,438 at target (and 250% of target at maximum) will be subject to vesting based on achievement of Performance Metrics and continued employment for the 1-year performance period of calendar year 2020, (ii) units with a value equal to \$406,876 at target (and 250% of target at maximum) will be subject to vesting based on achievement of Performance Metrics and continued employment for the 2-year performance period of calendar years 2020 and 2021; and (iii) units with a value equal to \$1,200,937 at target (and 250% of target at maximum) will be subject to vesting based on achievement of Performance Metrics and continued employment for the 3-year performance period of calendar years 2020 and 2021 and 2022. The number of units were based upon the dollar amount divided by \$41.51 (the closing price per share of Common Stock on December 31, 2019). The aggregate number of units granted was based upon the target aggregate dollar value for all three tranches divided by the closing price per share of Common Stock as of December 31, 2019, plus a number of LTIP Units sufficient to cover estimated distributions that are not paid currently in cash.

(v) **Benefits.** Other than as stated in Section 2(b)(iii) above, during the Employment Period, the Executive shall be entitled to participate in all executive and employee benefit plans and programs of the Company offered from time to time, including, but not limited to, term life insurance, long-term disability insurance, health, life and disability insurance, 401(k), on the same basis as provided generally to other senior executives of the Company. Each of the Employer and FR reserves the right to amend or cancel any such plan or program in its sole discretion, subject to the terms of such plan or program and applicable law. In addition, during the Employment Period, the Executive shall receive from the Employer an automobile allowance of up to \$800 per month. The amount of such allowance that the Employer is obligated to reimburse any given calendar year shall not affect the allowance that the Employer is obligated to reimburse in any other calendar year, and the Executive's right to have the Employer reimburse such allowance may not be liquidated or exchanged for any other benefit.

(vi) **Vacation.** During the Employment Period, the Executive shall be entitled to receive annual paid vacation per year in accordance with the Company's policies, but not less than five weeks per year. Unused vacation time shall not accrue and carry over from year to year.

(vii) **Intercorporate Transfers.** If the Executive shall be transferred by the Employer to a newly-created affiliate of the Employer or an existing affiliate of Employer as part of a restructuring of the entities constituting Employer, such transfer, by itself and without any adverse financial or functional impact on the Executive, shall not be deemed to give rise to Good Reason (as defined below) or otherwise be deemed to terminate or modify this Agreement, and the employing corporation or other entity to which the Executive is transferred shall, for all purposes of this Agreement, be construed as standing in the same place and stead as the Employer as of the effective date of such transfer; provided, however, that at all times after such transfer, FR shall remain liable for all obligations of the Employer hereunder, including, but not limited to, the payment of Executive's Annual Base Salary, Annual Bonus or other amounts set forth herein. For purposes hereof, an affiliate of the Employer shall mean any corporation or other entity directly or indirectly controlling, controlled by, or under common control with, the Employer.

(viii) **Indemnification; Insurance.** During the Employment Period and thereafter, each of the Employer and FR agrees to indemnify and hold the Executive and the Executive's heirs and representatives harmless, to the maximum extent permitted by law, against any and all damages, costs, liabilities, losses and expenses (including reasonable attorneys' fees) as a result of any claim or proceeding (whether civil, criminal, administrative or investigative), or any threatened claim or proceeding (whether civil, criminal, administrative or investigative), against the Executive that arises out of or relates to the Executive's service as an officer, director or employee, as the case may be, of the Employer or FR, or the Executive's service in any such capacity or similar capacity with an affiliate of the Employer or FR or other entity at the request of the Employer or FR, from and after the Effective Date of the 2016 Agreement, and to promptly advance to the Executive or the Executive's heirs or representatives such expenses upon written request with appropriate documentation of such expense upon receipt of an undertaking by the Executive or on the



Executive's behalf to repay such amount if it shall ultimately be finally determined by a court or tribunal of competent jurisdiction that the Executive is not entitled to be indemnified by the Employer or FR. In addition, the Company agrees to continue and maintain, at the Company's expense, a directors' and officers' liability insurance policy covering Executive both during and, while potential liability exists, after the Employment Period throughout all applicable limitations periods that is no less favorable to the Executive than the policy covering active employees, directors and senior officers of the Employer or FR.

(ix) **Expenses.** During the Employment Period, the Executive shall be entitled to receive from the Employer prompt reimbursement for all reasonable business expenses incurred by the Executive in accordance with the Company's policies.

(x) **Relocation.** The Company will reimburse Executive for sixty (60%) percent of his brokerage commissions on the sale of his residence located in the State of Connecticut (up to a maximum reimbursement of \$285,000); provided that such sale closes on or before December 31, 2020.

### 3. Termination of Employment.

(a) **Death or Disability.** The Executive's employment and the Employment Period shall terminate automatically upon the Executive's death during the Term. If the Company determines in good faith that the Disability (as defined below) of the Executive has occurred during the Term, it may provide the Executive with written notice in accordance with Section 12(b) of this Agreement of its intention to terminate the Executive's employment. In such event, the Executive's employment with the Company and the Employment Period shall terminate effective on the thirtieth (30th) day after receipt of such notice by the Executive (the "**Disability Effective Date**"), provided that, within the thirty (30) days after such receipt, the Executive shall not have returned to full-time performance of the Executive's duties. For purposes of this Agreement, "**Disability**" shall mean the inability of the Executive to perform the Executive's duties with the Company on a full-time basis for six (6) consecutive months or 150 business days within any twelve (12)-month period as a result of a physical, mental or psychological incapacity or impairment.

(b) **Cause.** The Company may terminate the Executive's employment and the Employment Period either with or without Cause. For purposes of this Agreement, "**Cause**" shall mean:

(i) The Executive's willful and continued failure to substantially perform the Executive's duties with the Company after receipt of a Notice requesting such performance given in accordance with the procedures and time periods described below;

(ii) Willful and gross misconduct by the Executive in connection with his performance of services for the Employer;

(iii) A willful and material breach by the Executive of the restrictive covenants and confidentiality provisions of this Agreement;

(iv) Habitual substance abuse by the Executive that continues after receiving Notice given in accordance with the procedures and time periods described below;

(v) Final disqualification of the Executive by a governmental agency from serving as an officer or director of the Company; or

(vi) The Executive's conviction of, or entry of a plea of guilty or nolo contendere with respect to, a felony crime (excluding any vehicular offense) or a crime involving fraud, forgery, embezzlement or similar conduct;

provided, however, that the actions in (iii) and (iv) above will not be considered Cause unless the Executive has failed to cure such actions (if curable) within thirty (30) days of receiving written notice specifying with particularity the events allegedly giving rise to Cause and that such actions will not be considered Cause unless the Company provides

such written notice within ninety (90) days of the full Board (excluding the Executive, if applicable at the time of such notice) having knowledge of the relevant action (a “**Notice**”). Further, no act or failure to act by the Executive will be deemed “willful” unless done or omitted to be done not in good faith or without reasonable belief that such action or omission was in the Company’s best interests, and any act or omission by the Executive pursuant to authority given pursuant to a resolution duly adopted by the Board or on the advice of counsel for the Company will be deemed made in good faith and in the best interests of the Company. The Executive will not be deemed to be discharged for Cause unless and until there is delivered to the Executive a copy of a resolution duly adopted by the affirmative vote of not less than two thirds (2/3) of the entire membership of the Board (excluding the Executive, if he is then a member of the Board), at a meeting called and duly held for such purpose (after reasonable notice to the Executive and an opportunity for the Executive and the Executive’s counsel to be heard before the Board), finding in good faith that the Executive is guilty of the conduct set forth above and specifying the particulars thereof in detail and authorizing the issuance of a Notice of Termination as defined below.

(c) **Good Reason.** The Executive’s employment and the Employment Period may be terminated by the Executive for Good Reason or by the Executive voluntarily without Good Reason. “**Good Reason**” means the occurrence of any one of the following events without the prior written consent of the Executive:

(i) The removal from, or failure to re-elect to, or the requirement to share with another, the Executive’s position as either President or Chief Executive Officer of FR;

(ii) A material diminution of, or material reduction or material adverse alteration in, the Executive’s duties or responsibilities, or the Board’s assignment to the Executive of duties, responsibilities or reporting requirements that are materially inconsistent with his positions (it being understood that if the Executive does not continue to be the Chief Executive Officer of a public company following a “Change in Control Event” (as defined below), such a material diminution, reduction and alteration shall be deemed to have occurred);

(iii) The failure to nominate the Executive for election to the Board at any meeting of Shareholders during the Employment Period at which the Executive’s Board seat is up for election;

(iv) A material reduction of the Executive’s Annual Base Salary, Target Bonus or maximum Annual Bonus potential;

(v) The Company changes the Company’s headquarters to a location more than 30 miles from both of its headquarters locations on the Effective Date or requires Executive to relocate outside of Illinois without his consent;

(vi) The Employer or FR materially breaches this Agreement; or

(vii) Despite the Executive’s timely objection, the Company intentionally directs the Executive to engage in unlawful conduct;

provided, however, that the actions in (i) through (vi) above will not be considered Good Reason unless the Executive shall describe the basis for the occurrence of the Good Reason event in reasonable detail in a Notice of Termination (as defined below) provided to the Company in writing within ninety (90) days of the Executive’s knowledge of the actions giving rise to the Good Reason, the Company has failed to cure such actions within thirty (30) days of receiving such Notice of Termination (and if the Company does effect a cure within that period, such Notice of Termination shall be ineffective) and the Executive terminates employment for Good Reason not later than thirty (30) days following the last day of the applicable cure period.

(d) **Expiration of the Employment Period.** The Executive’s employment shall terminate upon the expiration of the Term pursuant to Section 1(b).

(e) **Notice of Termination.** Any termination of employment by the Company or the Executive during the Term shall be communicated by Notice of Termination (as defined below) to the other party hereto given in accordance with Section 12(b) of this Agreement. For purposes of this Agreement, a “**Notice of Termination**” shall mean a written notice that (i) indicates the termination provision in this Agreement relied upon and (ii) specifies Date of Termination (as defined below) if other than the date of receipt of such notice. The failure by the Company or the Executive to set forth in the Notice of Termination any fact or circumstance that contributes to a showing of Cause or Good Reason shall not waive any right of the Company or the Executive, respectively, hereunder or preclude the Company or the Executive, respectively, from asserting such fact or circumstance in enforcing the Company’s or the Executive’s rights hereunder within the applicable time period set forth in this Agreement.

(f) **Date of Termination.** “**Date of Termination**” shall mean (i) if the Executive’s employment is terminated by the Company for Cause or other than for Cause, death or Disability, the date of receipt of the Notice of Termination or any later date specified therein (which date shall not be more than thirty (30) days after the giving of such notice), (ii) if the Executive’s employment is terminated by reason of death or by the Company for Disability, the date of death of the Executive or the Disability Effective Date, as the case may be, (iii) if the Executive resigns with or without Good Reason, thirty (30) days from the date of the Company’s receipt of the Notice of Termination or the running of the cure period without cure as set forth in subsection (c) above (as applicable), or such earlier or later date as is mutually agreed by the Company and the Executive (subject to the Company’s right to cure in the case of a resignation for Good Reason), and (iv) if the Executive’s employment is terminated at the expiration of the Term pursuant to Section 1(b), the last day of the Term. Notwithstanding the foregoing, in no event shall the Date of Termination occur until the Executive experiences a “separation from service” within the meaning of Section 409A of the Code, and the date on which such separation from service takes place shall be the “Date of Termination.”

#### 4. **Obligations of the Company upon Termination.**

(a) **By the Company Other Than for Cause, Death or Disability; By the Executive for Good Reason.** Subject to Section 5, if, during the Term, (x) the Company shall terminate the Executive’s employment other than for Cause, death or Disability or (y) the Executive shall terminate employment for Good Reason:

(i) the Company shall pay to the Executive the following amounts:

(A) a lump sum cash payment within thirty (30) days after the Date of Termination equal to the aggregate of the following amounts: (1) the Executive’s Annual Base Salary and accrued vacation pay through the Date of Termination, (2) the Executive’s accrued Annual Bonus for the fiscal year immediately preceding the fiscal year in which the Date of Termination occurs (other than any portion of such Annual Bonus that was previously deferred, which portion shall instead be paid in accordance with the applicable deferral election) if such bonus has not been paid as of the Date of Termination, and (3) the Executive’s business expenses that have not been reimbursed by the Employer as of the Date of Termination that were incurred by the Executive prior to the Date of Termination in accordance with the applicable Company policy, in the case of each of clauses (1) through (3), to the extent not previously paid (the sum of the amounts described in clauses (1) through (3) shall be hereinafter referred to as the “**Accrued Obligations**”);

(B) subject to the Executive’s delivery (and non-revocation) of an executed release of claims against the Employer, FR and their respective officers, directors, employees and affiliates in substantially the form attached hereto as **Exhibit A** (the “**Release**”), which Release must be delivered to the Company not later than twenty-two (22) days after the Date of Termination, an amount equal to two (2) times the sum of (X) the Executive’s Annual Base Salary as of the Date of Termination and (Y) the average Annual Bonus paid to the Executive for the immediately preceding two (2) full fiscal years prior to the year in which the Date of Termination occurs (the “**Average Bonus**”); the product of which shall be paid in twenty-four (24) equal payments in accordance with the Company’s regular payroll schedule for twenty-four (24) months following the Date of Termination, with the first payment commencing on the first payroll date occurring on or after the thirtieth (30th) day after the Date of Termination; provided, however, that if the Date of Termination

occurs within four months prior or twenty-four (24) months following a Change in Control Event, then (1) three (3) shall be substituted for two (2) times above, and (2) if such Change in Control Event also constitutes a “change in the ownership” of FR, a “change in effective control” of FR or a “change in the ownership of a substantial portion of the assets” of FR, as each such term is defined in Treas. Reg. Section 1.409A-3(i)(5), all previously unpaid portions of such amount shall be paid in a single lump sum cash payment on the thirtieth (30th) day after the later of the Date of Termination and the date of the Change in Control Event; and

(C) a lump-sum amount in cash equal to the product of (x) the Annual Bonus which would have been earned by the Executive for the fiscal year in which the Date of Termination occurs had the Executive remained employed throughout such fiscal year, based on the degree to which the applicable performance goals are achieved, or, if a Change in Control Event occurs prior to the end of such fiscal year, the greater of the Target Bonus for such fiscal year or the Average Bonus, and (y) a fraction, the numerator of which is the number of days in the fiscal year in which the Date of Termination occurs through the Date of Termination, and the denominator of which is 365, which amount shall be paid on the date on which annual bonuses for the fiscal year in which the Date of Termination occurs are paid to senior executives of the Company generally, but not later than seventy-five (75) days after the end of the fiscal year in which the Date of Termination occurs;

(ii) For two years following such termination, the Company shall provide the Executive and Executive’s spouse and eligible dependents with medical and dental insurance coverage no less favorable than those provided to active employees of the Company on the terms and conditions set forth herein (the “**Health Care Benefit**”); provided, however, that the Executive shall pay the cost of such coverage in an amount equal to the amount paid by active employees of the Company for similar coverage; provided, further, however, that if the Executive becomes re-employed with another employer and is entitled to receive health care benefits under another employer-provided plan, the Health Care Benefits provided hereunder shall cease. The benefits provided pursuant to this Section 4(a)(ii) will run concurrent with coverage required to be provided under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (“**COBRA**”). The Executive shall be solely responsible for any taxes incurred in respect of such coverage; provided, further, that the Company may modify the continuation coverage contemplated by this Section 4(a)(ii) to the extent reasonably necessary to avoid the imposition of any excise taxes on the Company for failure to comply with the nondiscrimination requirements of the Patient Protection and Affordable Care Act of 2010, as amended, and/or the Health Care and Education Reconciliation Act of 2010, as amended (to the extent applicable);

(iii) The Executive’s unvested Time-Based Equity Awards (as defined below) granted at any time and unvested Performance-Based Equity Awards (as defined below) granted on or after the Effective Date (including, for avoidance of doubt, Annual Awards or 2020 Awards that are Performance-Based Equity Awards) will not be forfeited upon such termination and will remain outstanding and continue to vest at the times and in the amounts set forth in their original vesting schedule in the applicable Grant Agreement, subject only to Executive’s continued compliance with his obligations under Section 10 of this Agreement and, for Performance-Based Equity Awards, achievement of the applicable Performance Metrics in accordance with the terms of such Performance-Based Equity Awards. The Executive’s unvested Performance-Based Equity Awards granted prior to the Effective Date shall be treated in accordance with their terms upon any such termination. For purposes of this Agreement, “**Time-Based Equity Awards**” means equity awards (including, without limitation, restricted shares of Common Stock, RSUs and LTIP Units) granted by the Company and/or the Employer to the Executive that are subject to vesting conditions that are based solely on Executive’s continued employment or service through specified dates and “**Performance-Based Equity Awards**” means equity awards (including, without limitation, restricted shares of Common Stock, RSUs, Performance Units and LTIP Units) granted by the Company and/or the Employer to the Executive that are subject to vesting conditions that are based on the achievement of one or more Performance Metrics, which may include absolute or relative stockholder return, corporate financial or other performance goals or any condition other than or in addition to the Executive’s continued employment or service through specified dates; and

(iv) To the extent not theretofore paid or provided, the Employer shall timely pay or provide to the Executive any other amounts or benefits required to be paid or provided or that the Executive is eligible to receive under any plan, program, policy or practice or contract or agreement of the Company and its affiliated companies through the Date of Termination (such other amounts and benefits shall be hereinafter referred to as the “**Other Benefits**”).

Notwithstanding the foregoing provisions of Section 4(a)(i), in the event that the Executive is a “specified employee” (within the meaning of Section 409A of the Code and with such classification to be determined in accordance with the methodology established by the Company) (a “**Specified Employee**”), amounts and benefits (other than the Accrued Obligations) that are deferred compensation (within the meaning of Section 409A of the Code) that would otherwise be payable or provided under Section 4(a)(i) during the six (6)-month period immediately following the Date of Termination shall instead be paid, with interest on any delayed payment at the applicable federal rate provided for in Section 7872(f)(2)(A) of the Code (“**Interest**”), on the first business day after the date that is six (6) months following the Date of Termination (the “**409A Payment Date**”).

(b) **Death.** If the Executive’s employment is terminated by reason of the Executive’s death during the Term, this Agreement shall terminate without further obligations to the Executive’s legal representatives under this Agreement, other than (i) payment of Accrued Obligations, and (ii) providing the Other Benefits. The Accrued Obligations shall be paid to the Executive’s estate or beneficiary, as applicable, in a lump sum in cash within thirty (30) days of the Date of Termination. The term “Other Benefits” as utilized in this Section 4(b) shall include death benefits and any additional vesting under any applicable LTI Plan to which the Executive is entitled as in effect on the date of the Executive’s death.

(c) **Disability.** If the Executive’s employment is terminated by reason of the Executive’s Disability during the Term, the Company shall provide the Executive with (i) the Accrued Obligations, and (ii) the Other Benefits. The Accrued Obligations shall be paid to the Executive’s estate or beneficiary, as applicable. The Accrued Obligations shall be paid to the Executive in a lump sum in cash within thirty (30) days of the Date of Termination. The term “**Other Benefits**” as utilized in this Section 4(c) shall include disability benefits and any additional vesting under any applicable LTI Plan to which the Executive is entitled as in effect on the Disability effective date.

(d) **Cause; By the Executive other than for Good Reason.** If the Executive’s employment shall be terminated for Cause or the Executive’s employment shall be terminated by the Executive other than for Good Reason during the Term, this Agreement shall terminate without further obligations to the Executive other than the obligation to provide the Executive with (i) the Accrued Obligations, and (ii) the Other Benefits; provided, however, that if the Executive’s employment shall be terminated for Cause, the term “Accrued Obligations” shall not be deemed to include the Executive’s Annual Bonus for the fiscal year immediately preceding the fiscal year in which the Date of Termination occurs. The Accrued Obligations shall be paid to the Executive in a lump sum in cash within thirty (30) days of the Date of Termination.

(e) **Expiration of the Employment Period.** Upon expiration of the Employment Period at the end of the Term, unless otherwise mutually agreed by the parties, the Executive’s employment will terminate without further obligations to the Executive other than the obligation to provide the Executive with (i) the Accrued Obligations, (ii) Other Benefits, and (iii) his regular Annual Bonus for the fiscal year ending on December 31, 2024, determined and paid in the ordinary course. The Executive will not be eligible for severance benefits. The Time-Based Equity Awards and Performance-Based Equity Awards will be treated in accordance with the provisions of Section 4(a)(iii) and Section 5 of this Agreement.

(f) **Incorporation of Terms Applicable to Equity Awards.** The provisions of Section 4 of this Agreement, to the extent applicable to a Time-Based Equity Award or Performance-Based Equity Award, shall be deemed to be a part of the Grant Agreement for such Time-Based Equity Award or Performance-Based Equity Award and to supersede any contrary provision in any such Grant Agreement unless such Grant Agreement specifically refers to and disclaims this provision; provided, however, to the extent that the provisions of the applicable Grant Agreement

provide for more generous vesting provisions to the Executive than those set forth in Section 4 of this Agreement, such terms of the applicable Grant Agreement shall control.

5. **Retirement Eligibility.** If the Executive's employment continues to the end of the Term (i.e., December 31, 2024) then upon the Executive's voluntary termination of employment at the end of the Term (i.e., December 31, 2024) or thereafter, the Time-Based Awards and Performance Based Awards will be treated in accordance with the provisions of Section 4(a)(iii) of this Agreement; provided, however, to the extent that the provisions of the applicable Grant Agreement provide for more generous vesting provisions to the Executive than those set forth in Section 4(a)(iii) of this Agreement, such terms of the applicable Grant Agreement shall control.

6. **Change in Control Event.**

(a) If, during the Term, the Executive is terminated by the Company without Cause or resigns with Good Reason, in either case during the four (4)-month period preceding, or the twenty-four (24) month period after, a Change in Control Event, (i) all of the Executive's unvested Time-Based Equity Awards, if any, will fully vest, (ii) all of the vesting conditions applicable to the Executive's unvested Performance-Based Equity Awards that are based on Executive's continued employment or service through specified dates will be deemed to have been satisfied, performance-based vesting will be determined as set forth in Section 6(b) below for Performance-Based Equity Awards granted during the Employment Period and performance-based vesting will be determined in accordance with their terms for Performance-Based Equity Awards granted prior to the Employment Period and (iii) each stock option, stock appreciation right or similar security granted by the Company or the Employer then held by the Executive shall expire on the earlier of (A) the later of (I) the expiration date as determined pursuant to the applicable agreement governing such security, and (II) the second (2<sup>nd</sup>) anniversary of the Date of Termination, and (B) the last day of the original term of such security.

(b) If, prior to the end of the performance period applicable to an unvested Performance-Based Equity Award granted to the Executive during the Employment Period, a Change in Control Event occurs, then the portion of such Performance-Based Equity Award that will vest based on the achievement of the Performance Metrics applicable to such Performance-Based Equity Award will be determined: (i) as if the performance period ended on the occurrence of the Change in Change Event and (A) with respect to Performance Metrics that are based on stock price, total return to stockholders or a similar market based metric, based on performance through such date and, to the extent applicable, based on the transaction price in connection with the Change in Control Event, (B) with respect to Performance Metrics that are based on financial or operational metrics, if any, based on performance through the most recently completed quarter prior to such date for which final results are available on such date and (C) with respect to Performance Metrics that are based on other criteria, based on performance through a date on or before such date as may be set forth in the applicable award agreement for such Performance-Based Equity Award or as is otherwise agreed by the Executive and the Company and (ii) using Performance Metrics that have been pro-rated based on the shortened length of the performance period, as applicable.

(c) For purposes of this Agreement, a "**Change in Control Event**" shall mean:

(A) The consummation of the acquisition by any person (as such term is defined in Section 13(d) or 14(d) of the Securities Exchange Act of 1934, as amended (the "**1934 Act**")) of beneficial ownership (within the meaning of Rule 13d-38 promulgated under the 1934 Act) of forty percent (40%) or more of the combined voting power embodied in the then-outstanding voting securities of FR; or

(B) The cessation, by the persons who, as of the date hereof, constitute the Board (the "**Incumbent Directors**"), as a result of a tender offer, proxy contest, merger or similar transaction or event (as opposed to turnover caused by death or resignation), to constitute at least a majority of the board of directors of the successor to FR, provided that any person becoming a director of FR subsequent to the date hereof whose election or nomination for election was approved by a vote of at least a majority of the Incumbent Directors, by a Nominating Committee duly appointed by such Incumbent Directors, or by successors of either who shall have become Directors other than

as a result of a hostile attempt to change Directors, whether through a tender offer, proxy contest or similar transaction or event (or settlement thereof), shall be considered an Incumbent Director; or

(C) The consummation of:

(I) A merger or consolidation of FR, if (X) the common stockholders of FR, as constituted in the aggregate immediately before such merger or consolidation do not, as a result of and following such merger or consolidation, own, directly or indirectly, more than fifty percent (50%) of the combined voting power of the then outstanding voting securities of the successor to FR resulting from such merger or consolidation in substantially the same proportion as was represented by their ownership of the combined voting power of the voting securities of FR outstanding immediately before such merger or consolidation, and (Y) at least a majority of the members of the board of directors (or, for a non-corporate entity, equivalent governing body) of the entity resulting from such merger or consolidation were not Incumbent Directors at the time of the execution of the initial agreement or of the action of the Board providing for such merger or consolidation; or

(II) A liquidation, sale or other ultimate disposition or transfer of fifty percent (50%) or more of the total assets of FR or the Employer, and their respective subsidiaries, without a concurrent or imminent plan to reinvest the proceeds therefrom in industrial real estate (a “**50% or More Sale**”). The parties agree and acknowledge that such a reinvestment plan could be a multi-year plan. A 50% or More Sale shall be deemed to have occurred hereunder at such time as FR shall have disposed, in a single transaction or set of related transactions, of more than fifty percent (50%) of the Net Asset Value (defined below) of its and its subsidiaries’ total real estate portfolio. Such percentage of the portfolio shall be deemed to have been transferred at such time as FR and its subsidiaries shall have disposed of fifty percent (50%) or more of their properties in relation to “**Net Asset Value**,” such term meaning the net value of its real estate assets calculated in accordance with customary and generally accepted principles of accounting and asset valuation used within the REIT industry.

(D) Notwithstanding the immediately preceding clauses (A), (B) and (C), a Change in Control Event shall not be deemed to occur (1) solely because fifty percent (50%) or more of the combined voting power of the then-outstanding securities of FR is acquired by (X) a trustee or other fiduciary holding securities under one or more employee benefit plans maintained for employees of FR, the Employer and/or their U.S. subsidiaries, or (Y) any corporation or other entity which, immediately prior to such acquisition, is substantially owned directly or indirectly by FR or by its stockholders in the same proportion as their ownership of stock in FR immediately prior to such acquisition, or (2) as a result of any transaction in which the Executive participates in any manner with the person or entity affecting the acquisition or other applicable transaction that, if not for this sub-clause (D)(2), would be a Change in Control Event.

(d) The provisions of Section 5 of this Agreement, to the extent applicable to a Time-Based Equity Award or Performance-Based Equity Award, shall be deemed to be a part of the Grant Agreement for such Time-Based Equity Award or Performance-Based Equity Award and to supersede any contrary provision in any such Grant Agreement unless such Grant Agreement specifically refers to and disclaims this provision; provided, however, to the extent that the provisions of the applicable Grant Agreement provide for more generous vesting provisions to the Executive than those set forth in Section 5 of this Agreement, such terms of the applicable Grant Agreement shall control.

7. **Non-Exclusivity of Rights.** Except as specifically provided, nothing in this Agreement shall prevent or limit the Executive’s continuing or future participation in any plan, program, policy or practice provided by the Company or any affiliated companies and for which the Executive qualifies pursuant to its terms, nor shall anything herein limit or otherwise affect such rights as the Executive may have under any contract or agreement with the Company

or any affiliated companies. Amounts that are vested benefits or that the Executive is otherwise entitled to receive pursuant to the terms of any plan, program, policy or practice of or any contract or agreement with the Company or any affiliated companies at or subsequent to the Date of Termination shall be payable in accordance with such plan, program, policy or practice or contract or agreement except as explicitly modified by this Agreement.

#### **8. No Mitigation; Cooperation.**

(a) In no event shall the Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement and such amounts shall not be reduced, regardless of whether the Executive obtains other employment.

(b) The Executive agrees that in the event this Agreement terminates for any reason, he shall, to the extent reasonably requested in writing thereafter (and subject to the Executive's professional schedule), cooperate with and serve in any capacity requested by the Company in any investigation and/or threatened or pending litigation (now or in the future) in which the Company is a party, and regarding which the Executive, by virtue of his employment with the Company, has knowledge or information relevant to said investigation or litigation, including but not limited to (i) meeting with representatives of the Company to prepare for testimony and to provide truthful information regarding his knowledge, and (ii) providing, in any jurisdiction in which the Company reasonably requests, truthful information or testimony relevant to the investigation or litigation. The Company agrees to pay the Executive reasonable compensation and reimburse the Executive for reasonable expenses incurred in connection with such cooperation.

**9. Mediation and Arbitration.** Except only as otherwise provided in Section 10(i), each and every dispute, controversy and contested factual and legal determination arising under or in connection with this Agreement or the Executive's employment shall be committed to and be resolved exclusively through the arbitration process, in an arbitration proceeding, conducted by a single arbitrator sitting in Chicago, Illinois, in accordance with the Employment Rules of the American Arbitration Association (the "AAA") then in effect. If the Company or the Executive, as the case may be, contends that a breach or threatened breach of this Agreement has occurred, or that a bona fide controversy exists hereunder, the Company or the Executive, as the case may be, may initiate the arbitration process as described in this Section 9 by filing a "Notice of Arbitration" with the AAA (after the thirty (30)-day mediation period described in the following sentences) and delivering a copy of the same to the other party (pursuant to Section 12(b) below). Prior to filing a Notice of Arbitration with the AAA, the party shall give the other party thirty (30) days' notice of intent to file such Notice of Arbitration. During such thirty (30)-day period, the parties shall seek to mediate the dispute to resolution, and if the dispute fails to be resolved within such period, the party may file the Notice of Arbitration any time thereafter. Such Notice of Arbitration shall request that the AAA submit to both the Executive and the Company a list of eleven (11) proposed arbitrators provided that no arbitrator shall be related to or affiliated with either of the parties. The arbitrator shall be selected by the parties from that list. No later than ten (10) days after the list of proposed arbitrators is received by the parties, the parties, or their respective representatives, shall meet at a mutually convenient location in Chicago, Illinois, or telephonically. At that meeting, the party who sought arbitration (and delivered the Notice of Arbitration) shall eliminate one (1) proposed arbitrator and then the other party shall eliminate one (1) proposed arbitrator. The parties shall continue to alternatively eliminate names from the list of proposed arbitrators in this manner until each party has eliminated five (5) proposed arbitrators. The remaining arbitrator shall be promptly engaged by the parties to arbitrate the dispute, and the arbitrator shall be authorized to award amounts not in dispute during the pendency of any dispute or controversy arising under or in connection with this Agreement. The Company shall bear all administrative costs and expenses arising in connection with any arbitration, including, without limitation, the filing fees and the fees, costs and expenses imposed or incurred by the arbitrator or the AAA. If the Executive substantially prevails in such dispute (as determined by the arbitrator), the Company shall bear the reasonable costs of all counsel, experts or other representatives that are retained by the Executive (based on such counsel's, experts' or other representatives' standard hourly rates). If the Executive is found by the arbitrator to have not substantially prevailed in such dispute, each party shall bear the costs of its own counsel, experts and other representatives. Judgment may be entered on the arbitrator's award in any court having jurisdiction, including, if applicable, entry of a permanent injunction under such Section 10(i) of this Agreement. If the Executive ultimately prevails on any issue, then the Company shall pay interest at the per annum rate of five percent (5.0%) in excess of the per annum rate publicly announced, from time to time, by Chase Bank, N.A. (or its successors) as its "prime" or "base" or "reference" rate of interest, on the amount the arbitrator awards to the Executive (exclusive of attorneys' fees and costs and expenses of



the arbitration), such interest to be calculated from the date the amount would have been paid under this Agreement, but for the dispute, through the date payment (inclusive of interest) is made. Nothing contained in this Section 9 shall constrain any party's right to petition a court of competent jurisdiction for injunctive or interlocutory relief pending the outcome of arbitration of any dispute or controversy arising under this Agreement. In order to comply with Section 409A of the Code, in no event shall the payments by the Company of the Executive's attorney's fees, costs and expenses (if payable by the Company) under this Section 9 be made later than the end of the calendar year next following the calendar year in which such dispute is finally resolved, provided, that the Executive shall have submitted an invoice for such fees and expenses at least ten (10) days before the end of the calendar year next following the calendar year in which such dispute is finally resolved. The amount of such legal fees, costs and expenses that the Employer is obligated to pay in any given calendar year shall not affect the legal fees and expenses that the Employer is obligated to pay in any other calendar year, and the Executive's right to have the Employer pay such legal fees and expenses may not be liquidated or exchanged for any other benefit.

#### 10. Restrictive Covenants.

(a) **Confidential Information.** During the Employment Period and thereafter, the Executive shall not use for the Executive's own purposes or for the benefit of any person other than the Company, and shall keep secret and retain in the strictest confidence, any secret or confidential information, knowledge or data relating to the Company or any affiliated company, and their respective businesses, including without limitation, any data, information, ideas, knowledge and papers pertaining to the customers, prospective customers, prospective products or business methods of the Company, including without limitation the business methods, plans and procedures of the Company, that shall have been obtained by the Executive during the Executive's employment by the Company or any of its affiliated companies and that shall not be or become public knowledge (other than by acts by the Executive or representatives of the Executive in violation of this Agreement). After termination of the Executive's employment, the Executive shall not, without the prior written consent of the Company or as may otherwise be required by law or legal process after reasonable advance written notice to the Company, use, communicate or divulge any such information, knowledge or data, directly or indirectly, to anyone other than the Company and those designated by it. Anything herein to the contrary notwithstanding, the provisions of this Section 10 shall not apply to information (i) required to be disclosed by law or by any court, arbitrator, mediator or administrative or legislative body (including any committee thereof) with actual or apparent jurisdiction to order the Executive to disclose or make accessible any information, (ii) disclosed to counsel or a tribunal in the context of any other litigation, arbitration or mediation involving this Agreement, including, but not limited to, the enforcement of this Agreement, (iii) that becomes generally known to the public or within the relevant trade or industry other than due to the Executive's violation of this Section 10, (iv) that is or becomes available to the Executive on a non-confidential basis from a source which is entitled to disclose it to the Executive, or (v) the disclosure of which the Executive determines in good faith is consistent with the performance of his duties for the Company. Executive acknowledges that, notwithstanding any Company policy or agreement that could be read to the contrary, nothing in any agreement or policy prohibits, limits or otherwise restricts Executive or his counsel from initiating communications directly with, responding to any inquiry from, volunteering information (including confidential or proprietary information of the Company or any of its Affiliates) to, or providing testimony before, the U.S. Securities and Exchange Commission, the Department of Justice, any self-regulatory organization or any other governmental authority, in connection with any reporting of, investigation into, or proceeding regarding suspected violations of law, or making other disclosures that are protected under the antiretaliation or whistleblower provisions of applicable federal or state law or regulation. In addition, the Executive shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney, and (ii) solely for the purpose of reporting or investigating a suspected violation of law, or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Accordingly, the Executive has the right to disclose in confidence trade secrets to Federal, State, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. The Executive also has the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure. Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b). Nothing in this Agreement shall be construed to authorize, or limit liability for, an act that is otherwise prohibited by law, such as the unlawful access of material by unauthorized means.

(b) **Non-Competition.** The Company and the Executive have jointly reviewed the tenant lists, property submittals, logs, broker lists and operations of the Company, and have agreed that as an essential inducement for and in consideration of this Agreement and the Company's agreement to make the payment of the amounts described in Sections 2(b) and 4 hereof when and as herein described, the Executive hereby agrees, except with the express prior written discretionary consent of the Company, that for a period of two (2) years after the Date of Termination (the "**Restrictive Period**"), he will not directly or indirectly in any manner compete with the business of the Company by directly or indirectly owning, managing, operating, controlling, financing, or by directly or indirectly serving as an employee, officer or director of or consultant to (i) any industrial or mixed office/industrial (but not pure office) REIT or real estate operating company (a "**Peer Group Member**") or (ii) any other person, firm, partnership, corporation, trust or other entity (including, but not limited to, Peer Group Members), public or private, which, as a material component of its business (other than for its own use as an owner or user), invests in, or otherwise provides capital to, industrial warehouse facilities and properties similar to the Company's investments and holdings, in each case, (A) in any geographic market or territory in which the Company owns properties or has an office either as of the date hereof or as of the Date of Termination of the Executive's employment; or (B) in any market in which an acquisition or other investment by the Company or any affiliate of the Company is pending or proposed in a written plan as of the Date of Termination, whether or not embodied in any formalized, written legal document. The Executive will not be considered to have violated this Section 10(b) if the Executive becomes employed, engaged or associated in any capacity with an organization that competes with the Company so long as the Executive does not participate in any manner whatsoever in the management or operations of the part of such organization that so competes.

(c) **Investment Opportunities; Customer Non-Solicit.** In addition, during the Restrictive Period, the Executive shall not act as a principal, investor or broker/intermediary, or serve as an employee, officer, advisor or consultant, to any person or entity, public or private, in connection with or concerning any investment opportunity of the Company that is in the Pipeline or as to any customer or prospect of Company on the Customer List, in each case, as of the Date of Termination of the Executive's employment. Within ten (10) business days after the Date of Termination, the Company shall deliver to the Executive a written statement of the investment opportunities in the Pipeline as of the Date of Termination (the "**Pipeline Statement**") and a list of the deal opportunities and the actual and prospective entities with whom the Company proposes to pursue such deal opportunities from time to time (the "**Customer List**"), and the Executive shall then review the Pipeline Statement and the Customer List for accuracy and completeness, to the best of his knowledge, and advise the Company of any corrections required to the Pipeline Statement and the Customer List. The Executive's receipt of any severance amount under Section 4 of this Agreement shall be conditioned on his either acknowledging, in writing, the accuracy and completeness of the Pipeline Statement and the Customer List, or advising the Company, in writing, of any corrections or revisions required to the Pipeline Statement and the Customer List in order to make them accurate and complete, to the best of the Executive's knowledge. The restrictions concerning each and every individual investment opportunity in the Pipeline shall continue until the first to occur of (a) expiration of the Restrictive Period, or (b) the Executive's receipt from the Company of written notice that the Company has abandoned such investment opportunity, such notice not to affect the restrictions on all other investment opportunities contained in the Pipeline Statement during the remainder of the Restrictive Period. For purposes of this Agreement, investment opportunity shall be considered in the "Pipeline" if, as of the Date of Termination, the investment opportunity is pending (for example, is the subject of a letter of intent) or proposed (for example, has been presented to, or been bid on by, the Company in writing or otherwise) or under consideration by the Company, whether at the Management Committee, IC, staff level(s) or otherwise, and relates to any of the following potential forms of transaction (i) an acquisition for cash, (ii) an UPREIT transaction, (iii) a development project or venture, (iv) a joint venture partnership or other cooperative relationship, whether through a DOWNREIT relationship or otherwise, (v) an "Opportunity Fund" or other private investment in or co-investment with the Company, (vi) any debt placement opportunity by or in the Company, (vii) any service or other fee-generating opportunity by the Company, or (viii) any other investment by the Company or an affiliate of the Company, in or with any party or by any party in the Company or an affiliate of the Company. Notwithstanding the foregoing, the Executive's continued investment in, and development of, industrial properties in which the Executive has an interest that existed prior to August 2, 2016 and set forth on **Exhibit B** hereto shall not violate this Agreement.

(d) **Non-solicitation of Employees.** In addition to the covenants set forth above, and notwithstanding anything to the contrary set forth in this Agreement, the Executive hereby agrees, except with the express prior written consent of the Company (which may be given or withheld in the Company's sole discretion), for

a period of two (2) years following the Date of Termination, not to directly or indirectly solicit or induce any employee of the Company to terminate his or her employment with Company so as to become employed by or otherwise render services to any entity with which the Executive has any form of business or economic relationship, or otherwise with any of the entities set forth in Sections 9(b) and (c) above.

(e) **Non-Disparagement.** Except as required by law or legal process, the Executive agrees not to make any material public disparaging or defamatory comments about the Company including the Company's business, its directors, officers, employees, parents, subsidiaries, partners, affiliates, operating divisions, representatives or agents, or any of them, whether written, oral or electronic. In particular, the Executive agrees, except as required by law or legal process, to make no public statements including, but not limited to, press releases, statements to journalists, employees, prospective employers, interviews, editorials, commentaries or speeches, that disparage or are defamatory to the Company's business in any material respect. In addition to the confidentiality requirements set forth in this Agreement and those imposed by law, the Executive further agrees, except as required by law or legal process, not to provide any third party, directly or indirectly, with any documents, papers, recordings, e-mail, internet postings, or other written or recorded communications referring or relating to the Company's business, with the intention of supporting, directly or indirectly, any disparaging or defamatory statement, whether written or oral. Except as required by law or legal process, the Company agrees that neither it nor its directors or executive officers shall make any material public disparaging, negative or defamatory comments, whether written or oral or electronic, about the Executive, including the Executive's character, personality, or business acumen or reputation. In particular, the Company agrees that, except as required by law or legal process, neither it nor its directors or executive officers shall make any public statements including, but not limited to, press releases, statements to journalists, prospective employers of, or partners with the Executive, interviews, editorials, commentaries or speeches, that disparage or are defamatory to the Executive in any material respect. In addition, the Company further agrees that, except as required by law or legal process, neither it nor its directors or executive officers shall provide any third party, directly or indirectly, with any documents, papers, recordings, e-mail, internet postings or other written or recorded communications referring or relating to the Executive, with the intention of supporting, directly or indirectly, any disparaging or defamatory statement, whether written or oral. For purposes of this Agreement, a "public statement" shall mean any statement to a third party other than a statement made to a person who is an immediate family member or legal representative of the speaker (an "**Excluded Person**"); provided that a statement to an Excluded Person which is repeated by the Excluded Person to a person which is not an Excluded Person, with attribution to the original speaker, shall be considered a public statement for purposes of this Section 10(e).

(f) **Prior Notice Required.** The Executive hereby agrees that, prior to accepting employment with any other person or entity during the Restrictive Period, the Executive will provide such prospective employer with written notice of the provisions of this Agreement.

(g) **Return Of Company Property/Passwords.** The Executive hereby expressly covenants and agrees that following termination of the Executive's employment with the Company for any reason or at any time upon the Company's request, the Executive will promptly return to the Company all property of the Company in his possession or control (whether maintained at his office, home or elsewhere), including, without limitation, all Company passwords, credit cards, keys, beepers, laptop computers, cell phones and all copies of all management studies, business or strategic plans, budgets, notebooks and other printed, typed or written materials, documents, diaries, calendars and data of or relating to the Company or its personnel or affairs. Anything to the contrary notwithstanding, nothing in this Section 10(g) shall prevent the Executive from retaining papers and other materials of a personal nature, including personal diaries, copies of calendars and Rolodexes, information relating to the Executive's compensation or relating to reimbursement of expenses, information that the Executive reasonably believes may be needed for tax purposes, and copies of plans, programs and agreements relating to the Executive's employment.

(h) **Executive Covenants Generally.**

(i) The Executive's covenants as set forth in this Section 10 are from time to time referred to herein as the "**Executive Covenants**." If any of the Executive Covenants is finally held to be invalid, illegal or unenforceable (whether in whole or in part), such Executive Covenant shall be deemed modified to the extent, but only to the extent, of such invalidity, illegality or unenforceability and the remaining Executive

Covenants shall not be affected thereby; provided, however, that if any of the Executive Covenants is finally held to be invalid, illegal or unenforceable because it exceeds the maximum scope determined to be acceptable to permit such provision to be enforceable, such Executive Covenant will be deemed to be modified to the minimum extent necessary to modify such scope in order to make such provision enforceable hereunder.

(ii) The Executive understands that the foregoing restrictions may limit his ability to earn a livelihood in a business similar to the business of the Company and its controlled affiliates, but the Executive nevertheless believes that he has received and will receive sufficient consideration and other benefits as an employee of the Company and as otherwise provided hereunder to clearly justify such restrictions which, in any event (given his education, skills and ability), the Executive does not believe would prevent him from otherwise earning a living. The Executive has carefully considered the nature and extent of the restrictions place upon him by this Section 10, and hereby acknowledges and agrees that the same are reasonable in time and territory and do not confer a benefit upon the Company disproportionate to the detriment of the Executive.

(i) **Enforcement.** Because the Executive's services are unique and because the Executive has access to confidential information, the parties hereto agree that money damages would be an inadequate remedy for any breach of this Section 10. Therefore, in the event of a breach or threatened breach of this Section 10, the Company or its respective successors or assigns may, in addition to other rights and remedies existing in their favor at law or in equity, apply to any court of competent jurisdiction for specific performance and/or injunctive relief in order to enforce, or prevent any violations of, the provisions hereof (without posting a bond or other security) or require the Executive to account for and pay over to the Company all compensation, profits, moneys, accruals or other benefits derived from or received as a result of any transactions constituting a breach of the covenants contained herein, if and when final judgment of a court of competent jurisdiction is so entered against the Executive.

(j) **Interpretation.** For purposes of this Section 10, references to "the Company" shall mean the Company as hereinbefore defined and any of the controlled affiliated companies of either the Employer or FR.

#### 11. **Successors.**

(a) This Agreement is personal to the Executive and without the prior written consent of the Company shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

(c) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid that assumes and agrees to perform this Agreement by operation of law or otherwise. As used in this Agreement, the term "affiliated companies" shall include any company controlled by, controlling or under common control with the Company.

#### 12. **Miscellaneous.**

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois, without reference to principles of conflict of laws. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect. This Agreement may not be amended or modified otherwise than by a written agreement executed by the parties hereto or their respective successors and legal representatives. From and after the Effective Date, this Agreement shall supersede and replace any other agreement between the parties with respect to the subject matter hereof in effect immediately prior to the execution of this Agreement.

(b) All notices and other communications hereunder shall be in writing and shall be given to the other party by hand delivery or overnight courier or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

**If to the Executive:** At the most recent address on file at the Company.

**If to the Company:** First Industrial, L.P.  
1 N Wacker Drive, Suite 4200  
Chicago, IL 60606  
Attention: Chairman of the Board of Directors and General Counsel

**With copies to:** First Industrial Realty Trust, Inc.  
1 N. Wacker Drive, Suite 4200  
Chicago, Illinois 60606  
Attention: Chairman of the Board of Directors

And

Barack Ferrazzano Kirschbaum & Nagelberg LLP  
Suite 3900  
200 West Madison Street  
Chicago IL 60606  
Attention: Suzanne Bessette-Smith, Esq.

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notice and communications shall be effective when actually received by the addressee.

(c) The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

(d) The Company may withhold from any amounts payable under this Agreement such federal, state, local or foreign taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(e) The Executive's or the Company's failure to insist upon strict compliance with any provision of this Agreement or the failure to assert any right the Executive or the Company may have hereunder shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement.

(f) Any provision of this Agreement that by its terms continues after the expiration of the Employment Period or the termination of the Executive's employment shall survive in accordance with its terms.

(g) This Agreement is intended to comply with the requirements of Section 409A of the Code or an exemption or exclusion therefrom and shall in all respects be administered in accordance with Section 409A of the Code. Each payment under this Agreement shall be treated as a separate payment for purposes of Section 409A of the Code. In no event may the Executive, directly or indirectly, designate the calendar year of any payment to be made under this Agreement. If the Executive dies following the Date of Termination and prior to the payment of the any amounts delayed on account of Section 409A of the Code, such amounts shall be paid to the personal representative of the Executive's estate within thirty (30) days after the date of the Executive's death. All reimbursements and in-kind benefits provided under this Agreement that constitute deferred compensation within the meaning of Section 409A shall be made or provided in accordance with the requirements of Section 409A of the Code, including, without limitation, that (i) in no event shall reimbursements by the Company under this Agreement be made later than the end of the calendar year next following the calendar year in which the applicable fees and expenses were incurred, provided, that the Executive shall have submitted an invoice for such fees and expenses at least ten (10) days before the end of the calendar year next following the calendar year in which such fees and expenses were incurred; (ii) the amount of in-kind benefits and the Company is obligated to pay or provide in any given calendar year shall not affect the in-kind

benefits that the Company is obligated to pay or provide in any other calendar year, and (iii) the Executive's right to have the Company pay or provide such reimbursements and in-kind benefits may not be liquidated or exchanged for any other benefit. Prior to a Change in Control Event but within the time period permitted by the applicable Treasury Regulations, the Company may, in consultation with the Executive, modify this Agreement, in the least restrictive manner necessary and without any diminution in the value of the payments to the Executive, in order to cause the provisions of this Agreement to comply with the requirements of Section 409A of the Code, so as to avoid the imposition of taxes and penalties on the Executive pursuant to Section 409A of the Code.

(h) The Executive represents that as of the date hereof, no existing covenant or other obligation restricts the Executive's obligation to enter into this Agreement with the Employer and to perform his duties hereunder.

### 13. **Recoupment.**

(a) In the event of a material inaccuracy in the Employer's or FR's statements of earnings, gains or other criteria that reduces previously reported net income or increases previously reported net loss, the Employer shall have the right to take appropriate action to recoup from the Executive any portion of any incentive compensation received by the Executive the grant of which was tied to the achievement of one or more specific earnings targets (e.g., revenue, gain on sale, equity in earnings in unconsolidated communities, G&A expense, operating income, net income, etc.), with respect to the period for which such financial statements are materially inaccurate, regardless of whether the Executive engaged in any misconduct or was at fault or responsible in any way for causing the material inaccuracy, if, as a result of such material inaccuracy, the Executive otherwise would not have received such incentive compensation (or portion thereof). In the event the Employer is entitled to, and seeks, recoupment under this Section 13, the Executive shall promptly reimburse the after-tax portion (after taking into account all available deductions in respect of such reimbursement) of such incentive compensation which the Employer is entitled to recoup hereunder. In the event the Executive fails to make prompt reimbursement of any such incentive compensation which the Employer is entitled to recoup and as to which the Employer seeks recoupment hereunder, the Executive acknowledges and agrees that the Employer shall have the right to (i) deduct the amount to be reimbursed hereunder from the compensation or other payments due to the Executive from the Company, or (ii) to take any other appropriate action to recoup such payments. The Employer's right of recoupment pursuant to this Section 13 shall apply only if the demand for recoupment is made not later than three (3) years following the payment of applicable incentive compensation.

(b) The Employer must seek recoupment of any such payments from the Executive within six (6) months of the Board's actual knowledge of the material financial statement inaccuracy which forms the basis for such recoupment pursuant to Section 13(a).

(c) The rights contained in this Section 13 shall be in addition to, and shall not limit, any other rights or remedies that the Company may have under law or in equity, including, without limitation, any rights the Company may have under any other Company recoupment policy or other agreement or arrangement with the Executive.

### 14. **Limitations on Severance Payments (Modified 280G Cut Back).**

(a) Anything in this Agreement to the contrary notwithstanding, in the event that the amount of any compensation, payment or distribution by the Company or the Employer to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise (the "**Severance Payments**"), calculated in a manner consistent with Section 280G of the Code and the applicable regulations thereunder (or any successor provision) would be subject to the excise tax imposed by Section 4999 of the Code (or any successor provision), then, unless otherwise elected by the Executive in writing delivered to the Company no later than five (5) business days after the determination set forth in Section 14(c) below is provided to the Executive, the Severance Payments shall be reduced (but not below zero) so that the sum of all Severance Payments shall be \$1.00 less than the amount at which the Executive becomes subject to the excise tax imposed by Section 4999 of the Code (or any successor provision); provided that such reduction shall only occur if it would result in the Executive receiving a higher After Tax Amount (as defined below) than the Executive would receive if the Severance Payments were not subject to such reduction. In the event the Severance Payments are reduced pursuant to this Section 14, they shall be reduced in the following order: (1) cash payments not subject to Section 409A of the Code; (2) cash payments subject

to Section 409A of the Code; (3) equity-based payments and acceleration; and (4) non-cash forms of benefits; provided that in the case of all the foregoing Severance Payments all amounts or payments that are not subject to calculation under Treas. Reg. §1.280G-1, Q&A-24(b) or (c) shall be reduced before any amounts that are subject to calculation under Treas. Reg. §1.280G-1, Q&A-24(b) or (c). To the extent any payment is to be made over time (e.g., in installments, etc.), then the payments shall be reduced in reverse chronological order.

(b) For purposes of Section 14(a), the “**After Tax Amount**” means the amount of the Severance Payments less all federal, state, and local income, excise and employment taxes imposed on the Executive as a result of the Executive’s receipt of the Severance Payments. For purposes of determining the After Tax Amount, the Executive shall be deemed to pay federal income taxes at the highest marginal rate of federal income taxation applicable to individuals for the calendar year in which the determination is to be made, and state and local income taxes at the highest marginal rates of individual taxation in each applicable state and locality, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes to the extent such taxes are deductible.

(c) The determination as to whether a reduction in the Severance Payments shall (unless otherwise elected by the Executive pursuant to Section 14(a) above) be made pursuant to this Section 14 shall be made by a nationally recognized accounting firm selected by the Company and reasonably acceptable to the Executive (the “**Accounting Firm**”), which shall provide detailed supporting calculations both to the Company and the Executive within 15 business days of the Date of Termination, if applicable, or at such earlier time as is reasonably requested by the Company or the Executive. Any determination by the Accounting Firm shall be binding upon the Company, the Employer and the Executive.

*[Remainder of page left intentionally blank.]*

IN WITNESS WHEREOF, the Executive has hereunto set the Executive's hand and, pursuant to the authorization from its Board and its General Partner, FR and the Employer, respectively, have caused these presents to be executed in their name on their behalf, all as of the day and year first above written.

**PETER E. BACCILE**

/s/ Peter E. Baccile

**FIRST INDUSTRIAL, L.P.**

By: First Industrial Realty Trust, Inc., its general partner

By: /s/ Bruce W. Duncan

By: Bruce W. Duncan

Title: Chairman of the Board of Directors

**FIRST INDUSTRIAL REALTY TRUST, INC.**

By: /s/ Bruce W. Duncan

By: Bruce W. Duncan

Title: Chairman of the Board of Directors



## EXHIBIT A

This General Release of all Claims (this "**Agreement**") is entered into on \_\_\_\_\_,

20\_\_ by Peter E. Baccile (the "**Executive**") in consideration of the promises set forth in the Employment Agreement among the Executive, First Industrial, L.P. (the "**Employer**") and First Industrial Realty Trust, Inc. ("**FR**" and, together with the Employer, the "**Company**"), executed on February 11, 2020, and effective on January 1, 2020 (the "**Employment Agreement**"). The Executive agrees as follows:

1. General Release and Waiver of Claims.

(a) Release. In consideration of the payments and benefits provided to the Executive under the Employment Agreement and after consultation with counsel, the Executive and each of the Executive's respective heirs, executors, administrators, representatives, agents, successors and assigns (collectively, the "**Releasors**") hereby irrevocably and unconditionally release and forever discharge FR, the Employer and their respective subsidiaries and affiliates and each of their respective officers, employees, directors, shareholders and agents ("**Releasees**") from any and all claims, actions, causes of action, rights, judgments, obligations, damages, demands, accountings or liabilities of whatever kind or character (collectively, "**Claims**"), including, without limitation, any Claims under any federal, state, local or foreign law, that the Releasors may have, or in the future may possess, arising out of the Executive's employment relationship with and service as an employee, officer or director of FR and/or the Employer, and the termination of such relationship or service; provided, however, that notwithstanding anything else herein to the contrary, this Agreement shall not affect: the obligations of the Company, and/or the Executive set forth in the Employment Agreement or other obligations that, in each case, by their terms, are to be performed after the date hereof by the Company, and/or the Executive (including, without limitation, obligations to the Executive under the Employment Agreement for any severance or similar payments or benefits, under any Grant Agreement (as defined in the Employment Agreement), including without limitation, any stock option, stock or equity-based award, LTI Unit (as defined in the Employment Agreement) plan, or any other plan or agreements, or payments or obligations under any pension plan or other benefit or deferred compensation plan, all of which shall remain in effect in accordance with their terms); and any indemnification or similar rights the Executive has as a current or former officer or director of FR or the Employer, including, without limitation, any and all rights thereto referenced in the Employment Agreement, FR's and/or the Employer's bylaws and other governance documents.

(b) Specific Release of ADEA Claims. In further consideration of the payments and benefits provided to the Executive under the Employment Agreement, the Releasors hereby unconditionally release and forever discharge the Releasees from any and all Claims that the Releasors may have as of the date the Executive signs this Agreement arising under the Federal Age Discrimination in Employment Act of 1967, as amended, and the applicable rules and regulations promulgated thereunder ("**ADEA**"). By signing this Agreement, the Executive hereby acknowledges and confirms the following: (i) the Executive was advised by the Company in connection with his termination to consult with an attorney of his choice prior to signing this Agreement and to have such attorney explain to the Executive the terms of this Agreement, including, without limitation, the terms relating to the Executive's release of claims arising under ADEA, and the Executive has in fact consulted with an attorney; (ii) the Executive was given a period of not fewer than 21 days to consider the terms of this Agreement and to consult with an attorney of his choosing with respect thereto; and (iii) the Executive knowingly and voluntarily accepts the terms of this Agreement. The Executive also understands that he has seven (7) days following the date on which he signs this Agreement within which to revoke the release contained in this paragraph, by providing the Company a written notice of his revocation of the release and waiver contained in this paragraph.

(c) No Assignment. The Executive represents and warrants that he has not assigned any of the Claims being released under this Agreement.

2. Proceedings. Nothing in this Agreement is intended to prevent Executive from filing a charge with, providing information or testimony to, or participating in an investigation, hearing or proceeding with any governmental agency against the Releasees (each, individually, a "**Proceeding**"); provided, however, that Executive waives the right to receive

any damages or other personal relief in any Proceeding relating to or arising from his employment relationship with the Company, other than with respect to the matters as which the release granted pursuant to Section 1(a) does not apply, brought by Executive or on the Executive's behalf, or by any third party, including as a member of any class collective action, or as a relator under the False Claims Act (excepting only for claims against Releasees for breaches of this General Release or under the Dodd-Frank Wall Street Reform and Consumer Protection Act).

3. Remedies. In the event the Executive initiates or voluntarily participates in any Proceeding following his receipt of written notice from the Company and a failure to cease such participation within 30 days following receipt of such notice, or if he revokes the ADEA release contained in Paragraph 1(b) of this Agreement within the seven (7)-day period provided under Paragraph 1(b), the Company may, in addition to any other remedies it may have, reclaim any amounts paid to him under the termination provisions of the Employment Agreement (including for this purpose stock or proceeds from the sale of stock delivered upon the vesting of any equity or LTI Unit-based compensation award, to the extent the vesting of such award accelerated on account of the Executive's termination of employment) or terminate any benefits or payments that are subsequently due under the Employment Agreement, without waiving the release granted herein. The Executive understands that by entering into this Agreement he will be limiting the availability of certain remedies that he may have against the Company and limiting also his ability to pursue certain claims against the Company.

4. Severability Clause. In the event any provision or part of this Agreement is found to be invalid or unenforceable, only that particular provision or part so found, and not the entire Agreement, will be inoperative.

5. Nonadmission. Nothing contained in this Agreement will be deemed or construed as an admission of wrongdoing or liability on the part of the Company.

6. Governing Law. All matters affecting this Agreement, including the validity thereof, are to be governed by, and interpreted and construed in accordance with, the laws of the State of Illinois applicable to contracts executed in and to be performed in that State.

7. Notices. All notices or communications hereunder shall be in writing, addressed as provided in Section 12(b) of the Employment Agreement.

**THE EXECUTIVE ACKNOWLEDGES THAT HE HAS READ THIS AGREEMENT AND THAT HE FULLY KNOWS, UNDERSTANDS AND APPRECIATES ITS CONTENTS, AND THAT HE HEREBY EXECUTES THE SAME AND MAKES THIS AGREEMENT AND THE RELEASE AND AGREEMENTS PROVIDED FOR HEREIN VOLUNTARILY AND OF HIS OWN FREE WILL.**

IN WITNESS WHEREOF, the Executive has executed this Agreement on the date first set forth below.

**PETER E. BACCILE**

\_\_\_\_\_

Date of Execution: \_\_

**EXHIBIT B**

INDUSTRIAL PROPERTIES IN WHICH  
EXECUTIVE HAS AN INTEREST EXISTING PRIOR  
TO AUGUST 2, 2016

None.

**FIRST INDUSTRIAL REALTY TRUST, INC.**  
**EXECUTIVE CHANGE IN CONTROL SEVERANCE POLICY**

1. **Purpose.** The purpose of this Executive Change in Control Severance Policy ("**Policy**") is to secure the continued services of the executive officers of First Industrial Realty Trust, Inc. and to ensure their continued dedication to their duties in the event of any threat or occurrence of a Change in Control (as hereinafter defined).

2. **Certain Definitions.** As used in this Policy, the following terms shall have the respective meanings set forth below:

(a) "**Annual Bonus**" means the annual cash bonus awarded under the Company's applicable incentive plan, as in effect from time to time.

(b) "**Base Salary**" means the Participant's highest annual rate of base salary during the twelve (12)-month period immediately prior to the Participant's Date of Termination.

(c) "**Board**" means the Board of Directors of FR and, after a Change in Control, the "board of directors" of the parent corporation or surviving corporation, as the case may be.

(d) "**Bonus Amount**" means the average Annual Bonus paid to the Participant for the immediately preceding two (2) fiscal years prior to the year in which the Date of Termination occurs (if such Participant has been employed for a shorter period, the amount of the target bonus shall be used to calculate such average).

(e) "**Cause**" means: (i) the Participant's willful and continued failure to substantially perform the Participant's duties with the Company after receipt of Notice requesting such performance; (ii) willful and gross misconduct by the Participant in connection with the performance of services for the Company; (iii) habitual substance abuse by the Participant that continues after receiving Notice; (iv) final disqualification of the Participant by a governmental agency from serving as an employee and/or officer of the Company; or (v) the Participant's conviction of, or entry of a plea of guilty or nolo contendere with respect to, a felony crime (excluding any vehicular offense) or a crime involving fraud, forgery, embezzlement or similar conduct. The actions in (i) and (iii) above will not be considered Cause unless the Participant has failed to cure such actions (if curable) within thirty (30) days of receiving written notice specifying with particularity the events allegedly giving rise to Cause ("**Notice**"). Further, no act or failure to act by the Participant will be deemed "willful" unless done or omitted to be done not in good faith or without reasonable belief that such action or omission was in the Company's best interests, and any act or omission by the Participant pursuant to authority given pursuant to a resolution duly adopted by the Board or on the advice of counsel for the Company will be deemed made in good faith and in the best interests of the Company.

(f) "**Change in Control**" means the occurrence of any one of the following events: (i) the consummation of the acquisition by any person (as such term is defined in Section 13(d) or 14(d) of the Securities Exchange Act of 1934, as amended (the "**1934 Act**")) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the 1934 Act) of forty percent (40%) or more of the combined voting power embodied in the then-outstanding voting securities of FR; or (ii) the cessation, by the persons who, as of the date hereof, constitute the Board (the "**Incumbent Directors**"), as a result of a tender offer, proxy contest, merger or similar transaction or event (as opposed to turnover caused by death or resignation), to constitute at least a majority of the board of directors of the successor to FR, provided that any person becoming a director of FR subsequent to the date hereof whose election or nomination for election was approved by a vote of at least a majority of the Incumbent Directors, by a Nominating Committee duly appointed by such Incumbent Directors, or by successors of either who shall have become Directors other than as a result of a hostile attempt to change Directors, whether through a tender offer, proxy contest or similar transaction or event (or settlement thereof), shall be considered an Incumbent Director; or (iii) the consummation of: (A) a merger or consolidation of FR, if (X) the common stockholders of FR, as constituted in the aggregate immediately before such merger or consolidation do not, as a result of and following such merger or consolidation, own, directly or indirectly, more than fifty percent (50%) of the combined voting power of the then outstanding voting securities of the successor to FR resulting from such merger or consolidation in substantially the same proportion as was represented by their ownership of the combined voting power of the voting securities of FR outstanding immediately before such merger or consolidation, and (Y) at least a majority of the members of the board of directors (or, for a non-corporate entity, equivalent governing body) of the entity resulting from such merger or consolidation were not Incumbent Directors at

the time of the execution of the initial agreement or of the action of the Board providing for such merger or consolidation; or (B) a liquidation, sale or other ultimate disposition or transfer of fifty percent (50%) or more of the total assets of FR or the Employer, and their respective subsidiaries, without a concurrent or imminent plan to reinvest the proceeds therefrom in industrial real estate (a "**50% or More Sale**"). The parties agree and acknowledge that such a reinvestment plan could be a multi-year plan. A 50% or More Sale shall be deemed to have occurred hereunder at such time as FR shall have disposed, in a single transaction or set of related transactions, of more than fifty percent (50%) of the Net Asset Value (defined below) of its and its subsidiaries' total real estate portfolio. Such percentage of the portfolio shall be deemed to have been transferred at such time as FR and its subsidiaries shall have disposed of fifty percent (50%) or more of their properties in relation to "**Net Asset Value**," such term meaning the net value of its real estate assets calculated in accordance with customary and generally accepted principles of accounting and asset valuation used within the REIT industry.

Notwithstanding the immediately preceding clauses (i), (ii) and (iii) above, a Change in Control Event shall not be deemed to occur: (1) solely because fifty percent (50%) or more of the combined voting power of the then-outstanding securities of FR is acquired by: (X) a trustee or other fiduciary holding securities under one or more employee benefit plans maintained for employees of FR, the Employer and/or their U.S. subsidiaries; or (Y) any corporation or other entity which, immediately prior to such acquisition, is substantially owned directly or indirectly by FR or by its stockholders in the same proportion as their ownership of stock in FR immediately prior to such acquisition; or (2) as a result of any transaction in which the Participant participates in any manner with the person or entity affecting the acquisition or other applicable transaction that, if not for this paragraph, would be a Change in Control Event.

(g) "**Company**," means collectively FR and Employer.

(h) "**Committee**" means the Compensation Committee of the Board.

(i) "**Date of Termination**" means (i) the effective date on which the Participant's employment by the Company terminates as specified in a prior written notice by the Company or the Participant, as the case may be, to the other, delivered pursuant to Section 9; or (ii) if the Participant's employment by the Company terminates by reason of death, the date of death of the Participant.

(j) "**Disability**" has the same meaning ascribed to that term in Section 409A(a)(2)(C) of the Internal Revenue Code of 1986, as amended (the "**Code**").

(k) "**Effective Date**" means February 11, 2020.

(l) "**Employer**" means First Industrial, LP, a Delaware limited partnership or its subsidiaries.

(m) "**FR**" means First Industrial Realty Trust, Inc., a Maryland corporation.

(n) "**Good Reason**" means, without the Participant's express written consent, the occurrence of any of the following events after a Change in Control: (i) a material diminution of, or material reduction or material adverse alteration in, the Participant's duties or responsibilities, or the Board's assignment to the Participant of duties, responsibilities or reporting requirements that are materially inconsistent with his or her position; (ii) a material reduction of the Participant's Base Salary or target Annual Bonus; (iii) the Company requires Participant to relocate his or her principal place of employment by more than 30 miles without his or her consent; or (iv) despite the Participant's timely objection, the Company intentionally directs the Participant to engage in unlawful conduct. An isolated, insubstantial and inadvertent action taken in good faith and which is remedied by the Company within ten (10) days after receipt of written notice thereof given by the Participant shall not constitute Good Reason. The Participant's right to terminate employment for Good Reason shall not be affected by the Participant's incapacities due to mental or physical illness and the Participant's continued employment shall not constitute consent to, or a waiver of rights with respect to, any event or condition constituting Good Reason.

Notwithstanding the foregoing, any change in the Participant's duties or responsibilities or any relocation of the Participant's principal place of employment shall not constitute Good Reason if such Participant either requested, volunteered to undertake, or consented in writing to, such change or relocation. In addition to the foregoing, Good Reason under (i) above is not established by one or more of the following changes, whether alone or in combination: (a) a change in job title; (b) any change in duties or responsibilities of a type that the Company has historically caused or permitted in the two (2) years prior to the Change in Control; (c) a promotion or an increase in the number of employees or projects to be managed or an increase in the budget to be managed; or (d) a decrease in the number of employees to be managed or a decrease in the budget to be managed, standing alone.

The Participant's continued employment shall not constitute consent to, or a waiver of rights with respect to, any act or failure to act constituting Good Reason hereunder, provided that the Participant provides the Company with a written notice of resignation within ninety (90) days following the occurrence of the event constituting Good Reason and the Company shall have failed to remedy such act or omission within thirty (30) days following its receipt of such notice.

(o) "**Letter Agreement**" means the letter agreement provided to an executive by the Company substantially in the form attached hereto as Exhibit C stating, among other things, that such executive will be a Participant under this Policy and comply with certain confidentiality, non-competition, non-solicitation, non-disparagement and other covenants set forth in such letter agreement.

(p) "**Participant**" means an executive selected by FR, in its sole discretion, who has entered into a Letter Agreement with the Company.

(q) "**Qualifying Termination**" means a termination of the Participant's employment: (i) by the Company other than for Cause; or (ii) by the Participant for Good Reason. Termination of the Participant's employment on account of death or Disability shall not be treated as a Qualifying Termination. Notwithstanding the preceding sentence, the death of the Participant after notice of termination for Good Reason or without Cause has been validly provided shall be deemed to be a Qualifying Termination.

(r) "**Target Annual Bonus**" means the target Annual Bonus established by the Company's applicable incentive plan, in effect from time to time.

(s) "**Termination Period**" means the period of time beginning four (4) months prior to a Change in Control and ending eighteen (18) months following such Change in Control. For purposes of determining the timing of payments and benefits to the Participant under Section 3, the date of the actual Change in Control shall be treated as the Participant's Date of Termination under Section 2(h), and for purposes of determining the amount of payments and benefits owed to the Participant under Section 3, the date the Participant's employment is actually terminated shall be treated as the Participant's Date of Termination under Section 2(h).

3. **Payments Upon Termination of Employment.** If during the Termination Period the employment of the Participant is terminated pursuant to a Qualifying Termination, then, subject to the Participant's execution of Release Agreement in the form attached to this Policy as Exhibit B ("**Release**") within 45 days after such Qualifying Termination, the Company shall provide to the Participant:

(a) a lump sum cash payment equal to the product of the sum of the Participant's Base Salary plus Bonus Amount, multiplied by the "Factor" set forth on Exhibit A for such Participant; and

(b) a cash payment equal to the greater of the Participant's Target Annual Bonus or Bonus Amount for the fiscal year in which the Participant's Date of Termination occurs, multiplied by a fraction the numerator of which shall be the number of days the Participant was employed by the Company during the fiscal year in which the Date of Termination occurred and the denominator of which shall be 365 (less the amount of the Annual Bonus previously paid to the Participant for such fiscal year, if any); and

(c) for twelve (12) months following the Date of Termination, group medical, life and disability insurance coverage to the Participant (and his or her eligible dependents), under the terms prevailing at the time immediately preceding the Date of Termination, the Company shall continue to pay the entire amount of such premiums (and increases therein, if any) to the same extent as the Company pays for such coverage for similarly situated executives who are employed by the Company immediately prior to the Date of Termination, provided that to the extent that any plan does not permit continuation of the Participant's or his or her eligible dependents' participation throughout such period, the Company shall provide the Participant, no less frequently than quarterly in advance, with an amount, on an after-tax basis, equal to the Company's cost of providing such benefits and, provided, further, that at the end of the foregoing period, the Participant shall be entitled to the continuation of health benefits under the Consolidated Omnibus Budget Reconciliation Act of 1986 ("**COBRA**").

The payments set forth in Section 3(a) and (b) above shall be made within ten (10) days following the execution by the Participant of the Release; provided that if the 45-day period for the Participant to execute the Release spans more than one calendar year, payment shall be made in the later year.

4. **Determination as to Factor.** The Committee shall determine in its sole discretion the "Factor" set forth in Exhibit A attached hereto with respect to individual Participants; provided, however, the "Factor" set forth on Exhibit A for any Participant that would apply in the event of a Qualifying Termination of Participant during the Termination Period with respect to a Change in Control may not be modified within 12 months prior to such Change in Control or during the Termination Period without his or her prior written consent.

5. **Key Employees.** Notwithstanding the timing of payments set forth in Section 3, if the Company determines that the Participant is a "specified employee" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended and that, as a result of such status, any portion of the payment under this Policy would be subject to additional taxation, the Company will delay paying any portion of such payment until the earliest permissible date on which payments may commence without triggering such additional taxation (with such delay not to exceed six (6) months), with the first such payment to include the amounts that would have been paid earlier but for the above delay (and any interest earned thereon under the trust referred to in the next sentence). The Company shall set aside those payments that would be subject to the Section 409A additional tax in a trust that is in compliance with Rev. Proc. 92-64.

6. **Withholding Taxes.** The Company may withhold from all payments due to the Participant (or his or her beneficiary or estate) under this Policy all taxes which, by applicable federal, state, local or other law, the Company is required to withhold therefrom.

7. **Scope of Policy.** Nothing in this Policy shall be deemed to entitle the Participant to continued employment with the Company, and if the Participant's employment with the Company shall terminate prior to a Change in Control, the Participant shall have no further rights under this Policy (except as otherwise expressly provided hereunder); provided, however, that any termination of a Participant's employment during the Termination Period shall be subject to all of the provisions of this Policy.

8. **Successors; Binding Agreement.**

(a) This Policy shall not be terminated by the consummation of a merger, consolidation, statutory share exchange, reorganization, sale of all or substantially all the Company's assets or similar form of corporate transaction involving the Company or any of its subsidiaries that requires the approval of the Company's stockholders, whether for such transaction or the issuance of securities in the transaction ("**Business Combination**"). In the event of any Business Combination, the provisions of this Policy shall be binding upon the surviving corporation, and such surviving corporation shall be treated as the Company hereunder.

(b) The Company agrees that in connection with any Business Combination, it will cause any successor entity to the Company unconditionally to assume all of the obligations of the Company hereunder. Failure of the Company to obtain such assumption prior to the effectiveness of any such Business Combination that constitutes a Change in Control shall be a breach of this Policy and shall constitute Good Reason hereunder and shall entitle the Participant to compensation and other benefits from the Company in the same amount and on the same terms as the Participant would be entitled hereunder if the Participant's employment were terminated following a Change in Control by reason of a Qualifying Termination. For purposes of implementing the foregoing, the date on which any such Business Combination becomes effective shall be deemed the date Good Reason occurs, and shall be the Date of Termination if requested by a Participant.

(c) The benefits provided under this Policy shall inure to the benefit of and be enforceable by the Participant's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If the Participant shall die while any amounts would be payable to the Participant hereunder had the Participant continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Policy to such person or persons appointed in writing by the Participant to receive such amounts or, if no person is so appointed, to the Participant's estate.

9. **Notice.**

(a) For purposes of this Policy, all notices and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given when delivered or five (5) days after deposit in the United States mail, certified and return-receipt requested, postage prepaid, addressed as follows:

If to the Participant:           the address listed as the Participant's address in the Company's personnel files.

If to the Company: First Industrial, LP  
1 North Wacker Drive  
Suite 4200  
Chicago, IL 60606  
Attn: General Counsel

or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

(b) A written notice of the Participant's Date of Termination by the Company or the Participant, as the case may be, to the other, shall: (i) indicate the specific termination provision in this Policy relied upon; (ii) to the extent applicable, set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Participant's employment under the provision so indicated; and (iii) specify the date of termination, which date shall be not less than fifteen (15) nor more than sixty (60) days after the giving of such notice; *provided, however*, that the Company may in its sole discretion accelerate such date to an earlier date or, alternatively, place the Participant on paid leave during such period. The failure by the Participant or the Company to set forth in such notice any fact or circumstance which contributes to a showing of Good Reason or Cause shall not waive any right of the Participant or the Company hereunder or preclude the Participant or the Company from asserting such fact or circumstance in enforcing the Participant's or the Company's rights hereunder.

10. **Full Settlement; Resolution of Disputes and Costs.**

(a) In no event shall the Participant be obligated to seek other employment or take other action by way of mitigation of the amounts payable to the Participant under any of the provisions of this Policy and, except as provided in the Release, such amounts shall not be reduced whether or not the Participant obtains other employment.

(b) Except only as otherwise provided herein, each and every dispute, controversy and contested factual and legal determination arising under or in connection with this Agreement or the Participant's employment shall be committed to and be resolved exclusively through arbitration, in an arbitration proceeding, conducted by a single arbitrator sitting in Chicago, Illinois, in accordance with the Employment Rules of the American Arbitration Association ("AAA") then in effect. The fee of the arbitrator shall be split evenly between Participant and Company and each shall pay its own attorneys' fees and expenses, unless either party substantially prevails in such dispute (as determined by the arbitrator), then the non-prevailing party shall bear the costs of the arbitration and the fees and expenses of the prevailing party's attorney(s).

11. **GOVERNING LAW; VALIDITY.** THIS POLICY SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ILLINOIS, WITHOUT REGARD TO THE PRINCIPLE OF CONFLICTS OF LAWS, AND APPLICABLE FEDERAL LAWS. THE INVALIDITY OR UNENFORCEABILITY OF ANY PROVISION OF THIS POLICY SHALL NOT AFFECT THE VALIDITY OR ENFORCEABILITY OF ANY OTHER PROVISION OF THIS POLICY, WHICH OTHER PROVISIONS SHALL REMAIN IN FULL FORCE AND EFFECT.

12. **Amendment and Termination.** The Board may amend or terminate this Policy at any time (provided, however, that a Participant's rights under this Policy (including, for the avoidance of doubt, any Exhibits) in the event of a Qualifying Termination during the Termination Period with respect to a Change in Control may not be adversely affected, without the prior written consent of the Participant) by an amendment or termination of this Policy occurring within 12 months prior to such Change in Control or during the Termination Period.

13. **Interpretation and Administration.** This Policy shall be administered by the Committee. With respect to those Participants who are not subject to Section 16 of the Exchange Act, the Committee may delegate any of its powers under this Policy to the Chief Executive Officer of the Company. The Committee and the Chief Executive Officer (to the extent of the powers delegated to such Chief Executive Officer in writing) shall have the authority in its sole and absolute discretion to: (i) exercise all of the powers granted to it under this Policy; (ii) construe, interpret and implement this Policy; (iii) prescribe, amend and rescind rules and regulations relating to this Policy; (iv) make all determinations necessary or advisable in administration of this Policy; (v) correct any defect, supply any omission and reconcile any inconsistency in this Policy; and (vi) amend this Policy to reflect changes in or interpretations of applicable law, rules or regulations. Actions of the Committee shall be taken by a majority vote of its members.



14. **Type of Policy.** This Policy is intended to be, and shall be interpreted as an unfunded employee welfare plan under Section 3(1) of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") and Section 2520.104-24 of the Department of Labor Regulations, maintained primarily for the purpose of providing employee welfare benefits, to the extent that it provides welfare benefits, and under Sections 201, 301 and 401 of ERISA, as a plan that is unfunded and maintained primarily for the purpose of providing deferred compensation, to the extent that it provides such compensation, in each case for a select group of management or highly compensated employees.

15. **No Duplication of Benefits.** Except as otherwise expressly provided pursuant to this Policy, this Policy shall be construed and administered in a manner which avoids duplication of compensation and benefits which may be provided under any other plan, program, policy, individually negotiated agreement or other arrangement. In the event a Participant is covered by any other plan, program, policy, individually negotiated agreement or other arrangement, in effect as of the Date of Termination, that may duplicate the payments or benefits provided in Section 3, the Company is specifically empowered to reduce or eliminate the duplicative benefits provided for under this Policy. In taking such action, the Company will be guided by the principles that: (1) such a Participant will otherwise be treated no more and no less favorably than are other Participants who are not covered by such other plan, program, policy, individually negotiated agreement or other arrangement; and (2) the provisions of such other plan, program, policy, individually negotiated agreement or other arrangement (including, but not limited to, a special individual pension, a special deferral account and/or a special equity based grant) which are not duplicative of the payments provided in Section 3, will not be considered in determining elimination and/or reductions in Policy benefits.

16. **Miscellaneous.** Benefits under this Policy may not be assigned by the Participant. The terms and conditions of this Policy shall be binding on the successors and assigns of the Company. Where the context requires, the singular shall include the plural, the plural shall include the singular, and any gender shall include all other genders.

17. **Limitations on Severance Payments (Modified 280G Cut Back).**

(a) Anything in this Policy to the contrary notwithstanding, in the event that the amount of any compensation, payment or distribution by the Company or the Participant to or for the benefit of a Participant, whether paid or payable or distributed or distributable pursuant to the terms of this Policy or otherwise (the Participant's "**Severance Payments**"), calculated in a manner consistent with Section 280G of the Code and the applicable regulations thereunder (or any successor provision) would be subject to the excise tax imposed by Section 4999 of the Code (or any successor provision), then, unless otherwise elected by Participant in writing delivered to the Company non later than five (5) business days after the determination set forth in subsection (c) below is provided to the Participant, the Participant's Severance Payments shall be reduced (but not below zero) so that the sum of all the Participant's Severance Payments shall be \$1.00 less than the amount at which the Participant becomes subject to the excise tax imposed by Section 4999 of the Code (or any successor provision); provided that such reduction shall only occur if it would result in the Participant receiving a higher After Tax Amount (as defined below) than the Participant would receive if the Participant's Severance Payments were not subject to such reduction. In the event a Participant's Severance Payments are reduced pursuant to this Section 17, they shall be reduced in the following order: (1) cash payments not subject to Section 409A of the Code; (2) cash payments subject to Section 409A of the Code; (3) equity-based payments and acceleration; and (4) non-cash forms of benefits; provided that in the case of all the foregoing Severance Payments all amounts or payments that are not subject to calculation under Treas. Reg. §1.280G-1, Q&A-24(b) or (c) shall be reduced before any amounts that are subject to calculation under Treas. Reg. §1.280G-1, Q&A-24(b) or (c). To the extent any payment is to be made over time (e.g., in installments, etc.), then the payments shall be reduced in reverse chronological order.

(b) For purposes of Section 17(a), a Participant's "**After Tax Amount**" means the amount of the Participant's Severance Payments less all federal, state, and local income, excise and employment taxes imposed on the Participant as a result of the Participant's receipt of the Participant's Severance Payments. For purposes of determining a Participant's After Tax Amount, the Participant shall be deemed to pay federal income taxes at the highest marginal rate of federal income taxation applicable to individuals for the calendar year in which the determination is to be made, and state and local income taxes at the highest marginal rates of individual taxation in each applicable state and locality, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes to the extent such taxes are deductible.

(c) The determination as to whether a reduction in a Participant's Severance Payments shall (unless otherwise elected by the Participant pursuant to subsection (a) above) be made pursuant to Section 17 shall be made by

a nationally recognized accounting firm selected by the Company (the "**Accounting Firm**"), which shall provide detailed supporting calculations both to the Company and the Participant within 15 business days of the Date of Termination, if applicable, or at such earlier time as is reasonably requested by the Company or the Participant. Any determination by the Accounting Firm shall be binding upon the Company, the Employer and the Participant.

[Remainder of page intentionally left blank]

EXHIBIT A

PARTICIPANTS

Participant Title	Factor

**EXHIBIT B**

**FORM OF  
RELEASE AGREEMENT**

This Release Agreement (this "**Agreement**") is entered into on \_\_\_\_\_, 20\_\_ by \_\_\_\_\_ ("**Employee**") and First Industrial Realty Trust, Inc. ("**FR**") and First Industrial, L.P. ("**Employer**") (collectively, "**Company**") in consideration of the payments made pursuant to that certain Change in Control Severance Policy of First Industrial Realty Trust, Inc. ("**Policy**").

Employee hereby agrees as follows:

1. **General Release and Waiver of Claims.**

(a) **Release.** In consideration of the payments and benefits provided to the Employee under the Policy and after consultation with counsel, the Employee and each of the Employee's respective heirs, executors, administrators, representatives, agents, successors and assigns (collectively, the "**Releasors**") hereby irrevocably and unconditionally release and forever discharge Company and their respective subsidiaries and affiliates and each of their respective officers, employees, directors, shareholders and agents ("**Releasees**") from any and all claims, actions, causes of action, rights, judgments, obligations, damages, demands, accountings or liabilities of whatever kind or character (collectively, "**Claims**"), including, without limitation, any Claims under any federal, state, local or foreign law, that the Releasors may have, or in the future may possess, arising out of the Employee's employment relationship with and service as an employee[,officer] of FR and/or the Employer, and the termination of such relationship or service; provided, however, that notwithstanding anything else herein to the contrary, this Agreement shall not affect: the obligations of the Company, and/or the Employee set forth in the Policy or other obligations that, in each case, by their terms, are to be performed after the date hereof by the Company, and/or the Employee (including, without limitation, obligations to the Employee under the Policy for any severance or similar payments or benefits, under any stock option, stock, equity or equity-based award, limited partnership unit plan, or any other plan or agreements, or payments or obligations under any pension plan or other benefit or deferred compensation plan, all of which shall remain in effect in accordance with their terms); and any indemnification or similar rights the Employee has as a current or former officer of FR or the Employer, including, without limitation, any and all rights thereto referenced in the Policy, FR's bylaws and other Company governance documents].

(b) **Specific Release of ADEA Claims.** In further consideration of the payments and benefits provided to the Employee under the Policy, the Releasors hereby unconditionally release and forever discharge the Releasees from any and all Claims that the Releasors may have as of the date the Employee signs this Agreement arising under the Federal Age Discrimination in Employment Act of 1967, as amended, and the applicable rules and regulations promulgated thereunder ("**ADEA**"). By signing this Agreement, the Employee hereby acknowledges and confirms the following: (i) the Employee was advised by the Company in connection with the termination to consult with an attorney of Releasor's choice prior to signing this Agreement and to have such attorney explain to the Employee the terms of this Agreement, including, without limitation, the terms relating to the Employee's release of claims arising under ADEA, and the Employee has in fact consulted with an attorney; (ii) the Employee was given a period of not fewer than 21 days to consider the terms of this Agreement and to consult with an attorney of his choosing with respect thereto; and (iii) the Employee knowingly and voluntarily accepts the terms of this Agreement. The Employee also understands that he has seven (7) days following the date on which he signs this Agreement within which to revoke the release contained in this paragraph, by providing the Company a written notice of his revocation of the release and waiver contained in this paragraph.

(c) **No Assignment.** The Employee represents and warrants that he has not assigned any of the Claims being released under this Agreement.

2. **Proceedings.** Nothing in this Agreement is intended to prevent Employee from filing a charge with, providing information or testimony to, or participating in an investigation, hearing or proceeding with any governmental agency against the Releasees (each, individually, a "**Proceeding**"); provided, however, that Employee waives the right to receive any damages or other personal relief in any Proceeding relating to or arising from his employment relationship with the Company, other than with respect to the matters as which the release granted pursuant to Section 1(a) does not apply,

brought by Employee or on the Employee's behalf, or by any third party, including as a member of any class collective action, or as a relator under the False Claims Act (excepting only for claims against Releasees for breaches of this General Release or under the Dodd-Frank Wall Street Reform and Consumer Protection Act).

3. Remedies. In the event the Employee initiates or voluntarily participates in any Proceeding following his receipt of written notice from the Company and a failure to cease such participation within 30 days following receipt of such notice, or if he revokes the ADEA release contained in Paragraph 1(b) of this Agreement within the seven (7)-day period provided under Paragraph 1(b), the Company may, in addition to any other remedies it may have, reclaim any amounts paid to Employee under the Policy (including for this purpose stock or proceeds from the sale of stock delivered upon the vesting of any equity or unit-based compensation award, to the extent the vesting of such award accelerated on account of the Employee's termination of employment) or terminate any benefits or payments that are subsequently due under the Policy, without waiving the release granted herein. The Employee understands that by entering into this Agreement he will be limiting the availability of certain remedies that he may have against the Company and limiting also his ability to pursue certain claims against the Company.

4. Severability Clause. In the event any provision or part of this Agreement is found to be invalid or unenforceable, only that particular provision or part so found, and not the entire Agreement, will be inoperative.

5. Nonadmission. Nothing contained in this Agreement will be deemed or construed as an admission of wrongdoing or liability on the part of the Company.

6. Governing Law. All matters affecting this Agreement, including the validity thereof, are to be governed by, and interpreted and construed in accordance with, the laws of the State of Illinois applicable to contracts executed in and to be performed in that State.

7. Notices. All notices or communications hereunder shall be in writing, addressed as provided in Section 11(b) of the Policy.

**THE EMPLOYEE ACKNOWLEDGES THAT HE HAS READ THIS AGREEMENT AND THAT HE FULLY KNOWS, UNDERSTANDS AND APPRECIATES ITS CONTENTS, AND THAT HE HEREBY EXECUTES THE SAME AND MAKES THIS AGREEMENT AND THE RELEASE AND AGREEMENTS PROVIDED FOR HEREIN VOLUNTARILY AND OF HIS OWN FREE WILL.**

IN WITNESS WHEREOF, the Employee has executed this Agreement on the date first set forth below.

**[EMPLOYEE]**

Date of Execution:

**EXHIBIT C**  
**FORM OF**  
**LETTER AGREEMENT**

[FR Letterhead]

\_\_\_\_\_, 20\_\_

Dear [Participant]:

We are pleased to inform you that the Board of Directors of First Industrial Realty Trust, Inc. (“**FR**”) has determined that you are eligible to participate in the First Industrial Realty Trust, Inc. Executive Change in Control Severance Policy (the “**Policy**”) as a Participant, subject to the terms and conditions of the Policy. Capitalized terms used herein and not defined herein shall have the meanings given to such terms in the Policy.

The terms of the Policy are detailed in the copy of the Policy that is being provided to you with this Letter Agreement terms and such terms, including without limitation, Sections 10 and 11 of the Policy, are incorporated in and made a part of this Letter Agreement. By signing this Letter Agreement and as a condition of your eligibility for the payments and benefits set forth in the Policy, you agree to comply with the provisions of the Policy and you, as the Participant, agree to comply with the provisions of the confidentiality, non-competition, non-solicitation and non-disparagement requirements set forth below (collectively the “**Restrictive Covenants**”) during your employment with the Company and, to the extent required by the Restrictive Covenants, after your employment with the Company ends regardless of the reason for the ending of such employment.

**Restrictive Covenants.**

1. **Confidential Information.** During the Participant’s employment with the Company and thereafter, the Participant shall not use for the Participant’s own purposes or for the benefit of any person other than the Company, and shall keep secret and retain in the strictest confidence, any secret or confidential information, knowledge or data relating to the Company or any affiliated company, and their respective businesses, including without limitation, any data, information, ideas, knowledge and papers pertaining to the customers, prospective customers, prospective products or business methods of the Company, including without limitation the business methods, plans and procedures of the Company, that shall have been obtained by the Participant during the Participant’s employment by the Company or any of its affiliated companies and that shall not be or become public knowledge (other than by acts by the Participant or representatives of the Participant in violation of this Letter Agreement). After termination of the Participant’s employment, the Participant shall not, without the prior written consent of the Company or as may otherwise be required by law or legal process after reasonable advance written notice to the Company, use, communicate or divulge any such information, knowledge or data, directly or indirectly, to anyone other than the Company and those designated by it. Anything herein to the contrary notwithstanding, the provisions of this Letter Agreement shall not apply to information (i) required to be disclosed by law or by any court, arbitrator, mediator or administrative or legislative body (including any committee thereof) with actual or apparent jurisdiction to order the Participant to disclose or make accessible any information, (ii) disclosed to counsel or a tribunal in the context of any other litigation, arbitration or mediation involving this Agreement, including, but not limited to, the enforcement of this Letter Agreement, (iii) that becomes generally known to the public or within the relevant trade or industry other than due to the Participant’s violation of this Letter Agreement, (iv) that is or becomes available to the Participant on a non-confidential basis from a source which is entitled to disclose it to the Participant, or (v) the disclosure of which the Participant determines in good faith is consistent with the performance of the Participant’s duties for the Company. The Participant acknowledges that, notwithstanding any Company policy or agreement that could be read to the contrary, nothing in any agreement or policy prohibits, limits or otherwise restricts the Participant or the Participant’s counsel from initiating communications directly with, responding to any inquiry from, volunteering information (including confidential or proprietary information of the Company or any of its Affiliates) to, or providing testimony before, the U.S. Securities and Exchange Commission, the Department of Justice, any self-regulatory organization or any other governmental authority, in connection with any reporting of, investigation into, or proceeding regarding suspected violations of law, or making other disclosures that are protected under the antiretaliation or whistleblower provisions of applicable federal or state law or regulation. In addition, the Participant shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney, and (ii)

solely for the purpose of reporting or investigating a suspected violation of law, or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Accordingly, the Participant has the right to disclose in confidence trade secrets to Federal, State, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. The Participant also has the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure. Nothing in this Letter Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b). Nothing in this Letter Agreement shall be construed to authorize, or limit liability for, an act that is otherwise prohibited by law, such as the unlawful access of material by unauthorized means.

2. **Non-Competition.** The Company and the Participant have agreed that as an essential inducement for and in consideration of this Letter Agreement and the Company's agreement to provide the benefits set forth in the Policy when and as herein described, the Participant hereby agrees, except with the express prior written discretionary consent of the Company, that for a period of \_\_\_\_\_ year(s) after a Qualifying Termination during the Termination Period (the "**Restrictive Period**"), the Participant will not directly or indirectly in any manner compete with the business of the Company by directly or indirectly owning, managing, operating, controlling, financing, or by directly or indirectly serving as an employee, officer or director of or consultant to (i) any industrial or mixed office/industrial (but not pure office) REIT or real estate operating company (a "**Peer Group Member**") or (ii) any other person, firm, partnership, corporation, trust or other entity (including, but not limited to, Peer Group Members), public or private, which, as a material component of its business (other than for its own use as an owner or user), invests in, or otherwise provides capital to, industrial warehouse facilities and properties similar to the Company's investments and holdings, in each case, (A) in any geographic market or territory in which the Company owns properties or has an office either as of the date hereof or as of the Date of Termination of the Participant's employment; or (B) in any market in which an acquisition or other investment by the Company or any affiliate of the Company is pending or proposed in a written plan as of the Date of Termination, whether or not embodied in any formalized, written legal document. The Participant will not be considered to have violated this Section 2 if the Participant becomes employed, engaged or associated in any capacity with an organization that competes with the Company so long as the Participant does not participate in any manner whatsoever in the management or operations of the part of such organization that so competes.

3. **Investment Opportunities; Customer Non-Solicit.** In addition, during the Restrictive Period, the Participant shall not act as a principal, investor or broker/intermediary, or serve as an employee, officer, advisor or consultant, to any person or entity, public or private, in connection with or concerning any investment opportunity of the Company that is in the Pipeline or as to any customer or prospect of Company on the Customer List, in each case, as of the Date of Termination of the Participant's employment. Within ten (10) business days after the Date of Termination, the Company shall deliver to the Participant a written statement of the investment opportunities in the Pipeline as of the Date of Termination (the "**Pipeline Statement**") and a list of the deal opportunities and the actual and prospective entities with whom the Company proposes to pursue such deal opportunities from time to time (the "**Customer List**"), and the Participant shall then review the Pipeline Statement and the Customer List for accuracy and completeness, to the best of the Participant's knowledge, and advise the Company of any corrections required to the Pipeline Statement and the Customer List. The Participant's receipt of any amount under the Policy shall be conditioned on the Participant either acknowledging, in writing, the accuracy and completeness of the Pipeline Statement and the Customer List, or advising the Company, in writing, of any corrections or revisions required to the Pipeline Statement and the Customer List in order to make them accurate and complete, to the best of the Participant's knowledge. The restrictions concerning each and every individual investment opportunity in the Pipeline shall continue until the first to occur of (a) expiration of the Restrictive Period, or (b) the Participant's receipt from the Company of written notice that the Company has abandoned such investment opportunity, such notice not to affect the restrictions on all other investment opportunities contained in the Pipeline Statement during the remainder of the Restrictive Period. For purposes of this Letter Agreement, investment opportunity shall be considered in the "Pipeline" if, as of the Date of Termination, the investment opportunity is pending (for example, is the subject of a letter of intent) or proposed (for example, has been presented to, or been bid on by, the Company in writing or otherwise) or under consideration by the Company, whether at the Management Committee, IC, staff level(s) or otherwise, and relates to any of the following potential forms of transaction (i) an acquisition for cash, (ii) an UPREIT transaction, (iii) a development project or venture, (iv) a joint venture partnership or other cooperative relationship, whether through a DOWNREIT relationship or otherwise, (v) an "Opportunity Fund" or other private investment in or co-investment with the Company, (vi) any debt placement opportunity by or in the Company, (vii) any service or other fee-generating opportunity by the Company, or (viii) any other investment by the Company or an affiliate of the Company, in or with any party or by any party in the Company or an affiliate of the Company.

4. **Non-solicitation of Employees.** In addition to the covenants set forth above, and notwithstanding anything to the contrary set forth in this Letter Agreement, the Participant hereby agrees, except with the express prior written consent of the Company (which may be given or withheld in the Company's sole discretion), for a period of two (2) years following a Qualifying Termination during the Termination Period, not to directly or indirectly solicit or induce any employee of the Company to terminate his or her employment with Company so as to become employed by or otherwise render services to any entity with which the

Participant has any form of business or economic relationship, or otherwise with any of the entities set forth in Sections 2 and 3 above.

5. **Non-Disparagement.** Except as required by law or legal process, the Participant agrees not to make any material public disparaging or defamatory comments about the Company including the Company's business, its directors, officers, employees, parents, subsidiaries, partners, affiliates, operating divisions, representatives or agents, or any of them, whether written, oral or electronic. In particular, the Participant agrees, except as required by law or legal process, to make no public statements including, but not limited to, press releases, statements to journalists, employees, prospective employers, interviews, editorials, commentaries or speeches, that disparage or are defamatory to the Company's business in any material respect. In addition to the confidentiality requirements set forth in this Letter Agreement and those imposed by law, the Participant further agrees, except as required by law or legal process, not to provide any third party, directly or indirectly, with any documents, papers, recordings, e-mail, internet postings, or other written or recorded communications referring or relating to the Company's business, with the intention of supporting, directly or indirectly, any disparaging or defamatory statement, whether written or oral. For purposes of this Agreement, a "public statement" shall mean any statement to a third party other than a statement made to a person who is an immediate family member or legal representative of the speaker (an "**Excluded Person**"); provided that a statement to an Excluded Person which is repeated by the Excluded Person to a person which is not an Excluded Person, with attribution to the original speaker, shall be considered a public statement for purposes of this Section 5.

6. **Prior Notice Required.** The Participant hereby agrees that, prior to accepting employment with any other person or entity during the Restrictive Period, the Participant will provide such prospective employer with written notice of the provisions of this Letter Agreement.

7. **Restrictive Covenants Generally.** (a) If any of the Restrictive Covenants is finally held to be invalid, illegal or unenforceable (whether in whole or in part), such Restrictive Covenant shall be deemed modified to the extent, but only to the extent, of such invalidity, illegality or unenforceability and the remaining Restrictive Covenants shall not be affected thereby; provided, however, that if any of the Restrictive Covenants is finally held to be invalid, illegal or unenforceable because it exceeds the maximum scope determined to be acceptable to permit such provision to be enforceable, such Restrictive Covenant will be deemed to be modified to the minimum extent necessary to modify such scope in order to make such provision enforceable hereunder. (b) The Participant understands that the foregoing restrictions may limit the Participant's ability to earn a livelihood in a business similar to the business of the Company and its controlled affiliates, but the Participant nevertheless believes that the Participant has received and will receive sufficient consideration and other benefits as an employee of the Company and as otherwise provided hereunder to clearly justify such restrictions which, in any event (given the Participant's education, skills and ability), the Participant does not believe would prevent the Participant from otherwise earning a living. The Participant has carefully considered the nature and extent of the restrictions place upon the Participant by this Letter Agreement, and hereby acknowledges and agrees that the same are reasonable in time and territory and do not confer a benefit upon the Company disproportionate to the detriment of the Participant.

8. **Enforcement.** Because the Participant's services are unique and because the Participant has access to confidential information, the parties hereto agree that money damages would be an inadequate remedy for any breach of this Letter Agreement. Therefore, in the event of a breach or threatened breach of this Letter Agreement, the Company or its respective successors or assigns may, in addition to other rights and remedies existing in their favor at law or in equity, apply to any court of competent jurisdiction for specific performance and/or injunctive relief in order to enforce, or prevent any violations of, the provisions hereof (without posting a bond or other security) or require the Participant to account for and pay over to the Company all compensation, profits, moneys, accruals or other benefits derived from or received as a result of any transactions constituting a breach of the covenants contained herein, if and when final judgment of a court of competent jurisdiction is so entered against the Participant.



9. **Interpretation.** For purposes of the Restrictive Covenants, references to “the Company” shall mean the Company as defined in the Policy and any of the controlled affiliated companies of either the Employer or FR.

This Letter Agreement and the Policy constitute the entire agreement between you and the Company with respect to the subject matter hereof and supersede in all respects any and all prior agreements between you and the Company concerning such subject matter.

Congratulations on your eligibility to participate in the Policy.

**First Industrial, L.P.**

By: First Industrial Realty Trust, Inc., its general partner

By: \_\_\_\_\_

Name:

Title:

**First Industrial Realty Trust, Inc.**

By: \_\_\_\_\_

Name:

Title:

AGREED TO AND ACCEPTED

\_\_\_\_\_  
[Participant Name]

**FIRST INDUSTRIAL REALTY TRUST, INC.**  
**SUBSIDIARIES OF THE REGISTRANT**

<b>Name</b>	<b>State of Incorporation Formation</b>
431 Railroad Avenue General Partner, LP	Delaware
431 Railroad Avenue Property Holding, LP	Delaware
431 Railroad Avenue Second, LLC	Delaware
431 Railroad Avenue, LLC	Delaware
78-81 Crossroads, LLC	Delaware
78-81 Jonestown, LLC	Delaware
78-81 Logistics Center, LLC	Delaware
9345 PGH, LLC	Delaware
FI Development Services Corporation	Maryland
FI Development Services, L.P.	Delaware
FI New Jersey Exchange LLC	Delaware
FIFP Conyers, LLC	Delaware
FIP MM Aurora, LLC	Delaware
First Florence I Urban Renewal, LLC	New Jersey
First Industrial Acquisitions II, LLC	Delaware
First Industrial Acquisitions, Inc.	Maryland
First Industrial Development Services Tampa, LLC	Delaware
First Industrial Finance Corporation	Maryland
First Industrial Financing Partnership, L.P.	Delaware
First Industrial Florida Finance Corporation	Maryland
First Industrial Harrisburg Corporation	Maryland
First Industrial Harrisburg L.P.	Delaware
First Industrial Indianapolis Corporation	Maryland
First Industrial Indianapolis, L.P.	Delaware
First Industrial Investment II, LLC	Delaware
First Industrial Investment Properties, Inc.	Maryland
First Industrial Management Services (Denver), LLC	Delaware
First Industrial Mortgage Corporation	Maryland
First Industrial Mortgage Partnership, L.P.	Delaware
First Industrial Pennsylvania Corporation	Maryland
First Industrial Pennsylvania, L.P.	Delaware
First Industrial Realty Trust, Inc.	Maryland
First Industrial Securities Corporation	Maryland
First Industrial Securities, L.P.	Delaware
First Industrial Texas LP	Delaware
First Industrial, L.P.	Delaware
First Park 94, LLC	Delaware
FP Fairburn, LLC	Delaware
FR 10680 88 AVENUE, LLC	Delaware
FR 1351 NW 78, LLC	Delaware
FR 14750 Jurupa, LLC	Delaware

FR 1964 Kellogg Avenue, LLC	Delaware
FR 200 Cascade, LLC	Delaware
FR 21110 E 31st, LLC	Delaware
FR 24 Street East, LLC	Delaware
FR 2504 NW 19, LLC	Delaware
FR 28545 Livingston, LLC	Delaware
FR 301 Bordentown-Hedding, LLC	Delaware
FR 305 Sequoia, LLC	Delaware
FR 3051 Maria Street, LLC	Delaware
FR 30311 Emerald Valley Parkway, LLC	Delaware
FR 30333 Emerald Valley Parkway, LLC	Delaware
FR 4401 Shader Road, LLC	Delaware
FR 450 Gills Drive, LLC	Delaware
FR 4700 W. Ledbetter, LLC	Delaware
FR 550 Gills, LLC	Delaware
FR 5355 Northwest 24 Street, LLC	Delaware
FR 6407 South 210, LLC	Delaware
FR 6635 E 30, LLC	Delaware
FR 750 Gateway, LLC	Delaware
FR 770 Gills LLC	Delaware
FR 7900 Cochran Road, LLC	Delaware
FR 81 Paragon Drive, LLC	Delaware
FR 811 Anaheim, LLC	Delaware
FR 8751 Skinner, LLC	Delaware
FR 930 Columbia, LLC	Delaware
FR ABC, LLC	Delaware
FR Aldrin Drive, LLC	Delaware
FR Aurora Commerce Center Phase I, LLC	Colorado
FR AZ/TX, LLC	Delaware
FR Bergen, LLC	Delaware
FR Boone, LLC	Delaware
FR Boulevard General Partner, LP	Delaware
FR Boulevard Property Holding, LP	Delaware
FR Boulevard Second, LLC	Delaware
FR Boulevard, LLC	Delaware
FR Bristol General Partner, LP	Delaware
FR Bristol Property Holding, LP	Delaware
FR Bristol Second, LLC	Delaware
FR Bristol, LLC	Delaware
FR Brokerage Services, Inc.	Maryland
FR Clifton General Partner, LP	Delaware
FR Clifton Property Holding, LP	Delaware
FR Clifton Second, LLC	Delaware
FR Clifton, LLC	Delaware
FR CO/Tex Cuna, LLC	Delaware
FR Collins Industrial, LLC	Delaware

FR Commerce Center, LLC	Delaware
FR Crossroads I, LLC	Delaware
FR Cumberland General Partner, LP	Delaware
FR Cumberland Property Holding, LP	Delaware
FR Cumberland Second, LLC	Delaware
FR Cumberland, LLC	Delaware
FR Dallas Houston, LLC	Delaware
FR Daniieldale Road, LLC	Delaware
FR Dessau Road, LLC	Delaware
FR E1 General Partner, LP	Delaware
FR E1 Property Holding, LP	Delaware
FR E1 Second, LLC	Delaware
FR E1, LLC	Delaware
FR E2 General Partner, LP	Delaware
FR E2 Property Holding, LP	Delaware
FR E2 Second, LLC	Delaware
FR E2, LLC	Delaware
FR E3 General Partner, LP	Delaware
FR E3 Property Holding, LP	Delaware
FR E3 Second, LLC	Delaware
FR E3, LLC	Delaware
FR East Sam Houston Parkway, LLC	Delaware
FR East Sam Houston Parkway 2, LLC	Delaware
FR Executive, LLC	Delaware
FR Feehanville, LLC	Delaware
FR First Avenue General Partner, LP	Delaware
FR First Avenue Property Holding, LP	Delaware
FR First Avenue Second, LLC	Delaware
FR First Avenue, LLC	Delaware
FR First Fontana, LLC	Delaware
FR First Park Joliet, LLC	Delaware
FR Fossil Creek, LLC	Delaware
FR Frederick, LLC	Delaware
FR Gateway Commerce Center, LLC	Delaware
FR Georgia, LLC	Delaware
FR Gilroy LLC	Delaware
FR Goodyear Manager, LLC	Delaware
FR Goodyear, LLC	Delaware
FR Hagerstown, LLC	Delaware
FR Hunt Valley II LLC	Delaware
FR Hunt Valley LLC	Delaware
FR Investment Properties, LLC	Delaware
FR Jessup General Partner, LP	Delaware
FR Jessup Property Holding, LP	Delaware
FR Jessup Second, LLC	Delaware
FR Jessup, LLC	Delaware

FR JH 10 MM, LLC	Delaware
FR JH 10, LLC	Delaware
FR JH 12 MM, LLC	Delaware
FR JH 12, LLC	Delaware
FR Leo Lane General Partner, LP	Delaware
FR Leo Lane Property Holding, LP	Delaware
FR Leo Lane Second, LLC	Delaware
FR Leo Lane, LLC	Delaware
FR Lewisville Midway, LLC	Delaware
FR Lewisville Midway 2, LLC	Delaware
FR Loveton LLC	Delaware
FR Lyons Road, LLC	Delaware
FR Main Street, LLC	Delaware
FR Management, L.P.	Delaware
FR Manchester General Partner, LP	Delaware
FR Manchester Property Holding, LP	Delaware
FR Manchester Second, LLC	Delaware
FR Manchester, LLC	Delaware
FR Massachusetts 7, LLC	Delaware
FR McCormick Road II LLC	Delaware
FR McFadden General Partner, LP	Delaware
FR McFadden Property Holding, LP	Delaware
FR McFadden Second, LLC	Delaware
FR Menomonee Falls, LLC	Delaware
FR Museum Road General Partner, LP	Delaware
FR Museum Road Property Holding, LP	Delaware
FR Museum Road Second, LLC	Delaware
FR Museum Road, LLC	Delaware
FR Nandina Avenue, LLC	Delaware
FR National Life Harrisburg, LLC	Delaware
FR National Life, LLC	Delaware
FR Natwar, LLC	Delaware
FR NW 12 Terrace, LLC	Delaware
FR Oceanside, LLC	Delaware
FR Old Post Road, LLC	Delaware
FR Orchard 88, LLC	Delaware
FR Orlando, LLC	Delaware
FR Park Plaza, LLC	Delaware
FR Peebles Drive, LLC	Delaware
FR Pennsauken Airport Central, LLC	Delaware
FR Pepper Road LLC	Delaware
FR PV 303 LLC	Delaware
FR PV 303 Phase 2, LLC	Delaware
FR PV 303 Phase 3, LLC	Delaware
FR Rancho Conejo, LLC	Delaware
FR Randolph Drive, LLC	Virginia

FR Red Lion General Partner, LP	Delaware
FR Red Lion Property Holding, LP	Delaware
FR Red Lion Second, LLC	Delaware
FR Relizon, LLC	Delaware
FR Sears Drive, LLC	Michigan
FR Shader Road, LLC	Delaware
FR Southgate Washington, LLC	Delaware
FR Summit, LLC	Virginia
FR Texas GP, LLC	Delaware
FR Texas LP, LLC	Delaware
FR The Ranch, LLC	Delaware
FR Washington Street, LLC	Delaware
FR Welsh Bindery, LLC	Delaware
FR Wilson Ave, LLC	Delaware
FR Woodridge Land, LLC	Delaware
FR Woodridge LLC	Delaware
FR York General Partner, LP	Delaware
FR York Property Holding, LP	Delaware
FR York Second, LLC	Delaware
FR York, LLC	Delaware
Fraser Aurora, LLC	Delaware
FR-Kenosha, LLC	Delaware
FRV CO, LLC	Delaware
FRV IN, LLC	Delaware
HQ Lemont, LLC	Delaware
Lavergne Lemont, LLC	Delaware
Princeton Glendale, LLC	Delaware
Sigman Conyers, LLC	Delaware
TK-SV, Ltd.	Florida

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (File No.'s 33-95190, 333-03999, 333-21887, 333-53835, 333-57355, 333-64743, 333-38850, 333-70638, 333-104211, 333-142472, 333-142474 and 333-216685) and on Form S-8 (File No.'s 333-36699, 333-45317, 333-67824, 333-166489, 333-180724 and 333-195760) of First Industrial Realty Trust, Inc. of our report dated February 13, 2020 relating to the consolidated financial statements, financial statement schedule and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP  
Chicago, Illinois  
February 13, 2020

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statement on Form S-3 (File No.333-194527) of First Industrial, L.P. of our report dated February 13, 2020 relating to the consolidated financial statements, financial statement schedule and the effectiveness of internal control over financial reporting of First Industrial, L.P., which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP  
Chicago, Illinois  
February 13, 2020



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

I, Peter E. Baccile, certify that:

1. I have reviewed this annual report on Form 10-K of First Industrial Realty Trust, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 13, 2020

/s/ PETER E. BACCILE

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Peter E. Baccile  
President and Chief Executive Officer  
(Principal Executive Officer)

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

I, Scott A. Musil, certify that:

1. I have reviewed this annual report on Form 10-K of First Industrial Realty Trust, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 13, 2020

/s/ SCOTT A. MUSIL

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Scott A. Musil  
Chief Financial Officer  
(Principal Financial Officer)

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

I, Peter E. Baccile, certify that:

1. I have reviewed this annual report on Form 10-K of First Industrial, L.P.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 13, 2020

/s/ PETER E. BACCILE

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Peter E. Baccile  
President and Chief Executive Officer  
(Principal Executive Officer)  
First Industrial Realty Trust, Inc.

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

I, Scott A. Musil, certify that:

1. I have reviewed this annual report on Form 10-K of First Industrial, L.P.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 13, 2020

/s/ SCOTT A. MUSIL

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Scott A. Musil

Chief Financial Officer  
(Principal Financial Officer)

First Industrial Realty Trust, Inc.

**CERTIFICATION**

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

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Chapter 63, Title 18 U.S.C. §1350(a) and (b)), each of the undersigned hereby certifies, to his knowledge, that the Annual Report on Form 10-K for the year ended December 31, 2019 of First Industrial Realty Trust, Inc. (the "Company") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 13, 2020

/s/ PETER E. BACCILE

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Peter E. Baccile  
President and Chief Executive Officer  
(Principal Executive Officer)

Dated: February 13, 2020

/s/ SCOTT A. MUSIL

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Scott A. Musil  
Chief Financial Officer  
(Principal Financial Officer)

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

**CERTIFICATION**

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

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Chapter 63, Title 18 U.S.C. §1350(a) and (b)), each of the undersigned hereby certifies, to his knowledge, that the Annual Report on Form 10-K for the year ended December 31, 2019 of First Industrial, L.P. (the "Operating Partnership") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Operating Partnership.

Dated: February 13, 2020

/s/ PETER E. BACCILE

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Peter E. Baccile  
President and Chief Executive Officer  
(Principal Executive Officer)  
First Industrial Realty Trust, Inc.

Dated: February 13, 2020

/s/ SCOTT A. MUSIL

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Scott A. Musil  
Chief Financial Officer  
(Principal Financial Officer)  
First Industrial Realty Trust, Inc.

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