



# Citi Global Property Conference

March 2020

# Safe Harbor

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934. We intend for such 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; changes in 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; difficulties in identifying and consummating acquisitions and dispositions; 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; changes in general accounting principles, policies and guidelines applicable to real estate investment trusts; and other risks and uncertainties described under the heading "Risk Factors" and elsewhere in our annual report on Form 10-K for the year ended December 31, 2019, 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 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 presentation or the dates indicated on the slides. We assume no obligation to update or supplement forward-looking statements. For further information on these and other factors that could impact us and the statements contained herein, reference should be made to our filings with the SEC.

# Company Overview



# Recent Highlights

- Cash rental rates up 13.9% in 2019; estimated growth of 10% to 14% in 2020
- Occupancy 97.6%; Cash Same Store NOI grew 3.1% in 2019, 2020 projected growth of 4.75% at guidance midpoint
- Increased First Quarter 2020 dividend to \$0.25 per share, an 8.7% increase aligned with forecasted growth in cash flow
- Completed \$155M of asset sales in 4Q19; \$261M in 2019; \$26.5M in 1Q20 to-date; effectively exited Indianapolis, St. Louis and Tampa Markets
- Placed in service 13 developments in 2019: 91% leased, 4.4 MSF, \$325M total investment, estimated cash yield of 6.7%
- Leased 100% of 556 KSF First Aurora Commerce Center Building D in Denver in 4Q19
- Started four new development projects totaling 984 KSF in the Inland Empire West, Northwest Dallas and South Florida; estimated total investment \$94.7M
- Acquired nine buildings, 542 KSF plus 12 land parcels for \$148M in 2019

# Strategy



US-only, top logistics markets



Distribution and other critical supply chain properties



Generating long-term cash flow growth from increasing rents, rental rate bumps, development, lower cap ex, sustaining occupancy



Increasing capital allocation to higher barrier markets



Development platform producing quality buildings, strong margins

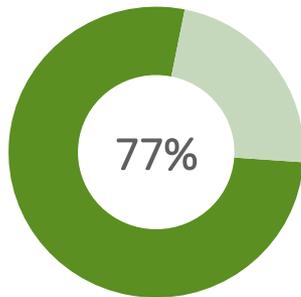


Strong balance sheet and prudent enterprise risk management

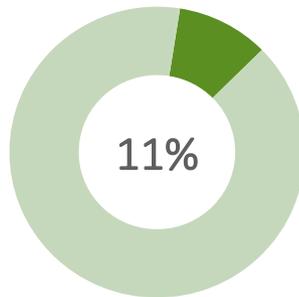
# National Platform

As of December 31, 2019

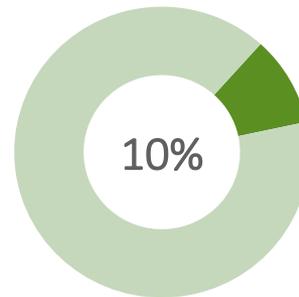
Total Market Cap	Number of Properties	Total Portfolio Size	Occupancy
\$6.9 BILLION	450 INDUSTRIAL BUILDINGS	63.4 MILLION SQUARE FEET	97.6% IN-SERVICE OCCUPANCY



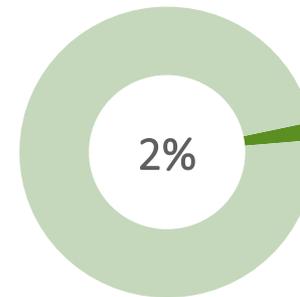
BULK  
WAREHOUSE



REGIONAL  
WAREHOUSE



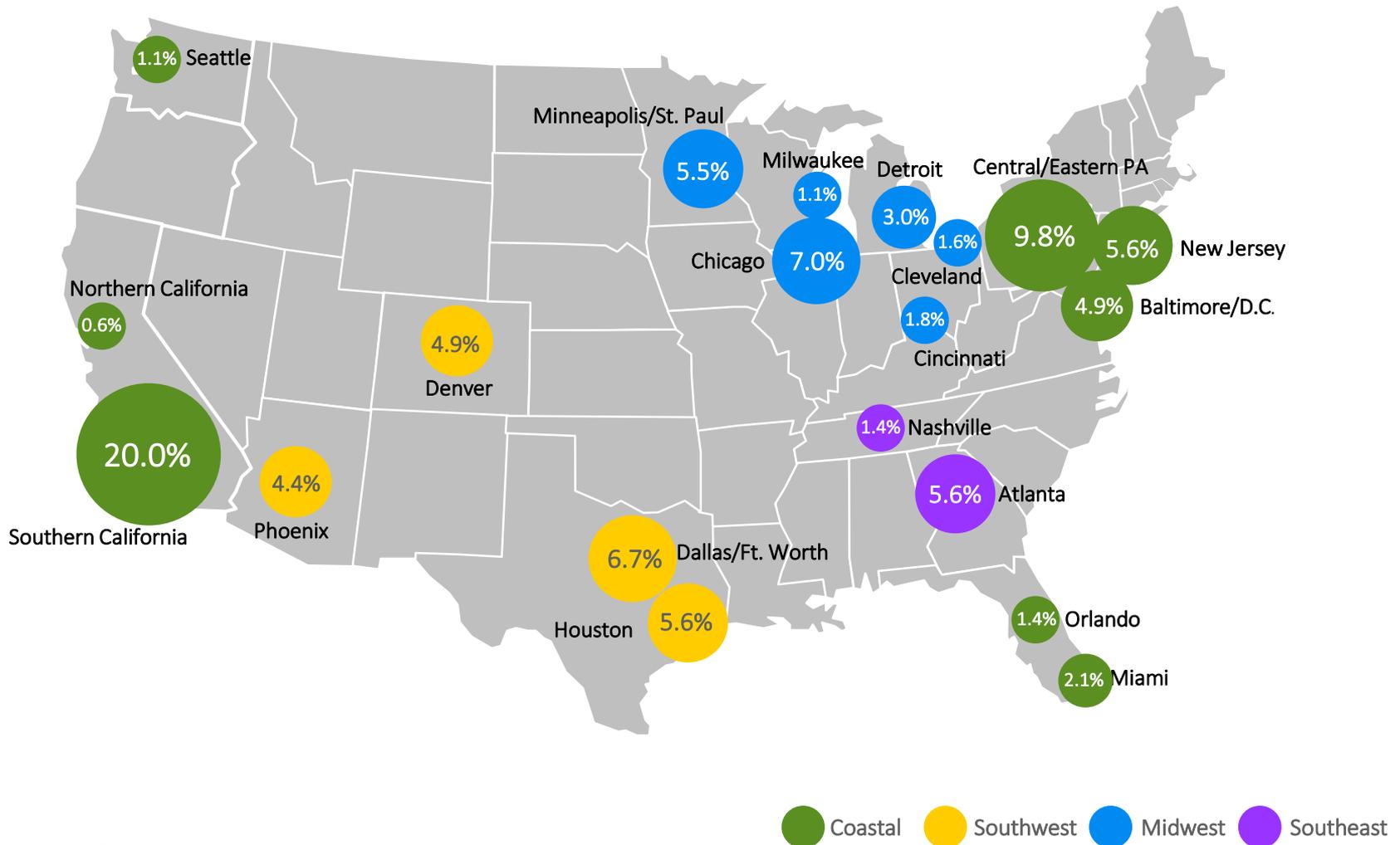
LIGHT  
INDUSTRIAL



R&D  
FLEX

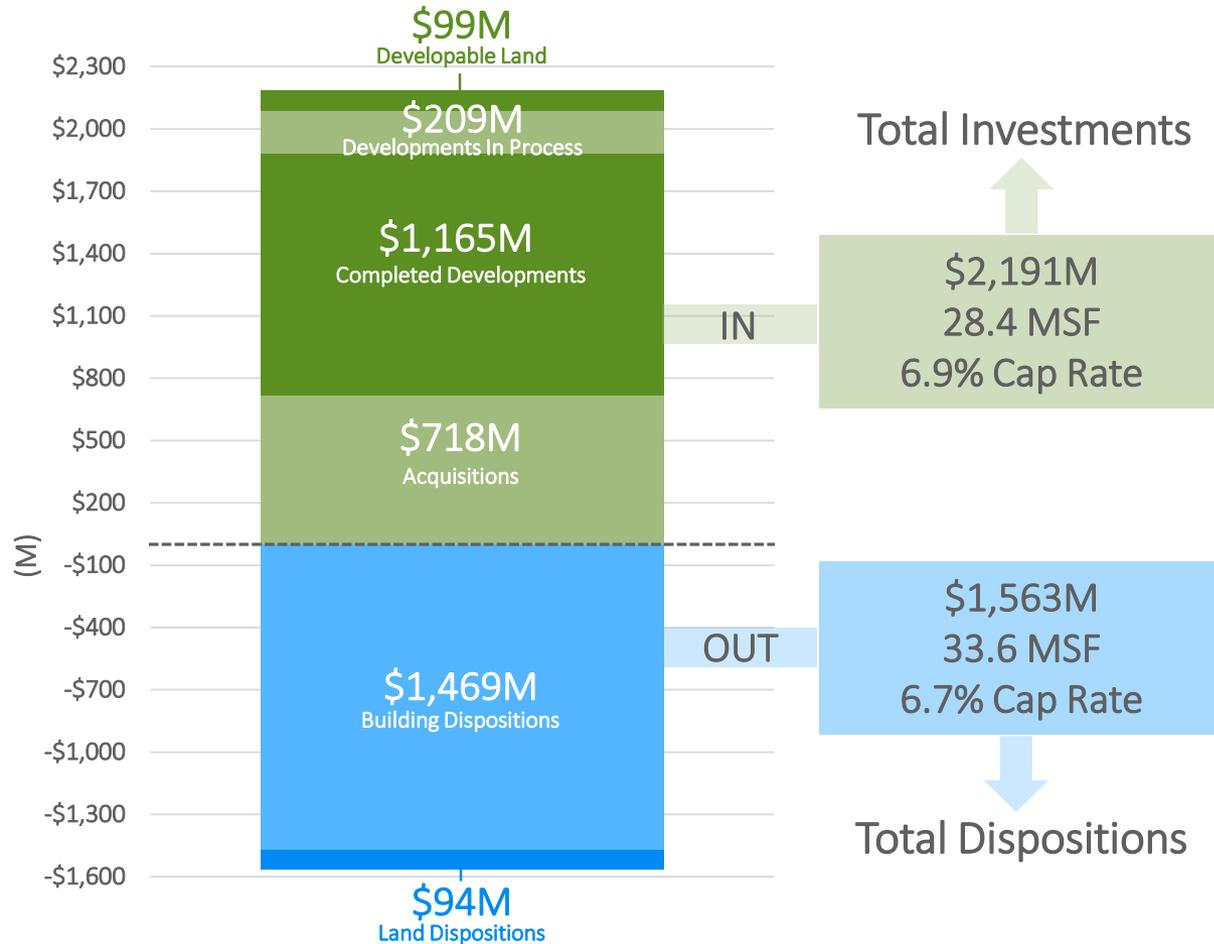
# Portfolio Composition

% of Rental Income as of December 31, 2019



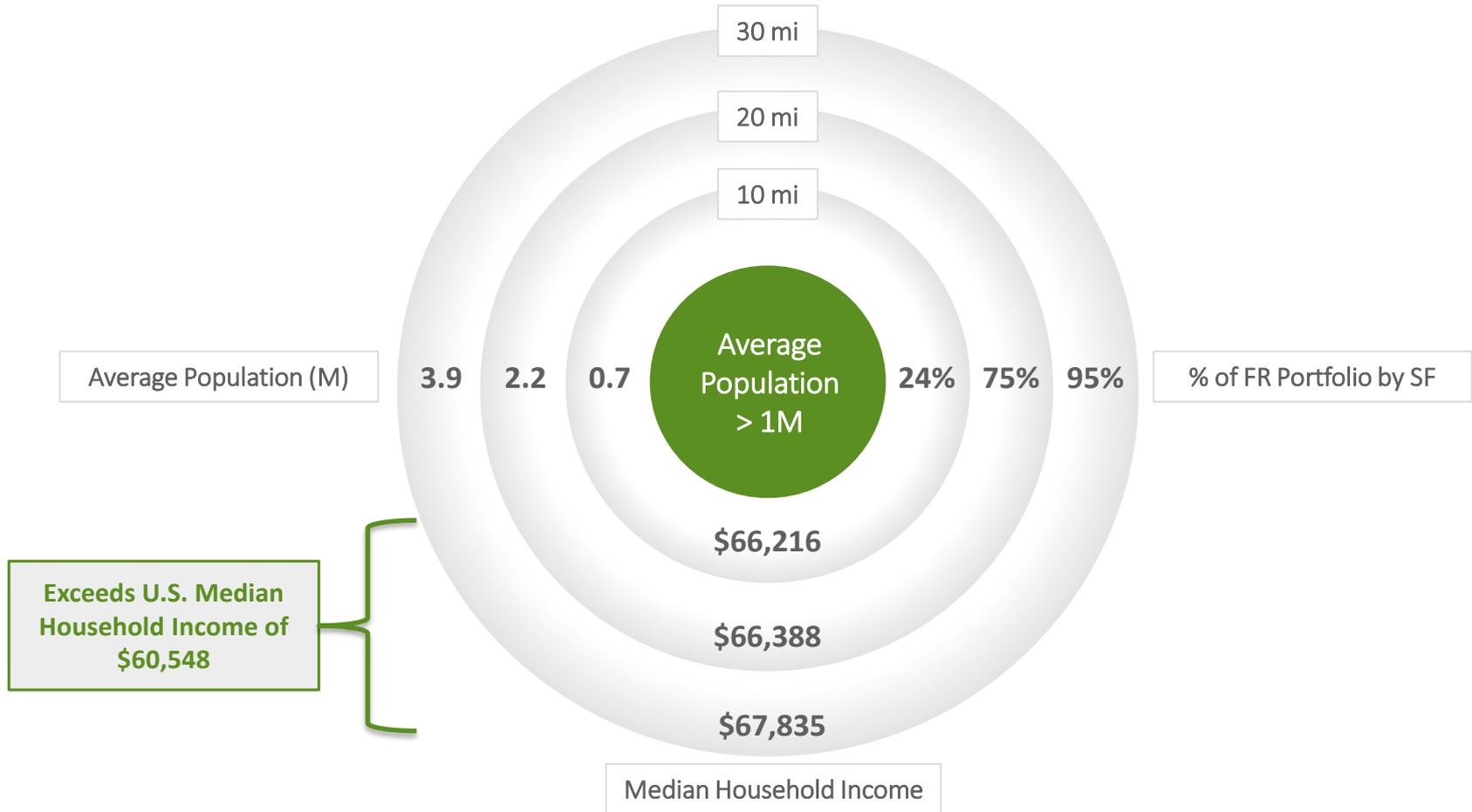
# Portfolio Transformation Summary

As of December 31, 2019



Δ is \$3.75B or 62 MSF Since 2010

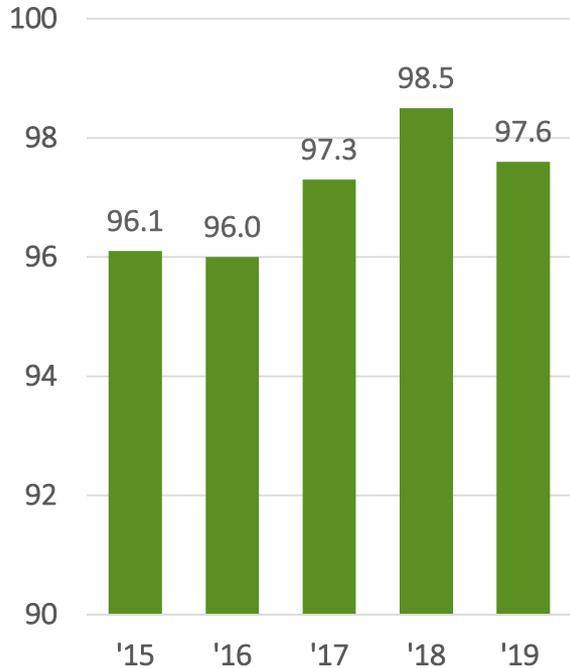
# Portfolio Proximity To Population Centers



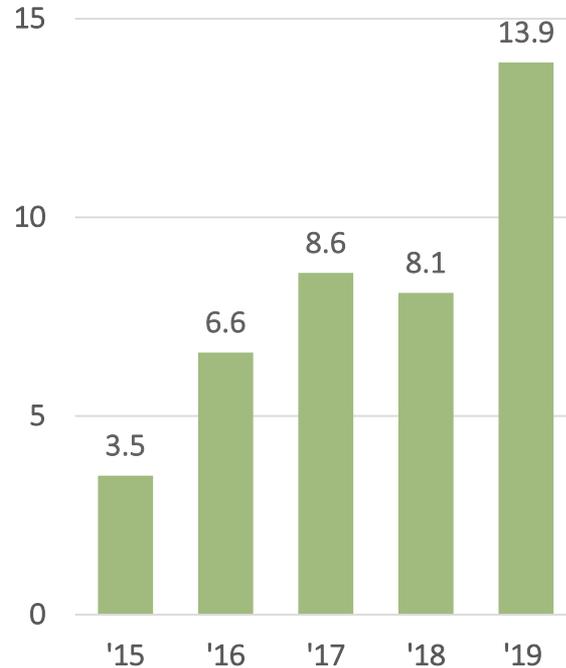
Proximity to higher income population centers fits broad-based supply chain requirements including e-commerce

# Key Portfolio Cash Flow Metrics

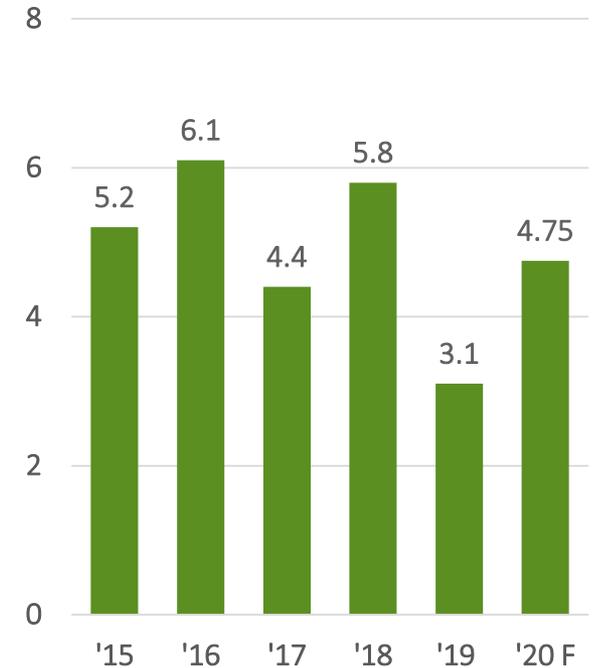
OCCUPANCY %  
(period end)



CASH RENTAL RATES %  
(period average)



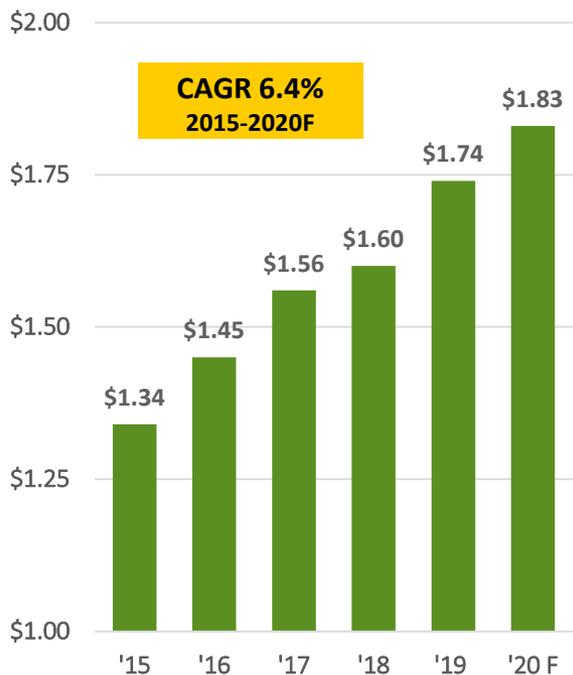
CASH SAME STORE NOI %  
(full year)



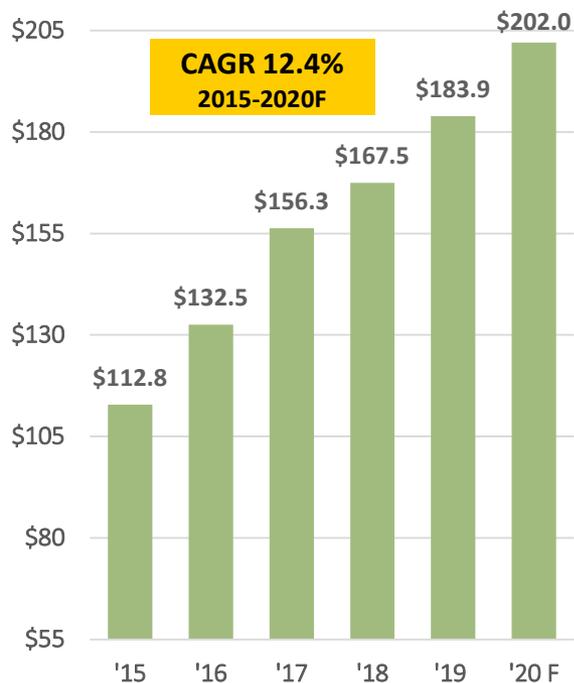
Driven by leasing execution, supported by fundamentals

# Financial Performance

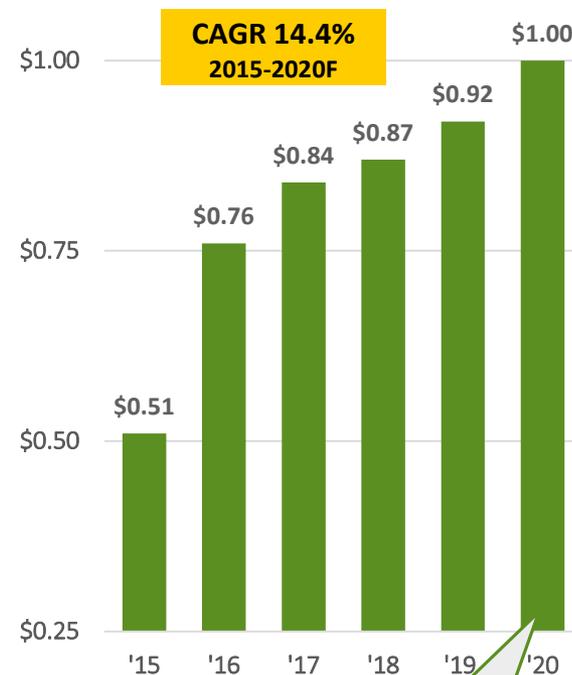
FFO PER SHARE



AFFO (M)



DIVIDEND PER SHARE



1Q20 dividend of \$0.25 annualized

Dividend growth aligned with cash flow growth.  
AFFO payout ratio of ~64% among industrial sector's lowest.

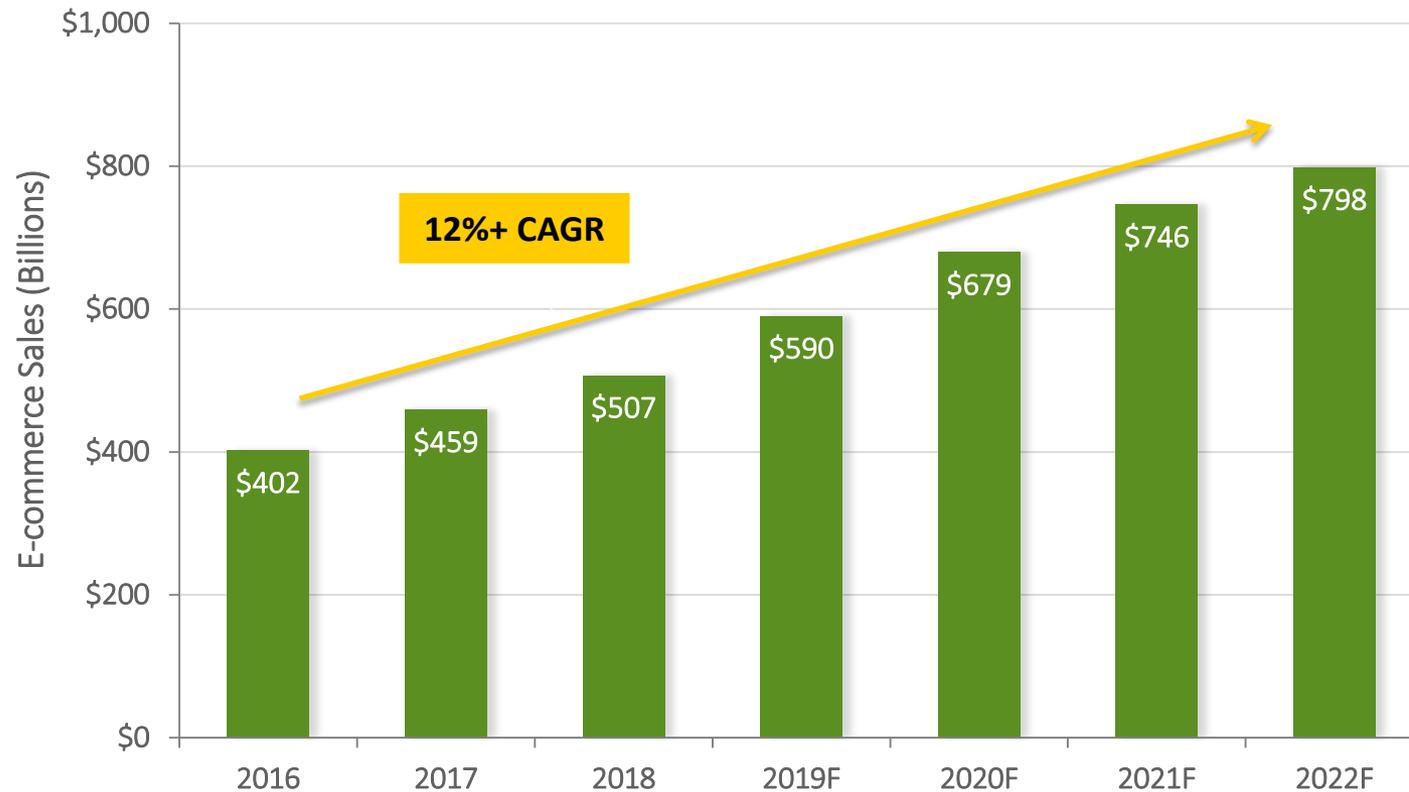
# Industrial Landscape



# Industrial Real Estate Demand Drivers



# E-commerce Driving Force



Every \$1B of e-commerce sales requires 1.25 MSF

# Supply/Demand Picture



QUALITY LAND  
TOUGH TO FIND



ENTITLEMENTS  
TAKE LONGER



CONSTRUCTION  
TIME AND COSTS INCREASING



NEW SUPPLY  
INCREASING  
MOSTLY IN LARGER FORMAT,  
CERTAIN SUBMARKETS

2019 Net Absorption 183 MSF vs Completions 224 MSF  
First year since 2009 of completions > net absorption  
National vacancy low, market rents continue to grow

# Investment Activity



# Creating Value Through Development

	Total SF Placed In-Service	Total GAAP Investment (\$M)	Cash Yield	Margin % Range
2016-17	3,881,743	255.7	7.4%	±45%
2018	3,454,560	227.1	7.9%	82% – 92%
2019	4,428,701	324.7	6.7%	42% - 52%
<b>Totals</b>	<b>11,765,004</b>	<b>\$807.5</b>	<b>7.3%</b>	<b>±60%</b>

Created ≈\$480M of value the last four years with development platform which translates into ≈\$3.75 per share of NAV

# Developments Placed In Service

As of December 31, 2019

Property	Market	SF	Estimated GAAP Investment (\$M)	\$/SF	% Leased	Estimated Cash Yield	Placed In Service Date
 The Ranch by First Industrial – Bdgs. III & V	Inland Empire	358,065	32.4	90	100%	8.3%	2Q19
 First Park Fairburn - BTS	Atlanta	703,339	39.5	56	100%	6.2%	3Q19
 First 290 @ Guhn Rd	Houston	126,250	8.8	70	100%	7.3%	3Q19
 First Joliet Logistics Center	Chicago	355,969	21.2	60	58%	7.1%	3Q19
 First Logistics Center @ I-78/81 – Bldgs. A & B	Central PA	988,920	75.8	77	75%	7.3%	3Q19/4Q19
 First Aurora Commerce Center – Building D	Denver	555,840	42.8	77	100%	6.8%	4Q19
 First Park @ Central Crossing III	Central NJ	119,808	12.5	104	100%	6.5%	4Q19
 First Mountain Creek Distribution Center - BTS	Dallas	863,328	51.6	60	100%	5.7%	4Q19
 HD Supply BTS @ PV 303	Phoenix	50,184	7.4	148	100%	5.9%	4Q19
 First Perry Logistics Center	Inland Empire	240,247	21.2	88	100%	5.8%	4Q19
 First Glacier Logistics Center	Seattle	66,751	11.5	172	100%	4.8%	4Q19
<b>Total</b>		<b>4,428,701</b>	<b>\$324.7</b>	<b>\$73</b>	<b>91%</b>	<b>6.7%</b>	

Average potential margin expected is approximately 42 - 52%

# Developments Completed/Under Construction

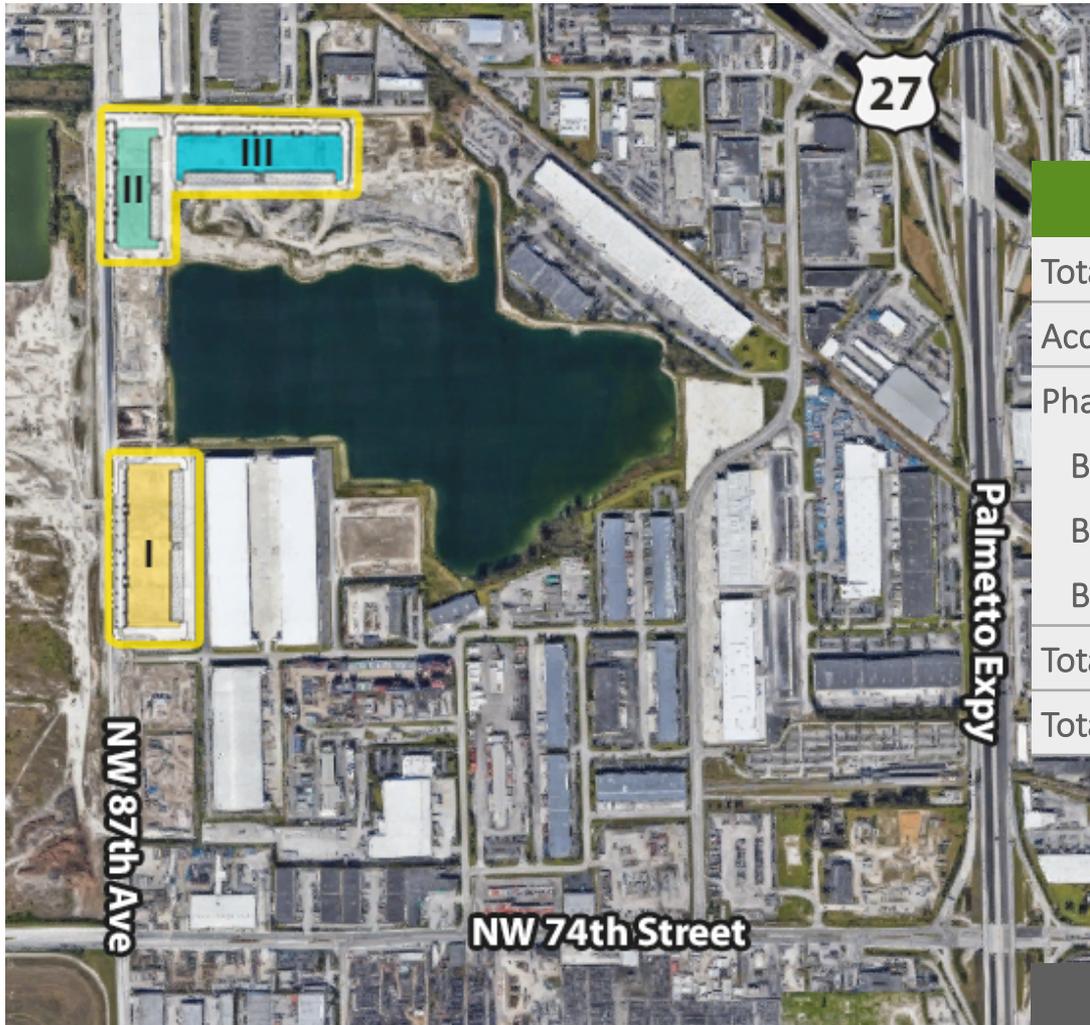
As of December 31, 2019

Property	Market	SF	Estimated GAAP Investment (\$M)	\$/SF	% Leased	Estimated Cash Yield	Estimated Completion
 First Fossil Creek Commerce Center	Dallas/Fort Worth	198,589	12.4	\$62	0%	7.0%	Complete
 First Grand Parkway Commerce Center – Buildings I & II	Houston	371,950	28.5	\$77	15%	7.7%	Complete
 First Park 121 – Buildings A & B	Dallas/Fort Worth	344,608	27.5	\$80	18%	7.1%	Complete
 Ferrero BTS @ PV 303	Phoenix	643,798	53.8	84	100%	7.9%	Complete
 First Redwood Logistics Center I – Buildings A & B	Inland Empire	402,287	47.4	118	0%	6.0%	2Q20
 First Independence Logistics Center	Philadelphia	100,162	12.3	123	0%	6.1%	2Q20
 First Sawgrass Commerce Center	Miami	103,791	15.3	147	0%	5.8%	3Q20
 First Park 121 – Building E	Dallas	434,720	31.2	72	77%	6.7%	3Q20
 First Redwood Logistics Center II – Building C	Inland Empire	71,905	12.6	175	0%	5.2%	3Q20
 First Cypress Creek Commerce Center	South Florida	373,930	35.6	95	0%	7.1%	4Q20
<b>Total</b>		<b>3,045,740</b>	<b>\$276.6</b>	<b>\$91</b>	<b>36%</b>	<b>6.9%</b>	

Average potential margin expected is approximately 40 - 50%

# First Park Miami

South Florida



## First Park Miami

Total Developable Acres	63.4
Acquisition Price	\$48.9M
Phase I Planned Development Start	Summer 2020
Building I	258,925 SF
Building II	132,751 SF
Building III	200,264 SF
Total Size	591,940 SF
Total Estimated Cost	\$90M

Targeted Cash Yield = Mid-Fives

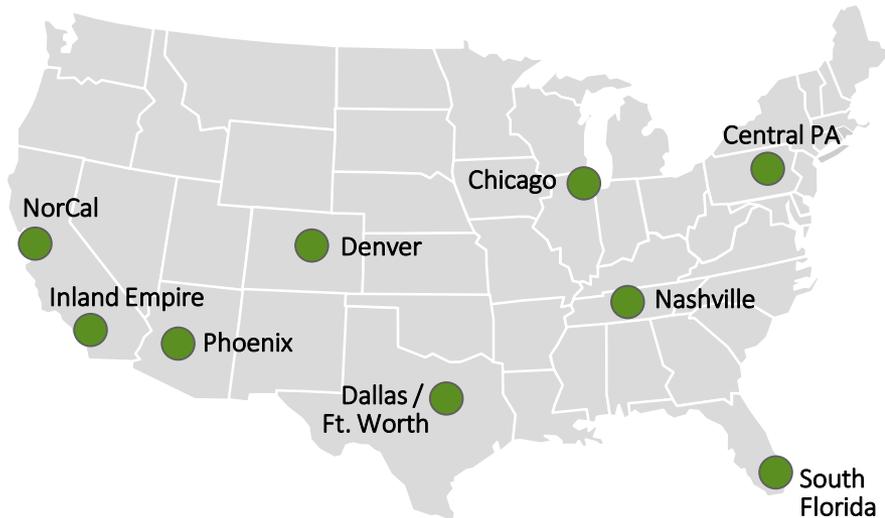
# 2019/2020 Acquisitions

As of February 12, 2020

Property	Market	SF	Acquisition Price (\$M)	Acquisition Price/SF (\$)	% Leased	Estimated Cash Yield
 First Orchard 88 Business Center	Chicago	172,654	12.3	71	60%	6.5%
 Mahalo & Maria	Los Angeles	31,900	7.1	223	100%	4.2%
 21110 E 31 <sup>st</sup> Circle	Denver	84,700	9.0	106	100%	5.2%
 930 Columbia Ave	Inland Empire	43,550	5.6	129	100%	5.2%
 1964 Kellogg Ave	San Diego	40,831	7.3	179	0%	6.1%
 305 Sequoia Avenue	Inland Empire	90,711	15.2	168	100%	4.9%
 770 Gills Drive	Orlando	54,000	6.3	117	100%	5.1%
 22718 58 <sup>th</sup> Place	Seattle	23,360	4.0	\$173	100%	6.0%
 27430 Industrial Boulevard	NorCal	22,500	4.9	\$219	100%	5.3%
<b>Total</b>		<b>564,206</b>	<b>\$71.7</b>	<b>\$127</b>	<b>81%</b>	<b>5.4%</b>

# Strategically Located Land Positions

As of December 31, 2019



Market	No. of Land Sites	Acres	Developable SF
Chicago	1	167.7	3,200,000
Dallas/Ft. Worth	2	53.7	801,500
Denver	1	84.8	1,333,000
Central PA	1	35.9	502,000
Inland Empire	5	65.6	1,306,000
South Florida	3	37.3	611,000
Nashville	1	72.1	1,200,000
Phoenix	1	56.3	900,000
NorCal	1	58.0	1,200,000
Other Locations		79.2	424,000
JV Land – Phoenix <sup>(1)</sup>		269.5	4,226,500
<b>Total Land</b>		<b>980.0</b>	<b>15,704,000</b>

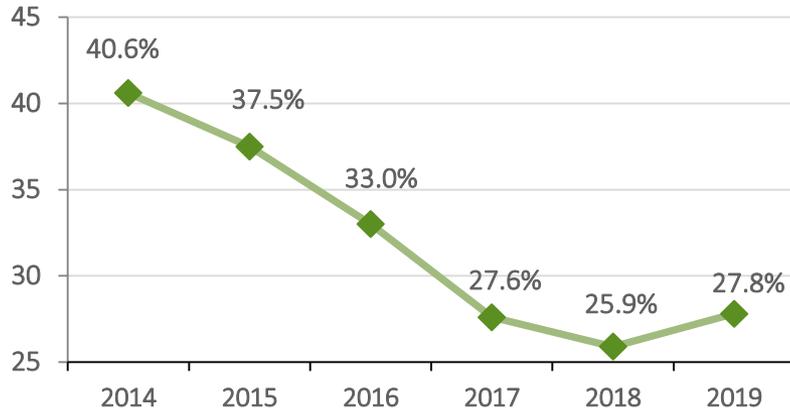
Ability to source, entitle and develop and sell when appropriate

# Strong Balance Sheet

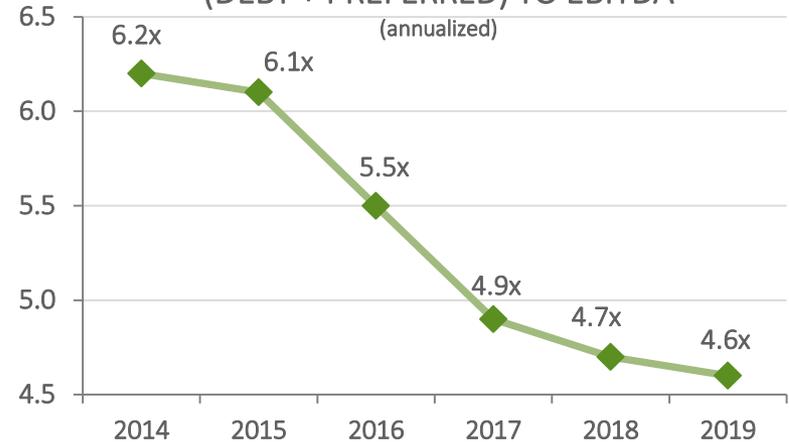


# Strong Balance Sheet

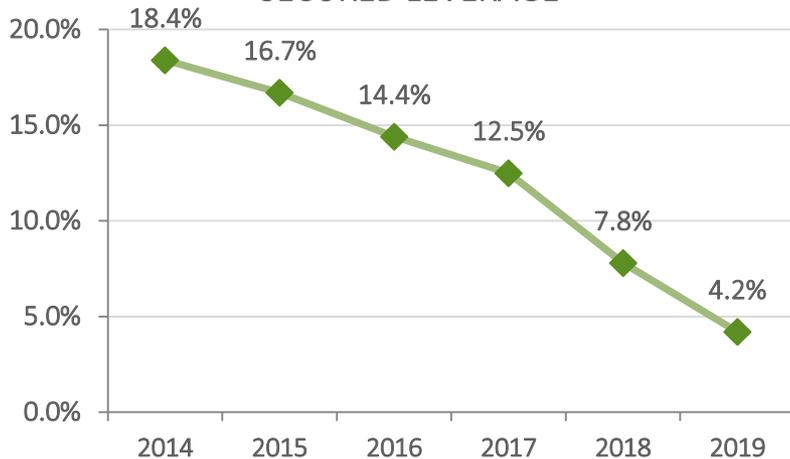
TOTAL LEVERAGE <sup>(1)</sup>



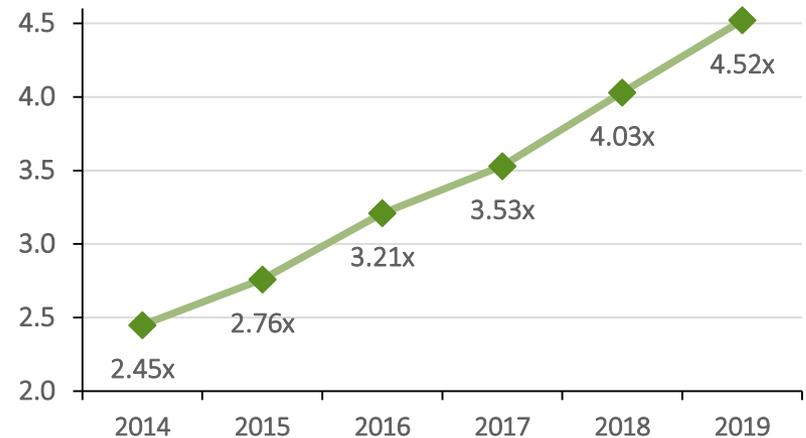
(DEBT + PREFERRED) TO EBITDA  
(annualized)



SECURED LEVERAGE



FIXED CHARGE COVERAGE

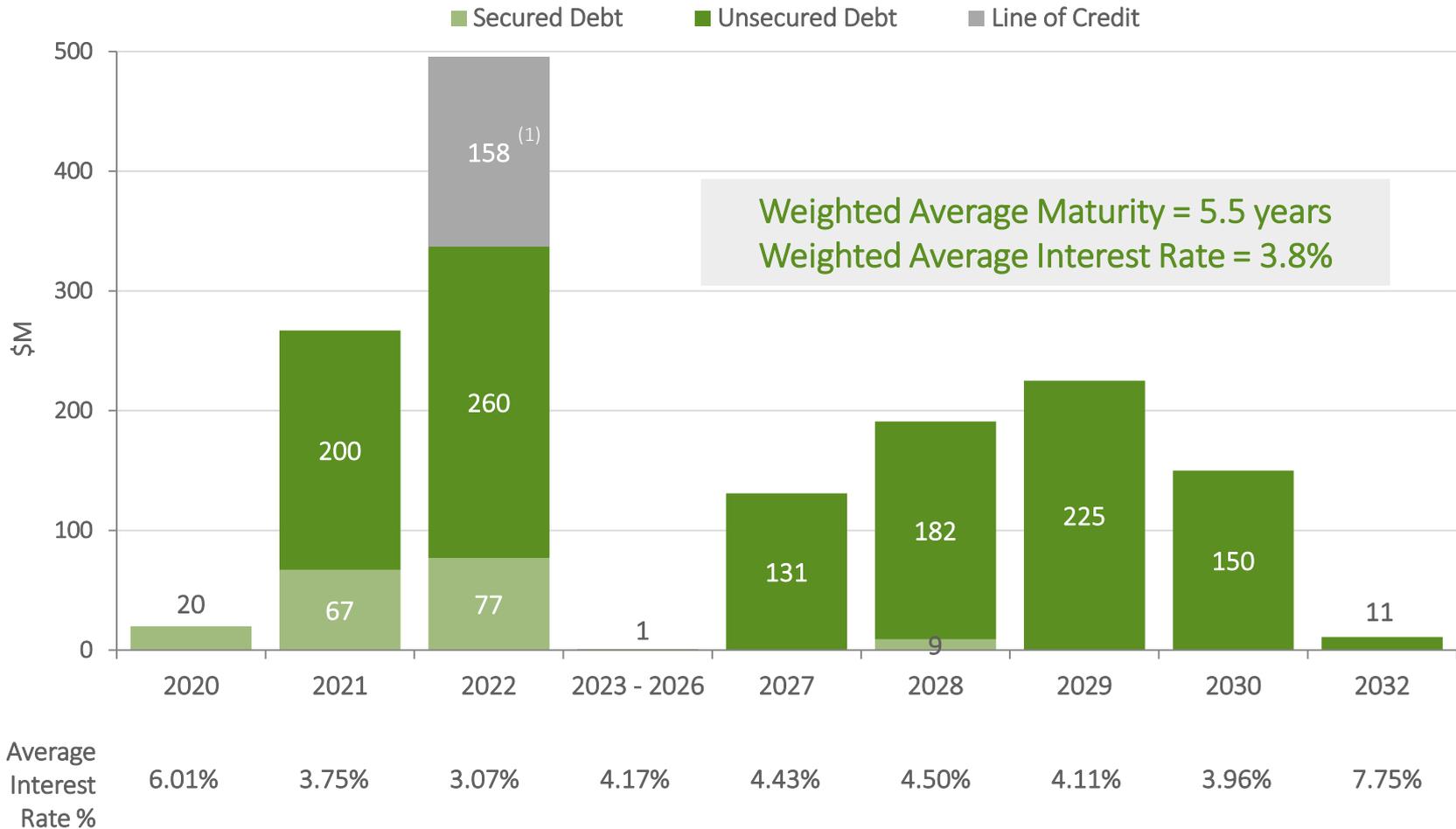


<sup>(1)</sup> Historical credit metrics were calculated in accordance with the Company's July 2013 and March 2015 line of credit (LOC) terms, with a cap rate of 7.5% and 7.0%, respectively. For 2017 and moving forward, credit metrics calculated based on October 2017 LOC terms, with a cap rate of 6.25%.

# Staggered Maturity Schedule

As of December 31, 2019

## Maturities



# Conclusion



# Why First Industrial?

## Cash Flow

Growth Opportunity

## Value Creation

Through Development and  
Select Acquisitions

## Strategy/Size

Nimble, Ability to Move the Needle  
with Incremental Investments

