

**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, 2018
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)

Maryland (First Industrial Realty Trust, Inc.)

36-3935116 (First Industrial Realty Trust, Inc.)

Delaware (First Industrial, L.P.)

36-3924586 (First Industrial, L.P.)

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer
Identification No.)

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

60606
(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)

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.

First Industrial Realty Trust, Inc. Yes No
First Industrial, L.P. Yes No

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.

First Industrial Realty Trust, Inc. Yes No
First Industrial, L.P. Yes No

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.

First Industrial Realty Trust, Inc. Yes No
First Industrial, L.P. Yes No

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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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.	<input type="checkbox"/>
First Industrial, L.P.	<input type="checkbox"/>

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

The aggregate market value of the voting and non-voting stock held by non-affiliates of First Industrial Realty Trust, Inc. was approximately \$4,144.6 million based on the closing price on the New York Stock Exchange for such stock on June 30, 2018.

At February 15, 2019, 126,594,152 shares of First Industrial Realty Trust, Inc.'s Common Stock, \$0.01 par value, were outstanding.

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.

EXPLANATORY NOTE

This report combines the Annual Reports on Form 10-K for the period ended December 31, 2018 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, 2018, the Company owned an approximate 98.0% common general partnership interest in the Operating Partnership. The remaining approximate 2.0% 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 2.0% equity interest in the Operating Partnership held by entities 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 Partnerships.* 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;
- 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 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, 2018, our in-service portfolio consisted of 171 bulk warehouse properties, 93 regional warehouse properties, 152 light industrial properties and 31 R&D/flex properties, containing an aggregate of approximately 60.7 million square feet of gross leasable area ("GLA") located in 21 states. Our in-service portfolio includes all properties that have reached stabilized occupancy (generally defined as properties that are 90% leased), developed and redeveloped properties one year from the date construction is completed and acquired properties that are at least 75% occupied at acquisition or one year from the acquisition date.

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 98.0% and 96.8% ownership interest ("General Partner Units") at December 31, 2018 and 2017, respectively. 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 2.0% and 3.2% at December 31, 2018 and 2017, respectively, 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, 2018, we had 145 employees.

Available Information

We maintain a website at www.firstindustrial.com. Information on this website shall not constitute part of this Form 10-K. 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 are available without charge on our website as soon as reasonably practicable after such reports are filed with or furnished to the SEC. You may also read and copy any document filed at the public reference facilities of the SEC at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at (800) SEC-0330 for further information about the public reference facilities. These documents also may be accessed through the SEC's Interactive Data Electronic Application via the SEC's home page on the Internet (www.sec.gov). In addition, the Company's Corporate Governance Guidelines, Code of Business Conduct and Ethics, Audit Committee Charter, Compensation Committee Charter and Nominating/Corporate Governance Committee Charter, along with supplemental financial and operating information prepared by us, are all available without charge on the Company's website or upon request to the Company. 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. We also post or otherwise make available on our website from time to time other information that may be of interest to our investors. Please direct requests as follows:

First Industrial Realty Trust, Inc.
1 N. Wacker Drive, Suite 4200
Chicago, IL 60606
Attention: Investor Relations

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 2018" 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 15, 2019, we had approximately \$713.4 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 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 may be unable to renew leases or find other lessees 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.

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 and could reduce the cash available to pay interest and principal on debt securities that we issue. 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 act to provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018 commonly known as Tax Cuts and Jobs Act (the "TCJ Act"), which generally took effect for taxable years beginning on or after January 1, 2018 (subject to certain exceptions), made many significant changes to the U.S. federal income tax laws that profoundly impacted the taxation of individuals and corporations (including both regular C corporations and corporations that have elected to be taxed as REITs). Among other changes, the TCJ Act permanently reduced the generally applicable corporate tax rate, generally reduced the tax rate applicable to individuals and other non-corporate taxpayers for tax years beginning on or after January 1, 2018 and before January 1, 2026, eliminated or modified certain previously allowed deductions (including substantially limiting interest deductibility and, for individuals, the deduction for non-business state and local taxes), and, for taxable years beginning on or after January 1, 2018 and before January 1, 2026, provides for preferential rates of taxation through a deduction of up to 20% (subject to certain limitations) on most ordinary REIT dividends and certain trade or business income of non-corporate taxpayers. The TCJ Act also imposed new limitations on the deduction of net operating losses, which may result in the Company having to make additional taxable distributions to our stockholders in order to comply with REIT distribution requirements and avoid taxes on retained income and gains. A number of changes that affect noncorporate taxpayers will expire at the end of 2025 unless Congress acts to extend them. These changes will impact us and our shareholders in various ways, some of which are adverse or potentially adverse compared to prior law. To date, the IRS has issued only limited guidance with respect to certain of the new provisions, and there are numerous interpretive issues that will require guidance. It is highly likely that technical corrections legislation will be needed to clarify certain aspects of the new law and give proper effect to Congressional intent. There can be no assurance, however, that technical clarifications or changes needed to prevent unintended or unforeseen tax consequences will be enacted by Congress in the near future.

Additionally, since the IRS, the United States Treasury Department and Congress frequently review federal income tax legislation, 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 each year. 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 face possible state and local tax audits.

Because the Company is organized and qualifies as a REIT, we are generally not subject to federal income taxes, but we are subject to certain state and local taxes. In the normal course of business, certain entities through which we own real estate have undergone tax audits. Collectively, tax deficiency notices received to date from the jurisdictions conducting previous audits have not been material. However, 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.

Subject to maintaining the Company's qualification as a REIT, we may seek to manage our exposure to interest rate volatility by using interest rate hedging arrangements, such as interest cap agreements, interest rate swap agreements and treasury locks. These agreements may fail to protect or could adversely affect us because, among other things:

- interest rate hedging can be expensive, particularly during periods of rising and volatile interest rates;
- available interest rate hedges may not correspond directly with the interest rate risk for which protection is sought;
- the duration of the hedge may not match the duration of the related liability;
- the amount of income that a REIT may earn from hedging transactions (other than through taxable REIT subsidiaries) is limited by U.S. federal tax provisions governing REITs;
- the credit quality of the party owing money on the hedge may be downgraded to such an extent that it impairs our ability to sell or assign our side of the hedging transaction;
- the party owing money in the hedging transaction may default on its obligation to pay;
- we could incur significant costs associated with the settlement of the agreements;
- the underlying transactions could fail to qualify as highly-effective cash flow hedges under generally accepted accounting practices; and
- a court could rule that such an agreement is not legally enforceable.

We have adopted a practice relating to the use of derivative financial instruments to hedge interest rate risks related to our borrowings. This practice 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. 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.

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. Certain of our variable rate debt, including our revolving credit facility, currently uses LIBOR as a benchmark for establishing the interest rate. LIBOR is the subject of recent proposals for reform. Any changes to the methods by which LIBOR is determined, or any other reforms to LIBOR which may be enacted in the United Kingdom, the European Union or elsewhere may result in, among other things, a sudden or prolonged increase or decrease in LIBOR, a delay in the publication of LIBOR, and changes in the rules or methodologies in LIBOR, which may discourage market participants from continuing to administer or to participate in LIBOR's determination, and, in certain situations, could result in LIBOR no longer being determined and published. If a published U.S. dollar LIBOR rate becomes unavailable for any reason, the interest rates on our debt which is indexed to LIBOR would be determined using various alternative methods, any of which may result in interest obligations which are more than or do not otherwise correlate over time with the payments that would have been made on such debt if U.S. dollar LIBOR was available in its current form. Further, the same costs and risks that may lead to the discontinuation or unavailability of U.S. dollar LIBOR may make one or more of the alternative methods impossible or impracticable to determine. Any of these proposals or consequences could have a material adverse effect on our financing costs. Our organizational documents do not contain any limitation on the amount or percentage of indebtedness we may incur.

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 Unsecured Credit Facility, 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.

Cross-collateralization of mortgage loans could result in foreclosure on a significant portion of our properties if we are unable to service its indebtedness.

Certain of our mortgages were issued on a cross-collateralized basis. Cross-collateralization makes all of the subject properties available to the lender in order to satisfy the debt. To the extent indebtedness is cross-collateralized, lenders may seek to foreclose upon properties that do not comprise the primary collateral for a loan, which may, in turn, result in acceleration of other indebtedness collateralized by such properties. Foreclosure of properties would result in a loss of income and asset value to us, making it difficult for us to meet both debt payment obligations and the distribution requirements of the REIT provisions of the Code.

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 an owner 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 to address, among other things, climate change, 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.

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 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 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 shares, of which 10,000,000 shares are 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.

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 have in the past 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 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, 2018, we owned 447 in-service industrial properties containing an aggregate of approximately 60.7 million square feet of GLA in 21 states, with a diverse base of more than 1,150 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 on a portfolio basis, calculated at December 31, 2018, was \$5.22. 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, 2018, 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 12/31/18
	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	3,859	13	340	4	347	5	—	—	4,546	22	94.5%
Baltimore, MD	1,579	5	—	—	315	5	52	1	1,946	11	100.0%
Central/Eastern PA (A)	5,957	14	580	6	346	7	—	—	6,883	27	96.4%
Chicago, IL	4,737	14	326	6	255	5	—	—	5,318	25	98.9%
Cincinnati, OH	683	3	311	3	278	5	100	2	1,372	13	98.0%
Cleveland, OH	1,128	6	—	—	—	—	—	—	1,128	6	100.0%
Dallas/Ft. Worth, TX	3,781	24	483	6	971	17	—	—	5,235	47	98.6%
Denver, CO	579	4	632	6	986	21	156	5	2,353	36	99.4%
Detroit, MI	399	3	509	11	652	27	136	3	1,696	44	100.0%
Houston, TX	2,592	12	377	5	470	8	—	—	3,439	25	99.9%
Indianapolis, IN	1,968	6	603	7	125	4	20	1	2,716	18	99.3%
Miami, FL	315	2	345	7	72	1	—	—	732	10	96.8%
Milwaukee, WI	873	4	90	1	—	—	—	—	963	5	100.0%
Minneapolis/St. Paul, MN	2,779	13	145	2	322	4	406	5	3,652	24	96.9%
Nashville, TN	979	3	—	—	164	2	—	—	1,143	5	100.0%
New Jersey (A)	1,239	5	—	—	781	14	172	3	2,192	22	98.9%
Orlando, FL	427	3	180	2	79	1	—	—	686	6	100.0%
Phoenix, AZ	2,197	7	395	6	38	1	—	—	2,630	14	99.9%
Seattle, WA	101	1	162	3	—	—	—	—	263	4	100.0%
Southern California (A)	6,383	21	1,156	18	825	21	—	—	8,364	60	99.6%
St. Louis, MO	1,238	2	—	—	65	1	192	2	1,495	5	98.9%
Tampa, FL	210	1	—	—	83	3	217	9	510	13	95.1%
Other (B)	1,440	5	—	—	—	—	—	—	1,440	5	100.0%
Total	45,443	171	6,634	93	7,174	152	1,451	31	60,702	447	98.5%
Occupancy by Industrial Property Type		98.6%		99.5%		97.1%		94.7%			98.5%

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

(B) Properties are located in Kansas City, MO; Jefferson County, KY; Greenville, KY; Winchester, VA; and Salt Lake City, UT.

Indebtedness

As of December 31, 2018, 102 of our 447 in-service industrial properties, with a net carrying value of \$459.2 million, are pledged as collateral under our mortgage financings, totaling \$297.7 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, 2018, we acquired ten industrial properties and several land parcels for an aggregate purchase price of approximately \$167.5 million. The industrial properties were acquired at an expected stabilized capitalization rate of approximately 5.7%. 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 12/31/18
Houston, TX	2	334,360	Bulk Warehouse	10% ^(A)
New Jersey	1	119,922	Bulk Warehouse	100%
Orlando, FL	1	93,608	Regional Warehouse	100%
Seattle, WA	2	91,468	Regional Warehouse	38%
Southern California	4	396,045	Bulk Warehouse, Regional Warehouse	57%
Total	10	1,035,403		

^(A) As of December 31, 2018, percentage leased was 92%.

Development Activity

During the year ended December 31, 2018, we completed and placed in-service eight developments totaling approximately 3.5 million square feet of GLA at a total cost of approximately \$226.6 million. Included in the total cost is \$11.7 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 7.9%. The placed in-service development projects have the following characteristics:

Metropolitan Area	Number of Properties	GLA	Property Type	Occupancy at 12/31/18
Chicago, IL	1	602,348	Bulk Warehouse	100%
Phoenix, AZ	1	643,798	Bulk Warehouse	100%
Southern California	6	2,208,414	Bulk Warehouse, Regional Warehouse	100%
Total	8	3,454,560		

As of December 31, 2018, we substantially completed six developments totaling approximately 1.8 million square feet of GLA. The estimated total investment for the six developments is approximately \$129.2 million, of which \$115.3 million has been incurred as of December 31, 2018. 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 12/31/18
Central/Eastern PA	2	988,920	Bulk Warehouse	0%
Chicago, IL	1	355,199	Bulk Warehouse	0%
Houston, TX	1	126,250	Bulk Warehouse	0%
Southern California	2	358,065	Bulk Warehouse	0%
Total	6	1,828,434		

As of December 31, 2018, we have seven development projects that are under construction totaling approximately 2.8 million square feet of GLA. The estimated total investment for the seven development projects under construction is \$189.4 million, of which \$61.0 million has been incurred as of December 31, 2018. 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
Seattle, WA	1	66,751	Regional Warehouse	Q2 2019
Dallas/Fort Worth, TX	2	345,280	Bulk Warehouse	Q2 2019
Denver, CO	1	555,840	Bulk Warehouse	Q3 2019
Southern California	1	239,950	Bulk Warehouse	Q3 2019
Atlanta, GA	1	703,080	Bulk Warehouse	Q3 2019
Dallas/Fort Worth, TX	1	863,328	Bulk Warehouse	Q4 2019
Total	7	2,774,229		

Property Sales

During the year ended December 31, 2018, we sold 53 industrial properties comprising approximately 2.6 million square feet of GLA, at a weighted average capitalization rate of 6.3%, and several land parcels for total gross sales proceeds of approximately \$192.0 million. The capitalization rate for the 53 industrial property sales is calculated by taking revenues of the property (excluding straight-line rent, lease inducement amortization, above and below market lease amortization and insurance proceeds, other than business interruption insurance proceeds) 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
Atlanta, GA	1	364,000	Regional Warehouse
Baltimore/Washington	7	322,239	R & D/Flex, Regional Warehouse, Light Industrial
Chicago, IL	1	85,955	R & D/Flex
Dallas/Ft. Worth, TX	18	445,559	R & D/Flex, Regional Warehouse, Light Industrial
Denver, CO	4	145,700	Light Industrial
Detroit, MI	2	29,006	Light Industrial
Indianapolis, IN	1	54,000	Light Industrial
Miami, FL ^(A)	1	9,500	Light Industrial
New Jersey	2	196,026	Regional Warehouse, Light Industrial
Phoenix, AZ	2	210,417	Bulk Warehouse, Regional Warehouse
Southern California	2	142,241	Regional Warehouse, Light Industrial
St. Louis, MO	4	317,109	Light Industrial
Tampa, FL	8	266,362	R & D/Flex, Light Industrial
Total	53	2,588,114	

^(A) Partial sale of a 0.1 million square-foot industrial property.

Tenant and Lease Information

We have a diverse base of more than 1,150 tenants engaged in a wide variety of businesses including distribution, wholesale trade, professional services, manufacturing and retail. At December 31, 2018, our leases have a weighted average lease length of 6.8 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, 2018, approximately 98.5% of the GLA of our in-service properties was leased, and no single tenant or group of related tenants accounted for more than 2.6% 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, 2018. 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 ^(A)	Straight Line Basis Rent Growth ^(B)	Weighted Average Lease Term ^(C)	Lease Costs Per Square Foot ^(D)	Weighted Average Tenant Retention ^(E)
New Leases	128	2,342	\$ 5.82	21.1%	6.2	\$ 5.10	N/A
Renewal Leases	187	7,421	\$ 5.11	20.4%	4.5	\$ 1.43	82.8%
Development / Acquisition Leases	18	3,485	\$ 5.39	N/A	8.8	N/A	N/A
Total / Weighted Average	333	13,248	\$ 5.31	20.6%	5.9	\$ 2.31	82.8%

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

^(B) 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.

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

^(D) 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.

^(E) 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, 2018, which included rent concessions during the lease term.

	Number of Leases With Rent Concessions	Square Feet (in 000's)	Rent Concessions (\$)
New Leases	74	1,601	\$ 2,071
Renewal Leases	12	422	\$ 688
Development / Acquisition Leases	17	3,467	\$ 7,392
Total	103	5,490	\$ 10,151

Lease Expirations

Fundamentals for the United States industrial real estate market remained favorable in 2018, 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. Incremental demand exceeded new supply in 2018, with net absorption exceeding 200 million square feet nationally for the sixth consecutive year. 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, a new supply/demand environment near equilibrium, and the 2019 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 2019, 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, 2018.

Year of Expiration ^(A)	Number of Leases Expiring	GLA Expiring ^(B)	Percentage of GLA Expiring ^(B)	Annualized Base Rent Under Expiring Leases (In thousands) ^(C)	Percentage of Total Annualized Base Rent Expiring ^(C)
2019	158	4,250,316	7%	\$ 21,729	7%
2020	222	7,290,840	12%	38,731	13%
2021	240	10,170,890	17%	51,266	17%
2022	163	6,363,198	11%	32,996	11%
2023	174	7,929,705	13%	40,506	14%
2024	100	5,973,426	10%	29,181	10%
2025	48	4,707,745	8%	22,478	7%
2026	38	4,086,190	7%	17,432	6%
2027	16	2,720,602	5%	13,992	5%
2028	12	1,765,484	3%	8,445	3%
Thereafter	24	3,894,574	7%	20,637	7%
Total	1,195	59,152,970	100%	\$ 297,393	100%

^(A) Includes leases that expire on or after January 1, 2019 and assumes tenants do not exercise existing renewal, termination or purchase options.

^(B) Does not include existing vacancies of 931,314 aggregate square feet and December 31, 2018 move outs of 618,032 aggregate square feet.

^(C) Annualized base rent is calculated as monthly base rent (cash basis) per the terms of the lease, as of December 31, 2018, 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, 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
December 31, 2017	\$ 32.82	\$ 30.49	\$ 0.2100
September 30, 2017	\$ 31.74	\$ 28.21	\$ 0.2100
June 30, 2017	\$ 30.04	\$ 26.88	\$ 0.2100
March 31, 2017	\$ 28.66	\$ 25.35	\$ 0.2100

As of February 15, 2019, the Company had 397 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 117 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 2018.

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.

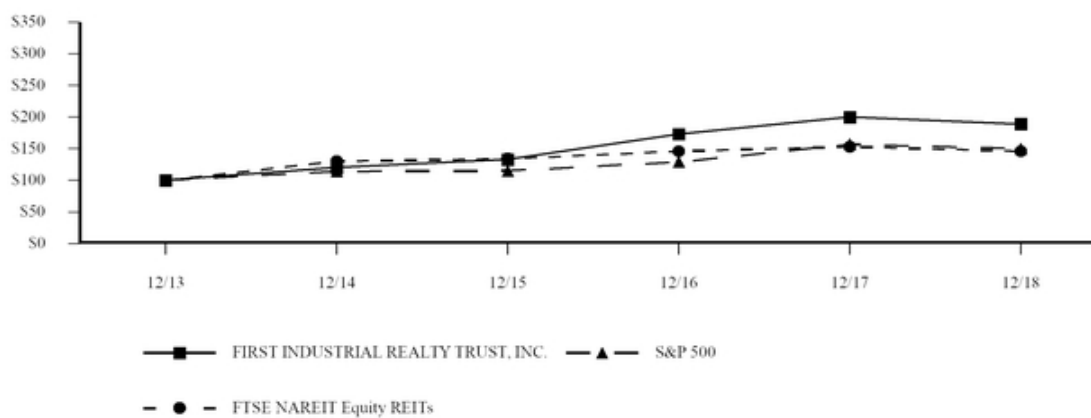
During the year ended December 31, 2018, the Operating Partnership did not issue any Limited Partner Units.

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, 2018, the Operating Partnership could satisfy its redemption obligations by making an aggregate cash payment of approximately \$75.7 million or by issuing 2,624,167 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* Among First Industrial Realty Trust, Inc., the S&P 500 Index, and the FTSE NAREIT Equity REITs Index



* \$100 invested on 12/31/13 in stock or index, including reinvestment of dividends.
Fiscal year ending December 31.

	12/13	12/14	12/15	12/16	12/17	12/18
FIRST INDUSTRIAL REALTY TRUST, INC.	\$ 100.00	\$ 120.39	\$ 132.80	\$ 173.25	\$ 200.06	\$ 188.79
S&P 500	\$ 100.00	\$ 113.69	\$ 115.26	\$ 129.05	\$ 157.22	\$ 150.33
FTSE NAREIT Equity REITs	\$ 100.00	\$ 130.14	\$ 134.30	\$ 145.74	\$ 153.36	\$ 146.27

* 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 12/31/18	Year Ended 12/31/17	Year Ended 12/31/16	Year Ended 12/31/15	Year Ended 12/31/14
(In thousands, except per share data)					
Statement of Operations Data:					
Total Revenues	\$ 403,954	\$ 396,402	\$ 378,020	\$ 365,823	\$ 346,709
Income from Continuing Operations	167,334	208,301	125,684	76,705	23,182
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders and Participating Securities	163,239	201,456	121,232	73,802	46,629
Basic Per Share Data:					
Income from Continuing Operations Available to First Industrial Realty Trust, Inc.'s Common Stockholders	\$ 1.31	\$ 1.70	\$ 1.05	\$ 0.67	\$ 0.18
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	1.31	1.70	1.05	0.67	0.42
Diluted Per Share Data:					
Income from Continuing Operations Available to First Industrial Realty Trust, Inc.'s Common Stockholders	\$ 1.31	\$ 1.69	\$ 1.05	\$ 0.66	\$ 0.18
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	1.31	1.69	1.05	0.66	0.42
Dividends/Distributions Per Share	\$ 0.87	\$ 0.84	\$ 0.76	\$ 0.51	\$ 0.41
Basic Weighted Average Shares	123,804	118,272	115,030	110,352	109,922
Diluted Weighted Average Shares	124,191	118,787	115,370	110,781	110,325
Balance Sheet Data (End of Period):					
Real Estate, Before Accumulated Depreciation	\$ 3,673,644	\$ 3,495,745	\$ 3,384,914	\$ 3,293,968	\$ 3,183,369
Total Assets	3,142,691	2,941,062	2,793,263	2,709,808	2,574,911
Indebtedness	1,297,783	1,296,997	1,347,092	1,434,168	1,342,762
Total Equity	1,679,911	1,475,877	1,284,625	1,115,135	1,090,827
Cash Flow Data:					
Cash Flow From Operating Activities	\$ 210,495	\$ 192,562	\$ 173,889	\$ 162,149	\$ 137,609
Cash Flow From Investing Activities	(223,398)	(82,495)	(122,395)	(175,898)	(67,240)
Cash Flow From Financing Activities	16,794	(85,046)	(57,025)	29,426	(66,599)
Other Data:					
Funds from Operations Available to First Industrial Realty Trust, Inc.'s Common Stockholders and Participating Securities ^(A)	\$ 199,391	\$ 186,496	\$ 167,811	\$ 140,841	\$ 127,890

^(A) 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."

The Operating Partnership

	Year Ended 12/31/18	Year Ended 12/31/17	Year Ended 12/31/16	Year Ended 12/31/15	Year Ended 12/31/14
(In thousands, except per Unit data)					
Statement of Operations Data:					
Total Revenues	\$ 403,954	\$ 396,402	\$ 378,020	\$ 365,823	\$ 346,709
Income from Continuing Operations	167,334	208,301	125,684	76,820	23,434
Net Income Available to Unitholders and Participating Securities	167,246	208,158	125,547	76,682	48,704
Basic Per Unit Data:					
Income from Continuing Operations Available to Unitholders	\$ 1.31	\$ 1.70	\$ 1.05	\$ 0.67	\$ 0.18
Net Income Available to Unitholders	1.31	1.70	1.05	0.67	0.42
Diluted Per Unit Data:					
Income from Continuing Operations Available to Unitholders	\$ 1.31	\$ 1.69	\$ 1.05	\$ 0.66	\$ 0.18
Net Income Available to Unitholders	1.31	1.69	1.05	0.66	0.42
Distributions Per Unit	\$ 0.87	\$ 0.84	\$ 0.76	\$ 0.51	\$ 0.41
Basic Weighted Average Units	126,921	122,306	119,274	114,709	114,388
Diluted Weighted Average Units	127,308	122,821	119,614	115,138	114,791
Balance Sheet Data (End of Period):					
Real Estate, Before Accumulated Depreciation	\$ 3,673,644	\$ 3,495,745	\$ 3,384,914	\$ 3,293,968	\$ 3,183,369
Total Assets	3,152,799	2,951,180	2,803,701	2,720,523	2,585,624
Indebtedness	1,297,783	1,296,997	1,347,092	1,434,168	1,342,762
Total Partners' Capital	1,690,019	1,485,995	1,295,063	1,125,850	1,101,590
Cash Flow Data:					
Cash Flow From Operating Activities	\$ 210,505	\$ 192,881	\$ 174,166	\$ 162,286	\$ 138,352
Cash Flow From Investing Activities	(223,398)	(82,494)	(122,395)	(175,898)	(67,895)
Cash Flow From Financing Activities	16,784	(85,366)	(57,302)	29,304	(66,687)

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 2018

During 2018, we completed the following significant transactions and financing activities:

- We acquired 10 industrial properties comprised of approximately 1.0 million square feet of GLA located in our Seattle, Orlando, Southern California, New Jersey and Houston markets for an aggregate purchase price of \$124.9 million.
- We acquired 271.7 acres of land for development located in our Dallas, Denver, Seattle, Southern California, New Jersey and Miami markets for an aggregate purchase price of \$42.6 million.
- We developed, placed in-service and leased at 100%, 8 industrial properties comprising approximately 3.5 million square feet of GLA located in Southern California, Chicago and Phoenix at an estimated total cost of \$226.6 million.
- We sold 53 industrial properties comprised of approximately 2.6 million square feet of GLA and several land parcels for total gross sales proceeds of \$192.0 million.
- We entered into the Joint Venture with a third party and acquired, for a purchase price of \$49.0 million, approximately 532 net developable acres of land located in Phoenix for the purpose of developing, selling, leasing and operating industrial properties.
- We issued \$150.0 million of ten-year private placement notes at a rate of 3.86% and \$150.0 million of twelve-year private placement notes at a rate of 3.96%.
- We issued 4,800,000 shares of the Company's common stock in an underwritten public offering. Proceeds to the Company, net of the underwriter's discount, were \$145.6 million.
- We paid off \$157.8 million in mortgage loans payable.
- We declared an annual cash dividend of \$0.87 per common share or Unit, an increase of 3.6% from 2017.

Results of Operations

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

Our net income was \$167.3 million and \$208.3 million for the years ended December 31, 2018 and 2017, respectively.

The tables below summarize our revenues, property expenses and depreciation and other amortization by various categories for the years ended December 31, 2018 and 2017. Same store properties are properties owned prior to January 1, 2017 and held as an in-service property through December 31, 2018 and developments and redevelopments that were placed in service prior to January 1, 2017 or were substantially completed for the 12 months prior to January 1, 2017. 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 (generally 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 in the first year 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, 2016 and held as an operating property through December 31, 2018. Sold properties are properties that were sold subsequent to December 31, 2016. (Re)Developments include developments and redevelopments that were not: a) substantially complete 12 months prior to January 1, 2017; or b) stabilized prior to January 1, 2017. 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 the property is 100% occupied. This property will return to the same store classification in the first quarter 2020.

During the year ended December 31, 2017, one industrial property, comprising approximately 0.1 million square feet of GLA, was taken out of service due to a fire which caused major damage to the building. During the year ended December 31, 2018, we recognized \$1.3 million of insurance proceeds, inclusive of business interruption proceeds, within other income. Also, during the year ended December 31, 2018, we sold the remaining property and as such, the results of this property are included in the sold classification.

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. We anticipate the rebuild of this property will be complete during the first quarter 2019 and as of December 31, 2018, the property is 100% pre-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, 2018 and 2017, the average occupancy rates of our same store properties were 97.5% and 96.2%, respectively.

	2018	2017	\$ Change	% Change
(In thousands)				
REVENUES				
Same Store Properties	\$ 365,873	\$ 349,196	\$ 16,677	4.8 %
Acquired Properties	12,462	4,243	8,219	193.7 %
Sold Properties	11,354	36,484	(25,130)	(68.9)%
(Re) Developments	11,393	4,626	6,767	146.3 %
Other	2,872	1,853	1,019	55.0 %
Total Revenues	<u>\$ 403,954</u>	<u>\$ 396,402</u>	<u>\$ 7,552</u>	1.9 %

Revenues from same store properties increased \$16.7 million due primarily to an increase in occupancy and rental rates as well as tenant recoveries. Revenues from acquired properties increased \$8.2 million due to the 18 industrial properties acquired subsequent to December 31, 2016 totaling approximately 2.1 million square feet of GLA. Revenues from sold properties decreased \$25.1 million due to the 113 industrial properties sold subsequent to December 31, 2016 totaling approximately 7.2 million square feet of GLA. Revenues from (re)developments increased \$6.8 million due to an increase in occupancy. Revenues from other increased \$1.0 million primarily due to an increase in interest income earned on our cash equivalents, as well as an increase in occupancy related to one property acquired in 2016 and placed in service during 2017.

	2018	2017	\$ Change	% Change
(In thousands)				
PROPERTY EXPENSES				
Same Store Properties	\$ 97,053	\$ 91,417	\$ 5,636	6.2 %
Acquired Properties	3,850	1,105	2,745	248.4 %
Sold Properties	3,461	11,695	(8,234)	(70.4)%
(Re) Developments	4,090	1,392	2,698	193.8 %
Other	8,400	7,885	515	6.5 %
Total Property Expenses	<u>\$ 116,854</u>	<u>\$ 113,494</u>	<u>\$ 3,360</u>	3.0 %

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 \$5.6 million primarily due to an increase in real estate taxes, snow removal costs, and insurance expense. Property expenses from acquired properties increased \$2.7 million due to properties acquired subsequent to December 31, 2016. Property expenses from sold properties decreased \$8.2 million due to properties sold subsequent to December 31, 2016. Property expenses from (re)developments increased \$2.7 million primarily due to the substantial completion of developments. Property expenses from other increased \$0.5 million due to an increase in real estate taxes.

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 increase in severance expense is offset by an increase in the capitalization of compensation of certain development personnel due to an increase in development activities as well as a decrease in amortization of restricted stock, which decrease is primarily due to immediate recognition of \$1.6 million of expense related to the issuance of restricted stock to our former CEO during the three months ended March 31, 2017.

	2018	2017	\$ Change	% Change
(In thousands)				
DEPRECIATION AND OTHER AMORTIZATION				
Same Store Properties	\$ 100,525	\$ 101,770	\$ (1,245)	(1.2)%
Acquired Properties	7,293	2,476	4,817	194.5 %
Sold Properties	2,703	9,388	(6,685)	(71.2)%
(Re) Developments	4,571	1,582	2,989	188.9 %
Corporate Furniture, Fixtures and Equipment and Other	1,367	1,148	219	19.1 %
Total Depreciation and Other Amortization	<u>\$ 116,459</u>	<u>\$ 116,364</u>	<u>\$ 95</u>	<u>0.1 %</u>

Depreciation and other amortization from same store properties decreased by \$1.2 million due to certain leasing intangibles becoming fully amortized during the year ended December 31, 2017 partially offset by 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 \$4.8 million due to properties acquired subsequent to December 31, 2016. Depreciation and other amortization from sold properties decreased \$6.7 million due to properties sold subsequent to December 31, 2016. Depreciation and other amortization from (re)developments increased \$3.0 million primarily due to an increase in depreciation and amortization related to completed developments. Depreciation from corporate furniture, fixtures and equipment and other increased \$0.2 million primarily due to capital expenditures incurred at one property that was acquired in 2016 and placed in service in 2017.

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, 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. For the year ended December 31, 2017, we recognized \$131.3 million of gain on sale of real estate related to the sale of 60 industrial properties comprising approximately 4.6 million square feet of GLA and one land parcel.

Interest expense decreased \$6.4 million, or 11.2%, primarily due to a decrease in the weighted average debt balance outstanding for the year ended December 31, 2018 (\$1,334.8 million) as compared to the year ended December 31, 2017 (\$1,392.2 million), a decrease in the weighted average interest rate for the year ended December 31, 2018 (4.24%) as compared to the year ended December 31, 2017 (4.42%), and an increase in capitalized interest of \$1.5 million for the year ended December 31, 2018 as compared to the year ended December 31, 2017 due to an increase in development activities.

Amortization of debt issuance costs increased \$0.2 million, or 7.7%, primarily due to additional amortization from fees incurred related to the amendment to our credit facility and term loans in October 2017 and the issuance of the 2028 and 2030 Private Placement Notes in February 2018, offset by less amortization due to the payoffs of the 2017 Notes, the 2017 II Notes and certain mortgage loans.

During the year ended December 31, 2017, we recorded \$1.9 million of settlement gain on derivative instruments. In September 2017, we entered into treasury locks (the "2017 Treasury Locks") in order to fix the interest rate on an anticipated unsecured debt offering. The 2017 Treasury Locks were settled during the fourth quarter of 2017. We did not elect to designate the Treasury Locks as hedges and, as such, we recorded the full change in the fair value of the 2017 Treasury Locks within the consolidated statement of operations.

For the year ended December 31, 2017, we recognized a loss from retirement of debt of \$1.8 million due to prepayment penalties related to the early payoff of certain mortgage loans and the write-off of unamortized debt issuance costs on these mortgage loans as well as the write-off of unamortized debt issuance costs related to an exiting lender on our revolving line of credit and one of our unsecured term loans.

Equity in loss of Joint Venture was not significant.

For the year ended December 31, 2018, the income tax benefit was not significant. For the year ended December 31, 2017, we recognized a tax provision of \$1.2 million primarily related to taxable gain from the sale of real estate from one of our TRSs.

Comparison of Year Ended December 31, 2017 to Year Ended December 31, 2016

The Company's net income was \$208.3 million and \$125.7 million for the years ended December 31, 2017 and 2016, respectively.

The tables below summarize our revenues, property expenses and depreciation and other amortization by various categories for the years ended December 31, 2017 and 2016. Same store properties are properties owned prior to January 1, 2016 and held as an in-service property through December 31, 2017 and developments and redevelopments that were placed in service prior to January 1, 2016 or were substantially completed for the 12 months prior to January 1, 2016. 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 (generally 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 in the first year 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, 2015 and held as an operating property through December 31, 2017. Sold properties are properties that were sold subsequent to December 31, 2015. (Re)Developments include developments and redevelopments that were not: a) substantially complete 12 months prior to January 1, 2016; or b) stabilized prior to January 1, 2016. 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, 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. We anticipate the rebuild of this property will be complete during the first quarter 2019 and as of December 31, 2018, the property is 100% pre-leased. This property will return to the same store classification in the first quarter 2021.

During the year ended December 31, 2017, one industrial property, comprising approximately 0.1 million square feet of GLA, was taken out of service due to a fire which caused major damage to the building. The results of this property are included in the (re) development classification. During the year ended December 31, 2018, we sold the remaining land parcel.

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, 2017 and 2016, the average occupancy rates of our same store properties were 96.2% and 96.4%, respectively.

	2017	2016	\$ Change	% Change
(In thousands)				
REVENUES				
Same Store Properties	\$ 339,403	\$ 329,704	\$ 9,699	2.9 %
Acquired Properties	9,021	2,409	6,612	274.5 %
Sold Properties	17,010	33,260	(16,250)	(48.9)%
(Re) Developments	26,850	10,036	16,814	167.5 %
Other	4,118	2,611	1,507	57.7 %
Total Revenues	<u>\$ 396,402</u>	<u>\$ 378,020</u>	<u>\$ 18,382</u>	4.9 %

Revenues from same store properties increased \$9.7 million due primarily to an increase in rental rates and tenant recoveries, slightly offset by a decrease in occupancy. Revenues from acquired properties increased \$6.6 million due to the 14 industrial properties acquired subsequent to December 31, 2015 totaling approximately 1.8 million square feet of GLA. Revenues from sold properties decreased \$16.3 million due to the 123 industrial properties sold subsequent to December 31, 2015 totaling approximately 8.6 million square feet of GLA. Revenues from (re)developments increased \$16.8 million due to an increase in occupancy. Revenues from other increased \$1.5 million primarily due to an increase in occupancy related to three properties acquired in the year ended December 31, 2015 that were placed in service during the year ended December 31, 2016.

	2017	2016	\$ Change	% Change
(In thousands)				
PROPERTY EXPENSES				
Same Store Properties	\$ 90,755	\$ 88,218	\$ 2,537	2.9 %
Acquired Properties	2,462	600	1,862	310.3 %
Sold Properties	5,527	11,684	(6,157)	(52.7)%
(Re) Developments	5,797	2,449	3,348	136.7 %
Other	8,953	9,373	(420)	(4.5)%
Total Property Expenses	<u>\$ 113,494</u>	<u>\$ 112,324</u>	<u>\$ 1,170</u>	1.0 %

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 \$2.5 million primarily due to an increase in real estate tax expense caused by higher assessed values on our properties and real estate tax abatements expiring. Property expenses from acquired properties increased \$1.9 million due to properties acquired subsequent to December 31, 2015. Property expenses from sold properties decreased \$6.2 million due to properties sold subsequent to December 31, 2015. Property expenses from (re)developments increased \$3.3 million primarily due to the substantial completion of developments. Property expenses from other decreased \$0.4 million due to a decrease in certain miscellaneous expenses.

General and administrative expense increased \$1.4 million, or 5.2%, primarily due to an increase in incentive compensation during the year ended December 31, 2017 as compared to the year ended December 31, 2016.

As discussed in Note 2 to the Consolidated Financial Statements, on January 1, 2017 we adopted a new accounting standard relating to the definition of a business. As a result of this adoption, our acquisitions of real estate during the year ended December 31, 2017 did not meet the definition of a business combination and thus the closing costs, which historically have been expensed, were capitalized as part of the basis of the real estate assets acquired. For the year ended December 31, 2016, we recognized \$0.5 million of expenses related to costs associated with acquiring industrial properties from third parties.

	2017	2016	\$ Change	% Change
(In thousands)				
DEPRECIATION AND OTHER AMORTIZATION				
Same Store Properties	\$ 97,516	\$ 98,909	\$ (1,393)	(1.4)%
Acquired Properties	4,874	1,358	3,516	258.9 %
Sold Properties	4,305	9,352	(5,047)	(54.0)%
(Re) Developments	7,223	5,404	1,819	33.7 %
Corporate Furniture, Fixtures and Equipment and Other	2,446	2,259	187	8.3 %
Total Depreciation and Other Amortization	<u>\$ 116,364</u>	<u>\$ 117,282</u>	<u>\$ (918)</u>	<u>(0.8)%</u>

Depreciation and other amortization from same store properties decreased by \$1.4 million due to accelerated depreciation and amortization taken during the year ended December 31, 2016 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, 2015. Depreciation and other amortization from sold properties decreased \$5.0 million due to properties sold subsequent to December 31, 2015. Depreciation and other amortization from (re)developments increased \$1.8 million primarily due to an increase in depreciation and amortization related to completed developments offset by accelerated depreciation on one property in Rancho Dominguez, CA which was razed during the year ended December 31, 2016. Depreciation from corporate furniture, fixtures and equipment and other increased \$0.2 million due to higher depreciation related to incurred leasing costs at three properties acquired in the year ended December 31, 2015 that were placed in service during the year ended December 31, 2016.

For the year ended December 31, 2017, we recognized \$131.3 million of gain on sale of real estate related to the sale of 60 industrial properties comprising approximately 4.6 million square feet of GLA and one land parcel. For the year ended December 31, 2016, we recognized \$68.2 million of gain on sale of real estate related to the sale of 63 industrial properties comprising approximately 3.9 million square feet of GLA and several land parcels.

Interest expense decreased \$2.2 million, or 3.8%, primarily due to a decrease in the weighted average interest rate for the year ended December 31, 2017 (4.42%) as compared to the year ended December 31, 2016 (4.50%), a decrease in the weighted average debt balance outstanding for the year ended December 31, 2017 (\$1,392.2 million) as compared to the year ended December 31, 2016 (\$1,400.5 million) and an increase in capitalized interest of \$0.8 million for the year ended December 31, 2017 as compared to the year ended December 31, 2016 due to an increase in development activities.

Amortization of debt issuance costs remained relatively unchanged.

During the year ended December 31, 2017, we recorded \$1.9 million of settlement gain on derivative instruments. In September 2017, we entered into the 2017 Treasury Locks in order to fix the interest rate on an anticipated unsecured debt offering. The 2017 Treasury Locks were settled during the fourth quarter of 2017.

For the year ended December 31, 2017, we recognized a loss from retirement of debt of \$1.8 million due to prepayment penalties related to the early payoff of certain mortgage loans and the write-off of unamortized debt issuance costs on these mortgage loans as well as the write-off of unamortized debt issuance costs related to an exiting lender on our revolving line of credit and one of our unsecured term loans.

The income tax provision remained relatively unchanged.

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, to the fair value of tangible assets (land, building, and improvements) by valuing the real estate as if it were vacant. The determination of fair value includes estimates such as 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 leasing commissions, in-place lease and tenant relationship values based on our evaluation of the specific characteristics of each tenant's lease and our overall relationship with the respective tenant. The value allocated to tenant relationships is amortized to depreciation and amortization expense over the expected term of the relationship, which includes an estimate of the probability of lease renewal and its estimated term.
- *Impairment of Real Estate Assets:* We review our real estate assets for possible impairment whenever 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 impaired, a loss is recorded to reduce the carrying value of the property to its estimated fair value.

Liquidity and Capital Resources

At December 31, 2018, our cash and cash equivalents and restricted cash were approximately \$43.1 million and \$7.3 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 \$720.6 million available for additional borrowings under our Unsecured Credit Facility as of December 31, 2018.

We have considered our short-term (through December 31, 2019) liquidity needs and the adequacy of our estimated cash flow from operations and other expected liquidity sources to meet these needs. We have \$107.9 million in mortgage loans payable outstanding at December 31, 2018 that we anticipate prepaying prior to December 31, 2019. 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 these payment obligations, 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, 2019) liquidity requirements such as property acquisitions, developments, scheduled debt maturities, major renovations, expansions and other nonrecurring capital improvements through the disposition of select assets, long-term unsecured and secured indebtedness and the issuance of additional equity or debt securities, subject to market conditions.

As of February 15, 2019 we had approximately \$713.4 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, 2018, and we anticipate that we will be able to operate in compliance with our financial covenants in 2019.

As of December 31, 2018, 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, 2018 and 2017:

	Year Ended December 31,	
	2018	2017
	(In thousands)	
Net cash provided by operating activities	\$ 210,495	\$ 192,562
Net cash used in investing activities	(223,398)	(82,495)
Net cash provided by (used in) financing activities	16,794	(85,046)

The following table summarizes our cash flow activity for the Operating Partnership for the years ended December 31, 2018 and 2017:

	Year Ended December 31,	
	2018	2017
	(In thousands)	
Net cash provided by operating activities	\$ 210,505	\$ 192,881
Net cash used in investing activities	(223,398)	(82,494)
Net cash provided by (used in) financing activities	16,784	(85,366)

Changes in cash flow for the year ended December 31, 2018, compared to the prior year are described as follows:

Operating Activities: Cash provided by operating activities increased \$17.9 million for the Company (increased by \$17.6 million for the Operating Partnership), primarily due to the following:

- Decrease in interest expense of \$6.4 million;
- Increase in cash NOI from same store properties, acquired properties, and recently developed properties offset by decreases in cash NOI due to building disposals for a net total increase of approximately \$6.8 million;
- Increase in accounts payable, accrued expenses and other liabilities as well as a decrease in other assets due to timing of cash payments and cash receipts.

Investing Activities: Cash used in investing activities increased \$140.9 million, primarily due to the following:

- Increase in cash used of \$78.5 million related to non-acquisition additions and improvements to real estate primarily due to an increase in development expenditures in 2018;
 - Increase in cash used of \$23.4 million related to our net contributions to the Joint Venture in 2018;
 - Decrease in cash received of \$43.3 million related to the disposition of real estate in 2018;
 - Decrease in cash received of \$9.2 million related to insurance proceeds on casualty losses;
- Offset by:
- Decrease in cash used to acquire real estate in 2018 of \$17.5 million.

Financing Activities: Cash provided by financing activities increased \$101.8 million for the Company (increased \$102.2 million for the Operating Partnership), primarily due to the following:

- Increase in cash provided of \$100.0 million related to the issuance of unsecured notes in a private placement in 2018;
 - Increase in cash provided of \$70.7 million related to the proceeds received from the issuance of common stock in an underwritten public offering in 2018 compared to 2017;
 - The payoff of senior unsecured notes during 2017 in the amount of \$156.9 million;
- Offset by:
- Increase in repayments of mortgage loans payable of \$118.8 million;
 - Increase in net repayments of our Unsecured Credit Facility of \$99.5 million; and
 - Increase in dividend and unit distributions of \$9.1 million primarily due to the Company raising the dividend rate in 2018.

Contractual Obligations and Commitments

The following table lists our contractual obligations and commitments as of December 31, 2018:

	Total	Payments Due by Period (In thousands)			
		Less Than 1 Year	1-3 Years	3-5 Years	Over 5 Years
Operating and Ground Leases ^(A)	\$ 36,322	\$ 1,464	\$ 3,039	\$ 2,794	\$ 29,025
Real Estate Development Costs ^{(A)(B)}	140,300	140,300	—	—	—
Long Term Debt	1,306,181	79,600	326,159	341,873	558,549
Interest Expense on Long Term Debt ^{(A)(C)}	309,800	52,505	84,322	56,460	116,513
Unsecured Credit Facility ^(D)	3,118	1,103	2,015	—	—
Total	\$ 1,795,721	\$ 274,972	\$ 415,535	\$ 401,127	\$ 704,087

^(A) Not on balance sheet.

^(B) Represents estimated remaining costs on the completion of development projects under construction. Estimated remaining costs include costs for leasing the building and could extend beyond one year.

^(C) 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.

^(D) Represents fees on our Unsecured Credit Facility which has a contractual maturity in October 2021.

Off-Balance Sheet Arrangements

At December 31, 2018, we had letters of credit and performance bonds outstanding amounting to \$18.6 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 \$0.4 million and \$0.4 million during the years ended December 31, 2018 and 2017, respectively, related to environmental expenditures. We estimate 2019 expenditures of approximately \$0.3 million. We estimate that the aggregate expenditures which need to be expended in 2019 and beyond with regard to currently identified environmental issues will not exceed approximately \$0.9 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 6.8 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, 2018 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, 2018, 100.0% of our total debt 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. At December 31, 2017, \$1,160.3 million or 88.9% 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, \$144.5 million or 11.1% of our total debt, excluding unamortized debt issuance costs, was variable rate debt.

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, 2018 and 2017 would have increased by approximately \$0.07 million and \$0.26 million, respectively, based on our average outstanding floating-rate debt during the years ended December 31, 2018 and 2017. 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 \$5.6 million and \$5.8 million during the years ended December 31, 2018 and 2017.

As of December 31, 2018 and 2017, the estimated fair value of our debt was approximately \$1,312.4 million and \$1,341.5 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, 2018 and 2017, 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 ("Term Loan Swaps"). Additionally, 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 \$100.0 million to manage our exposure to changes in the ten year U.S. Treasury rate (the "2018 Treasury Locks"). The 2018 Treasury Locks fix the ten year U.S. Treasury rate at a weighted average of 2.93% and cash settle on or before April 30, 2019. We designated both the Term Loan Swaps and the 2018 Treasury Locks as cash flow hedges. During the year ended December 31, 2017, we settled certain derivative instruments, which were entered into in September 2017, to maintain our flexibility to pursue an offering of unsecured debt ("2017 Treasury Locks"). We did not designate the 2017 Treasury Locks as cash flow hedges. We received a settlement payment of \$1.9 million from our derivative counterparties and recognized such payment as settlement gain on derivative instruments. 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 2018 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 previously depreciated real estate assets, real estate asset depreciation and amortization and impairment of depreciable 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 for the years ended December 31, 2018, 2017, 2016, 2015, and 2014.

	Year Ended December 31,				
	2018	2017	2016	2015	2014
	(In thousands)				
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders and Participating Securities	\$ 163,239	\$ 201,456	\$ 121,232	\$ 73,802	\$ 46,629
Adjustments:					
Depreciation and Other Amortization of Real Estate	115,659	115,617	116,506	113,126	111,371
Depreciation and Other Amortization of Real Estate Included in Discontinued Operations	—	—	—	—	2,388
Equity in Depreciation and Other Amortization of Joint Ventures	—	—	—	17	117
Impairment of Depreciable Real Estate	2,285	—	—	626	—
Gain on Sale of Depreciable Real Estate	(80,909)	(131,058)	(68,202)	(44,022)	(25,988)
Gain on Sale of Depreciable Real Estate from Joint Ventures	—	—	—	(63)	(3,346)
Noncontrolling Interest Share of Adjustments	(883)	481	(1,725)	(2,645)	(3,281)
Funds from Operations Available to First Industrial Realty Trust, Inc.'s Common Stockholders and Participating Securities	<u>\$ 199,391</u>	<u>\$ 186,496</u>	<u>\$ 167,811</u>	<u>\$ 140,841</u>	<u>\$ 127,890</u>

In December 2018, NAREIT issued a white paper restating the definition of FFO. The purpose of the restatement was not to change the fundamental definition of FFO, but to clarify existing NAREIT guidance. The restated definition of FFO is as follows: Net Income (calculated in accordance with GAAP), excluding: (i) Depreciation and amortization related to real estate, (ii) Gains and losses from the sale of certain real estate assets, (iii) Gain and losses from change in control, and (iv) Impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity. This 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. We currently include gains and losses on sales and impairment of our non-depreciable real estate in our calculation of NAREIT FFO. Commencing on January 1, 2019 we will adopt the restated definition of NAREIT FFO on a prospective basis and will 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, acquisition costs, interest expense, impairment charges, equity in income and loss from joint venture, income tax benefit and expense, gains and losses on retirement of debt, gains and losses on the sale of real estate and settlement gain on derivative instruments. 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 rent 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, 2018 and 2017.

	Year Ended December 31,	
	2018	2017
	(In thousands)	
Same Store Revenues	\$ 365,873	\$ 349,196
Same Store Property Expenses	97,053	91,417
Same Store Net Operating Income Before Same Store Adjustments	\$ 268,820	\$ 257,779
Same Store Adjustments:		
Straight-line Rent	1,020	(2,971)
Above / Below Market Rent Amortization	(817)	(988)
Lease Termination Fees	(1,213)	(773)
Same Store Net Operating Income	<u>\$ 267,810</u>	<u>\$ 253,047</u>

Subsequent Events

On January 25, 2019 we acquired one land parcel for a purchase price of \$1.8 million, excluding costs incurred in conjunction with the acquisition.

On February 4, 2019 we acquired one industrial property for a purchase price of \$12.3 million, excluding costs incurred in conjunction with the acquisition.

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, 2018. 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, 2018, 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, 2018 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 2018 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, 2018. 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, 2018, 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, 2018 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 2018 that has materially affected, or is reasonably likely to materially affect, the Operating Partnership's internal control over financial reporting.

Item 9B. *Other Information*

None.

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. *Exhibits and Financial Statement Schedules*

(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 45 to 47 of this report, which is incorporated herein by reference.

EXHIBIT INDEX

Exhibits	Description
3.1	Amended and Restated Articles of Incorporation of the Company (incorporated by reference to Exhibit 3.1 of the Form 10-Q of the Company for the fiscal quarter ended June 30, 1996, File No. 1-13102)
3.2	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)
3.3	Articles of Amendment to the Company's Articles of Incorporation, dated June 20, 1994 (incorporated by reference to Exhibit 3.2 of the Form 10-Q of the Company for the fiscal quarter ended June 30, 1996, File No. 1-13102)
3.4	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)
3.5	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)
3.6	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)
3.7	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)
3.8	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)
3.9*	Thirteenth Amended and Restated Limited Partnership Agreement of First Industrial, L.P.
4.1	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)
4.2	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)
4.3	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)
4.4	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)
4.5	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)
4.6	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)
4.7	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)
4.8	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)
10.1	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)
10.2	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)
10.3†	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)
10.4*†	2014 Stock Incentive Plan (as amended and restated) as of December 31, 2018

Exhibits	Description
10.5†	<u>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)</u>
10.6	<u>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)</u>
10.7	<u>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)</u>
10.8	<u>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)</u>
10.9	<u>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)</u>
10.10	<u>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)</u>
10.11	<u>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)</u>
10.12	<u>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)</u>
10.13	<u>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)</u>
10.14	<u>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)</u>
10.15	<u>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)</u>
10.16	<u>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)</u>
10.17	<u>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)</u>
21.1*	<u>Subsidiaries of the Registrants</u>
23.1*	<u>Consent of PricewaterhouseCoopers LLP with respect to First Industrial Realty Trust, Inc.</u>
23.2*	<u>Consent of PricewaterhouseCoopers LLP with respect to First Industrial, L.P.</u>
31.1*	<u>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</u>

Exhibits	Description
<u>31.2*</u>	<u>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</u>
<u>31.3*</u>	<u>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</u>
<u>31.4*</u>	<u>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</u>
<u>32.1**</u>	<u>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</u>
<u>32.2**</u>	<u>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</u>
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, 2018, 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)

* 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.
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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, 2018 and 2017, 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, 2018, 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, 2018, 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, 2018, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2018 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, 2018, 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.

/s/PricewaterhouseCoopers LLP
Chicago, Illinois
February 19, 2019

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, 2018 and 2017 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, 2018, 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, 2018, 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, 2018 and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2018 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, 2018, 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 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.

/s/ PricewaterhouseCoopers LLP
Chicago, Illinois
February 19, 2019

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

FIRST INDUSTRIAL REALTY TRUST, INC.
CONSOLIDATED BALANCE SHEETS

	December 31, 2018	December 31, 2017
	(In thousands, except share and per share data)	
ASSETS		
Assets:		
Investment in Real Estate:		
Land	\$ 909,318	\$ 864,813
Buildings and Improvements	2,704,850	2,521,457
Construction in Progress	59,476	109,475
Less: Accumulated Depreciation	(811,784)	(789,919)
Net Investment in Real Estate	<u>2,861,860</u>	<u>2,705,826</u>
Cash and Cash Equivalents	43,102	21,146
Restricted Cash	7,271	25,336
Tenant Accounts Receivable, Net	5,185	4,873
Investment in Joint Venture	23,326	—
Deferred Rent Receivable, Net	71,079	70,254
Deferred Leasing Intangibles, Net	29,678	30,481
Prepaid Expenses and Other Assets, Net	101,190	83,146
Total Assets	<u>\$ 3,142,691</u>	<u>\$ 2,941,062</u>
LIABILITIES AND EQUITY		
Liabilities:		
Indebtedness:		
Mortgage Loans Payable, Net	\$ 296,470	\$ 450,056
Senior Unsecured Notes, Net	544,504	246,673
Unsecured Term Loans, Net	456,809	455,768
Unsecured Credit Facility	—	144,500
Accounts Payable, Accrued Expenses and Other Liabilities	78,665	86,532
Deferred Leasing Intangibles, Net	9,560	10,355
Rents Received in Advance and Security Deposits	47,927	44,285
Dividends and Distributions Payable	28,845	27,016
Total Liabilities	<u>1,462,780</u>	<u>1,465,185</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 126,307,431 and 119,883,180 shares issued and outstanding)	1,263	1,199
Additional Paid-in-Capital	2,131,556	1,967,110
Distributions in Excess of Accumulated Earnings	(490,807)	(541,847)
Accumulated Other Comprehensive Income	3,502	1,338
Total First Industrial Realty Trust, Inc.'s Stockholders' Equity	<u>1,645,514</u>	<u>1,427,800</u>
Noncontrolling Interest	34,397	48,077
Total Equity	<u>1,679,911</u>	<u>1,475,877</u>
Total Liabilities and Equity	<u>\$ 3,142,691</u>	<u>\$ 2,941,062</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, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016
(In thousands, except per share data)			
Revenues:			
Rental Income	\$ 306,406	\$ 303,874	\$ 289,858
Tenant Recoveries and Other Income	97,548	92,528	88,162
Total Revenues	<u>403,954</u>	<u>396,402</u>	<u>378,020</u>
Expenses:			
Property Expenses	116,854	113,494	112,324
General and Administrative	27,749	28,079	26,703
Depreciation and Other Amortization	116,459	116,364	117,282
Impairment of Real Estate	2,756	—	—
Acquisition Costs	—	—	491
Total Expenses	<u>263,818</u>	<u>257,937</u>	<u>256,800</u>
Other Income (Expense):			
Gain on Sale of Real Estate	81,600	131,269	68,202
Interest Expense	(50,775)	(57,199)	(59,430)
Amortization of Debt Issuance Costs	(3,404)	(3,162)	(3,219)
Settlement Gain on Derivative Instruments	—	1,896	—
Loss from Retirement of Debt	(39)	(1,775)	—
Total Other Income (Expense)	<u>27,382</u>	<u>71,029</u>	<u>5,553</u>
Income from Operations Before Equity in Loss of Joint Venture and Income Tax Provision	167,518	209,494	126,773
Equity in Loss of Joint Venture	(276)	—	—
Income Tax Benefit (Provision)	92	(1,193)	(1,089)
Net Income	167,334	208,301	125,684
Less: Net Income Attributable to the Noncontrolling Interest	(4,095)	(6,845)	(4,452)
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders and Participating Securities	<u>163,239</u>	<u>201,456</u>	<u>121,232</u>
Basic Earnings Per Share:			
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	<u>\$ 1.31</u>	<u>\$ 1.70</u>	<u>\$ 1.05</u>
Diluted Earnings Per Share:			
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	<u>\$ 1.31</u>	<u>\$ 1.69</u>	<u>\$ 1.05</u>
Dividends/Distributions Per Share	<u>\$ 0.87</u>	<u>\$ 0.84</u>	<u>\$ 0.76</u>
Weighted Average Shares Outstanding - Basic	<u>123,804</u>	<u>118,272</u>	<u>115,030</u>
Weighted Average Shares Outstanding - Diluted	<u>124,191</u>	<u>118,787</u>	<u>115,370</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, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016
	(In thousands)		
Net Income	\$ 167,334	\$ 208,301	\$ 125,684
Mark-to-Market Gain on Derivative Instruments	2,096	5,981	4,849
Amortization of Derivative Instruments	96	205	390
Comprehensive Income	169,526	214,487	130,923
Comprehensive Income Attributable to Noncontrolling Interest	(4,149)	(6,642)	(4,638)
Comprehensive Income Attributable to First Industrial Realty Trust, Inc.	<u>\$ 165,377</u>	<u>\$ 207,845</u>	<u>\$ 126,285</u>

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, 2015	\$ 1,111	\$ 1,756,415	\$ (674,759)	\$ (9,667)	\$ 42,035	\$ 1,115,135
Net Income	—	—	121,232	—	4,452	125,684
Other Comprehensive Income	—	—	—	5,053	186	5,239
Issuance of Common Stock, Net of Issuance Costs	56	124,528	—	—	—	124,584
Stock Based Compensation Activity	2	5,516	(217)	—	—	5,301
Common Stock Dividends and Unit Distributions	—	—	(88,115)	—	(3,203)	(91,318)
Conversion of Limited Partner Units to Common Stock	3	2,859	—	—	(2,862)	—
Reallocation—Additional Paid-in-Capital	—	(2,547)	—	—	2,547	—
Reallocation—Other Comprehensive Income	—	—	—	(29)	29	—
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	—	—	(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	—	—	(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

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, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016
(In thousands)			
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net Income	\$ 167,334	\$ 208,301	\$ 125,684
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:			
Depreciation	94,626	94,078	95,514
Amortization of Debt Issuance Costs	3,404	3,162	3,219
Other Amortization, including Stock Based Compensation	26,976	29,252	28,403
Impairment of Real Estate	2,756	—	—
Provision for Bad Debt	350	177	563
Equity in Loss of Joint Venture	276	—	—
Gain on Sale of Real Estate	(81,600)	(131,269)	(68,202)
Loss from Retirement of Debt	39	1,775	—
Gain on Casualty and Involuntary Conversion	(392)	(1,321)	—
(Increase) Decrease in Tenant Accounts Receivable, Prepaid Expenses and Other Assets, Net	(4,199)	(5,829)	965
Increase in Deferred Rent Receivable, Net	(2,165)	(5,299)	(6,602)
Increase (Decrease) in Accounts Payable, Accrued Expenses, Other Liabilities, Rents Received in Advance and Security Deposits	3,090	(465)	(5,655)
Net Cash Provided by Operating Activities	210,495	192,562	173,889
CASH FLOWS FROM INVESTING ACTIVITIES:			
Acquisitions of Real Estate	(157,787)	(175,303)	(107,484)
Additions to Investment in Real Estate and Non-Acquisition Tenant Improvements and Lease Costs	(224,466)	(146,003)	(179,994)
Net Proceeds from Sales of Investments in Real Estate	184,783	228,102	163,435
Proceeds from Casualty and Involuntary Conversion	906	10,094	—
Contributions to and Investments in Joint Venture	(25,190)	—	—
Distributions from Joint Venture	1,829	—	—
Other Investing Activity	(3,473)	615	1,648
Net Cash Used in Investing Activities	(223,398)	(82,495)	(122,395)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Debt and Equity Issuance Costs	(2,975)	(6,864)	(375)
Proceeds from the Issuance of Common Stock, Net of Underwriter's Discount	145,584	74,880	124,936
Repurchase and Retirement of Restricted Stock	(6,020)	(2,401)	(5,242)
Common Stock Dividends and Unit Distributions Paid	(109,649)	(100,524)	(82,696)
Repayments on Mortgage Loans Payable	(165,646)	(46,832)	(70,969)
Prepayments of Penalties Associated with Retirement of Debt	—	(1,453)	(554)
Proceeds from Senior Unsecured Notes	300,000	200,000	—
Repayments of Senior Unsecured Notes	—	(156,852)	(159,125)
Proceeds from Unsecured Credit Facility	237,000	429,000	442,000
Repayments on Unsecured Credit Facility	(381,500)	(474,000)	(305,000)
Net Cash Provided by (Used in) Financing Activities	16,794	(85,046)	(57,025)
Net Increase (Decrease) in Cash, Cash Equivalents and Restricted Cash	3,891	25,021	(5,531)
Cash, Cash Equivalents and Restricted Cash, Beginning of Year	46,482	21,461	26,992
Cash, Cash Equivalents and Restricted Cash, End of Year	\$ 50,373	\$ 46,482	\$ 21,461

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

	Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016
(In thousands)			
SUPPLEMENTAL INFORMATION TO STATEMENTS OF CASH FLOWS:			
Interest Paid, Net of Interest Expense Capitalized in Connection with Development Activity	\$ 47,408	\$ 56,844	\$ 63,600
Interest Expense Capitalized in Connection with Development Activity	\$ 5,869	\$ 4,353	\$ 3,523
Income Taxes Paid	\$ 457	\$ 769	\$ 1,358
Supplemental Schedule of Non-Cash Investing and Financing Activities:			

Common Stock Dividends and Unit Distributions Payable	\$ 28,845	\$ 27,016	\$ 23,434
Exchange of Limited Partnership Units for Common Stock:			
Noncontrolling Interest	\$ (16,605)	\$ (364)	\$ (2,862)
Common Stock	13	—	3
Additional Paid-in-Capital	16,592	364	2,859
Total	\$ —	\$ —	\$ —
Assumption of Indebtedness and Other Liabilities in Connection with the Acquisition of Real Estate	\$ 11,878	\$ 1,269	\$ 5,405
Accounts Payable Related to Construction in Progress and Additions to Investment in Real Estate	\$ 31,545	\$ 38,597	\$ 32,712
Write-off of Fully Depreciated Assets	\$ (43,654)	\$ (35,560)	\$ (44,080)

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

FIRST INDUSTRIAL, L.P.
CONSOLIDATED BALANCE SHEETS

	December 31, 2018	December 31, 2017
	(In thousands, except Unit data)	
ASSETS		
Assets:		
Investment in Real Estate:		
Land	\$ 909,318	\$ 864,813
Buildings and Improvements	2,704,850	2,521,457
Construction in Progress	59,476	109,475
Less: Accumulated Depreciation	(811,784)	(789,919)
Net Investment in Real Estate (including \$260,528 and \$270,708 related to consolidated variable interest entities, see Note 5)	2,861,860	2,705,826
Cash and Cash Equivalents	43,102	21,146
Restricted Cash	7,271	25,336
Tenant Accounts Receivable, Net	5,185	4,873
Investment in Joint Venture	23,326	—
Deferred Rent Receivable, Net	71,079	70,254
Deferred Leasing Intangibles, Net	29,678	30,481
Prepaid Expenses and Other Assets, Net	111,298	93,264
Total Assets	<u>\$ 3,152,799</u>	<u>\$ 2,951,180</u>
LIABILITIES AND PARTNERS' CAPITAL		
Liabilities:		
Indebtedness:		
Mortgage Loans Payable, Net (including \$20,497 and \$61,256 related to consolidated variable interest entities, see Note 5)	\$ 296,470	\$ 450,056
Senior Unsecured Notes, Net	544,504	246,673
Unsecured Term Loans, Net	456,809	455,768
Unsecured Credit Facility	—	144,500
Accounts Payable, Accrued Expenses and Other Liabilities	78,665	86,532
Deferred Leasing Intangibles, Net	9,560	10,355
Rents Received in Advance and Security Deposits	47,927	44,285
Distributions Payable	28,845	27,016
Total Liabilities	1,462,780	1,465,185
Commitments and Contingencies	—	—
Partners' Capital:		
First Industrial L.P.'s Partners' Capital:		
General Partner Units (126,307,431 and 119,883,180 units outstanding)	1,619,342	1,401,583
Limited Partners Units (2,624,167 and 4,008,221 units outstanding)	66,246	82,251
Accumulated Other Comprehensive Income	3,574	1,382
Total First Industrial L.P.'s Partners' Capital	1,689,162	1,485,216
Noncontrolling Interest	857	779
Total Partners' Capital	1,690,019	1,485,995
Total Liabilities and Partners' Capital	<u>\$ 3,152,799</u>	<u>\$ 2,951,180</u>

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

FIRST INDUSTRIAL L.P.
CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016
(In thousands, except per Unit data)			
Revenues:			
Rental Income	\$ 306,406	\$ 303,874	\$ 289,858
Tenant Recoveries and Other Income	97,548	92,528	88,162
Total Revenues	<u>403,954</u>	<u>396,402</u>	<u>378,020</u>
Expenses:			
Property Expenses	116,854	113,494	112,324
General and Administrative	27,749	28,079	26,703
Depreciation and Other Amortization	116,459	116,364	117,282
Impairment of Real Estate	2,756	—	—
Acquisition Costs	—	—	491
Total Expenses	<u>263,818</u>	<u>257,937</u>	<u>256,800</u>
Other Income (Expense):			
Gain on Sale of Real Estate	81,600	131,269	68,202
Interest Expense	(50,775)	(57,199)	(59,430)
Amortization of Debt Issuance Costs	(3,404)	(3,162)	(3,219)
Settlement Gain on Derivative Instruments	—	1,896	—
Loss from Retirement of Debt	(39)	(1,775)	—
Total Other Income (Expense)	<u>27,382</u>	<u>71,029</u>	<u>5,553</u>
Income from Operations Before Equity in Loss of Joint Venture and Income Tax Provision	167,518	209,494	126,773
Equity in Loss of Joint Ventures	(276)	—	—
Income Tax Benefit (Provision)	92	(1,193)	(1,089)
Net Income	167,334	208,301	125,684
Less: Net Income Attributable to the Noncontrolling Interest	(88)	(143)	(137)
Net Income Available to Unitholders and Participating Securities	<u>\$ 167,246</u>	<u>\$ 208,158</u>	<u>\$ 125,547</u>
Basic Earnings Per Unit:			
Net Income Available to Unitholders	\$ 1.31	\$ 1.70	\$ 1.05
Diluted Earnings Per Unit:			
Net Income Available to Unitholders	\$ 1.31	\$ 1.69	\$ 1.05
Distributions Per Unit	<u>\$ 0.87</u>	<u>\$ 0.84</u>	<u>\$ 0.76</u>
Weighted Average Units Outstanding - Basic	<u>126,921</u>	<u>122,306</u>	<u>119,274</u>
Weighted Average Units Outstanding - Diluted	<u>127,308</u>	<u>122,821</u>	<u>119,614</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, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016
	(In thousands)		
Net Income	\$ 167,334	\$ 208,301	\$ 125,684
Mark-to-Market Gain on Derivative Instruments	2,096	5,981	4,849
Amortization of Derivative Instruments	96	205	390
Comprehensive Income	\$ 169,526	\$ 214,487	\$ 130,923
Comprehensive Income Attributable to Noncontrolling Interest	(88)	(143)	(137)
Comprehensive Income Attributable to Unitholders	\$ 169,438	\$ 214,344	\$ 130,786

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, 2015	\$ 1,054,028	\$ 80,769	\$ (10,043)	\$ 1,096	\$ 1,125,850
Net Income	121,095	4,452	—	137	125,684
Other Comprehensive Income	—	—	5,239	—	5,239
Contribution of General Partner Units, Net of Issuance Costs	124,584	—	—	—	124,584
Stock Based Compensation Activity	5,301	—	—	—	5,301
Unit Distributions	(88,115)	(3,203)	—	—	(91,318)
Conversion of Limited Partner Units to General Partner Units	2,862	(2,862)	—	—	—
Contributions from Noncontrolling Interest	—	—	—	123	123
Distributions to Noncontrolling Interest	—	—	—	(400)	(400)
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	(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	(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

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, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016
(In thousands)			
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net Income	\$ 167,334	\$ 208,301	\$ 125,684
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:			
Depreciation	94,626	94,078	95,514
Amortization of Debt Issuance Costs	3,404	3,162	3,219
Other Amortization, including Stock Based Compensation	26,976	29,252	28,403
Impairment of Real Estate	2,756	—	—
Provision for Bad Debt	350	177	563
Equity in Loss of Joint Venture	276	—	—
Gain on Sale of Real Estate	(81,600)	(131,269)	(68,202)
Loss from Retirement of Debt	39	1,775	—
Gain on Casualty and Involuntary Conversion	(392)	(1,321)	—
(Increase) Decrease in Tenant Accounts Receivable, Prepaid Expenses and Other Assets, Net	(4,189)	(5,510)	1,242
Increase in Deferred Rent Receivable, Net	(2,165)	(5,299)	(6,602)
Increase (Decrease) in Accounts Payable, Accrued Expenses, Other Liabilities, Rents Received in Advance and Security Deposits	3,090	(465)	(5,655)
Net Cash Provided by Operating Activities	210,505	192,881	174,166
CASH FLOWS FROM INVESTING ACTIVITIES:			
Acquisitions of Real Estate	(157,787)	(175,303)	(107,484)
Additions to Investment in Real Estate and Non-Acquisition Tenant Improvements and Lease Costs	(224,466)	(146,003)	(179,994)
Net Proceeds from Sales of Investments in Real Estate	184,783	228,102	163,435
Proceeds from Casualty and Involuntary Conversion	906	10,094	—
Contributions to and Investments in Joint Venture	(25,190)	—	—
Distributions from Joint Venture	1,829	—	—
Other Investing Activity	(3,473)	616	1,648
Net Cash Used in Investing Activities	(223,398)	(82,494)	(122,395)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Debt and Equity Issuance Costs	(2,975)	(6,864)	(375)
Contribution of General Partner Units	145,584	74,880	124,936
Repurchase and Retirement of Restricted Units	(6,020)	(2,401)	(5,242)
Unit Distributions Paid	(109,649)	(100,524)	(82,696)
Contributions from Noncontrolling Interests	126	40	123
Distributions to Noncontrolling Interests	(136)	(360)	(400)
Repayments on Mortgage Loans Payable	(165,646)	(46,832)	(70,969)
Prepayments of Penalties Associated with Retirement of Debt	—	(1,453)	(554)
Proceeds from Senior Unsecured Notes	300,000	200,000	—
Repayments of Senior Unsecured Notes	—	(156,852)	(159,125)
Proceeds from Unsecured Credit Facility	237,000	429,000	442,000
Repayments on Unsecured Credit Facility	(381,500)	(474,000)	(305,000)
Net Cash Provided by (Used in) Financing Activities	16,784	(85,366)	(57,302)
Net Increase (Decrease) in Cash, Cash Equivalents and Restricted Cash	3,891	25,021	(5,531)
Cash, Cash Equivalents and Restricted Cash, Beginning of Year	46,482	21,461	26,992
Cash, Cash Equivalents and Restricted Cash, End of Year	\$ 50,373	\$ 46,482	\$ 21,461

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

	Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016
(In thousands)			
SUPPLEMENTAL INFORMATION TO STATEMENTS OF CASH FLOWS:			
Interest Paid, Net of Interest Expense Capitalized in Connection with Development Activity	\$ 47,408	\$ 56,844	\$ 63,600
Interest Expense Capitalized in Connection with Development Activity	\$ 5,869	\$ 4,353	\$ 3,523
Income Taxes Paid	\$ 457	\$ 769	\$ 1,358
Supplemental Schedule of Non-Cash Investing and Financing Activities:			
General and Limited Partner Unit Distributions Payable	\$ 28,845	\$ 27,016	\$ 23,434
Exchange of Limited Partner Units for General Partner Units:			
Limited Partner Units	\$ (16,605)	\$ (364)	\$ (2,862)
General Partner Units	16,605	364	2,862
Total	\$ —	\$ —	\$ —
Assumption of Indebtedness and Other Liabilities in Connection with the Acquisition of Real Estate	\$ 11,878	\$ 1,269	\$ 5,405
Accounts Payable Related to Construction in Progress and Additions to Investment in Real Estate	\$ 31,545	\$ 38,597	\$ 32,712
Write-off of Fully Depreciated Assets	\$ (43,654)	\$ (35,560)	\$ (44,080)

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 98.0% and 96.8% ownership interest ("General Partner Units") at December 31, 2018 and 2017, 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 2.0% and 3.2% at December 31, 2018 and 2017, 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, 2018, we owned 458 industrial properties located in 21 states, containing an aggregate of approximately 63.1 million square feet of gross leasable area ("GLA"). Of the 458 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, 2018 and 2017 and for each of the years ended December 31, 2018, 2017 and 2016 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, 2018 and 2017, and the reported amounts of revenues and expenses for each of the years ended December 31, 2018, 2017 and 2016. 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). 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. 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. 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. We classify properties as held for sale when all criteria within the Financial Accounting Standards Board's (the "FASB") guidance on the impairment or disposal of long-lived assets are met.

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:

	Years
Buildings and Improvements	7 to 50
Land Improvements	5 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 compensation costs of personnel attributable to leasing) are capitalized and amortized over the terms of each specific lease. Capitalized compensation costs of personnel attributable to leasing relate to time directly attributable to originating leases with tenants that result directly from and are essential to originating those leases and would not have been incurred had these leasing transactions not occurred. 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, below market ground lease obligations and tenant relationships. 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. 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, and the initial term 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 terms plus the terms of any below market fixed rate renewal options of the respective leases.

The purchase price is further allocated to in-place lease values and tenant relationships based on our evaluation of the specific characteristics of each tenant's lease and our overall relationship with the respective tenant. The value of in-place lease intangibles and tenant relationships, which are included in the line item *Deferred Leasing Intangibles, Net* are amortized over the remaining lease term (and expected renewal periods of the respective lease for tenant relationships) 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, the in-place lease value and tenant relationships 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. We expect most acquisitions to be treated as asset acquisitions rather than business combinations as our typical acquisitions consist of properties whereby substantially all the fair value of gross assets acquired is concentrated in a single asset (land, building, and in-place leases), which is treated as an asset acquisition. Commencing January 1, 2017, acquisition costs related to asset acquisitions are capitalized to the basis of the acquired asset.

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

	December 31, 2018	December 31, 2017
In-Place Leases	\$ 19,971	\$ 19,921
Above Market Leases	2,569	2,298
Below Market Ground Lease Obligation	1,643	1,688
Tenant Relationships	5,495	6,574
Total Included in Total Assets, Net of \$26,337 and \$29,604 of Accumulated Amortization	<u>\$ 29,678</u>	<u>\$ 30,481</u>
Below Market Leases	\$ 9,560	\$ 10,355
Total Included in Total Liabilities, Net of \$11,356 and \$10,578 of Accumulated Amortization	<u>\$ 9,560</u>	<u>\$ 10,355</u>

Amortization expense related to in-place leases and tenant relationships was \$6,267, \$6,648 and \$6,717 for the years ended December 31, 2018, 2017 and 2016, respectively. Rental revenues increased by \$1,095, \$1,116 and \$996 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, 2018 as follows:

	Estimated Amortization of In-Place Leases and Tenant Relationships	Estimated Net Increase to Rental Revenues Related to Above and Below Market Leases
2019	\$ 5,779	\$ 1,048
2020	\$ 4,988	\$ 943
2021	\$ 3,391	\$ 808
2022	\$ 3,013	\$ 784
2023	\$ 2,615	\$ 533

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. The debt issuance costs related to the unsecured credit facility 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 account for our investment in this joint venture under the equity method of accounting, as we did 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, 2018 and 2017 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, 2018, 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 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

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

If the lease provides for tenant improvements, we determine whether the tenant improvements are owned by the tenant or us. 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 into income 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.

We provide an allowance for doubtful accounts against the portion of tenant accounts receivable including deferred rent receivable, which is estimated to be uncollectible. The *Tenant Accounts Receivable* line item is shown net of an allowance for doubtful accounts of \$545 and \$310 as of December 31, 2018 and 2017, respectively. The *Deferred Rent Receivable* line item is shown net of an allowance for doubtful accounts of \$1,444 and \$1,557 as of December 31, 2018 and 2017, respectively. For accounts receivable we deem uncollectible, we use the direct write-off method.

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.

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 and state 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.

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.

Segment Reporting

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

Recent Accounting Pronouncements

New Accounting Standards Adopted

In May 2014, the FASB issued Accounting Standards Update ("ASU") No. 2014-09, "Revenue from Contracts with Customers" ("ASU 2014-09"). ASU 2014-09 requires entities to recognize revenue when they transfer promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services. ASU 2014-09 is effective for annual periods beginning after December 15, 2017. We adopted the new standard effective January 1, 2018. The adoption of the standard did not impact our financial position or results of operations.

In August 2016 and November 2016, the FASB issued new ASUs impacting the statement of cash flows. ASU No. 2016-15, "Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments" intends to reduce the diversity in practice in how certain cash receipts and cash payments are presented and classified in the statement of cash flows. ASU No. 2016-18, "Statement of Cash Flows (Topic 230): Restricted Cash" requires restricted cash be added to cash and cash equivalents on the consolidated statements of cash flows. We adopted both standards on January 1, 2018 on a retrospective basis. For the years ended December 31, 2017 and 2016, \$25,336 and \$11,602 of restricted cash was included in "Cash, Cash Equivalents and Restricted Cash" in our Consolidated Statements of Cash Flows. Also, we reclassified \$1,453 of prepayment penalties relating to the payoff of certain mortgage loans from operating activities to financing activities for the year ended December 31, 2017.

The following table presents a reconciliation of cash, cash equivalents and restricted cash reported within our Consolidated Balance Sheets to amounts reported within our Consolidated Statements of Cash Flows for the years ended December 31, 2018 and 2017:

	2018	2017
Cash and Cash Equivalents	\$ 43,102	\$ 21,146
Restricted Cash	7,271	25,336
Total Cash, Cash Equivalents and Restricted Cash	\$ 50,373	\$ 46,482

New Accounting Standards Issued but not yet Adopted

In February 2016, the FASB issued ASU No. 2016-02, "Leases" ("ASU 2016-02"), which amends the existing accounting standards for lease accounting. ASU 2016-02 will require lessees, at lease commencement to record a right-of-use asset and a lease liability for all leases with terms longer than twelve months. We are a lessee on a limited number of ground and office leases. The expense pattern for these leases will be consistent with that of our historical recognition. The accounting for lessors will remain largely unchanged from existing GAAP standards with the underlying leased asset being reported and recognized as a real estate asset and rental income being recognized on a straight line basis over the lease term. However, ASU 2016-02 requires lessors to expense certain initial direct costs that are not incremental in negotiating a lease as incurred. We anticipate this change will reduce our EPS/EPU on an annual basis by approximately \$0.01.

ASU 2016-02 is effective for us on January 1, 2019. We expect to adopt the practical expedients available for implementation under the standard. By adopting these practical expedients, we will not be required to reassess (1) whether an expired or existing contract meets the definition of a lease; (2) the lease classification for expired or existing leases; or (3) costs previously capitalized as initial direct costs. Furthermore, the FASB finalized an amendment to ASU 2016-02 which will allow us an optional election to not separate non-lease components from related lease components that otherwise would have been accounted for separately under the new standard. Upon adoption of ASU 2016-02, we will be required to recognize a right-of-use asset and a lease liability on our consolidated balance sheets equal to the present value of the minimum lease payments required under our ground and office leases, which we believe will be approximately \$12,500. We are finalizing our discount rate analysis which is a key determinant in the measurement of the right-of-use asset and lease liability. Details of our future minimum rental payments under ground and office leases at December 31, 2018 are disclosed in Note 14. We plan to implement this guidance on a prospective basis.

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 eliminates the requirement to separately measure and report hedge ineffectiveness and generally requires the entire change in the fair value of a hedging instrument to be presented in the same income statement line as the hedged item when the hedged item affects earnings. ASU 2017-12 is required to be adopted in 2019 using a modified retrospective approach. We do not expect the adoption of ASU 2017-12 to have a material impact on 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, 2018, 2017 and 2016. 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, 2018, 2017 or 2016.

	Year Ended December 31,		
	2018	2017	2016
Number of Industrial Properties Acquired	10	8	6
GLA (in millions)	1.0	1.1	0.7
Purchase Price ^(A)	\$ 167,546	\$ 174,209	\$ 111,130

^(A) Purchase price includes the acquisition of several land parcels for the years ended December 31, 2018, 2017 and 2016 and excludes closing costs incurred with the acquisition of the industrial properties and land parcels.

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, 2018 and 2017:

	Year Ended December 31,	
	2018	2017
Land	\$ 79,347	\$ 92,810
Building and Improvements	81,747	73,028
Other Assets	1,225	1,659
In-Place Leases	5,302	7,905
Above Market Leases	662	227
Below Market Leases	(737)	(1,420)
Total Purchase Price	\$ 167,546	\$ 174,209
Assumed Mortgage Loan (See Note 4)	(11,654)	—
Total Net Assets Acquired	\$ 155,892	\$ 174,209

Sales

The following table summarizes our property dispositions for the years ended December 31, 2018, 2017 and 2016:

	Year Ended December 31,		
	2018	2017	2016
Number of Industrial Properties Sold ^(A)	53	60	63
GLA (in millions)	2.6	4.6	3.9
Gross Proceeds from the Sale of Real Estate ^(B)	\$ 192,047	\$ 236,059	\$ 169,911
Gain on Sale of Real Estate ^(B)	\$ 81,600	\$ 131,269	\$ 68,202

^(A) The year ended December 31, 2018 includes a partial sale of a 0.1 million square-foot industrial property.

^(B) Gross proceeds and gain on sale of real estate include the sale of several land parcels for the years ended December 31, 2018, 2017 and 2016.

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, 2018	Effective Interest Rate at Issuance	Maturity Date
	December 31, 2018	December 31, 2017			
Mortgage Loans Payable, Gross	\$ 297,610	\$ 451,602	4.03% – 8.26%	3.82% – 8.26%	July 2019 – August 2028
<i>Unamortized Debt Issuance Costs</i>	(1,246)	(1,806)			
<i>Unamortized Premiums</i>	106	260			
Mortgage Loans Payable, Net	<u>\$ 296,470</u>	<u>\$ 450,056</u>			
Senior Unsecured Notes, Gross					
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	—	3.86%	3.86%	2/15/2028
2029 Private Placement Notes	75,000	75,000	4.40%	4.40%	4/20/2029
2030 Private Placement Notes	150,000	—	3.96%	3.96%	2/15/2030
Subtotal	<u>\$ 548,571</u>	<u>\$ 248,571</u>			
<i>Unamortized Debt Issuance Costs</i>	(3,990)	(1,814)			
<i>Unamortized Discounts</i>	(77)	(84)			
Senior Unsecured Notes, Net	<u>\$ 544,504</u>	<u>\$ 246,673</u>			
Unsecured Term Loans, Gross					
2014 Unsecured Term Loan ^(A)	\$ 200,000	\$ 200,000	3.39%	N/A	1/29/2021
2015 Unsecured Term Loan ^(A)	260,000	260,000	2.89%	N/A	9/12/2022
Subtotal	<u>\$ 460,000</u>	<u>\$ 460,000</u>			
<i>Unamortized Debt Issuance Costs</i>	(3,191)	(4,232)			
Unsecured Term Loans, Net	<u>\$ 456,809</u>	<u>\$ 455,768</u>			
Unsecured Credit Facility ^(B)	<u>\$ —</u>	<u>\$ 144,500</u>	N/A	N/A	10/29/2021

^(A) During the year ended December 31, 2018, pursuant to the agreements for our unsecured term loans entered into in 2014 and 2015 (collectively, the "Unsecured Term Loans"), we elected to have the interest spread calculated based on our investment grade rating resulting in a 10 basis point reduction in the credit spread compared to the prior rate. The interest rate at December 31, 2018 also reflects the derivative instruments we entered into to effectively convert the variable rate to a fixed rate. See Note 12.

^(B) The maturity date may be extended an additional year at our election, subject to certain restrictions. Amounts exclude unamortized debt issuance costs of \$3,554 and \$4,781 as of December 31, 2018 and 2017, respectively, which are included in the line item *Prepaid Expenses and Other Assets, Net*.

Mortgage Loans Payable, Net

During the years ended December 31, 2018 and 2017, we paid off mortgage loans in the amount of \$157,782 and \$36,108, respectively. In connection with the 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, 2018, mortgage loans payable are collateralized, and in some instances cross-collateralized, by industrial properties with a net carrying value of \$459,225. We believe the Operating Partnership and the Company were in compliance with all covenants relating to mortgage loans as of December 31, 2018.

Senior Unsecured Notes, Net

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 and the 2029 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.

During the year ended December 31, 2017, we paid off and retired our 2017 II and 2017 Notes, at maturity, in the amounts of \$101,871 and \$54,981, respectively.

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

On October 31, 2017, we amended and restated our \$625,000 revolving credit agreement (the "Old Credit Facility") with a new \$725,000 revolving credit agreement (as amended and restated, 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. At December 31, 2017, the Unsecured Credit Facility provides for interest only payments at LIBOR plus 110 basis points. The interest rate on the Unsecured Credit Facility varies based on our leverage ratio. 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
2019	\$ 79,600
2020	59,046
2021	267,113
2022	341,552
2023	321
Thereafter	558,549
Total	\$ 1,306,181

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, 2018. 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, 2018 and 2017, the fair value of our indebtedness was as follows:

	December 31, 2018		December 31, 2017	
	Carrying Amount ^(A)	Fair Value	Carrying Amount ^(A)	Fair Value
Mortgage Loans Payable, Net	\$ 297,716	\$ 304,508	\$ 451,862	\$ 467,303
Senior Unsecured Notes, Net	548,494	546,607	248,487	269,731
Unsecured Term Loans	460,000	461,317	460,000	460,000
Unsecured Credit Facility	—	—	144,500	144,500
Total	\$ 1,306,210	\$ 1,312,432	\$ 1,304,849	\$ 1,341,534

^(A) The carrying amounts include unamortized premiums and 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, 2018	December 31, 2017
ASSETS		
Assets:		
Net Investment in Real Estate	\$ 260,528	\$ 270,708
Other Assets, Net	25,059	23,530
Total Assets	<u>\$ 285,587</u>	<u>\$ 294,238</u>
LIABILITIES AND PARTNERS' CAPITAL		
Liabilities:		
Mortgage Loans Payable, Net	\$ 20,497	\$ 61,256
Other Liabilities, Net	9,045	9,283
Partners' Capital	256,045	223,699
Total Liabilities and Partners' Capital	<u>\$ 285,587</u>	<u>\$ 294,238</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.

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.

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, Limited Partner Units and preferred general partnership 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. 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, 2018, the Operating Partnership could satisfy its redemption obligations by making an aggregate cash payment of approximately \$75,733 or by issuing 2,624,167 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, 2018 and 2017, 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 unvested restricted stock or restricted Unit awards (see Note 11), for the three years ended December 31, 2018:

	Shares of Common Stock Outstanding	General Partner and Limited Partner Units Outstanding
Balance at December 31, 2015	111,027,225	115,332,932
Issuance of Common Stock/Contribution of General Partner Units ^(A)	5,600,000	5,600,000
Issuance of Restricted Stock/Restricted Unit Awards	322,833	322,833
Repurchase and Retirement of Restricted Stock/Restricted Unit Awards	(108,644)	(108,644)
Conversion of Limited Partner Units ^(B)	266,332	—
Balance at December 31, 2016	117,107,746	121,147,121
Issuance of Common Stock/Contribution of General Partner Units ^(A)	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 ^(B)	31,154	—
Balance at December 31, 2017	119,883,180	123,891,401
Issuance of Common Stock/Contribution of General Partner Units ^(A)	4,800,000	4,800,000
Issuance of Restricted Stock/Restricted Unit Awards	227,059	227,059
Vesting of LTIP Unit Awards (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 ^(B)	1,350,721	—
Retirement of Limited Partner Units ^(C)	—	(33,333)
Balance at December 31, 2018	126,307,431	128,931,598

^(A) During the years ended December 31, 2018, 2017 and 2016, the Company issued 4,800,000, 2,560,000, and 5,600,000 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, \$74,880, and \$124,936. 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.

^(B) For the years ended December 31, 2018, 2017 and 2016, 1,350,721, 31,154 and 266,332 Limited Partner Units, respectively, were converted into an equivalent number of shares of common stock of the Company, resulting in a reclassification of \$16,605, \$364 and \$2,862, respectively, of noncontrolling interest to the Company's stockholders' equity.

^(C) During the twelve months 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 13, 2014, we entered into distribution agreements with sales agents to sell up to 13,300,000 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 "2014 ATM Program"). The distribution agreements entered into with respect to the 2014 ATM Program expired by their terms on March 13, 2017 and, 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 2014 ATM Program and the 2017 ATM Program, sales were or 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, 2018, 2017 and 2016, the Company did not issue any shares of common stock under the 2014 ATM Program or the 2017 ATM Program.

Dividends/Distributions

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

	2018 Total Dividend/ Distribution	2017 Total Dividend/ Distribution	2016 Total Dividend/ Distribution
Common Stock/Operating Partnership Units	\$ 111,478	\$ 104,106	\$ 91,318

7. Accumulated Other Comprehensive Income

The following table summarizes the changes in accumulated other comprehensive income by component for the years ended December 31, 2018 and 2017:

	Derivative Instruments	Total for Operating Partnership	Comprehensive Loss (Income) Attributable to Noncontrolling Interest	Total for Company
Balance as of December 31, 2016	\$ (4,804)	\$ (4,804)	\$ 161	\$ (4,643)
Other Comprehensive Income Before Reclassifications	1,645	1,645	(205)	1,440
Amounts Reclassified from Accumulated Other Comprehensive Income	4,541	4,541	—	4,541
Net Current Period Other Comprehensive Income	6,186	6,186	(205)	5,981
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

The following table summarizes the reclassifications out of accumulated other comprehensive income for the years ended December 31, 2018, 2017 and 2016:

Accumulated Other Comprehensive Loss Components	Amount Reclassified from Accumulated Other Comprehensive Loss (Income)			Affected Line Items in the Consolidated Statements of Operations
	Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016	
Derivative Instruments:				
Amortization of Previously Settled Derivative Instruments	96	205	390	Interest Expense
Net Settlement Payments to our Counterparties	109	4,336	7,123	Interest Expense
	\$ 205	\$ 4,541	\$ 7,513	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 \$96 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, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016
Numerator:			
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders and Participating Securities	\$ 163,239	\$ 201,456	\$ 121,232
Net Income Allocable to Participating Securities	(513)	(646)	(411)
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	<u>\$ 162,726</u>	<u>\$ 200,810</u>	<u>\$ 120,821</u>
Denominator (In Thousands):			
Weighted Average Shares - Basic	123,804	118,272	115,030
Effect of Dilutive Securities:			
LTIP Unit Awards (as defined in Note 11)	387	515	340
Weighted Average Shares - Diluted	<u>124,191</u>	<u>118,787</u>	<u>115,370</u>
Basic EPS:			
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	<u>\$ 1.31</u>	<u>\$ 1.70</u>	<u>\$ 1.05</u>
Diluted EPS:			
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	<u>\$ 1.31</u>	<u>\$ 1.69</u>	<u>\$ 1.05</u>

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

	Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016
Numerator:			
Net Income Available to Unitholders and Participating Securities	167,246	208,158	125,547
Net Income Allocable to Participating Securities	(513)	(646)	(410)
Net Income Available to Unitholders	<u>\$ 166,733</u>	<u>\$ 207,512</u>	<u>\$ 125,137</u>
Denominator (In Thousands):			
Weighted Average Units - Basic	126,921	122,306	119,274
Effect of Dilutive Securities that Result in the Issuance of General Partner Units:			
LTIP Unit Awards (as defined in Note 11)	387	515	340
Weighted Average Units - Diluted	<u>127,308</u>	<u>122,821</u>	<u>119,614</u>
Basic EPS:			
Net Income Available to Unitholders	<u>\$ 1.31</u>	<u>\$ 1.70</u>	<u>\$ 1.05</u>
Diluted EPU:			
Net Income Available to Unitholders	<u>\$ 1.31</u>	<u>\$ 1.69</u>	<u>\$ 1.05</u>

Participating securities include 405,436, 408,248 and 406,855 of unvested restricted stock or restricted Unit awards outstanding at December 31, 2018, 2017 and 2016, respectively, 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, 2018, 2017 and 2016, 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 benefit (provision) for the years ended December 31, 2018, 2017 and 2016 are comprised of the following:

	Year Ended December 31,		
	2018	2017	2016
Current:			
Federal	\$ 22	\$ (859)	\$ (656)
State	(310)	(344)	(251)
Deferred:			
Federal	400	—	—
State	(20)	10	(182)
Total Income Tax Benefit (Provision)	\$ 92	\$ (1,193)	\$ (1,089)

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, 2018 and 2017:

	Year Ended December 31,	
	2018	2017
Impairment of Real Estate	\$ 1,107	\$ 1,267
Other - Temporary Differences	584	233
Valuation Allowance	(840)	(984)
Total Deferred Income Tax Assets, Net of Allowance	\$ 851	\$ 516
Straight-line Rent	\$ (39)	\$ (40)
Basis Difference - Real Estate Properties	(424)	(488)
Other - Temporary Differences	(192)	(172)
Total Deferred Income Tax Liabilities	\$ (655)	\$ (700)
Total Net Deferred Income Tax Assets (Liabilities)	\$ 196	\$ (184)

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 income tax benefit (provision) pertaining to income before taxes of the TRSs differs from the amounts computed by applying the applicable federal statutory rate as follows for the years ended December 31, 2018, 2017 and 2016:

	Year Ended December 31,		
	2018	2017	2016
Tax Benefit (Provision) at Federal Rate	\$ 436	\$ (1,416)	\$ (1,764)
Change in Federal Tax Rate	—	(609)	—
State Tax Provision, Net of Federal Benefit	(417)	(376)	(462)
Change in Valuation Allowance	144	1,197	1,256
Other	(71)	11	(119)
Net Income Tax Benefit (Provision)	<u>\$ 92</u>	<u>\$ (1,193)</u>	<u>\$ (1,089)</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, 2018, 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 2015 and thereafter.

Federal Income Tax Treatment of Common Dividends

For the years ended December 31, 2018, 2017 and 2016, the dividends paid to the Company's common shareholders per common share for income tax purposes were characterized as follows:

	2018	As a Percentage of Distributions	2017	As a Percentage of Distributions	2016	As a Percentage of Distributions
Ordinary Income ^(A)	\$ 0.6858	78.83%	\$ 0.6552	74.23%	\$ 0.6935	82.53%
Unrecaptured Section 1250 Gain	0.1497	17.21%	0.1627	18.43%	0.1130	13.45%
Capital Gain	0.0330	3.79%	0.0648	7.34%	0.0066	0.78%
Qualified Dividend	0.0015	0.17%	—	0.00%	—	0.00%
Return of Capital	—	0.00%	—	0.00%	0.0272	3.24%
	<u>\$ 0.8700</u>	<u>100.00%</u>	<u>\$ 0.8827</u>	<u>100.00%</u>	<u>\$ 0.8403</u>	<u>100.00%</u>

^(A) For the year ended December 31, 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. Future Rental Revenues

Our properties are leased to tenants under net and semi-net operating leases. Future minimum rental receipts, excluding tenant reimbursements of expenses, under non-cancelable operating leases executed as of December 31, 2018 are approximately as follows:

2019	\$	305,689
2020		288,817
2021		244,743
2022		205,097
2023		169,243
Thereafter		451,151
Total	\$	<u>1,664,740</u>

11. Benefit Plans

Stock Based Compensation

The Company maintains a stock incentive plan (the "Stock Incentive Plan"), which is administered by the Compensation Committee of the Board of Directors. Officers, certain employees and the Company's independent directors generally are eligible to participate in the Stock Incentive Plan. Awards made under the Stock Incentive Plan can be in the form of restricted stock awards, restricted stock unit awards, performance share awards, dividend equivalent rights, non-statutory stock options and stock appreciation rights. 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, 2018, awards covering 1.6 million shares of common stock were available to be granted under the Stock Incentive Plan.

Restricted Stock or Restricted Unit Awards

For the years ended December 31, 2018, 2017 and 2016, the Company awarded 211,890, 260,685 and 308,373 shares, respectively, of restricted stock awards to certain employees, which had a fair value of \$6,068, \$6,871 and \$6,047 on the date such awards were approved by either the Compensation Committee of the Board of Directors or the Company's stockholders of the Stock Incentive Plan, as the case may be. These restricted stock awards were granted based upon the achievement of certain corporate performance goals and generally vest over a period of three years. Additionally, during the years ended December 31, 2018, 2017 and 2016, the Company awarded 15,169, 15,108 and 14,460 shares, respectively, of restricted stock to non-employee members of the Board of Directors, which had a fair value of \$490, \$420 and \$350 on the date of approval. These restricted stock awards vest over a one-year period. The Operating Partnership issued restricted Unit awards to the Company in the same amount for both restricted stock awards.

Compensation expense is charged to earnings over the vesting periods for the restricted stock or restricted Unit awards expected to vest except if the recipient is not required to provide future service in exchange for vesting of such restricted stock or restricted Unit awards. If vesting of a recipient's restricted stock or restricted Unit awards is not contingent upon future service, the expense is recognized immediately at the date of grant. During the years ended December 31, 2017 and 2016, we recognized \$1,590 and \$1,710, respectively, of compensation expense related to restricted stock or restricted Unit awards granted to our former Chief Executive Officer for which future service was not required.

LTIP Unit Awards

For the years ended December 31, 2018 and 2017, the Company granted to certain employees 179,288 and 195,951 Long-Term Incentive Program ("LTIP") performance units ("LTIP Unit Awards"), which had a fair value of \$2,381 and \$2,473 on the grant date. The LTIP Unit Awards vest based upon the relative total shareholder return ("TSR") of the Company's common stock compared to the TSRs of the MSCI US REIT Index and the NAREIT Industrial Index over a performance period of three years. Compensation expense is charged to earnings on a straight-line basis over the respective performance periods. At the end of the respective performance periods each participant will be issued shares of the Company's common stock equal to the maximum shares issuable to the participant for the performance period multiplied by a percentage, ranging from 0% to 100%, based on the Company's TSR as compared to the TSRs of the MSCI US REIT Index and the NAREIT Industrial Index. The participant is also entitled to dividend equivalents for shares issued pursuant to vested LTIP Unit Awards. The Operating Partnership issues General Partner Units to the Company in the same amounts for vested LTIP Unit Awards.

The fair values of the LTIP Unit Awards at issuance were determined by a lattice-binomial option-pricing model based on Monte Carlo simulations using the following assumptions:

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

Outstanding Restricted Stock or Restricted Unit Awards and LTIP Unit Awards

For the years ended December 31, 2018, 2017 and 2016, we recognized \$7,586, \$8,611 and \$7,371, respectively, in amortization related to restricted stock or restricted Unit awards and LTIP Unit Awards. Restricted stock or restricted Unit award and LTIP Unit Award amortization capitalized in connection with development activities was \$472 for the year ended December 31, 2018 and was not significant for the years ended December 31, 2017 and 2016. At December 31, 2018, we had \$8,306 in unrecognized compensation related to unvested restricted stock or restricted Unit awards and LTIP Unit Awards. The weighted average period that the unrecognized compensation is expected to be recognized is 0.88 years.

Restricted stock or restricted Unit award and LTIP Unit Award transactions for the year ended December 31, 2018 are summarized as follows:

	Awards	Weighted Average Grant Date Fair Value
Outstanding at December 31, 2017	1,112,828	\$ 15.31
Issued	406,347	\$ 22.00
Forfeited	(48,823)	\$ 17.47
Vested	(469,533)	\$ 15.55
Outstanding at December 31, 2018	<u>1,000,819</u>	<u>\$ 17.81</u>

401(k)/Profit Sharing Plan

Under the Company's 401(k)/Profit Sharing 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, 2018, 2017 and 2016, total expense related to matching contributions was \$688, \$518 and \$509, 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"). The 2018 Treasury Locks fix the ten year U.S. Treasury rate at a weighted average of 2.93% and cash settle on or before April 30, 2019. We designated the 2018 Treasury Locks as cash flow hedges.

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 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, 2018, 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, the 2015 Swaps and the 2018 Treasury Locks, which are included in the line items *Prepaid Expenses and Other Assets, Net or Accounts Payable, Accrued Expenses and Other Liabilities* and are accounted for at fair value on a recurring basis as of December 31, 2018:

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)
Derivatives designated as a hedging instrument:				
Assets:				
2014 Swaps	\$ 751	—	\$ 751	—
2015 Swaps	\$ 5,893	—	\$ 5,893	—
Liabilities:				
2018 Treasury Locks	\$ (2,162)	—	\$ (2,162)	—

There was no ineffectiveness recorded on the 2014 Swaps, the 2015 Swaps and the 2018 Treasury Locks during the year ended December 31, 2018.

The estimated fair value of the 2014 Swaps, the 2015 Swaps and the 2018 Treasury Locks 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, the 2015 Swaps and the 2018 Treasury Locks fell within Level 2 of the fair value hierarchy.

13. Related Party Transactions

During the year ended December 31, 2018, we recognized fees of \$113 from the Joint Venture related to asset management services provided to the Joint Venture. At December 31, 2018, we had a receivable from the Joint Venture of \$38.

At December 31, 2018 and 2017, the Operating Partnership had receivable balances of \$10,118 and \$10,129, 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.

Five properties have leases granting the tenants options to purchase the property. Such options are exercisable at various times at appraised fair market value or at a fixed purchase price. None of the tenant purchase options have been exercised.

At December 31, 2018, we had outstanding letters of credit and performance bonds in the aggregate amount of \$18,573.

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, 2018, we had seven industrial properties totaling approximately 2.8 million square feet of GLA under construction. The estimated total investment as of December 31, 2018 is approximately \$189,400 (unaudited). Of this amount, approximately \$140,300 (unaudited) remains to be funded. There can be no assurance that the actual completion cost will not exceed the estimated total investment.

Ground and Operating Lease Commitments

For the years ended December 31, 2018, 2017 and 2016, we recognized \$1,566, \$1,419 and \$1,380, respectively, in operating and ground lease expense.

Future minimum rental payments under the terms of all non-cancelable ground and operating leases under which we are the lessee as of December 31, 2018 are as follows:

2019	\$	1,464
2020		1,536
2021		1,503
2022		1,465
2023		1,329
Thereafter		29,025
Total	\$	<u>36,322</u>

15. Subsequent Events

On January 25, 2019 we acquired one land parcel for a purchase price of \$1,760, excluding costs incurred in conjunction with the acquisition.

On February 4, 2019 we acquired one industrial property for a purchase price of \$12,258, excluding costs incurred in conjunction with the acquisition.

16. Quarterly Financial Information (unaudited)

The following tables summarize the Company's unaudited quarterly financial information for each of the years ended December 31, 2018 and 2017.

	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
	Year Ended December 31, 2017			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Total Revenues	\$ 97,383	\$ 97,579	\$ 99,310	\$ 102,130
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders and Participating Securities	\$ 22,709	\$ 37,562	\$ 43,198	\$ 97,987
Net Income Allocable to Participating Securities	(67)	(129)	(145)	(331)
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	\$ 22,642	\$ 37,433	\$ 43,053	\$ 97,656
Basic EPS:				
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	\$ 0.19	\$ 0.32	\$ 0.36	\$ 0.82
Diluted EPS:				
Net Income Available to First Industrial Realty Trust, Inc.'s Common Stockholders	\$ 0.19	\$ 0.32	\$ 0.36	\$ 0.81
Weighted Average Shares Basic/Diluted (In Thousands):				
Weighted Average Shares - Basic	116,837	117,299	119,446	119,462
Weighted Average Shares - Diluted	117,261	117,779	119,990	120,076

The following tables summarize the Operating Partnership's unaudited quarterly financial information for each of the years ended December 31, 2018 and 2017.

	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

	Year Ended December 31, 2017			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Total Revenues	\$ 97,383	\$ 97,579	\$ 99,310	\$ 102,130
Net Income Available to Unitholders and Participating Securities	\$ 23,464	\$ 38,827	\$ 44,613	\$ 101,254
Net Income Allocable to Participating Securities	(66)	(129)	(145)	(331)
Net Income Available to Unitholders	\$ 23,398	\$ 38,698	\$ 44,468	\$ 100,923
Basic EPU:				
Net Income Available to Unitholders	\$ 0.19	\$ 0.32	\$ 0.36	\$ 0.82
Diluted EPU:				
Net Income Available to Unitholders	\$ 0.19	\$ 0.32	\$ 0.36	\$ 0.81
Weighted Average Units Basic/Diluted (In Thousands):				
Weighted Average Units - Basic	120,877	121,339	123,483	123,483
Weighted Average Units - Diluted	121,301	121,819	124,027	124,097

FIRST INDUSTRIAL REALTY TRUST, INC. AND FIRST INDUSTRIAL, L.P.
SCHEDULE III: REAL ESTATE AND ACCUMULATED DEPRECIATION
As of December 31, 2018

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 12/31/18			Accumulated Depreciation 12/31/2018	Year Acquired/ Constructed
			Land	Buildings and Improvements		Land	Buildings and Improvements	Total		
Properties (b)										
(In thousands)										
Atlanta										
1650 Highway 155	McDonough, GA	—	779	4,544	(669)	345	4,309	4,654	2,573	1994
4051 Southmeadow Parkway	Atlanta, GA	—	726	4,130	1,666	726	5,796	6,522	3,072	1994
4071 Southmeadow Parkway	Atlanta, GA	—	750	4,460	1,929	828	6,311	7,139	3,522	1994
4081 Southmeadow Parkway	Atlanta, GA	—	1,012	5,918	2,088	1,157	7,861	9,018	4,320	1994
5570 Tulane Drive	Atlanta, GA	2,055	527	2,984	1,255	546	4,220	4,766	2,114	1996
955 Cobb Place	Kennesaw, GA	2,688	780	4,420	1,032	804	5,428	6,232	2,783	1997
1005 Sigman Road	Conyers, GA	2,125	566	3,134	1,226	574	4,352	4,926	1,804	1999
2050 East Park Drive	Conyers, GA	—	452	2,504	860	459	3,357	3,816	1,476	1999
3060 South Park Blvd	Ellenwood, GA	—	1,600	12,464	3,202	1,604	15,662	17,266	5,925	2003
175 Greenwood Industrial Parkway	McDonough, GA	3,987	1,550	—	7,695	1,550	7,695	9,245	2,824	2004
5095 Phillip Lee Drive	Atlanta, GA	—	735	3,627	447	740	4,069	4,809	3,405	2005
6514 Warren Drive	Norcross, GA	—	510	1,250	127	513	1,374	1,887	610	2005
6544 Warren Drive	Norcross, GA	—	711	2,310	332	715	2,638	3,353	1,309	2005
5356 E. Ponce De Leon	Stone Mountain, GA	—	604	3,888	572	610	4,454	5,064	2,515	2005
5390 E. Ponce De Leon	Stone Mountain, GA	—	397	1,791	529	402	2,315	2,717	1,053	2005
1755 Enterprise Drive	Buford, GA	1,127	712	2,118	(217)	716	1,897	2,613	890	2006
4555 Atwater Court	Buford, GA	1,980	881	3,550	161	885	3,707	4,592	1,517	2006
80 Liberty Industrial Parkway	McDonough, GA	—	756	3,695	(1,560)	467	2,424	2,891	1,037	2007
596 Bonnie Valentine	Pendergrass, GA	—	2,580	21,730	2,890	2,594	24,606	27,200	7,718	2007
11415 Old Roswell Road	Alpharetta, GA	—	2,403	1,912	808	2,428	2,695	5,123	1,032	2008
1281 Highway 155 S.	McDonough, GA	—	2,501	—	17,056	2,502	17,055	19,557	1,149	2016
Baltimore										
22520 Randolph Drive	Dulles, VA	—	3,200	8,187	187	3,208	8,366	11,574	2,466	2004
22630 Dulles Summit Court	Dulles, VA	—	2,200	9,346	(903)	2,206	8,437	10,643	2,723	2004
11204 McCormick Road	Hunt Valley, MD	—	1,017	3,132	195	1,038	3,306	4,344	1,776	2005
11110 Pepper Road	Hunt Valley, MD	—	918	2,529	476	938	2,985	3,923	1,470	2005
11100-11120 Gilroy Road	Hunt Valley, MD	—	901	1,455	67	919	1,504	2,423	762	2005
10709 Gilroy Road	Hunt Valley, MD	1,777	913	2,705	(86)	913	2,619	3,532	1,740	2005
10707 Gilroy Road	Hunt Valley, MD	—	1,111	3,819	795	1,136	4,589	5,725	2,402	2005
38 Loveton Circle	Sparks, MD	—	1,648	2,151	(192)	1,690	1,917	3,607	1,051	2005

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(In thousands)										
1225 Bengies Road	Baltimore, MD	—	2,640	270	13,331	2,823	13,418	16,241	4,486	2008
400 Old Post Road	Aberdeen, MD	—	3,411	17,144	1,514	3,411	18,658	22,069	2,614	2015
500 Old Post Road	Aberdeen, MD	—	5,959	30,533	146	5,959	30,679	36,638	3,926	2015
Central/Eastern Pennsylvania										
1214-B Freedom Road	Cranberry Township, PA	—	31	994	613	200	1,438	1,638	1,385	1994
401 Russell Drive	Middletown, PA	—	262	857	1,829	287	2,661	2,948	2,243	1994
2700 Commerce Drive	Middletown, PA	—	196	997	800	206	1,787	1,993	1,587	1994
2701 Commerce Drive	Middletown, PA	—	141	859	1,399	164	2,235	2,399	1,692	1994
2780 Commerce Drive	Middletown, PA	—	113	743	1,209	209	1,856	2,065	1,604	1994
350 Old Silver Spring Road	Mechanicsburg, PA	—	510	2,890	5,936	541	8,795	9,336	4,223	1997
16522 Hunters Green Parkway	Hagerstown, MD	—	1,390	13,104	5,656	1,863	18,287	20,150	6,151	2003
18212 Shawley Drive	Hagerstown, MD	—	1,000	5,847	2,800	1,016	8,631	9,647	2,544	2004
37 Valley View Drive	Jessup, PA	—	542	—	3,205	532	3,215	3,747	1,099	2004
14 McFadden Road	Palmer, PA	—	600	1,349	(274)	625	1,050	1,675	401	2004
431 Railroad Avenue	Shiremanstown, PA	—	1,293	7,164	2,035	1,341	9,151	10,492	5,281	2005
6951 Allentown Blvd	Harrisburg, PA	—	585	3,176	(27)	601	3,133	3,734	1,324	2005
320 Reliance Road	Washington, PA	—	201	1,819	(348)	178	1,494	1,672	943	2005
2801 Red Lion Road	Philadelphia, PA	—	950	5,916	7	964	5,909	6,873	3,168	2005
1351 Eisenhower Blvd., Bldg. 1	Harrisburg, PA	—	382	2,343	3	387	2,341	2,728	855	2006
1351 Eisenhower Blvd., Bldg. 2	Harrisburg, PA	—	436	1,587	(233)	443	1,347	1,790	513	2006
200 Cascade Drive, Bldg. 1	Allentown, PA	—	2,133	17,562	338	2,769	17,264	20,033	7,704	2007
200 Cascade Drive, Bldg. 2	Allentown, PA	—	310	2,268	68	316	2,330	2,646	907	2007
1490 Dennison Circle	Carlisle, PA	—	1,500	—	13,198	2,341	12,357	14,698	3,816	2008
298 First Avenue	Covington Twp, PA	—	7,022	—	57,053	7,019	57,056	64,075	14,712	2008
225 Cross Farm Lane	York, PA	—	4,718	—	23,163	4,715	23,166	27,881	6,520	2008
6300 Bristol Pike	Levittown, PA	—	1,074	2,642	(110)	964	2,642	3,606	2,276	2008
2455 Boulevard of Generals	Norristown, PA	2,997	1,200	4,800	950	1,226	5,724	6,950	2,370	2008
105 Steamboat Blvd	Manchester, PA	—	4,085	14,464	11	4,070	14,490	18,560	4,034	2012
20 Leo Lane	York County, PA	—	6,884	—	27,480	6,889	27,475	34,364	3,411	2013
3895 Eastgate Blvd, Bldg. A	Easton, PA	—	4,855	—	17,824	4,388	18,291	22,679	1,637	2015
3895 Eastgate Blvd, Bldg. B	Easton, PA	—	3,459	—	13,818	3,128	14,149	17,277	1,419	2015
112 Bordnersville Road	Jonestown, PA	—	13,702	—	30,341	13,724	30,319	44,043	179	2018

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122 Bordnersville Road	Jonestown, PA	—	3,165	—	10,937	3,171	10,931	14,102	—	2018
Chicago										
720-730 Landwehr Drive	Northbrook, IL	—	521	2,982	911	521	3,893	4,414	2,201	1994
1385 101st Street	Lemont, IL	3,465	967	5,554	1,513	968	7,066	8,034	3,907	1994
2300 Windsor Court	Addison, IL	—	688	3,943	761	696	4,696	5,392	2,660	1994
305-311 Era Drive	Northbrook, IL	—	200	1,154	1,299	205	2,448	2,653	1,128	1994
800 Business Drive	Mount Prospect, IL	—	631	3,493	328	666	3,786	4,452	1,720	2000
580 Slawin Court	Mount Prospect, IL	716	233	1,292	(27)	162	1,336	1,498	735	2000
1005 101st Street	Lemont, IL	4,761	1,200	6,643	1,619	1,220	8,242	9,462	3,321	2001
175 Wall Street	Glendale Heights, IL	1,509	427	2,363	709	433	3,066	3,499	1,113	2002
251 Airport Road	North Aurora, IL	3,491	983	—	6,403	983	6,403	7,386	2,485	2002
400 Crossroads Pkwy	Bolingbrook, IL	5,108	1,178	9,453	1,212	1,181	10,662	11,843	4,568	2005
7801 W. Industrial Drive	Forest Park, IL	—	1,215	3,020	1,314	1,220	4,329	5,549	2,061	2005
725 Kimberly Drive	Carol Stream, IL	—	793	1,395	255	801	1,642	2,443	894	2005
17001 S. Vincennes	Thornton, IL	—	497	504	3	513	491	1,004	417	2005
2900 W. 166th Street	Markham, IL	—	1,132	4,293	(881)	1,134	3,410	4,544	1,275	2007
555 W. Algonquin Road	Arlington Heights, IL	1,849	574	741	1,951	579	2,687	3,266	1,086	2007
1501 Oakton Street	Elk Grove Village, IL	4,843	3,369	6,121	134	3,482	6,142	9,624	2,128	2008
16500 W. 103rd Street	Woodridge, IL	—	744	2,458	487	762	2,927	3,689	1,089	2008
8505 50th Street	Kenosha, WI	—	3,212	—	32,956	3,212	32,956	36,168	9,086	2008
4100 Rock Creek Blvd	Joliet, IL	—	4,476	16,061	807	4,476	16,868	21,344	3,744	2013
10100 58th Place	Kenosha, WI	—	4,201	17,604	74	4,201	17,678	21,879	3,836	2013
401 Airport Road	North Aurora, IL	—	534	1,957	12	534	1,969	2,503	381	2014
3737 84th Avenue	Somers, WI	—	1,943	—	24,116	1,943	24,116	26,059	1,652	2016
81 Paragon Drive	Romeoville, IL	—	1,787	7,252	1,340	1,787	8,592	10,379	678	2016
10680 88th Avenue	Pleasant Prairie, WI	—	1,376	4,757	—	1,376	4,757	6,133	234	2017
8725 31st Street	Somers, WI	—	2,133	—	26,451	2,134	26,450	28,584	1,467	2017
3500 Channahon Road	Joliet, IL	—	2,595	—	16,729	2,598	16,726	19,324	141	2018
Cincinnati										
4700-4750 Creek Road	Blue Ash, OH	—	1,080	6,118	1,508	1,109	7,597	8,706	3,954	1996
4436 Muhlhauser Road	Hamilton, OH	—	630	—	5,294	630	5,294	5,924	2,102	2002
4438 Muhlhauser Road	Hamilton, OH	—	779	—	6,407	779	6,407	7,186	2,606	2002
420 Wards Corner Road	Loveland, OH	—	600	1,083	1,165	606	2,242	2,848	944	2003

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422 Wards Corner Road	Loveland, OH	—	600	1,811	443	592	2,262	2,854	878	2003
4663 Dues Drive	Westchester, OH	—	858	2,273	606	875	2,862	3,737	1,859	2005
9345 Princeton-Glendale Road	Westchester, OH	1,228	818	1,648	380	840	2,006	2,846	1,678	2006
9525 Glades Drive	Westchester, OH	—	347	1,323	240	355	1,555	1,910	669	2007
9774-9792 Windisch Road	Westchester, OH	—	392	1,744	163	394	1,905	2,299	534	2007
9808-9830 Windisch Road	Westchester, OH	—	395	2,541	447	397	2,986	3,383	1,063	2007
9842-9862 Windisch Road	Westchester, OH	—	506	3,148	202	508	3,348	3,856	1,165	2007
9872-9898 Windisch Road	Westchester, OH	—	546	3,039	285	548	3,322	3,870	1,254	2007
9902-9922 Windisch Road	Westchester, OH	—	623	4,003	1,104	627	5,103	5,730	2,408	2007
Cleveland										
30311 Emerald Valley Parkway	Glenwillow, OH	6,203	681	11,838	603	691	12,431	13,122	5,315	2006
30333 Emerald Valley Parkway	Glenwillow, OH	—	466	5,447	(615)	475	4,823	5,298	1,898	2006
7800 Cochran Road	Glenwillow, OH	3,598	972	7,033	338	991	7,352	8,343	3,145	2006
7900 Cochran Road	Glenwillow, OH	3,382	775	6,244	137	792	6,364	7,156	2,789	2006
7905 Cochran Road	Glenwillow, OH	3,627	920	6,174	114	922	6,286	7,208	2,464	2006
8181 Darrow Road	Twinsburg, OH	—	2,478	6,791	465	2,496	7,238	9,734	3,825	2008
Dallas/Ft. Worth										
2406-2416 Walnut Ridge	Dallas, TX	—	178	1,006	1,140	172	2,152	2,324	743	1997
2401-2419 Walnut Ridge	Dallas, TX	—	148	839	416	142	1,261	1,403	615	1997
900-906 Great Southwest Parkway	Arlington, TX	—	237	1,342	479	270	1,788	2,058	893	1997
3000 West Commerce	Dallas, TX	—	456	2,584	1,156	469	3,727	4,196	1,959	1997
405-407 113th	Arlington, TX	—	181	1,026	456	185	1,478	1,663	717	1997
816 111th Street	Arlington, TX	—	251	1,421	172	258	1,586	1,844	796	1997
1602-1654 Terre Colony	Dallas, TX	—	458	2,596	864	468	3,450	3,918	1,559	2000
2220 Merritt Drive	Garland, TX	—	352	1,993	407	316	2,436	2,752	987	2000
2485-2505 Merritt Drive	Garland, TX	—	431	2,440	546	443	2,974	3,417	1,282	2000
2110 Hutton Drive	Carrollton, TX	—	374	2,117	404	255	2,640	2,895	1,312	2001
2025 McKenzie Drive	Carrollton, TX	—	437	2,478	568	442	3,041	3,483	1,238	2001
2019 McKenzie Drive	Carrollton, TX	—	502	2,843	625	507	3,463	3,970	1,372	2001
2029-2035 McKenzie Drive	Carrollton, TX	—	306	1,870	356	306	2,226	2,532	928	2001
2015 McKenzie Drive	Carrollton, TX	1,830	510	2,891	471	516	3,356	3,872	1,497	2001

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2009 McKenzie Drive	Carrollton, TX	1,734	476	2,699	494	481	3,188	3,669	1,389	2001
900-1100 Avenue S	Grand Prairie, TX	—	623	3,528	1,118	629	4,640	5,269	1,749	2002
Plano Crossing Bus. Park	Plano, TX	6,682	1,961	11,112	1,062	1,981	12,154	14,135	4,912	2002
825-827 Avenue H	Arlington, TX	2,012	600	3,006	393	604	3,395	3,999	1,703	2004
1013-31 Avenue M	Grand Prairie, TX	—	300	1,504	257	302	1,759	2,061	811	2004
1172-84 113th Street	Grand Prairie, TX	—	700	3,509	(40)	704	3,465	4,169	1,393	2004
1200-16 Avenue H	Arlington, TX	—	600	2,846	852	604	3,694	4,298	1,412	2004
1322-66 W. North Carrier Parkway	Grand Prairie, TX	3,776	1,000	5,012	1,491	1,006	6,497	7,503	2,662	2004
2401-2407 Centennial Drive	Arlington, TX	1,781	600	2,534	634	604	3,164	3,768	1,485	2004
3111 West Commerce Street	Dallas, TX	3,111	1,000	3,364	1,818	1,011	5,171	6,182	2,483	2004
13800 Senlac Drive	Farmers Branch, TX	2,416	823	4,042	(63)	825	3,977	4,802	2,003	2005
801-831 S Great Southwest Parkway	Grand Prairie, TX	—	2,581	16,556	367	2,586	16,918	19,504	11,279	2005
801 Heinz Way	Grand Prairie, TX	—	599	3,327	339	601	3,664	4,265	1,901	2005
901-937 Heinz Way	Grand Prairie, TX	—	493	2,758	56	481	2,826	3,307	1,628	2005
3301 Century Circle	Irving, TX	—	760	3,856	(142)	771	3,703	4,474	1,260	2007
3901 W Miller Road	Garland, TX	—	1,912	—	15,135	1,947	15,100	17,047	4,926	2008
1251 North Cockrell Hill Road	Dallas, TX	—	2,064	—	13,553	1,073	14,544	15,617	1,625	2015
1171 North Cockrell Hill Road	Dallas, TX	—	1,215	—	10,972	632	11,555	12,187	1,171	2015
3996 Scientific Drive	Arlington, TX	—	1,301	—	8,082	1,349	8,034	9,383	1,147	2015
750 Gateway Boulevard	Coppell, TX	—	1,452	4,679	80	1,452	4,759	6,211	556	2015
2250 East Bardin Road	Arlington, TX	—	1,603	—	10,465	1,603	10,465	12,068	1,041	2016
Denver										
4785 Elati	Denver, CO	—	173	981	396	175	1,375	1,550	586	1997
4770 Fox Street	Denver, CO	—	132	750	321	134	1,069	1,203	492	1997
3851-3871 Revere	Denver, CO	—	361	2,047	483	368	2,523	2,891	1,291	1997
4570 Ivy Street	Denver, CO	—	219	1,239	111	220	1,349	1,569	702	1997
5855 Stapleton Drive North	Denver, CO	—	288	1,630	183	290	1,811	2,101	952	1997
5885 Stapleton Drive North	Denver, CO	—	376	2,129	327	380	2,452	2,832	1,285	1997
5977 North Broadway	Denver, CO	—	268	1,518	518	271	2,033	2,304	1,005	1997
5952-5978 North Broadway	Denver, CO	—	414	2,346	704	422	3,042	3,464	1,552	1997
4721 Ironton Street	Denver, CO	—	232	1,313	352	236	1,661	1,897	831	1997

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7003 E 47th Ave Drive	Denver, CO	—	441	2,689	19	441	2,708	3,149	1,472	1997
9500 West 49th Street - A	Wheatridge, CO	992	283	1,625	189	287	1,810	2,097	947	1997
9500 West 49th Street - B	Wheatridge, CO	822	225	1,272	241	227	1,511	1,738	739	1997
9500 West 49th Street - C	Wheatridge, CO	2,131	600	3,409	498	601	3,906	4,507	2,022	1997
9500 West 49th Street - D	Wheatridge, CO	1,029	246	1,537	394	247	1,930	2,177	1,013	1997
451-591 East 124th Avenue	Thornton, CO	—	383	2,145	392	383	2,537	2,920	1,371	1997
6547 South Racine Circle	Centennial, CO	2,614	739	4,241	486	739	4,727	5,466	2,384	1997
11701 East 53rd Avenue	Denver, CO	—	416	2,355	297	422	2,646	3,068	1,372	1997
5401 Oswego	Denver, CO	—	273	1,547	234	278	1,776	2,054	942	1997
445 Bryant Street	Denver, CO	7,511	1,829	10,219	2,878	1,829	13,097	14,926	6,083	1998
12055 E 49th Ave/4955 Peoria	Denver, CO	—	298	1,688	505	305	2,186	2,491	1,066	1998
4940-4950 Paris	Denver, CO	—	152	861	260	156	1,117	1,273	529	1998
7367 South Revere Parkway	Centennial, CO	—	926	5,124	1,196	934	6,312	7,246	3,114	1998
8200 East Park Meadows Drive	Lone Tree, CO	4,955	1,297	7,348	1,202	1,304	8,543	9,847	3,682	2000
3250 Quentin Street	Aurora, CO	—	1,220	6,911	897	1,230	7,798	9,028	3,445	2000
8020 Southpark Circle	Littleton, CO	—	739	—	3,170	781	3,128	3,909	1,276	2000
8810 W. 116th Circle	Broomfield, CO	—	312	—	1,789	370	1,731	2,101	718	2001
8820 W. 116th Circle	Broomfield, CO	—	338	1,918	343	372	2,227	2,599	887	2003
8835 W. 116th Circle	Broomfield, CO	—	1,151	6,523	1,139	1,304	7,509	8,813	3,081	2003
18150 E. 32nd Place	Aurora, CO	—	563	3,188	175	572	3,354	3,926	1,401	2004
3400 Fraser Street	Aurora, CO	1,948	616	3,593	(134)	620	3,455	4,075	1,439	2005
7005 E. 46th Avenue Drive	Denver, CO	1,323	512	2,025	229	517	2,249	2,766	830	2005
4001 Salazar Way	Frederick, CO	3,340	1,271	6,508	(713)	1,276	5,790	7,066	1,996	2006
5909-5915 N. Broadway	Denver, CO	—	495	1,268	129	500	1,392	1,892	856	2006
21301 E. 33rd Drive	Aurora, CO	6,526	2,860	8,202	924	2,859	9,127	11,986	821	2017
Detroit										
47461 Clipper	Plymouth Township, MI	—	122	723	159	122	882	1,004	498	1994
449 Executive Drive	Troy, MI	—	125	425	984	218	1,316	1,534	1,220	1994
1416 Meijer Drive	Troy, MI	—	94	394	477	121	844	965	725	1994
1624 Meijer Drive	Troy, MI	—	236	1,406	1,093	373	2,362	2,735	2,241	1994
1972 Meijer Drive	Troy, MI	—	315	1,301	787	372	2,031	2,403	1,859	1994
1707 Northwood Drive	Troy, MI	—	95	262	1,409	239	1,527	1,766	1,352	1994
1826 Northwood Drive	Troy, MI	—	55	208	472	103	632	735	566	1994

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1864 Northwood Drive	Troy, MI	—	57	190	489	107	629	736	580	1994
2730 Research Drive	Rochester Hills, MI	—	903	4,215	831	903	5,046	5,949	4,707	1994
2791 Research Drive	Rochester Hills, MI	—	557	2,731	687	560	3,415	3,975	2,810	1994
2871 Research Drive	Rochester Hills, MI	—	324	1,487	412	327	1,896	2,223	1,610	1994
2870 Technology Drive	Rochester Hills, MI	—	275	1,262	356	279	1,614	1,893	1,488	1994
2900 Technology Drive	Rochester Hills, MI	—	214	977	723	219	1,695	1,914	1,153	1994
2930 Technology Drive	Rochester Hills, MI	—	131	594	432	138	1,019	1,157	802	1994
2950 Technology Drive	Rochester Hills, MI	—	178	819	368	185	1,180	1,365	986	1994
23014 Commerce Drive	Farmington Hills, MI	—	39	203	189	56	375	431	346	1994
23035 Commerce Drive	Farmington Hills, MI	—	71	355	291	93	624	717	544	1994
23093 Commerce Drive	Farmington Hills, MI	—	211	1,024	1,337	295	2,277	2,572	1,982	1994
23135 Commerce Drive	Farmington Hills, MI	—	146	701	312	158	1,001	1,159	936	1994
23163 Commerce Drive	Farmington Hills, MI	—	111	513	393	138	879	1,017	819	1994
23177 Commerce Drive	Farmington Hills, MI	—	175	1,007	689	254	1,617	1,871	1,496	1994
4400 Purks Drive	Auburn Hills, MI	—	602	3,410	3,774	612	7,174	7,786	3,730	1995
12707 Eckles Road	Plymouth Township, MI	—	255	1,445	241	267	1,674	1,941	896	1996
32975 Capitol Avenue	Livonia, MI	—	135	748	(65)	77	741	818	362	1998
11923 Brookfield Avenue	Livonia, MI	—	120	665	(306)	32	447	479	305	1998
47711 Clipper Street	Plymouth Township, MI	—	539	2,983	579	575	3,526	4,101	1,733	1998
12874 Westmore Avenue	Livonia, MI	—	137	761	(234)	58	606	664	369	1998
1775 Bellingham	Troy, MI	—	344	1,902	439	367	2,318	2,685	1,119	1998
1785 East Maple	Troy, MI	—	92	507	210	98	711	809	341	1998
980 Chicago Road	Troy, MI	—	206	1,141	333	220	1,460	1,680	706	1998
1885 Enterprise Drive	Rochester Hills, MI	—	209	1,158	589	223	1,733	1,956	945	1998
1935-55 Enterprise Drive	Rochester Hills, MI	—	1,285	7,144	1,342	1,371	8,400	9,771	4,244	1998
5500 Enterprise Court	Warren, MI	—	675	3,737	772	721	4,463	5,184	2,227	1998
750 Chicago Road	Troy, MI	—	323	1,790	404	345	2,172	2,517	1,107	1998
800 Chicago Road	Troy, MI	—	283	1,567	380	302	1,928	2,230	963	1998
850 Chicago Road	Troy, MI	—	183	1,016	279	196	1,282	1,478	623	1998
4872 S. Lapeer Road	Lake Orion Twsp, MI	—	1,342	5,441	481	1,412	5,852	7,264	2,884	1999
1400 Allen Drive	Troy, MI	—	209	1,154	393	212	1,544	1,756	658	2000

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(In thousands)										
1408 Allen Drive	Troy, MI	—	151	834	104	153	936	1,089	416	2000
28435 Automation Blvd	Wixom, MI	—	621	—	3,661	628	3,654	4,282	1,284	2004
32200 North Avis Drive	Madison Heights, MI	—	503	3,367	(921)	195	2,754	2,949	917	2005
100 Kay Industrial Drive	Orion Township, MI	—	677	2,018	175	685	2,185	2,870	1,263	2005
42555 Merrill Road	Sterling Heights, MI	—	1,080	2,300	3,415	1,090	5,705	6,795	2,842	2006
200 Northpointe Drive	Orion Township, MI	—	723	2,063	(456)	734	1,596	2,330	748	2006
Houston										
3351 Rauch Street	Houston, TX	—	272	1,541	641	278	2,176	2,454	1,019	1997
3801-3851 Yale Street	Houston, TX	—	413	2,343	1,499	425	3,830	4,255	1,603	1997
3337-3347 Rauch Street	Houston, TX	—	227	1,287	444	233	1,725	1,958	813	1997
8505 North Loop East	Houston, TX	—	439	2,489	613	449	3,092	3,541	1,535	1997
4749-4799 Eastpark Drive	Houston, TX	—	594	3,368	1,220	611	4,571	5,182	2,317	1997
4851 Homestead Road	Houston, TX	2,198	491	2,782	1,377	504	4,146	4,650	2,055	1997
3365-3385 Rauch Street	Houston, TX	—	284	1,611	486	290	2,091	2,381	999	1997
5050 Campbell Road	Houston, TX	—	461	2,610	1,078	470	3,679	4,149	1,790	1997
4300 Pine Timbers	Houston, TX	2,235	489	2,769	1,183	499	3,942	4,441	1,844	1997
2500-2530 Fairway Park Drive	Houston, TX	—	766	4,342	2,200	792	6,516	7,308	2,866	1997
6550 Longpointe	Houston, TX	—	362	2,050	924	370	2,966	3,336	1,399	1997
1815 Turning Basin Drive	Houston, TX	—	487	2,761	2,105	531	4,822	5,353	2,106	1997
1819 Turning Basin Drive	Houston, TX	—	231	1,308	899	251	2,187	2,438	1,007	1997
1805 Turning Basin Drive	Houston, TX	—	564	3,197	2,699	616	5,844	6,460	2,698	1997
11505 State Highway 225	La Porte, TX	—	940	4,675	10	940	4,685	5,625	1,785	2005
1500 East Main Street	La Porte, TX	—	201	1,328	(91)	204	1,234	1,438	1,147	2005
7230-7238 Wynnwood	Houston, TX	—	254	764	249	259	1,008	1,267	602	2007
7240-7248 Wynnwood	Houston, TX	—	271	726	333	276	1,054	1,330	556	2007
7250-7260 Wynnwood	Houston, TX	—	200	481	1,501	203	1,979	2,182	690	2007
6400 Long Point	Houston, TX	—	188	898	132	188	1,030	1,218	475	2007
7967 Blankenship	Houston, TX	—	307	1,166	374	307	1,540	1,847	676	2010
8800 City Park Loop East	Houston, TX	—	3,717	19,237	(535)	3,717	18,702	22,419	5,561	2011
4800 West Greens Road	Houston, TX	—	3,350	—	16,757	3,312	16,795	20,107	2,497	2014
611 East Sam Houston Parkway S	Pasadena, TX	—	1,970	7,431	1,313	2,013	8,701	10,714	824	2015

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(In thousands)										
619 East Sam Houston Parkway S	Pasadena, TX	—	2,879	11,713	778	2,876	12,494	15,370	1,203	2015
6913 Guhn Road	Houston, TX	—	1,367	—	6,301	1,367	6,301	7,668	—	2018
607 East Sam Houston Parkway	Pasadena, TX	—	2,076	11,674	—	2,076	11,674	13,750	2	2018
615 East Sam Houston Parkway	Pasadena, TX	—	4,265	11,983	—	4,265	11,983	16,248	—	2018
Indianapolis										
2900 North Shadeland Avenue	Indianapolis, IN	—	2,057	13,565	7,351	2,057	20,916	22,973	10,005	1996
1445 Brookville Way	Indianapolis, IN	—	459	2,603	1,421	476	4,007	4,483	1,978	1996
1440 Brookville Way	Indianapolis, IN	—	665	3,770	956	685	4,706	5,391	2,454	1996
1240 Brookville Way	Indianapolis, IN	—	247	1,402	465	258	1,856	2,114	952	1996
1345 Brookville Way	Indianapolis, IN	—	586	3,321	1,718	601	5,024	5,625	2,584	1996
1350 Brookville Way	Indianapolis, IN	—	205	1,161	513	212	1,667	1,879	791	1996
1335 Sadlier Circle East	Indianapolis, IN	—	81	460	244	86	699	785	341	1996
6951 East 30th Street	Indianapolis, IN	—	256	1,449	507	265	1,947	2,212	962	1996
6701 East 30th Street	Indianapolis, IN	—	78	443	98	82	537	619	301	1996
6737 East 30th Street	Indianapolis, IN	—	385	2,181	669	398	2,837	3,235	1,455	1996
6555 East 30th Street	Indianapolis, IN	—	484	4,760	2,699	484	7,459	7,943	3,530	1996
7901 West 21st Street	Indianapolis, IN	—	1,048	6,027	426	1,048	6,453	7,501	3,358	1997
1225 Brookville Way	Indianapolis, IN	—	60	—	432	68	424	492	218	1997
6751 East 30th Street	Indianapolis, IN	—	728	2,837	457	741	3,281	4,022	1,716	1997
6575 East 30th Street	Indianapolis, IN	—	118	—	2,160	128	2,150	2,278	980	1998
6585 East 30th Street	Indianapolis, IN	—	196	—	3,223	196	3,223	3,419	1,618	1998
14425 Bergen Blvd	Noblesville, IN	—	647	—	3,595	743	3,499	4,242	1,094	2007
6635 East 30th Street	Indianapolis, IN	—	466	3,093	82	466	3,175	3,641	352	2016
Miami										
4700 NW 15th Avenue	Ft. Lauderdale, FL	—	908	1,883	207	912	2,086	2,998	823	2007
4710 NW 15th Avenue	Ft. Lauderdale, FL	—	830	2,722	27	834	2,745	3,579	910	2007
4720 NW 15th Avenue	Ft. Lauderdale, FL	—	937	2,455	255	942	2,705	3,647	999	2007
4740 NW 15th Avenue	Ft. Lauderdale, FL	—	1,107	3,111	50	1,112	3,156	4,268	1,064	2007
4750 NW 15th Avenue	Ft. Lauderdale, FL	—	947	3,079	359	951	3,434	4,385	1,108	2007
4800 NW 15th Avenue	Ft. Lauderdale, FL	—	1,092	3,308	60	1,097	3,363	4,460	1,046	2007
6891 NW 74th Street	Medley, FL	—	857	3,428	3,874	864	7,295	8,159	2,729	2007

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12601 & 12605 NW 115th Avenue	Medley, FL	—	2,039	—	344	674	1,709	2,383	421	2008
1351 NW 78th Avenue	Doral, FL	—	3,111	4,634	10	3,111	4,644	7,755	512	2016
2500 NW 19th Street	Pompano Beach, FL	—	8,824	11,660	229	8,824	11,889	20,713	939	2017
Milwaukee										
5355 South Westridge Drive	New Berlin, WI	4,135	1,630	7,058	(39)	1,646	7,003	8,649	2,293	2004
17005 West Ryerson Road	New Berlin, WI	2,247	403	3,647	415	405	4,060	4,465	2,383	2005
1500 Peebles Drive	Richland Center, WI	—	1,577	1,018	(441)	1,528	626	2,154	567	2005
16600 West Glendale Avenue	New Berlin, WI	1,577	704	1,923	710	715	2,622	3,337	2,031	2006
N58W15380 Shawn Circle	Menomonee Falls, WI	—	1,188	—	17,020	1,204	17,004	18,208	5,186	2008
Minneapolis/St. Paul										
6201 West 111th Street	Bloomington, MN	1,645	1,358	8,622	13,263	1,519	21,724	23,243	13,901	1994
1030 Lone Oak Road	Eagan, MN	1,877	456	2,703	813	456	3,516	3,972	2,025	1994
1060 Lone Oak Road	Eagan, MN	2,438	624	3,700	834	624	4,534	5,158	2,608	1994
5400 Nathan Lane	Plymouth, MN	—	749	4,461	869	757	5,322	6,079	3,038	1994
6655 Wedgewood Road	Maple Grove, MN	—	1,466	8,342	6,232	1,466	14,574	16,040	7,621	1994
10120 West 76th Street	Eden Prairie, MN	—	315	1,804	1,043	315	2,847	3,162	1,554	1995
12155 Nicollet Avenue	Burnsville, MN	—	286	—	1,957	288	1,955	2,243	1,037	1995
5775 12th Avenue	Shakopee, MN	3,251	590	—	5,871	590	5,871	6,461	2,176	1998
1157 Valley Park Drive	Shakopee, MN	4,061	760	—	7,734	888	7,606	8,494	3,203	1999
9600 West 76th Street	Eden Prairie, MN	1,918	1,000	2,450	67	1,034	2,483	3,517	893	2004
9700 West 76th Street	Eden Prairie, MN	2,223	1,000	2,709	368	1,038	3,039	4,077	995	2004
7600 69th Avenue	Greenfield, MN	—	1,500	8,328	(468)	1,510	7,850	9,360	2,322	2004
5017 Boone Avenue North	New Hope, MN	—	1,000	1,599	600	1,009	2,190	3,199	1,400	2005
1087 Park Place	Shakopee, MN	2,939	1,195	4,891	(246)	1,198	4,642	5,840	1,646	2005
5391 12th Avenue SE	Shakopee, MN	—	1,392	8,149	13	1,395	8,159	9,554	2,660	2005
4701 Valley Industrial Blvd S	Shakopee, MN	4,167	1,296	7,157	(172)	1,299	6,982	8,281	3,733	2005
6455 City West Parkway	Eden Prairie, MN	—	659	3,189	1,273	665	4,456	5,121	2,102	2006
7035 Winnetka Avenue North	Brooklyn Park, MN	4,218	1,275	—	7,545	1,343	7,477	8,820	2,305	2007
139 Eva Street	St. Paul, MN	—	2,132	3,105	(286)	2,175	2,776	4,951	914	2008
21900 Dodd Boulevard	Lakeville, MN	—	2,289	7,952	—	2,289	7,952	10,241	3,062	2010
375 Rivertown Drive	Woodbury, MN	6,993	2,635	8,157	1,224	2,635	9,381	12,016	2,184	2014

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935 Aldrin Drive	Eagan, MN	5,188	2,096	7,884	439	2,096	8,323	10,419	1,652	2014
7050 Winnetka Avenue North	Brooklyn Park, MN	—	1,623	—	7,567	1,634	7,556	9,190	818	2014
7051 West Broadway	Brooklyn Park, MN	3,358	1,275	—	5,828	1,279	5,824	7,103	592	2014
Nashville										
1931 Air Lane Drive	Nashville, TN	—	489	2,785	635	493	3,416	3,909	1,649	1997
4640 Cummings Park	Nashville, TN	—	360	2,040	689	365	2,724	3,089	1,197	1999
1740 River Hills Drive	Nashville, TN	2,537	848	4,383	652	888	4,995	5,883	2,669	2005
211 Ellery Court	Nashville, TN	1,658	606	3,192	(289)	616	2,893	3,509	1,052	2007
130 Maddox Road	Mount Juliet, TN	—	1,778	—	23,914	1,778	23,914	25,692	5,963	2008
New Jersey										
14 World's Fair Drive	Franklin, NJ	—	483	2,735	858	503	3,573	4,076	1,682	1997
12 World's Fair Drive	Franklin, NJ	—	572	3,240	838	593	4,057	4,650	2,032	1997
22 World's Fair Drive	Franklin, NJ	—	364	2,064	582	375	2,635	3,010	1,270	1997
26 World's Fair Drive	Franklin, NJ	—	361	2,048	606	377	2,638	3,015	1,314	1997
24 World's Fair Drive	Franklin, NJ	—	347	1,968	530	362	2,483	2,845	1,252	1997
20 World's Fair Drive Lot 13	Somerset, NJ	—	9	—	2,630	691	1,948	2,639	847	1999
45 Route 46	Pine Brook, NJ	—	969	5,491	1,032	978	6,514	7,492	2,799	2000
43 Route 46	Pine Brook, NJ	—	474	2,686	472	479	3,153	3,632	1,409	2000
39 Route 46	Pine Brook, NJ	—	260	1,471	256	262	1,725	1,987	765	2000
26 Chapin Road	Pine Brook, NJ	—	956	5,415	519	965	5,925	6,890	2,635	2000
30 Chapin Road	Pine Brook, NJ	—	960	5,440	514	970	5,944	6,914	2,638	2000
20 Hook Mountain Road	Pine Brook, NJ	—	1,507	8,542	1,401	1,534	9,916	11,450	4,442	2000
30 Hook Mountain Road	Pine Brook, NJ	—	389	2,206	317	396	2,516	2,912	1,113	2000
16 Chapin Road	Pine Brook, NJ	—	885	5,015	659	901	5,658	6,559	2,491	2000
20 Chapin Road	Pine Brook, NJ	—	1,134	6,426	692	1,154	7,098	8,252	3,106	2000
2500 Main Street	Sayreville, NJ	—	944	—	4,475	944	4,475	5,419	1,768	2002
2400 Main Street	Sayreville, NJ	—	996	—	5,435	996	5,435	6,431	1,940	2003
7851 Airport Highway	Pennsauken, NJ	—	160	508	328	162	834	996	429	2003
309-313 Pierce Street	Somerset, NJ	2,818	1,300	4,628	606	1,309	5,225	6,534	2,005	2004
400 Cedar Lane	Florence Township, NJ	—	9,730	—	26,209	9,730	26,209	35,939	1,486	2016
301 Bordentown Hedding Road	Bordentown, NJ	—	3,983	15,881	9	3,984	15,889	19,873	806	2017

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302 Bordentown Hedding Road	Bordentown, NJ	—	2,738	8,190	—	2,738	8,190	10,928	89	2018
Orlando										
6301 Hazeltine National Drive	Orlando, FL	—	909	4,613	237	920	4,839	5,759	1,803	2005
8751 Skinner Court	Orlando, FL	4,243	1,691	7,249	(5)	1,692	7,243	8,935	694	2016
4473 Shader Road	Orlando, FL	—	2,094	10,444	56	2,094	10,500	12,594	924	2016
550 Gills Drive	Orlando, FL	—	1,321	6,176	4	1,321	6,180	7,501	311	2017
450 Gills Drive	Orlando, FL	—	1,031	6,406	—	1,031	6,406	7,437	231	2017
4401 Shader Road	Orlando, FL	—	1,037	7,116	4	1,037	7,120	8,157	158	2018
Phoenix										
1045 South Edward Drive	Tempe, AZ	—	390	2,160	627	396	2,781	3,177	1,248	1999
50 South 56th Street	Chandler, AZ	—	1,206	3,218	1,379	1,252	4,551	5,803	2,112	2004
245 West Lodge	Tempe, AZ	—	898	3,066	(2,153)	362	1,449	1,811	536	2007
1590 East Riverview Drive	Phoenix, AZ	—	1,293	5,950	(267)	1,292	5,684	6,976	1,478	2008
14131 N. Rio Vista Boulevard	Peoria, AZ	5,439	2,563	9,388	(445)	2,563	8,943	11,506	2,206	2008
8716 West Ludlow Drive	Peoria, AZ	6,721	2,709	10,970	540	2,709	11,510	14,219	2,942	2008
3815 W. Washington Street	Phoenix, AZ	—	1,675	4,514	316	1,719	4,786	6,505	1,489	2008
9180 W. Buckeye Road	Tolleson, AZ	—	1,904	6,805	3,124	1,923	9,910	11,833	2,890	2008
8644 West Ludlow Drive	Peoria, AZ	—	1,726	7,216	—	1,726	7,216	8,942	1,072	2014
8606 West Ludlow Drive	Peoria, AZ	—	956	2,668	123	956	2,791	3,747	433	2014
8679 West Ludlow Drive	Peoria, AZ	—	672	2,791	—	672	2,791	3,463	423	2014
94th Avenue & Buckeye Road	Tolleson, AZ	—	4,315	—	16,645	4,315	16,645	20,960	1,306	2015
16601 West Sells Drive	Goodyear, AZ	—	24,743	—	19,087	24,803	19,027	43,830	873	2017
16560 West Sells Drive	Goodyear, AZ	—	6,259	—	23,287	6,269	23,277	29,546	406	2018
Seattle										
1901 Raymond Ave SW	Renton, WA	—	4,458	2,659	532	4,594	3,055	7,649	1,074	2008
19014 64th Avenue South	Kent, WA	2,770	1,990	3,979	456	2,042	4,383	6,425	1,820	2008
18640 68th Avenue South	Kent, WA	—	1,218	1,950	310	1,258	2,220	3,478	995	2008
6407 S 210th Street	Kent, WA	—	1,737	3,508	—	1,737	3,508	5,245	128	2018
1402 Puyallup Street	Sumner, WA	—	3,766	4,457	—	3,766	4,457	8,223	—	2018
Southern California										
1944 Vista Bella Way	Rancho Dominguez, CA	2,697	1,746	3,148	465	1,822	3,537	5,359	1,861	2005
2000 Vista Bella Way	Rancho Dominguez, CA	1,174	817	1,673	232	853	1,869	2,722	996	2005
2835 East Ana Street	Rancho Dominguez, CA	2,288	1,682	2,750	409	1,772	3,069	4,841	1,674	2005
665 N. Baldwin Park Boulevard	City of Industry, CA	4,263	2,124	5,219	2,542	2,143	7,742	9,885	2,100	2006

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27801 Avenue Scott	Santa Clarita, CA	5,086	2,890	7,020	196	2,902	7,204	10,106	2,889	2006
2610 & 2660 Columbia Street	Torrance, CA	3,927	3,008	5,826	271	3,031	6,074	9,105	2,376	2006
433 Alaska Avenue	Torrance, CA	—	681	168	3	684	168	852	111	2006
6305 El Camino Real	Carlsbad, CA	—	1,590	6,360	7,730	1,590	14,090	15,680	5,239	2006
2325 Camino Vida Roble	Carlsbad, CA	1,785	1,441	1,239	594	1,446	1,828	3,274	692	2006
2335 Camino Vida Roble	Carlsbad, CA	979	817	762	216	821	974	1,795	448	2006
2345 Camino Vida Roble	Carlsbad, CA	637	562	456	151	565	604	1,169	270	2006
2355 Camino Vida Roble	Carlsbad, CA	556	481	365	174	483	537	1,020	287	2006
2365 Camino Vida Roble	Carlsbad, CA	1,022	1,098	630	146	1,102	772	1,874	418	2006
2375 Camino Vida Roble	Carlsbad, CA	1,213	1,210	874	140	1,214	1,010	2,224	458	2006
6451 El Camino Real	Carlsbad, CA	—	2,885	1,931	733	2,895	2,654	5,549	1,075	2006
13100 Gregg Street	Poway, CA	2,889	1,040	4,160	913	1,073	5,040	6,113	2,344	2007
21730-21748 Marilla Street	Chatsworth, CA	2,518	2,585	3,210	44	2,608	3,231	5,839	1,374	2007
8015 Paramount	Pico Rivera, CA	—	3,616	3,902	(510)	3,657	3,351	7,008	1,444	2007
3365 E. Slauson	Vernon, CA	—	2,367	3,243	(559)	2,396	2,655	5,051	1,144	2007
3015 East Ana	Rancho Dominguez, CA	—	19,678	9,321	6,305	20,144	15,160	35,304	5,539	2007
1250 Rancho Conejo Boulevard	Thousand Oaks, CA	—	1,435	779	45	1,441	818	2,259	364	2007
1260 Rancho Conejo Boulevard	Thousand Oaks, CA	—	1,353	722	(722)	675	678	1,353	272	2007
1270 Rancho Conejo Boulevard	Thousand Oaks, CA	—	1,224	716	(2)	1,229	709	1,938	315	2007
1280 Rancho Conejo Boulevard	Thousand Oaks, CA	2,326	2,043	3,408	(59)	2,051	3,341	5,392	894	2007
1290 Rancho Conejo Boulevard	Thousand Oaks, CA	1,957	1,754	2,949	(165)	1,761	2,777	4,538	746	2007
100 West Sinclair Street	Perris, CA	—	4,894	3,481	(5,233)	1,819	1,323	3,142	721	2007
14050 Day Street	Moreno Valley, CA	—	2,538	2,538	574	2,565	3,084	5,649	1,244	2008
12925 Marlay Avenue	Fontana, CA	—	6,072	7,891	303	6,090	8,176	14,266	4,319	2008
18201-18291 Santa Fe	Rancho Dominguez, CA	—	6,720	—	9,457	6,897	9,280	16,177	2,523	2008
1011 Rancho Conejo	Thousand Oaks, CA	4,341	7,717	2,518	(169)	7,752	2,313	10,065	1,109	2008
20700 Denker Avenue	Torrance, CA	5,290	5,767	2,538	1,397	5,964	3,739	9,703	2,384	2008
18408 Laurel Park Road	Rancho Dominguez, CA	—	2,850	2,850	913	2,874	3,739	6,613	1,426	2008
19021 S. Reyes Avenue	Rancho Dominguez, CA	—	8,183	7,501	233	8,545	7,372	15,917	1,745	2008
24870 Nandina Avenue	Moreno Valley, CA	—	13,543	—	21,277	6,482	28,338	34,820	4,772	2012
6185 Kimball Avenue	Chino, CA	—	6,385	—	12,343	6,382	12,346	18,728	2,789	2013
5553 Bandini Boulevard	Bell, CA	—	32,536	—	21,620	32,540	21,616	54,156	2,925	2013
16875 Heacock Street	Moreno Valley, CA	—	—	6,831	(58)	—	6,773	6,773	1,577	2014
4710 Guasti Road	Ontario, CA	5,072	2,846	6,564	213	2,846	6,777	9,623	1,020	2014

FIRST INDUSTRIAL REALTY TRUST, INC. AND FIRST INDUSTRIAL, L.P.
SCHEDULE III: REAL ESTATE AND ACCUMULATED DEPRECIATION
As of December 31, 2018

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 12/31/18			Accumulated Depreciation 12/31/2018	Year Acquired/ Constructed
			Land	Buildings and Improvements		Land	Buildings and Improvements	Total		
(In thousands)										
17100 Perris Boulevard	Moreno Valley, CA	—	6,388	—	25,810	6,395	25,803	32,198	3,379	2014
13414 S. Figueroa	Los Angeles, CA	3,914	1,701	—	6,580	1,887	6,394	8,281	727	2014
3841 Ocean Ranch Boulevard	Oceanside, CA	—	4,400	—	8,040	4,400	8,040	12,440	1,014	2015
3831 Ocean Ranch Boulevard	Oceanside, CA	—	2,693	—	4,584	2,694	4,583	7,277	560	2015
3821 Ocean Ranch Boulevard	Oceanside, CA	—	2,792	—	4,469	2,792	4,469	7,261	528	2015
145 West 134th Street	Los Angeles, CA	—	2,901	2,285	173	2,901	2,458	5,359	397	2015
6150 Sycamore Canyon Boulevard	Riverside, CA	—	3,182	10,643	1	3,182	10,644	13,826	1,257	2015
17825 Indian Street	Moreno Valley, CA	—	5,034	22,095	54	5,034	22,149	27,183	2,433	2015
24901 San Michele Road	Moreno Valley, CA	—	1,274	—	11,556	1,274	11,556	12,830	826	2016
1445 Engineer Street	Vista, CA	—	6,816	4,417	3	6,816	4,420	11,236	600	2016
19067 Reyes Avenue	Rancho Dominguez, CA	—	9,281	3,920	3,474	9,381	7,294	16,675	446	2016
10586 Tamarind Avenue	Fontana, CA	—	4,275	8,275	228	4,275	8,503	12,778	424	2017
2777 Loker Avenue West	Carlsbad, CA	11,028	7,599	13,267	122	7,599	13,389	20,988	822	2017
7105 Old 215 Frontage Road	Riverside, CA	—	4,900	—	12,742	4,900	12,742	17,642	540	2017
28545 Livingston Avenue	Valencia, CA	—	9,813	10,954	644	9,813	11,598	21,411	335	2018
3801 Ocean Ranch Boulevard	Oceanside, CA	3,046	2,907	6,151	1	2,909	6,150	9,059	174	2018
3809 Ocean Ranch Boulevard	Oceanside, CA	3,279	3,140	6,964	(2)	3,141	6,961	10,102	180	2018
3817 Ocean Ranch Boulevard	Oceanside, CA	5,132	5,438	10,278	209	5,442	10,483	15,925	281	2018
24385 Nandina Avenue	Moreno Valley, CA	—	17,023	—	57,083	17,066	57,040	74,106	237	2018
14999 Summit Drive	Eastvale, CA	—	1,508	—	3,120	1,508	3,120	4,628	51	2018
14969 Summit Drive	Eastvale, CA	—	3,847	—	11,211	3,847	11,211	15,058	299	2018
14939 Summit Drive	Eastvale, CA	—	3,107	—	8,273	3,107	8,273	11,380	138	2018
14909 Summit Drive	Eastvale, CA	—	7,099	—	19,177	7,099	19,177	26,276	317	2018
14940 Summit Drive	Eastvale, CA	—	5,423	—	13,334	5,423	13,334	18,757	194	2018
14910 Summit Drive	Eastvale, CA	—	1,873	—	5,290	1,873	5,290	7,163	77	2018
St. Louis										
6821-6857 Hazelwood Avenue	Berkeley, MO	4,289	985	6,205	1,333	985	7,538	8,523	3,075	2003
13701 Rider Trail North	Earth City, MO	—	800	2,099	552	804	2,647	3,451	1,154	2003
1908-2000 Innerbelt	Overland, MO	6,587	1,590	9,026	1,464	1,591	10,489	12,080	5,236	2004
21-25 Gateway Commerce Center	Edwardsville, IL	—	1,874	31,958	378	1,921	32,289	34,210	10,970	2006
Tampa										
5525 Johns Road	Tampa, FL	—	192	1,086	274	200	1,352	1,552	719	1997
5709 Johns Road	Tampa, FL	—	192	1,086	207	200	1,285	1,485	664	1997
5711 Johns Road	Tampa, FL	—	243	1,376	184	255	1,548	1,803	796	1997

FIRST INDUSTRIAL REALTY TRUST, INC. AND FIRST INDUSTRIAL, L.P.
SCHEDULE III: REAL ESTATE AND ACCUMULATED DEPRECIATION
As of December 31, 2018

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 12/31/18			Accumulated Depreciation 12/31/2018	Year Acquired/ Constructed
			Land	Buildings and Improvements		Land	Buildings and Improvements	Total		
(In thousands)										
5455 W Waters Avenue	Tampa, FL	—	307	1,742	370	326	2,093	2,419	1,056	1997
5553 W Waters Avenue	Tampa, FL	—	307	1,742	310	326	2,033	2,359	1,037	1997
5501 W Waters Avenue	Tampa, FL	—	215	871	403	242	1,247	1,489	587	1997
5503 W Waters Avenue	Tampa, FL	—	98	402	197	110	587	697	291	1997
5555 W Waters Avenue	Tampa, FL	—	213	1,206	552	221	1,750	1,971	761	1997
5557 W Waters Avenue	Tampa, FL	—	59	335	51	62	383	445	197	1997
5463 W Waters Avenue	Tampa, FL	—	497	2,751	1,462	560	4,150	4,710	1,892	1998
5461 W Waters Avenue	Tampa, FL	—	261	—	1,322	265	1,318	1,583	662	1998
5481 W Waters Avenue	Tampa, FL	—	558	—	3,570	561	3,567	4,128	1,161	1999
4908 Tampa West Boulevard	Tampa, FL	—	2,622	8,643	(814)	2,635	7,816	10,451	3,924	2005
Other										
1815-1957 South 4650 West	Salt Lake City, UT	6,045	1,707	10,873	62	1,713	10,929	12,642	3,980	2006
3200 Pond Station	Jefferson County, KY	—	2,074	—	9,681	2,120	9,635	11,755	2,822	2007
581 Welltown Road/Tyson Boulevard	Winchester, VA	—	2,320	—	11,109	2,401	11,028	13,429	3,158	2007
7501 NW 106th Terrace	Kansas City, MO	—	4,152	—	13,697	4,228	13,621	17,849	3,481	2008
600 Greene Drive	Greenville, KY	—	294	8,570	(727)	296	7,841	8,137	6,453	2008
Developments in Process										
First Park Fairburn	Fairburn, GA	—	3,650	—	5,284	3,650	5,284	8,934	—	2014
First Perry Logistics Center	Perris, CA	—	1,780	—	4,550	1,788	4,542	6,330	—	2016
First Mountain Creek Distribution Center	Dallas, TX	—	4,675	—	7,468	4,779	7,364	12,143	—	2015
First Park 121 Building I	Lewisville, TX	—	3,963	—	3,421	3,963	3,421	7,384	—	2018
First Park 121 Building II	Lewisville, TX	—	2,243	—	1,938	2,243	1,938	4,181	—	2018
First Aurora Commerce Center Bldg D	Aurora, CO	—	4,881	—	8,021	4,886	8,016	12,902	—	2018
First Glacier Logistics Center	Sumner, WA	—	2,643	—	4,023	2,643	4,023	6,666	—	2018
Land Parcels										
Land Parcels		2,473	167,785	3,225	33,539	163,868	40,681	204,549	4,341	—
Total		297,716	919,414	1,526,633	1,227,597	909,318	2,764,326	3,673,644	811,784	

FIRST INDUSTRIAL REALTY TRUST, INC. AND FIRST INDUSTRIAL, L.P.
SCHEDULE III: REAL ESTATE AND ACCUMULATED DEPRECIATION
As of December 31, 2018

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	5 to 20 years
Tenant Improvements	Lease Term

At December 31, 2018, the aggregate cost of land and buildings and equipment for federal income tax purpose was approximately \$3.5 billion (excluding construction in progress).

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

	2018	2017	2016
	(In thousands)		
Balance, Beginning of Year	\$ 3,495,745	\$ 3,388,611	\$ 3,297,649
Acquisition of Real Estate Assets	162,769	168,517	108,538
Construction Costs and Improvements	190,383	137,361	167,342
Disposition of Real Estate Assets	(148,408)	(170,928)	(153,364)
Impairment of Real Estate	(2,756)	—	—
Write-off of Fully Depreciated and Other Assets	(24,089)	(27,816)	(31,554)
Balance, End of Year Including Real Estate Held for Sale	<u>\$ 3,673,644</u>	<u>\$ 3,495,745</u>	<u>\$ 3,388,611</u>
Real Estate Held for Sale	—	—	(3,697)
Balance, End of Year Excluding Real Estate Held for Sale	<u><u>\$ 3,673,644</u></u>	<u><u>\$ 3,495,745</u></u>	<u><u>\$ 3,384,914</u></u>

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

	2018	2017	2016
	(In thousands)		
Balance, Beginning of Year	\$ 789,919	\$ 797,919	\$ 792,501
Depreciation for Year	94,626	94,078	95,514
Disposition of Real Estate Assets	(49,144)	(78,844)	(62,634)
Write-off of Fully Depreciated and Other Assets	(23,617)	(23,234)	(27,462)
Balance, End of Year Including Real Estate Held for Sale	\$ 811,784	\$ 789,919	\$ 797,919
Real Estate Held for Sale	—	—	(1,427)
Balance, End of Year Excluding Real Estate Held for Sale	\$ 811,784	\$ 789,919	\$ 796,492

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 REALTY TRUST, INC.

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

Date: February 19, 2019

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

Date: February 19, 2019

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

Date: February 19, 2019

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> Bruce W. Duncan	Chairman of the Board of Directors	February 19, 2019
<u> /s/ PETER E. BACCILE </u> Peter E. Baccile	President, Chief Executive Officer and Director	February 19, 2019
<u> /s/ JOHN RAU </u> John Rau	Lead Independent Director	February 19, 2019
<u> /s/ MATTHEW S. DOMINSKI </u> Matthew S. Dominski	Director	February 19, 2019
<u> /s/ H. PATRICK HACKETT, JR. </u> H. Patrick Hackett, Jr.	Director	February 19, 2019
<u> /s/ DENISE A. OLSEN </u> Denise A. Olsen	Director	February 19, 2019
<u> /s/ L. PETER SHARPE </u> L. Peter Sharpe	Director	February 19, 2019
<u> /s/ W. EDWIN TYLER </u> W. Edwin Tyler	Director	February 19, 2019

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 19, 2019

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

Date: February 19, 2019

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

Date: February 19, 2019

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> Bruce W. Duncan	Chairman of the Board of Directors	February 19, 2019
<u>/s/ PETER E. BACCILE</u> Peter E. Baccile	President, Chief Executive Officer and Director	February 19, 2019
<u>/s/ JOHN RAU</u> John Rau	Lead Independent Director	February 19, 2019
<u>/s/ MATTHEW S. DOMINSKI</u> Matthew S. Dominski	Director	February 19, 2019
<u>/s/ H. PATRICK HACKETT, JR.</u> H. Patrick Hackett, Jr.	Director	February 19, 2019
<u>/s/ DENISE A. OLSEN</u> Denise A. Olsen	Director	February 19, 2019
<u>/s/ L. PETER SHARPE</u> L. Peter Sharpe	Director	February 19, 2019
<u>/s/ W. EDWIN TYLER</u> W. Edwin Tyler	Director	February 19, 2019

FIRST INDUSTRIAL, L.P.

~~TWELFTH~~ THIRTEENTH AMENDED AND RESTATED

LIMITED PARTNERSHIP AGREEMENT

THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS PURSUANT TO A REGISTRATION OR EXEMPTION THEREFROM.

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[Exhibit 1A - First Highland Partners](#)

[Exhibit 1B - Schedule of Partners](#)

[Exhibit 1C - LB Partners](#)

[Exhibit 1D - Contributor Partners](#)

[Exhibit 2 - Form of Redemption Notice](#)

[Exhibit 3 - Form of Registration Rights Agreement](#)

Exhibit 1A - First Highland Partners

Exhibit 1B - Schedule of Partners

Exhibit 1C	-	LB Partners
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Exhibit 2	-	Form of Redemption Notice
Exhibit 3	-	Form of Registration Rights Agreement

FIRST INDUSTRIAL, L.P.

~~TWELFTH~~**THIRTEENTH** AMENDED AND RESTATED

LIMITED PARTNERSHIP AGREEMENT

The undersigned, being the sole general partner of First Industrial, L.P. (the “Partnership”), a limited partnership formed under the Delaware Revised Uniform Limited Partnership Act, does hereby amend and restate the ~~Eleventh~~**Twelfth** Partnership Agreement (as defined below) this ~~27~~**13**th day of ~~February, 2012~~**December, 2018** as follows:

~~RECITALS:~~**RECITALS:**

A. The Partnership was formed pursuant to a Certificate of Limited Partnership filed on November 23, 1993 with the Secretary of State of the State of Delaware under the name “ProVest, L.P.” and a Limited Partnership Agreement dated November 23, 1993 (the “Original Partnership Agreement”).

B. The Original Partnership Agreement was amended and restated as of January 28, 1994 (such amended and restated partnership agreement, the “Prior Partnership Agreement”).

C. A Second Amended and Restated Limited Partnership Agreement was executed as of June 30, 1994, a Third Amended and Restated Limited Partnership Agreement was executed as of May 14, 1997, a Fourth Amended and Restated Limited Partnership Agreement was executed as of June 6, 1997, a Fifth Amended and Restated Limited Partnership Agreement was executed as of February 4, 1998, a Sixth Amended and Restated Limited Partnership Agreement was executed as of March 18, 1998, a Seventh Amended and Restated Limited Partnership Agreement was executed as of May 26, 2004, an Eighth Amended and Restated Limited Partnership Agreement was executed as of June 2, 2004, a Ninth Amended and Restated Limited Partnership Agreement was executed as of November 8, 2005, a Tenth Amended and Restated Limited Partnership Agreement was executed as of January 13, ~~2006 and~~**2006**, an Eleventh Amended and Restated Limited Partnership Agreement was executed as of August 21, 2006 (~~the “Eleventh~~**and a Twelfth Amended and Restated Limited Partnership Agreement was executed as of February 27, 2012 (the “Twelfth** Partnership Agreement”).

D. The General Partner desires to amend and restate the ~~Eleventh~~**Twelfth** Partnership Agreement, effective ~~March 17, 2012~~**December 13, 2018**, to (i) reflect the first amendment to the ~~Eleventh~~**Twelfth** Partnership Agreement made effective as of ~~March 17, 2012 and (ii) January 1, 2018 and the second amendment to the Twelfth Partnership Agreement made effective as of September 1, 2018, (ii) establish the terms of the LTIP Units (as hereinafter defined) of the Partnership and (iii)~~ set forth the understandings and agreements, including certain rights and obligations, among the Partners (as hereinafter defined) with respect to the Partnership.

Article I. INTERPRETIVE PROVISIONS

Section 1.1 Certain Definitions. The following terms have the definitions hereinafter indicated whenever used in this Agreement with initial capital letters:

Act: The Delaware Revised Uniform Limited Partnership Act, Sections 17-101 to 17-1109 of the Delaware Code Annotated, Title 6, as amended from time to time.

Additional Limited Partner: A Person admitted to the Partnership as a Limited Partner in accordance with Section 8.7 hereof and who is shown as such on the books and records of the Partnership.

Adjusted Capital Account: With respect to any Partner, such Partner’s Capital Account maintained in accordance with Section 4.4 hereof, as of the end of the relevant Fiscal Year of the Partnership, after giving effect to the following adjustments:

(A) Credit to such Capital Account such Partner’s share of Partnership Minimum Gain determined in accordance with Treasury Regulations Section 1.704-2(g)(1) and such Partner’s share of Partner Minimum Gain determined in accordance with

(B) Debit to such Capital Account the items described in Treasury Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) and (6).

The foregoing definition of “Adjusted Capital Account” is intended to comply with the provisions of Treasury Regulations Sections 1.704-1(b)(2)(ii) and 1.704-2 and shall be interpreted consistently therewith.

Adjusted Capital Account Deficit: With respect to any Partner, the deficit balance, if any, in that Partner’s Adjusted Capital Account as of the end of the relevant Fiscal Year of the Partnership.

Affiliate: With respect to any referenced Person, (i) a member of such Person’s immediate family; (ii) any Person who directly or indirectly owns, controls or holds the power to vote ten percent (10%) or more of the outstanding voting securities of the Person in question; (iii) any Person ten percent (10%) or more of whose outstanding securities are directly or indirectly owned, controlled, or held with power to vote by the Person in question; (iv) any Person directly or indirectly controlling, controlled by, or under direct or indirect common control with the Person in question; (v) if the Person in question is a corporation, any executive officer or director of such Person or of any corporation directly or indirectly controlling such Person; and (vi) if the Person in question is a partnership, any general partner of the partnership or any limited partner owning or controlling ten percent (10%) or more of either the capital or profits interest in such partnership. As used herein, “control” shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise.

Aggregate Protected Amount: With respect to the Contributor Partners, as a group, the aggregate balances of the Protected Amounts, if any, of the Contributor Partners, as determined on the date in question.

Agreed Value: In the case of any (i) Contributed Property acquired pursuant to a Contribution Agreement, the value of such Contributed Property as set forth in such Contribution Agreement or, if no such value is set forth for such Contributed Property, the portion of the consideration provided for under such Contribution Agreement allocable to such Contributed Property, as determined by the General Partner in its reasonable discretion, (ii) Contributed Property acquired other than pursuant to a Contribution Agreement, the fair market value of such property at the time of contribution, as determined by the General Partner using such method of valuation as it may adopt in its reasonable discretion and (iii) property distributed to a Partner by the Partnership, the Partnership’s Book Value of such property at the time such property is distributed without taking into account, in the case of each of (i), (ii) and (iii), the amount of any related indebtedness assumed by the Partnership (or the Partner in the case of clause (iii)) or to which the Contributed Property (or distributed property in the case of clause (iii)) is taken subject.

Agreement: This ~~Twelfth~~ Thirteenth Amended and Restated Limited Partnership Agreement and all Exhibits attached hereto, as the same may be amended or restated and in effect from time to time.

Assignee: Any Person to whom one or more Partnership Units have been Transferred as permitted under this Agreement but who has not become a Substituted Limited Partner in accordance with the provisions hereof.

Bankruptcy: Either (i) a referenced Person’s making an assignment for the benefit of creditors, (ii) the filing by a referenced Person of a voluntary petition in bankruptcy, (iii) a referenced Person’s being adjudged insolvent or having entered against him an order for relief in any bankruptcy or insolvency proceeding, (iv) the filing by a referenced Person of an answer seeking any reorganization, composition, readjustment, liquidation, dissolution, or similar relief under any law or regulation, (v) the filing by a referenced Person of an answer or other pleading admitting or failing to contest the material allegations of a petition filed against him in any proceeding of reorganization, composition, readjustment, liquidation, dissolution, or for similar relief under any statute, law or regulation or (vi) a referenced Person’s seeking, consenting to, or acquiescing in the appointment of a trustee, receiver or liquidator for all or substantially all of his property (or court appointment of such trustee, receiver or liquidator).

Book-Tax Disparity: With respect to any item of Contributed Property, or property the Book Value of which has been adjusted in accordance with Section 4.4(D), as of the date of determination, the difference between the Book Value of such property and the adjusted basis of such property for federal income tax purposes.

Book-Up Target: For an LTIP Unit means (i) initially, the Partnership Unit Economic Balance as determined on the date such LTIP Unit was granted and (ii) thereafter, the remaining amount, if any, required to be allocated to such LTIP Unit for the Economic Capital Account Balance of the holder of such LTIP Unit, to the extent attributable to such LTIP Unit, to be equal to the Partnership Unit Economic Balance.

Book Value: With respect to any Contributed Property, the Agreed Value of such property reduced (but not below zero) by all Depreciation with respect to such property properly charged to the Partners’ Capital Accounts, and with respect to any other asset, the asset’s adjusted basis for federal income tax purposes; *provided, however,* (a) the Book Value of all Partnership Assets shall be adjusted in the event of a revaluation of Partnership Assets in accordance with Section 4.4(D) hereof, (b) the Book Value of any Partnership Asset distributed to any Partner shall be the fair market value of such asset on the date of distribution as determined

by the General Partner and (c) such Book Value shall be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Profits and Losses.

Capital Account: The account maintained by the Partnership for each Partner described in Section 4.4 hereof.

Capital Contribution: The total amount of cash or cash equivalents and the Agreed Value (reduced to take into account the amount of any related indebtedness assumed by the Partnership, or to which the Contributed Property is subject) of Contributed Property which a Partner contributes or is deemed to contribute to the Partnership pursuant to the terms of this Agreement.

Cash Payment: The payment to a Redeeming Party of a cash amount determined by multiplying (i) the number of Partnership Units tendered for redemption by such Redeeming Party pursuant to a validly proffered Redemption Notice by (ii) the Unit Value on the date the Redemption Notice is received by the General Partner.

Certificate: The Partnership's Certificate of Limited Partnership filed in the office of the Secretary of State of the State of Delaware, as amended from time to time.

Class C Deemed Original Issue Date: (i) In the case of any Class C Unit which is part of the first issuance of such units or part of a subsequent issuance of such units prior to October 1, 1997, the date of such first issuance and (ii) in the case of any such unit which is part of a subsequent issuance of such units on or after October 1, 1997, the later of (x) October 1, 1997 and (y) the last Class C Distribution Period Commencement Date which precedes the date of issuance of such unit and which succeeds the last Class C Distribution Period for which full cumulative Class C Priority Return Amounts have been paid; *provided, however,* that, in the case of any such unit which is part of a subsequent issuance on or after October 1, 1997, the date of issuance of which falls between (a) the record date for dividends payable on the Series C Preferred Shares on the first succeeding dividend payment date on such stock and (b) such dividend payment date, the "Class C Deemed Original Issue Date" means the date of the Class C Distribution Period Commencement Date that immediately follows the date of issuance of such unit.

Class C Distribution Period: The Class C Initial Distribution Period and each quarterly distribution period thereafter, commencing on January 1, April 1, July 1 and October 1 of each year and ending on and including the day preceding the next Class C Distribution Period Commencement Date.

Class C Distribution Period Commencement Date: January 1, April 1, July 1 and October 1 of each year commencing October 1, 1997.

Class C Initial Distribution Period: The period from the Class C Deemed Original Issue Date for a Class C Unit to, but excluding, October 1, 1997.

Class C Limited Partner: First Industrial Realty Trust, Inc., a Maryland corporation, in its capacity as a limited partner in the Partnership holding Class C Units.

Class C Priority Return Amount: With respect to each Class C Unit, (i) for the Class C Initial Distribution Period, the pro rata portion of the amount referred to in clause (ii) of this definition, computed in accordance with the last sentence of Section 5.3(A) hereof, and (ii) for each Class C Distribution Period thereafter, an amount equal to 2.15625% of that portion of the Capital Contribution of the Class C Limited Partner allocable to each such unit. Class C Priority Return Amounts on each Class C Unit that are not distributed as provided in Section 5.3(A) shall be cumulative from the Class C Deemed Original Issue Date of such unit.

Class C Redemption: As defined in Section 9.1(C) hereof. **Class C Redemption Price:** As defined in Section 9.1(C) hereof.

Class C Unit: The Partnership Interest held by the Class C Limited Partner, each full Class C Unit representing a \$2,500 Capital Contribution.

Class F Distribution Date: Each dividend payment date for the Series F Preferred Shares.

Class F Limited Partner: First Industrial Realty Trust, Inc., a Maryland corporation, in its capacity as a limited partner in the Partnership holding Class F Units.

Class F Priority Return Amount: With respect to each Class F Unit, that portion of the Capital Contribution of the Class F Limited Partner, allocable to each such unit, multiplied by the Dividend Rate in effect for the Series F Preferred Shares, in each case during the period with respect to which the Class F Priority Return Amount is to be determined.

Class F Redemption: As defined in Section 9.1(D) hereof.

Class F Redemption Price: As defined in Section 9.1(D) hereof.

Class F Unit: The Partnership Interest held by the Class F Limited Partner, each full Class F Unit representing a \$100,000 Capital Contribution.

Class G Distribution Date: Each dividend payment date for the Series G Preferred Shares.

Class G Limited Partner: First Industrial Realty Trust, Inc., a Maryland corporation, in its capacity as a limited partner in the Partnership holding Class G Units.

Class G Priority Return Amount: With respect to each Class G Unit, that portion of the Capital Contribution of the Class G Limited Partner, allocable to each such unit, multiplied by the Dividend Rate in effect for the Series G Preferred Shares, in each case during the period with respect to which the Class G Priority Return Amount is to be determined.

Class G Redemption: As defined in Section 9.1(E) hereof.

Class G Redemption Price: As defined in Section 9.1(E) hereof.

Class G Unit: The Partnership Interest held by the Class G Limited Partner, each full Class G Unit representing a \$100,000 Capital Contribution.

Class I Distribution Date: Each dividend payment date for the Series I Preferred Shares.

Class I Limited Partner: First Industrial Realty Trust, Inc., a Maryland corporation, in its capacity as a limited partner in the Partnership holding Class I Units.

Class I Priority Return Amount: With respect to each Class I Unit, that portion of the Capital Contribution of the Class I Limited Partner, allocable to each such unit, multiplied by the Dividend Rate in effect for the Series I Preferred Shares, in each case during the period with respect to which the Class I Priority Return Amount is to be determined.

Class I Redemption: As defined in Section 9.1(F) hereof.

Class I Redemption Price: As defined in Section 9.1(F) hereof.

Class I Unit: The Partnership Interest held by the Class I Limited Partner, each full Class I Unit representing a \$250,000 Capital Contribution.

Class J Distribution Date: Each dividend payment date for the Series J Preferred Shares.

Class J Limited Partner: First Industrial Realty Trust, Inc., a Maryland corporation, in its capacity as a limited partner in the Partnership holding Class J Units.

Class J Priority Return Amount: With respect to each Class J Unit, that portion of the Capital Contribution of the Class J Limited Partner, allocable to each such unit, multiplied by the Dividend Rate in effect for the Series J Preferred Shares, in each case during the period with respect to which the Class J Priority Return Amount is to be determined.

Class J Redemption: As defined in Section 9.1(G) hereof.

Class J Redemption Price: As defined in Section 9.1(G) hereof.

Class J Unit: The Partnership Interest held by the Class J Limited Partner, each full Class J Unit representing a \$250,000 Capital Contribution.

Class K Distribution Date: Each dividend payment date for the Series K Preferred Shares.

Class K Limited Partner: First Industrial Realty Trust, Inc., a Maryland corporation, in its capacity as a limited partner in the Partnership holding Class K Units.

Class K Priority Return Amount: With respect to each Class K Unit, that portion of the Capital Contribution of the Class K Limited Partner, allocable to each such unit, multiplied by the Dividend Rate in effect for the Series K Preferred Shares, in each case during the period with respect to which the Class K Priority Return Amount is to be determined.

Class K Redemption: As defined in Section 9.1(G) hereof.

Class K Redemption Price: As defined in Section 9.1(G) hereof.

Class K Unit: The Partnership Interest held by the Class K Limited Partner, each full Class K Unit representing a \$250,000 Capital Contribution.

Code: The Internal Revenue Code of 1986, as amended from time to time.

Consent: Either the written consent of a Person or the affirmative vote of such Person at a meeting duly called and held pursuant to this Agreement, as the case may be, to do the act or thing for which the consent is required or solicited, or the act of granting such consent, as the context may require.

Constituent Person: As defined in Section 1.10(b) of Schedule A hereof.

Contributed Property: Each property or other asset (excluding cash and cash equivalents) contributed or deemed contributed to the Partnership.

Contribution Agreements: Those certain agreements among one or more of the Initial Limited Partners (or Persons in which such Initial Limited Partners have direct or indirect interests) and the Partnership pursuant to which, *inter alia*, the Initial Limited Partners (or such Persons), directly or indirectly, are contributing property to the Partnership on the Effective Date in exchange for Partnership Units.

Contributor Partner(s): That or those Limited Partner(s) listed as Contributor Partner(s) on Exhibit 1D attached hereto and made a part hereof, as such Exhibit may be amended from time to time by the General Partner, whether by express amendment to this Partnership Agreement or by execution of a written instrument by and between any additional Contributor Partner(s) being affected thereby and the General Partner, acting on behalf of the Partnership and without the prior consent of the Limited Partners (whether or not Contributor Partners other than the Contributor Partner(s) being affected thereby). For purposes hereof, any successor, assignee, or transferee of the Interest of a Contributor Partner (other than the Partnership in connection with a redemption pursuant to Article IX hereof) shall be considered a Contributor Partner for purposes hereof.

Conversion Factor: The factor applied for converting Partnership Units to REIT Shares, which shall initially be 1.0; *provided, however,* in the event that the REIT (i) declares or pays a dividend on its outstanding REIT Shares in REIT Shares or makes a distribution to all holders of its outstanding REIT Shares in REIT Shares, (ii) subdivides its outstanding REIT Shares or (iii) combines its outstanding REIT Shares into a smaller number of REIT Shares, the Conversion Factor shall be adjusted by multiplying the Conversion Factor by a fraction, the numerator of which shall be the number of REIT Shares issued and outstanding on the record date (assuming for such purposes that such dividend, distribution, subdivision or combination has occurred as of such time), and the denominator of which shall be the actual number of REIT Shares (determined without the above assumption) issued and outstanding on the record date for such dividend, distribution, subdivision or combination; *provided, further,* in the event that the Partnership (a) declares or pays a distribution on the outstanding Partnership Units in Partnership Units or makes a distribution to all Partners in Partnership Units, (b) subdivides the outstanding Partnership Units or (c) combines the outstanding Partnership Units into a smaller number of Partnership Units, the Conversion Factor shall be adjusted by multiplying the Conversion Factor by a fraction, the numerator of which shall be the actual number of Partnership Units issued and outstanding on the record date (determined without giving effect to such dividend, distribution, subdivision or combination), and the denominator of which shall be the actual number of Partnership Units (determined after giving effect to such dividend, distribution, subdivision or combination) issued and outstanding on such record date. Any adjustment to the Conversion Factor shall become effective immediately after the effective date of such event retroactive to the record date, if any, for such event.

Depreciation: For each Fiscal Year or other period, an amount equal to the depreciation, amortization or other cost recovery deduction allowable with respect to an asset for such year or other period, except that if the Book Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such year or other period, Depreciation shall be adjusted as necessary so as to be an amount which bears the same ratio to such beginning Book Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such year or other period bears to the beginning adjusted tax basis; *provided, however,* that if the federal income tax depreciation, amortization or other cost recovery deduction for such year or other period is zero, Depreciation for such year or other period shall be determined with reference to such beginning Book Value using any reasonable method approved by the General Partner.

Distributable Cash: With respect to any period, and without duplication:

- (i) all cash receipts of the Partnership during such period from all sources;
- (ii) less all cash disbursements of the Partnership during such period, including, without limitation, disbursements for operating expenses, taxes, debt service (including, without limitation, the payment of principal, premium and interest), redemption of Partnership Interests and capital expenditures;
- (iii) less amounts added to reserves in the sole discretion of the General Partner, plus amounts withdrawn from reserves in the reasonable discretion of the General Partner.

Economic Capital Account Balance: With respect to a Partner, an amount equal to such Partner's Capital Account balance, plus the amount of its share of any Partner Minimum Gain or Partnership Minimum Gain.

Effective Date: June 30, 1994.

ERISA: The Employee Retirement Income Security Act of 1976, as amended from time to time.

First Highland Limited Partners: Those Limited Partners identified on [Exhibit 1A](#) hereto.

First Highland Properties: Those certain properties acquired by the Partnership pursuant to that certain Contribution Agreement, dated as of March 19, 1996.

First Highland Units: The Partnership Units issued to the First Highland Limited Partners in connection with the acquisition of the First Highland Properties by the Partnership.

Fiscal Year: The calendar year or in the event of a termination of the Partnership pursuant to Code Section 708, an appropriate portion of such year.

General Partner: First Industrial Realty Trust, Inc., a Maryland corporation, and its respective successor(s) who or which become Successor General Partner(s) in accordance with the terms of this Agreement.

General Partner Interest: A Partnership Interest held by the General Partner including both its General Partner and Limited Partner Interests. A General Partner Interest may be expressed as a number of Partnership Units.

Involuntary Withdrawal: As to any (i) individual shall mean such individual's death, incapacity or adjudication of incompetence, (ii) corporation shall mean its dissolution or revocation of its charter (unless such revocation is promptly corrected upon notice thereof), (iii) partnership shall mean the dissolution and commencement of winding up of its affairs, (iv) trust shall mean the termination of the trust (but not the substitution of trustees), (v) estate shall mean the distribution by the fiduciary of the estate's complete interest in the Partnership and (vi) any Partner shall mean the Bankruptcy of such Partner.

IRS: The Internal Revenue Service, which administers the internal revenue laws of the United States.

LB Closing Date: January 31, 1997.

LB Partners: The persons identified on [Exhibit 1C](#) hereto, following their admission to the Partnership as Additional Limited Partners.

LB Units: The Partnership Units issued to the LB Partners in connection with the acquisition by the Partnership of certain properties on the LB Closing Date.

Liquidating Gains: [Any net gain realized in connection with the actual or hypothetical sale of all or substantially all of the assets of the Partnership \(including upon the occurrence of any event of liquidation of the Partnership\), including but not limited to net gain realized in connection with an adjustment to the Book Value of Partnership assets under Section 4.4\(D\) hereof.](#)

Liquidating Losses: [Any net loss realized in connection with the actual or hypothetical sale of all or substantially all of the assets of the Partnership \(including upon the occurrence of any event of liquidation of the Partnership\), including but not limited to net loss realized in connection with an adjustment to the Book Value of Partnership assets under Section 4.4\(D\) hereof.](#)

Limited Partner: Those Persons listed as such on [Exhibit 1B](#) attached hereto and made a part hereof, as such Exhibit may be amended from time to time, including any Person who becomes a Substituted Limited Partner or an Additional Limited Partner in accordance with the terms of this Agreement; *provided* such term shall not include the Class C Limited Partner, the Class F Limited Partner, the Class G Limited Partner, the Class I Limited Partner, the Class J Limited Partner or the Class K Limited Partner.

Limited Partner Interest: A Partnership Interest held by a Limited Partner that is a limited partner interest. A Limited Partner Interest may be expressed as a number of Partnership Units.

LTIP Unit: [A Partnership Interest which is designated as an LTIP Unit having the rights, powers, privileges, restrictions, qualifications and limitations set forth in Schedule A hereof and elsewhere in this Agreement. For the avoidance of doubt, an LTIP Unit shall include a Special LTIP Unit.](#)

LTIP Unit Adjustment Events: [As defined in Section 1.7 of Schedule A hereof.](#)

LTIP Unit Conversion Date: [As defined in Section 1.8 of Schedule A hereof.](#)

LTIP Unit Limited Partner: [Any Person that holds LTIP Units and is named as a LTIP Unit Limited Partner in the books and records of the Partnership.](#)

Merger: As defined in Section 3.3 hereof.

Nonrecourse Liability: A liability as defined in Treasury Regulations Section 1.704-2(b)(3).

Notice: A writing containing the information required by this Agreement to be communicated to a Person and delivered to such Person in accordance with Section 12.4; *provided, however,* that any written communication containing such information

actually received by such Person shall constitute Notice for all purposes of this Agreement.

Partner Minimum Gain: The gain (regardless of character) which would be realized by the Partnership if property of the Partnership subject to a partner nonrecourse debt (as such term is defined in Treasury Regulations Section 1.704-2(b)(4)) were disposed of in full satisfaction of such debt on the relevant date. The adjusted basis of property subject to more than one partner nonrecourse debt shall be allocated in a manner consistent with the allocation of basis for purposes of determining Partnership Minimum Gain hereunder. Partner Minimum Gain shall be computed hereunder using the Book Value, rather than the adjusted tax basis, of the Partnership property in accordance with Treasury Regulations Section 1.704-2(d)(3).

Partner Nonrecourse Deductions: With respect to any partner nonrecourse debt (as such term is defined in Treasury Regulations Section 1.704-2(b)(4)), the increase in Partner Minimum Gain during the tax year plus any increase in Partner Minimum Gain for a prior tax year which has not previously generated a Partner Nonrecourse Deduction hereunder. The determination of which Partnership items constitute Partner Nonrecourse Deductions shall be made in a manner consistent with the manner in which Partnership Nonrecourse Deductions are determined hereunder.

Partners: The General Partner, the Class C Limited Partner, the Class F Limited Partner, the Class G Limited Partner, the Class I Limited Partner and the Limited Partners as a group. The term "Partner" shall mean a General Partner, the Class C Limited Partner, the Class F Limited Partner, the Class G Limited Partner, the Class I Limited Partner, the Class J Limited Partner, the Class K Limited Partner or a Limited Partner. Such terms shall be deemed to include such other Persons who become Partners pursuant to the terms of this Agreement.

Partnership: The Delaware limited partnership referred to herein as First Industrial, L.P., as such partnership may from time to time be constituted.

Partnership Assets: At any particular time, any assets or property (tangible or intangible, choate or inchoate, fixed or contingent) owned by the Partnership.

Partnership Interest or Interest: As to any Partner, such Partner's ownership interest in the Partnership and including such Partner's right to distributions under this Agreement and any other rights or benefits which such Partner has in the Partnership, together with any and all obligations of such Person to comply with the terms and provisions of this Agreement. A Partnership Interest may be expressed as a number of Partnership Units.

Partnership Minimum Gain: The aggregate gain (regardless of character) which would be realized by the Partnership if all of the property of the Partnership subject to nonrecourse debt (other than partner nonrecourse debt as such term is defined in Treasury Regulations Section 1.704-2(b)(4)) were disposed of in full satisfaction of such debt and for no other consideration on the relevant date. In the case of any Nonrecourse Liability of the Partnership which is not secured by a mortgage with respect to any specific property of the Partnership, any and all property of the Partnership to which the holder of said liability has recourse shall be treated as subject to such Nonrecourse Liability for purposes of the preceding sentence. Partnership Minimum Gain shall be computed separately for each Nonrecourse Liability of the Partnership. For this purpose, the adjusted basis of property subject to two or more liabilities of equal priority shall be allocated among such liabilities in proportion to the outstanding balance of such liabilities, and the adjusted basis of property subject to two or more liabilities of unequal priority shall be allocated to the liability of inferior priority only to the extent of the excess, if any, of the adjusted basis of such property over the outstanding balance of the liability of superior priority. Partnership Minimum Gain shall be computed hereunder using the Book Value, rather than the adjusted tax basis, of the Partnership property in accordance with Treasury Regulations Section 1.704-2(d)(3).

Partnership Nonrecourse Deductions: The amount of Partnership deductions equal to the increase, if any, in the amount of the aggregate Partnership Minimum Gain during the tax year (plus any increase in Partnership Minimum Gain for a prior tax year which has not previously generated a Partnership Nonrecourse Deduction) reduced (but not below zero) by the aggregate distributions made during the tax year of the proceeds of a Nonrecourse Liability of the Partnership which are attributable to an increase in Partnership Minimum Gain within the meaning of Treasury Regulations Section 1.704-2(d). The Partnership Nonrecourse Deductions for a Partnership tax year shall consist first of depreciation or cost recovery deductions with respect to each property of the Partnership giving rise to such increase in Partnership Minimum Gain on a pro rata basis to the extent of each such increase, with any excess made up pro rata of all items of deduction.

Partnership Representative: The General Partner or such other Partner who becomes the Partnership Representative pursuant to the terms of this Agreement.

Partnership Unit: A fractional, undivided share of the Partnership Interests ([other than LTIP Units](#)) of all Partners (other than the Class C Limited Partner, the Class F Limited Partner, the Class G Limited Partner, the Class I Limited Partner, the Class J Limited Partner and the Class K Limited Partner) issued pursuant to this Agreement.

[Partnership Unit Economic Balance:](#) [The Economic Capital Account Balance of the General Partner but only to the extent attributable to the General Partner's ownership of Partnership Units and computed on a hypothetical basis after taking into account all allocations through the date on which any allocation is made under Section 5.2\(O\) divided by the number of the General Partner's Partnership Units.](#)

Percentage Interest: As to any Partner, the percentage in the Partnership, as determined by dividing the Partnership Units then owned by such Partner by the total number of Partnership Units then outstanding, as the same may be automatically adjusted from time to time to reflect the issuance and redemption of Partnership Units in accordance with this Agreement, without requiring the amendment of Exhibit 1B to reflect any such issuance or redemption; provided that, for purposes of allocations and distributions (i) LTIP Units shall be deemed to be Partnership Units and included in the numerator and denominator for purposes of calculating Percentage Interest and (ii) prior to the Special LTIP Unit Full Participation Date for any Special LTIP Unit, the Percentage Interest for purposes of determining allocations (other than allocations of Liquidating Gains or Losses) and distributions will be calculated by only including in the numerator and denominator a number of such Special LTIP Units equal to the number of such Special LTIP Units outstanding multiplied by the Special LTIP Unit Sharing Percentage for such Special LTIP Units.

Person: Any individual, partnership, corporation, trust or other entity.

Profits and Losses: For each Fiscal Year or other period, an amount equal to the Partnership's taxable income or loss (as the case may be) for such year or period, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

a. Any income of the Partnership that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to this definition shall be added to such taxable income or loss;

b. Any expenditures of the Partnership described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits or Losses pursuant to this definition, shall be subtracted from such taxable income or loss;

c. Gain or loss resulting from any disposition of Partnership property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Book Value of the property disposed of notwithstanding that the adjusted tax basis of such property differs from such Book Value;

d. In lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such Fiscal Year or other period, computed in accordance with the definition of "Depreciation" herein; and

e. In the event that any item of income, gain, loss or deduction that has been included in the initial computation of Profit or Loss is subject to the special allocation rules of Sections 5.2(C), 5.2(D) and 5.2(I) through 5.2(~~Q~~), Profit or Loss shall be recomputed without regard to such item.

Protected Amount: With respect to any Contributor Partner, the amount set forth or otherwise described opposite the name of such Contributor Partner on Exhibit 1D attached hereto and made a part hereof, as such Exhibit may be modified from time to time by an amendment to the Partnership Agreement or by execution of a written instrument by and between the Contributor Partner being affected thereby and the General Partner, acting on behalf of the Partnership and without the prior written consent of the Limited Partners (whether or not Contributor Partners other than the Contributor Partner being affected thereby); *provided, however*, that no Contributor Partner shall be considered to have a Protected Amount from and following the first date upon which such Partner is no longer a Partner of the Partnership.

Record Date: The record date established by the General Partner for distributions pursuant to Section 5.3 hereof, which record date shall be the same as the record date established by the General Partner for a distribution to its stockholders of some or all of its portion of such distribution.

Recourse Liabilities: The amount of liabilities owed by the Partnership (other than nonrecourse liabilities and liabilities to which Partner Nonrecourse Deductions are attributable in accordance with Treasury Regulations Section 1.704-2(i)).

Redeeming Party: A Limited Partner or Assignee (other than the General Partner) who tenders Partnership Units for redemption pursuant to a Redemption Notice.

Redemption Date: The date for redemption of Partnership Units as set forth in Section 9.2.

Redemption Effective Date: The first date on which a Redeeming Party may elect to redeem Partnership Units, which date shall be (i) for Partnership Units, other than those issued upon conversion of LTIP Units, the later of (~~A~~) the first anniversary of the date such Partnership Units are issued and (~~B~~) the effective date of any registration statement filed by the Partnership with respect to the REIT Shares to be issued upon redemption of Partnership Units by a Redeeming Party or (ii) upon issuance with respect to any Partnership Units issued upon conversion of LTIP Units.

Redemption Notice: A Notice to the General Partner by a Redeeming Party, substantially in the form attached as Exhibit 2, pursuant to which the Redeeming Party requests the redemption of Partnership Units in accordance with Article IX.

Redemption Obligation: The obligation of the Partnership to redeem the Partnership Units as set forth in Section 9.1(A).

Redemption Period: The 45-day period immediately following the filing with the SEC by the General Partner of an annual report of the General Partner on Form 10-K or a quarterly report of the General Partner on Form 10-Q or such other period or periods as the General Partner may otherwise determine.

Redemption Restriction: A restriction on the ability of the Partnership to redeem the Partnership Units as set forth in Section 9.1(A).

Registration Rights Agreement: A Registration Rights Agreement, substantially in the form of [Exhibit 3](#) hereto, pursuant to which First Industrial will agree to register under the Securities Act of 1933, as amended, REIT Shares issued in connection with Share Payments made under Article IX hereof.

REIT: A real estate investment trust, as defined in Code Section 856.

REIT Charter: The Articles of Incorporation of First Industrial filed with the Department of Assessments and Taxation of the State of Maryland on August 10, 1993, as the same may be amended or restated and in effect from time to time.

REIT Share: A share of common stock representing an ownership interest in the General Partner.

REIT Share Rights: Rights to acquire additional REIT Shares issued to all holders of REIT Shares, whether in the form of rights, options, warrants or convertible or exchangeable securities, to the extent the same have been issued without additional consideration after the initial acquisition of such REIT Shares.

Revised Partnership Audit Rules: The provisions of Subchapter C of Subtitle F, Chapter 63 of the Code, as amended by [PL 114-74](#), the Bipartisan Budget Act of 2015 (together with any subsequent amendments thereto, Treasury Regulations promulgated thereunder, and published administrative interpretations thereof) or any similar procedures established by a state, local, or non-U.S. taxing authority.

SEC: The Securities and Exchange Commission.

Series C Preferred Shares: 8 5/8% Series C Cumulative Preferred Stock of First Industrial Realty Trust, Inc.

Series F Preferred Shares: Series F Flexible Cumulative Redeemable Preferred Stock of First Industrial Realty Trust, Inc.

Series G Preferred Shares: Series G Flexible Cumulative Redeemable Preferred Stock of First Industrial Realty Trust, Inc.

Series I Preferred Shares: Series I Flexible Cumulative Redeemable Preferred Stock of First Industrial Realty Trust, Inc.

Series J Preferred Shares: Series J Cumulative Redeemable Preferred Stock of First Industrial Realty Trust, Inc.

Series K Preferred Shares: Series K Cumulative Redeemable Preferred Stock of First Industrial Realty Trust, Inc.

Share Payment: The payment to a Redeeming Party of a number of REIT Shares determined by multiplying (i) the number of Partnership Units tendered for redemption by such Redeeming Party pursuant to a validly proffered Redemption Notice by (ii) the Conversion Factor. In the event the General Partner grants any REIT Share Rights prior to such payment, any Share Payment shall include for the Redeeming Party his ratable share of such REIT Share Rights other than REIT Share Rights which have expired.

[Special LTIP Unit:](#) An LTIP Unit designated as a “Special LTIP Unit” as set forth in the documentation pursuant to which such LTIP Unit is granted.

[Special LTIP Unit Full Participation Date:](#) For a Special LTIP Unit, the date specified as such in the documentation pursuant to which such Special LTIP Unit is granted.

[Special LTIP Unit Sharing Percentage:](#) With respect to a Special LTIP Unit, ten percent (10%) or such other percentage designated as the Special LTIP Unit Sharing Percentage for such Special LTIP Unit as set forth in the documentation pursuant to which such Special LTIP Unit is granted.

Subsidiary: With respect to any Person, any corporation or other entity of which a majority of (i) the voting power of the voting equity securities or (ii) the outstanding equity interests is owned, directly or indirectly, by such Person.

Substituted Limited Partner: That Person or those Persons admitted to the Partnership as substitute Limited Partner(s), in accordance with the provisions of this Agreement. A Substituted Limited Partner, upon his admission as such, shall succeed to the rights, privileges and liabilities of his predecessor in interest as a Limited Partner.

Successor General Partner: Any Person who is admitted to the Partnership as substitute General Partner pursuant to this Agreement. A Successor General Partner, upon its admission as such, shall succeed to the rights, privileges and liabilities of its predecessor in interest as General Partner, in accordance with the provisions of the Act.

Target Balance: As defined in Section 5.2(Q)(1).

Tax Matters Partner: The General Partner or such other Partner who becomes Tax Matters Partner pursuant to the terms of this Agreement.

Terminating Capital Transaction: The sale or other disposition of all or substantially all of the Partnership Assets or a related series of transactions that, taken together, result in the sale or other disposition of all or substantially all of the Partnership Assets.

Threshold Percentage: A percentage equal to 85% on the LB Closing Date and thereafter adjusted upwards (but not downwards) immediately prior to each solicitation of any vote of, or the seeking of any consent, approval or waiver from, the Limited Partners generally, to the sum of (i) 85% and (ii) the number of percentage points equal to the positive difference, if any, between (a) the aggregate Percentage Interest represented by the LB Units immediately following the LB Closing Date and (b) the aggregate Percentage Interest represented by the LP Units immediately prior to any such solicitation. For example, if on the LB Closing Date the LB Units represent a 10% aggregate Percentage Interest, and if immediately prior to a solicitation the Threshold Percentage is 85% and the aggregate Percentage Interest represented by the LB Units is 8%, the Threshold Percentage would be increased to 87% (85% + (10% - 8%)).

Transaction: As defined in Section 1.10(a) of Schedule A hereof.

Transfer: With respect to any Partnership Unit shall mean a transaction in which a Partner assigns his Partnership Interest to another Person and includes any sale, assignment, gift, pledge, mortgage, exchange, hypothecation, encumbrance or other disposition by law or otherwise; *provided, however,* the redemption of any Partnership Interest pursuant to Article IX hereof shall not constitute a “Transfer” for purposes hereof.

Transfer Restriction Date: June 23, 1995.

Treasury Regulations: The Income Tax Regulations promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

Unit Value: With respect to any Partnership Unit, the average of the daily market price for a REIT Share for the ten (10) consecutive trading days immediately preceding the date of receipt of a Redemption Notice by the General Partner multiplied by the Conversion Factor. If the REIT Shares are traded on a securities exchange or the NASDAQ-National Market System, the market price for each such trading day shall be the reported last sale price on such day or, if no sales take place on such day, the average of the closing bid and asked prices on such day. If the REIT Shares are not traded on a securities exchange or the NASDAQ-National Market System, the market price for each such trading day shall be determined by the General Partner using any reasonable method of valuation. If a Share Payment would include any REIT Share Rights, the value of such REIT Share Rights shall be determined by the General Partner using any reasonable method of valuation, taking into account the Unit Value determined hereunder and the factors used to make such determination and the value of such REIT Share Rights shall be included in the Unit Value.

Unvested LTIP Units: As defined in Section 1.2 of Schedule A hereof.

Vested LTIP Units: As defined in Section 1.2 of Schedule A hereof.

Vesting Agreement: As defined in Section 1.2 of Schedule A hereof.

Voting Termination Date: The first date after the LB Closing Date on which either (i) the General Partner holds 90% or more of all Partnership Units or (ii) the aggregate number of Partnership Units held by the General Partner and the LB Partners is less than the product of the Threshold Percentage and the total number of Partnership Units then outstanding.

Section 1.2 Rules of Construction. The following rules of construction shall apply to this Agreement:

(A) All section headings in this Agreement are for convenience of reference only and are not intended to qualify the meaning of any section.

(B) All personal pronouns used in this Agreement, whether used in the masculine, feminine or neuter gender, shall include all other genders, the singular shall include the plural, and vice versa, as the context may require.

(C) Each provision of this Agreement shall be considered severable from the rest, and if any provision of this Agreement or its application to any Person or circumstances shall be held invalid and contrary to any existing or future law or unenforceable to any extent, the remainder of this Agreement and the application of any other provision to any Person or circumstances shall not be affected thereby and shall be interpreted and enforced to the greatest extent permitted by law so as to give effect to the original intent of the parties hereto.

(D) Unless otherwise specifically and expressly limited in the context, any reference herein to a decision, determination, act, action, exercise of a right, power or privilege, or other procedure by the General Partner shall mean and refer to the decision, determination, act, action, exercise or other procedure by the General Partner in its sole and absolute discretion.

ARTICLE II. CONTINUATION

Section 2.1 Continuation. The Partners hereby continue the Partnership as a limited partnership under the Act. The General Partner shall take all action required by law to perfect and maintain the Partnership as a limited partnership under the Act and under the laws of all other jurisdictions in which the Partnership may elect to conduct business, including but not limited to the filing of amendments to the Certificate with the Delaware Secretary of State, and qualification of the Partnership as a foreign limited partnership in the jurisdictions in which such qualification shall be required, as determined by the General Partner. The General Partner shall also promptly register the Partnership under applicable assumed or fictitious name statutes or similar laws.

Section 2.2 Name. The name of the Partnership is First Industrial, L.P. The General Partner may adopt such assumed or fictitious names as it deems appropriate in connection with the qualifications and registrations referred to in Section 2.1.

Section 2.3 Place of Business; Registered Agent. The principal office of the Partnership is located at 311 S. Wacker Drive, Suite 4000, Chicago, Illinois 60606, which office may be changed to such other place as the General Partner may from time to time designate. The Partnership may establish offices for the Partnership within or without the State of Delaware as may be determined by the General Partner. The initial registered agent for the Partnership in the State of Delaware is The Corporation Trust Company, whose address is c/o Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801.

ARTICLE III. BUSINESS PURPOSE

Section 3.1 Business. The business of the Partnership shall be (i) conducting any business that may be lawfully conducted by a limited partnership pursuant to the Act including, without limitation, acquiring, owning, managing, developing, leasing, marketing, operating and, if and when appropriate, selling, industrial properties, (ii) entering into any partnership, joint venture or other relationship to engage in any of the foregoing or the ownership of interests in any entity engaged in any of the foregoing, (iii) making loans, guarantees, indemnities or other financial accommodations and borrowing money and pledging its assets to secure the repayment thereof, (iv) to do any of the foregoing with respect to any Affiliate or Subsidiary and (v) doing anything necessary or incidental to the foregoing; *provided, however*, that business of the Partnership shall be limited so as to permit the General Partner to elect and maintain its status as a REIT (unless the General Partner determines no longer to qualify as a REIT).

Section 3.2 Authorized Activities. In carrying out the purposes of the Partnership, but subject to all other provisions of this Agreement, the Partnership is authorized to engage in any kind of lawful activity, and perform and carry out contracts of any kind, necessary or advisable in connection with the accomplishment of the purposes and business of the Partnership described herein and for the protection and benefit of the Partnership; *provided* that the General Partner shall not be obligated to cause the Partnership to take, or refraining from taking, any action which, in the judgment of the General Partner, (i) could adversely affect the ability of the General Partner to qualify and continue to qualify as a REIT, (ii) could subject the General Partner to additional taxes under Code Section 857 or 4981 or (iii) could violate any law or regulation of any governmental body or agency having jurisdiction over the General Partner or its securities.

Section 3.3 Specific Authorization of Merger or Consolidation. Notwithstanding any other provision of this Agreement, with the Consent of the holders of a majority of the Partnership Units, (a) the General Partner is hereby authorized to cause the Partnership to merge or consolidate with and into one more other entities (whether the Partnership or such other entity survives or a new entity results under state law) to the extent permitted by law (the "Merger"), and (b) the Partnership, and the General Partner on behalf of the Partnership, is hereby authorized to execute, deliver and perform an agreement and plan of merger or consolidation with respect to the Merger and all other documents that the General Partner determines to be necessary, advisable or convenient to or for the furtherance of the Merger, all to be on such terms as determined by the General Partner, in its sole discretion. The provisions of this Section shall not be construed to limit the accomplishment of a merger or consolidation or of any of the matters referred to herein by any other means otherwise permitted by law.

ARTICLE IV. CAPITAL CONTRIBUTIONS

Section 4.1 Capital Contributions.

(A) Upon the contribution to the Partnership of property in accordance with a Contribution Agreement, Partnership Units shall be issued in accordance with, and as contemplated by, such Contribution Agreement, and the Persons receiving such Partnership Units shall become Partners and shall be deemed to have made a Capital Contribution as set forth on Exhibit 1. Exhibit 1 also sets forth the initial number of Partnership Units owned by each Partner and the Percentage Interest of each Partner, which Percentage Interest shall be adjusted from time to time by the General Partner to reflect the issuance of additional Partnership Units, the redemption of Partnership Units, additional Capital Contributions and similar events having an effect on a Partner's Percentage Interest. Except as set forth in Section 4.2 (regarding issuance of additional Partnership Units) or Section 7.6 (regarding withholding obligations), no Partner shall be required under any circumstances to contribute to the capital of the Partnership any amount beyond that sum required pursuant to this Article IV:

(B) Anything in the foregoing Section 4.1(A) or elsewhere in this Agreement notwithstanding, the Partnership Units held by the General Partner shall, at all times, be deemed to be General Partner units and shall constitute the General Partner Interest.

Section 4.2 Additional Partnership Interests.

(A) The Partnership may issue additional Partnership Units or other Partnership Interests to any Partner or other Person (other than the General Partner, except in accordance with Section 4.2(B) below) in such classes and having such designations, preferences and relative rights (including preferences and rights senior to the existing Limited Partner Interests) as shall be determined by the General Partner in accordance with the Act and governing law.

(B) The Partnership also may from time to time issue to the General Partner additional Partnership Units or other Partnership Interests in such classes and having such designations, preferences and relative rights (including preferences and rights senior to the existing Limited Partner Interests) as shall be determined by the General Partner in accordance with the Act and governing law. Except as provided in Article IX, any such issuance of Partnership Units or Partnership Interests to the General Partner shall be conditioned upon (i) the undertaking by the General Partner of a related issuance of its capital stock (with such shares having designations, rights and preferences such that the economic rights of the holders of such capital stock are substantially similar to the rights of the additional Partnership Interests issued to the General Partner) and the General Partner making a Capital Contribution (a) in an amount equal to the net proceeds raised in the issuance of such capital stock, in the event such capital stock is sold for cash or cash equivalents or (b) the property received in consideration for such capital stock, in the event such capital stock is issued in consideration for other property or (ii) the issuance by the General Partner of capital stock under any stock option or bonus plan and the General Partner making a Capital Contribution in an amount equal to the exercise price of the option exercised pursuant to such stock option or other bonus plan.

(C) Except as contemplated by Article IX (regarding redemptions) or Section 4.2(B), the General Partner shall not issue any (i) additional REIT Shares, (ii) rights, options or warrants containing the right to subscribe for or purchase REIT Shares or (iii) securities convertible or exchangeable into REIT Shares (collectively, "Additional REIT Securities") other than to all holders of REIT Shares, pro rata, unless (x) the Partnership issues to the General Partner (i) Partnership Interests, (ii) rights, options or warrants containing the right to subscribe for or purchase Partnership Interests or (iii) securities convertible or exchangeable into Partnership Interests such that the General Partner receives an economic interest in the Partnership substantially similar to the economic interest in the General Partner represented by the Additional REIT Securities and (y) the General Partner contributes to the Partnership the net proceeds from, or the property received in consideration for, the issuance of the Additional REIT Securities and the exercise of any rights contained in any Additional REIT Securities.

(D) Notwithstanding anything in this Agreement to the contrary, the requirements of Section 4.2(B) and (C) shall be satisfied in the event of any acquisition, merger, consolidation, share exchange or other similar transaction of the General Partner if substantially all of the assets, other than Partnership Interests, owned by any General Partner surviving or resulting from any acquisition, merger, consolidation, share exchange or other similar transaction consummated by such General Partner, is contributed to the Partnership if not already owned thereby, or such General Partner causes an acquisition, merger, consolidation, share exchange or other similar transaction to be consummated by the Partnership in connection therewith such that the Partnership receives substantially all of the assets, other than Partnership Interests, owned by such General Partner.

Section 4.3 No Third Party Beneficiaries. The foregoing provisions of this Article IV are not intended to be for the benefit of any creditor of the Partnership or other Person to whom any debts, liabilities or obligations are owed by (or who otherwise has any claim against) the Partnership or any of the Partners and no such creditor or other Person shall obtain any right under any such foregoing provision against the Partnership or any of the Partners by reason of any debt, liability or obligation (or otherwise).

Section 4.4 Capital Accounts.

(A) The Partnership shall establish and maintain a separate Capital Account for each Partner in accordance with Code Section 704 and Treasury Regulations Section 1.704-1(b)(2)(iv). The Capital Account of each Partner shall be credited with:

- (1) the amount of all Capital Contributions made to the Partnership by such Partner in accordance with this Agreement; plus
- (2) all income and gain of the Partnership computed in accordance with this Section 4.4 and allocated to such Partner pursuant to Article V (including for purposes of this Section 4.4(A), income and gain exempt from tax);

and shall be debited with the sum of:

- (1) all losses or deductions of the Partnership computed in accordance with this Section 4.4 and allocated to such Partner pursuant to Article V;
- (2) such Partner's distributive share of expenditures of the Partnership described in Code Section 705(a)(2) (B), and

(3) all cash and the Agreed Value (reduced to take into account the amount of any related indebtedness assumed by the Partner, or to which the distributed property is subject) of any property actually distributed or deemed distributed by the Partnership to such Partner pursuant to the terms of this Agreement.

Any reference in any section or subsection of this Agreement to the Capital Account of a Partner shall be deemed to refer to such Capital Account as the same may be credited or debited from time to time as set forth above.

(B) For purposes of computing the amount of any item of income, gain, deduction or loss to be reflected in the Partners' Capital Accounts, the determination, recognition and classification of each such item shall be the same as its determination, recognition and classification for federal income tax purposes, determined in accordance with Code Section 703(a) and accounting for those adjustments set forth in the definition of Profits and Losses, with the following additional adjustments:

(1) the computation of all items of income, gain, loss and deduction shall be made without regard to any Code Section 754 election that may be made by the Partnership, except to the extent required in accordance with the provisions of Treasury Regulations Section 1.704-1(b)(2)(iv)(m); and

(2) in the event the Book Value of any Partnership Asset is adjusted pursuant to Section 4.4(D) below, the amount of such adjustment shall be treated as gain or loss from the disposition of such asset.

(C) Any transferee of a Partnership Interest shall succeed to a *pro rata* portion of the transferor's Capital Account transferred.

(D) Consistent with the provisions of Treasury Regulations Section 1.704-1(b)(2)(iv)(f), (i) immediately prior to the acquisition of an additional Partnership Interest by any new or existing Partner in connection with the contribution of money or other property (other than a *de minimis* amount) to the Partnership, (ii) immediately prior to the distribution by the Partnership to a Partner of Partnership property (other than a *de minimis* amount) as consideration for a Partnership Interest, (iii) immediately prior to the liquidation of the Partnership as defined in Treasury Regulations Section 1.704-1(b)(2)(ii)(g) ~~and (iv), (iv) in connection with the grant of an interest in the Partnership (other than a *de minimis* interest) as consideration for the provision of services to or for the benefit of the Partnership by an existing or new Partner acting in a Partner capacity or in anticipation of becoming a Partner and~~ (v) immediately prior to any other event for which the Treasury Regulation Section 1.704-1(b)(2)(iv)(f) permits an adjustment to book value, the Book Value of all Partnership Assets shall be revalued upward or downward to reflect the fair market value of each such Partnership Asset as determined by the General Partner using such reasonable method of valuation as it may adopt.

(E) The foregoing provisions of this Section 4.4 are intended to comply with Treasury Regulations Section 1.704-1(b) and shall be interpreted and applied in a manner consistent with such Treasury Regulations. In the event the General Partner shall determine that it is prudent to modify the manner in which the Partners' Capital Accounts are computed hereunder in order to comply with such Treasury Regulations, the General Partner may make such modification if such modification is not likely to have a material effect on the amount distributable to any Partner under the terms of this Agreement and the General Partner notifies the other Partners in writing of such modification prior to making such modification.

Section 4.5 Return of Capital Account; Interest. Except as otherwise specifically provided in this Agreement, (i) no Partner shall have any right to withdraw or reduce its Capital Contributions or Capital Account, or to demand and receive property other than cash from the Partnership in return for its Capital Contributions or Capital Account; (ii) no Partner shall have any priority over any other Partners as to the return of its Capital Contributions or Capital Account; (iii) any return of Capital Contributions or Capital Accounts to the Partners shall be solely from the Partnership Assets, and no Partner shall be personally liable for any such return; and (iv) no interest shall be paid by the Partnership on Capital Contributions or on balances in Partners' Capital Accounts.

Section 4.6 Preemptive Rights. No Person shall have any preemptive or similar rights with respect to the issuance or sale of additional Partnership Units.

Section 4.7 REIT Share Purchases. If the General Partner acquires additional REIT Shares pursuant to Article IX of the REIT Charter, the Partnership shall purchase from the General Partner that number of Partnership Units determined by applying the Conversion Multiple to the number of REIT Shares purchased by the General Partner at the same price and on the same terms as those upon which the General Partner purchased such REIT Shares.

ARTICLE V. ALLOCATIONS AND DISTRIBUTIONS

Section 5.1 Limited Liability. For bookkeeping purposes, the Profits of the Partnership shall be shared, and the Losses of the Partnership shall be borne, by the Partners as provided in Section 5.2(B) below; *provided, however*, that except as expressly provided in this Agreement, neither any Limited Partner (in its capacity as a Limited Partner), the Class C Limited Partner (in its capacity as Class C Limited Partner), the Class F Limited Partner (in its capacity as Class F Limited Partner), the Class G Limited Partner (in its capacity as Class G Limited Partner), the Class I Limited Partner (in its capacity as Class I Limited Partner), the Class J Limited Partner (in its capacity as Class J Limited Partner) nor the Class K Limited Partner (in its capacity as Class K

Limited Partner) shall be personally liable for losses, costs, expenses, liabilities or obligations of the Partnership in excess of its Capital Contribution required under Article IV hereof.

Section 5.2 Profits, Losses and Distributive Shares.

(A) **Profits.** After giving effect to the special allocations, if any, provided in Sections (C), (D), ~~(H)~~, ~~(J)~~, ~~(K)~~ and ~~(L)~~, (Q) Profits in each Fiscal Year shall be allocated in the following order:

(1) First, to the General Partner until the cumulative Profits allocated to the General Partner under this Section 5.2(A)(1), whether in the current or in any prior Fiscal Year equal the cumulative Losses allocated to such Partner under Section 5.2(B)(6), whether in the current or in any prior Fiscal Year;

(2) Second, to the Class C Limited Partner, Class F Limited Partner, Class G Limited Partner, Class I Limited Partner, Class J Limited Partner and Class K Limited Partner, in proportion to the cumulative Losses allocated to each such Partner under Section 5.2(B)(5), whether in the current or in any prior Fiscal Year until the cumulative Profits allocated to each such Partner under this Section 5.2(A)(2) equal the cumulative Losses allocated to each such Partner under Section 5.2(B)(5), whether in the current or in any prior Fiscal Year;

(3) Third, to each Partner in proportion to the cumulative Losses allocated to such Partner under Section 5.2(B)(4), whether in the current or in any prior Fiscal Year, until the cumulative Profits allocated to such Partner under this Section 5.2(A)(3) equal the cumulative Losses allocated to such Partner under Section 5.2(B)(4), whether in the current or in any prior Fiscal Year;

(4) Fourth, to the General Partner until the cumulative Profits allocated to the General Partner under this Section 5.2(A)(4), whether in the current or in any prior Fiscal Year equal the cumulative Losses allocated to such Partner under Section 5.2(B)(3), whether in the current or in any prior Fiscal Year;

(5) Fifth, to each Partner in proportion to the cumulative Losses allocated to such Partner under Section 5.2(B)(2), whether in the current or in any prior Fiscal Year, until the cumulative Profits allocated to such Partner under this Section 5.2(A)(5) equal the cumulative Losses allocated to such Partner under Section 5.2(B)(2), whether in the current or in any prior Fiscal Year;

(6) Sixth, to each Partner in proportion to the cumulative Losses allocated to such Partner under Section 5.2(B)(1), whether in the current or in any prior Fiscal Year, until the cumulative Profits allocated to such Partner under this Section 5.2(A)(6) equal the cumulative Losses allocated to such Partner under Section 5.2(B)(1), whether in the current or in any prior Fiscal Year; and

(7) Then, the balance, if any, to the Partners in proportion to their respective Percentage Interests.

(B) **Losses.** After giving effect to the special allocations, if any, provided in Sections (C), (D), ~~(H)~~, ~~(J)~~, ~~(K)~~ and ~~(L)~~, (Q), Losses in each Fiscal Year shall be allocated in the following order of priority:

(1) First, to the Partners (other than the Class C Limited Partner, the Class F Limited Partner, the Class G Limited Partner, the Class I Limited Partner, the Class J Limited Partner and the Class K Limited Partner), in proportion to their respective Percentage Interests, but not in excess of the positive Adjusted Capital Account balance of any Partner prior to the allocation provided for in this Section 5.2(B)(1);

(2) Second, to the Partners (other than the Class C Limited Partner, the Class F Limited Partner, the Class G Limited Partner, the Class I Limited Partner, the Class J Limited Partner and the Class K Limited Partner) with positive Adjusted Capital Account balances prior to the allocation provided for in this Section 5.2(B)(2), in proportion to the amount of such balances until all such balances are reduced to zero;

(3) Third, to the General Partner until (i) the excess of (a) the cumulative Losses allocated under this Section 5.2(B)(3), whether in the current or in any prior Fiscal Year, over (b) the cumulative Profits allocated under Section 5.2(A)(4), whether in the current or in any prior Fiscal Year, equals (ii) the excess of (a) the amount of Recourse Liabilities over (b) the Aggregate Protected Amount;

(4) Fourth, to and among the Contributor Partners, in accordance with their respective Protected Amounts, until the excess of (a) the cumulative Losses allocated under this Section 5.2(B)(4), whether in the current or in any prior Fiscal Year, over (b) the cumulative Profits allocated under Section 5.2(A)(3), whether in the current or in any prior Fiscal Year, equals the Aggregate Protected Amount (as of the close of the Fiscal Year to which such allocation relates);

(5) Fifth, to the Class C Limited Partner, the Class F Limited Partner, the Class G Limited Partner, the Class I Limited Partner, the Class J Limited Partner and the Class K Limited Partner, in accordance with their respective Adjusted Capital Accounts, until their Adjusted Capital Accounts are reduced to zero; and

(6) Thereafter, to the General Partner;

provided, however, (i) that, from and following the first Fiscal Year upon which a Contributor Partner is no longer a Partner of the Partnership, the provisions of this Section 5.2(B) shall be null, void and without further force and effect with respect to such Contributor Partner; (ii) that this Section 5.2(B) shall control, notwithstanding any reallocation or adjustment of taxable income, loss or other items by the Internal Revenue Service or any other taxing authority; *provided, however*, that neither the Partnership nor the General Partner (nor any of their respective affiliates) is required to indemnify any Contributor Partner (or its affiliates) for the loss of any tax benefit resulting from any reallocation or adjustment of taxable income, loss or other items by the Internal Revenue Service or other taxing authority; and (iii) that, during such period as there are Contributor Partners in the Partnership, the provisions of Section 5.2(B)(4) shall not be amended in a manner which adversely affects the Contributor Partners (without the consent of each Contributor Partner so affected).

For purposes of determining allocations of Losses pursuant to Section 5.2B(1) and Section 5.2B(2), an LTIP Unit Limited Partner shall be treated as having a separate Economic Capital Account Balance, and for this purpose a separate Capital Account with an appropriate share of Partnership Minimum Gain and Partner Minimum Gain shall be maintained, for each tranche of LTIP Units with a different issuance date that it holds and a separate Capital Account for its Partnership Units, if applicable, and the Economic Capital Account Balance of each holder of Partnership Units shall not include any Economic Capital Account Balance attributable to other series or classes of Partnership Interests.

(C) **Special Allocations.** Except as otherwise provided in this Agreement, the following special allocations will be made in the following order and priority:

(1) **Partnership Minimum Gain Chargeback.** Notwithstanding any other provision of this Article V, if there is a net decrease in Partnership Minimum Gain during any tax year or other period for which allocations are made, each Partner will be specially allocated items of Partnership income and gain for that tax year or other period (and, if necessary, subsequent periods) in an amount equal to such Partner's share of the net decrease in Partnership Minimum Gain during such tax year or other period determined in accordance with Treasury Regulations Section 1.704-2(g). Allocations pursuant to the preceding sentence shall be made in proportion to the respective amounts required to be allocated to each Partner pursuant thereto. The items to be so allocated shall be determined in accordance with Treasury Regulations Sections 1.704-2(f)(6) and 1.704-2(j)(2). This Section 5.2(C)(1) is intended to comply with the minimum gain chargeback requirements set forth in Treasury Regulations Section 1.704-2(f) and shall be interpreted consistently therewith, including the exceptions to the minimum gain chargeback requirement set forth in Treasury Regulations Section 1.704-2(f) and (3). If the General Partner concludes, after consultation with tax counsel, that the Partnership meets the requirements for a waiver of the minimum gain chargeback requirement as set forth in Treasury Regulations Section 1.704-2(f)(4), the General Partner may take steps reasonably necessary or appropriate in order to obtain such waiver.

(2) **Partner Nonrecourse Debt Minimum Gain Chargeback.** Notwithstanding any other provision of this Section (other than Section 5.2(C)(1) which shall be applied before this Section 5.2(C)(2)), if there is a net decrease in Partner Minimum Gain during any tax year or other period for which allocations are made, each Partner with a share of Partner Minimum Gain determined in accordance with Treasury Regulations Section 1.704-2(i)(5) shall be specially allocated items of Partnership income and gain for that period (and, if necessary, subsequent periods) in an amount equal to such Partner's share of the net decrease in Partner Minimum Gain determined in accordance with Treasury Regulations Section 1.704-2(i)(4). The items to be so allocated shall be determined in accordance with Treasury Regulations Sections 1.704-2(i)(4) and 1.704-2(j)(2)(ii). This Section 5.2(C)(2) is intended to comply with the minimum gain chargeback requirements of Treasury Regulations Section and shall be interpreted consistently therewith, including the exceptions set forth in Treasury Regulations Section 1.704-2(f)(2) and (3) to the extent such exceptions apply to Treasury Regulations Sections 1.704-2(i)(4). If the General Partner concludes, after consultation with tax counsel, that the Partnership meets the requirements for a waiver of the Partner Minimum Gain chargeback requirement set forth in Treasury Regulation 1.704-2(f), but only to the extent such exception applies to Treasury Regulations Section 1.704-2(i)(4), the General Partner may take steps necessary or appropriate to obtain such waiver.

(3) **Qualified Income Offset.** A Partner who unexpectedly receives any adjustment, allocation or distribution described in Treasury Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6) will be specially allocated items of Partnership income and gain in an amount and manner sufficient to eliminate, to the extent required by Treasury Regulations 1.704-1(b)(2)(ii)(d), the Adjusted Capital Account Deficit of the Partner as quickly as possible, *provided* that an allocation pursuant to this Section 5.2(C)(3) shall be made if and only to the extent that such Partner would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article V have been tentatively made as if this Section 5.2(C)(3) were not contained in this Agreement.

(4) **Partnership Nonrecourse Deductions.** Partnership Nonrecourse Deductions for any taxable year or other period for which allocations are made will be allocated among the Partners in proportion to their respective Percentage Interests.

(5) **Partner Nonrecourse Deductions.** Notwithstanding anything to the contrary in this Agreement, any Partner Nonrecourse Deductions for any taxable year or other period for which allocations are made will be allocated to the Partner

who bears the economic risk of loss with respect to the liability to which the Partner Nonrecourse Deductions are attributable in accordance with Treasury Regulations Section 1.704-2(i).

(6) **Code Section 754 Adjustments.** To the extent an adjustment to the adjusted tax basis of any Partnership asset under Code Section 734(b) or 743(b) is required to be taken into account in determining Capital Accounts under Treasury Regulations Section 1.704-1(b)(2)(iv)(m)(2) or (4), the amount of the adjustment to the Capital Accounts will be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases the basis of the asset), and the gain or loss will be specially allocated to the Partners in a manner consistent with the manner in which their Capital Accounts are required to be adjusted under Treasury Regulations Section 1.704-1(b)(2)(iv)(m).

(7) **Depreciation Recapture.** In the event there is any recapture of Depreciation or investment tax credit, the allocation thereof shall be made among the Partners in the same proportion as the deduction for such Depreciation or investment tax credit was allocated.

(8) **Interest in Partnership.** Notwithstanding any other provision of this Agreement, no allocation of Profit or Loss (or item of Profit or Loss) will be made to a Partner if the allocation would not have “economic effect” under Treasury Regulations Section 1.704-1(b)(2)(ii)(a) or otherwise would not be in accordance with the Partner’s interest in the Partnership within the meaning of Treasury Regulations Section 1.704-1(b)(3).

(D) **Curative Allocations.** The allocations set forth in Section 5.2(C)(1) through (8) (the “Regulatory Allocations”) are intended to comply with certain requirements of Treasury Regulations Sections 1.704-1(b) and 1.704-2. The Regulatory Allocations may not be consistent with the manner in which the Partners intend to divide Partnership distributions. Accordingly, the General Partner is authorized to further allocate Profits, Losses, and other items among the Partners in a reasonable manner so as to prevent the Regulatory Allocations from distorting the manner in which Partnership distributions would be divided among the Partners under Section 5.3; but for application of the Regulatory Allocations. In general, the reallocation will be accomplished by specially allocating other Profits, Losses and items of income, gain, loss and deduction, to the extent they exist, among the Partners so that the net amount of the Regulatory Allocations and the special allocations to each Partner is zero. The General Partner may accomplish this result in any reasonable manner that is consistent with Code Section 704 and the related Treasury Regulations.

(E) **Tax Allocations.**

(1) Except as otherwise provided in Section 5.2(E)(2), each item of income, gain, loss and deduction shall be allocated for federal income tax purposes in the same manner as each correlative item of income, gain, loss or deduction, is allocated for book purposes pursuant to the provisions of Section 5.1 hereof.

(2) Notwithstanding anything to the contrary in this Article V; in an attempt to eliminate any Book-Tax Disparity with respect to a Contributed Property, items of income, gain, loss or deduction with respect to each such property shall be allocated for federal income tax purposes among the Partners as follows:

(a) *Depreciation, Amortization and Other Cost Recovery Items.* In the case of each Contributed Property with a Book-Tax Disparity, any item of depreciation, amortization or other cost recovery allowance attributable to such property shall be allocated as follows: (x) first, to Partners (the “Non-Contributing Partners”) other than the Partners who contributed such property to the Partnership (or are deemed to have contributed the property pursuant to Section 4.1(A)) (the “Contributing Partners”) in an amount up to the book allocation of such items made to the Non-Contributing Partners pursuant to Section 5.1 hereof, *pro rata* in proportion to the respective amount of book items so allocated to the Non-Contributing Partners pursuant to Section 5.1 hereof; and (y) any remaining depreciation, amortization or other cost recovery allowance to the Contributing Partners in proportion to their Percentage Interests. In no event shall the total depreciation, amortization or other cost recovery allowance allocated hereunder exceed the amount of the Partnership’s depreciation, amortization or other cost recovery allowance with respect to such property.

(b) *Gain or Loss on Disposition.* In the event the Partnership sells or otherwise disposes of a Contributed Property with a Book-Tax Disparity, any gain or loss recognized by the Partnership in connection with such sale or other disposition shall be allocated among the Partners as follows: (x) first, any gain or loss shall be allocated to the Contributing Partners in proportion to their Percentage Interests to the extent required to eliminate any Book-Tax Disparity with respect to such property; and (y) any remaining gain or loss shall be allocated among the Partners in the same manner that the correlative items of book gain or loss are allocated among the Partners pursuant to Section 5.1 hereof.

(3) In the event the Book Value of a Partnership Asset (including a Contributed Property) is adjusted pursuant to Section 4.4(D) hereof, all items of income, gain, loss or deduction in respect of such property shall be allocated for federal income tax purposes among the Partners in the same manner as provided in Section 5.2(E)(2) hereof to take into account any variation between the fair market value of the property, as determined by the General Partner using such reasonable method of valuation as it may adopt, and the Book Value of such property, both determined as of the date of such adjustment.

(4) The General Partner shall have the authority to elect alternative methods to eliminate the Book-Tax Disparity with respect to one or more Contributed Properties, as permitted by Treasury Regulations Sections 1.704-3 and 1.704-3T, and such election shall be binding on all of the Partners.

(5) The Partners hereby intend that the allocation of tax items pursuant to this Section 5.2(E) comply with the requirements of Code Section 704(c) and Treasury Regulations Sections 1.704-3 and 1.704-3T.

(6) The allocation of items of income, gain, loss or deduction pursuant to this Section 5.2(E) are solely for federal, state and local income tax purposes, and the Capital Account balances of the Partners shall be adjusted solely for allocations of “book” items in respect of Partnership Assets pursuant to Section 5.1 hereof.

(F) **Other Allocation Rules.** The following rules will apply to the calculation and allocation of Profits, Losses and other items:

(1) Except as otherwise provided in this Agreement, all Profits, Losses and other items allocated to the Partners will be allocated among them in proportion to their Percentage Interests.

(2) For purposes of determining the Profits, Losses or any other item allocable to any period, Profits, Losses and other items will be determined on a daily, monthly or other basis, as determined by the General Partner using any permissible method under Code Section 706 and the related Treasury Regulations.

(3) Except as otherwise provided in this Agreement, all items of Partnership income, gain, loss and deduction, and other allocations not provided for in this Agreement will be divided among the Partners in the same proportions as they share Profits and Losses, *provided* that any credits shall be allocated in accordance with Treasury Regulations Section 1.704-1(b)(4)(ii).

(4) For purposes of Treasury Regulations Section 1.752-3(a), the Partners hereby agree that any Nonrecourse Liabilities of the Partnership in excess of the sum of (i) the Partnership Minimum Gain and (ii) the aggregate amount of taxable gain that would be allocated to the Partners under Section 704(c) (or in the same manner as Section 704(c) in connection with a revaluation of Partnership property) if the Partnership disposed of (in a taxable transaction) all Partnership property subject to one or more Nonrecourse Liabilities of the Partnership in full satisfaction of such Liabilities and for no other consideration, shall be allocated among the Partners in accordance with their respective Partnership Interests; *provided* that the General Partner shall have discretion in any Fiscal Year to allocate such excess Nonrecourse Liabilities among the Partners (a) in a manner reasonably consistent with allocations (that have substantial economic effect) of some other significant item of Partnership income or gain or (b) in accordance with the manner in which it is reasonably expected that the deductions attributable to the excess Nonrecourse Liabilities will be allocated.

(G) **Partner Acknowledgment.** The Partners agree to be bound by the provisions of this Section 5.2 in reporting their shares of Partnership income, gain, loss, deduction and credit for income tax purposes.

(H) **Regulatory Compliance.** The foregoing provisions of this Section 5.2 relating to the allocation of Profits, Losses and other items for federal income tax purposes are intended to comply with Treasury Regulations Sections 1.704-1(b), 1.704-2, 1.704-3 and 1.704-3T and shall be interpreted and applied in a manner consistent with such Treasury Regulations.

(I) **Class C Priority Allocation.** The holders of the Class C Units shall be allocated gross income such that, from the inception of the partnership through the end of the Fiscal Year to which the allocation relates, including the year of liquidation of the Partnership in accordance with Article X, the sum of all priority allocations pursuant to this Section 5.2(I) equals (or approaches as nearly as possible) the sum of all Class C Priority Return Amounts accrued through the end of the fiscal year to which the allocation relates.

(J) **Class F Priority Allocation.** The holders of Class F Units shall be allocated gross income such that, from the inception of the partnership through the end of the fiscal year to which the allocation relates, including the year of liquidation of the Partnership in accordance with Article X, the sum of all priority allocations pursuant to this Section 5.2(J) equals (or approaches as nearly as possible) the sum of all Class F Priority Return Amounts accrued through the end of the fiscal year to which the allocation relates.

(K) **Class G Priority Allocation.** The holders of Class G Units shall be allocated gross income such that, from the inception of the partnership through the end of the fiscal year to which the allocation relates, including the year of liquidation of the Partnership in accordance with Article X, the sum of all priority allocations pursuant to this Section 5.2(K) equals (or approaches as nearly as possible) the sum of all Class G Priority Return Amounts accrued through the end of the fiscal year to which the allocation relates.

(L) **Class I Priority Allocation.** The holders of Class I Units shall be allocated gross income such that, from the inception of the partnership through the end of the fiscal year to which the allocation relates, including the year of liquidation of the Partnership in accordance with Article X, the sum of all priority allocations pursuant to this Section 5.2(L) equals (or approaches as

nearly as possible) the sum of all Class I Priority Return Amounts accrued through the end of the fiscal year to which the allocation relates.

(M) **Class J Priority Allocation.** The holders of Class J Units shall be allocated gross income such that, from the inception of the partnership through the end of the fiscal year to which the allocation relates, including the year of liquidation of the Partnership in accordance with Article X; the sum of all priority allocations pursuant to this Section 5.2(M) equals (or approaches as nearly as possible) the sum of all Class J Priority Return Amounts accrued through the end of the fiscal year to which the allocation relates.

(N) **Class K Priority Allocation.** The holders of Class K Units shall be allocated gross income such that, from the inception of the partnership through the end of the fiscal year to which the allocation relates, including the year of liquidation of the Partnership in accordance with Article X; the sum of all priority allocations pursuant to this Section 5.2(M) equals (or approaches as nearly as possible) the sum of all Class K Priority Return Amounts accrued through the end of the fiscal year to which the allocation relates.

(A) **LTIP Allocations.** After giving effect to the special allocations set forth in Section 5.2(C) and (I)-(N) hereof and the allocations of Profit under Sections 5.2(A)(1)-(4) (including, for the avoidance of doubt Liquidating Gains that are a component of Profit), and subject to the other provisions of this Section 5.2, but before allocations of Profit are made under Sections 5.2A(5)-(7) or Losses are made under Sections 5.2(B)(1)-(6):

(1) any remaining Liquidating Gains or Liquidating Losses shall first be allocated among the Partners so as to cause, as nearly as possible, the Economic Capital Account Balances of the LTIP Unit Limited Partners, to the extent attributable to their ownership of LTIP Units to be equal to (i) the Partnership Unit Economic Balance, multiplied by (ii) the number of their LTIP Units (with respect to each LTIP Unit Limited Partner, the "Target Balance"); provided that no such Liquidating Gains will be allocated with respect to any particular LTIP Unit unless and to the extent that such Liquidating Gains, when aggregated with other Liquidating Gains realized since the issuance of such LTIP Unit, exceed Liquidating Losses realized since the issuance of such LTIP Unit. Any such allocations shall be made among the Partners in proportion to the aggregate amounts required to be allocated to each Partner under this Section 5.2(O). No allocation shall be made pursuant to this Section 5.2(O)(1) that would cause a Partner to have a deficit balance in its Adjusted Capital Account.

(2) Liquidating Gain or Liquidating Loss allocated to an LTIP Unit Limited Partner under this Section 5.2(O) will be attributed to specific LTIP Units of such LTIP Unit Limited Partner for purposes of determining (i) allocations under this Section 5.2(O), (ii) the effect of the forfeiture or conversion of specific LTIP Units on such LTIP Unit Limited Partner's Capital Account and (iii) the ability of such LTIP Unit Limited Partner to convert specific LTIP Units into Partnership Units. Such Liquidating Gain or Liquidating Loss allocated to such LTIP Unit Limited Partner will generally be attributed to LTIP Units so as to equalize the Economic Capital Account Balance associated each LTIP Unit and the Partnership Unit Economic Balance in the following order: (i) first, to Vested LTIP Units held for more than three years, (ii) second, to Vested LTIP Units held for more than two years, (iii) third, to Vested LTIP Units held for two years or less, (iv) fourth, to Unvested LTIP Units that have remaining vesting conditions that only require continued employment or service to the General Partner, the Partnership or an Affiliate of either for a certain period of time (with such Liquidating Gains being attributed in order of vesting from soonest vesting to latest vesting), and (v) fifth, to other Unvested LTIP Units (with such Liquidating Gains being attributed in order of issuance from earliest issued to latest issued). Within each category, Liquidating Gain will be allocated seriatim (i.e., entirely to the first unit in a set, then entirely to the next unit in the set, and so on, until a full allocation is made to the last unit in the set) in the order of smallest Book-Up Target to largest Book-Up Target.

(3) After giving effect to the special allocations set forth above, if, due to distributions with respect to Partnership Units in which the LTIP Units do not participate, forfeitures or otherwise, the Economic Capital Account Balance of any present or former LTIP Unit Limited Partner attributable to such LTIP Unit Limited Partner's LTIP Units, exceeds the Target Balance, then Liquidating Losses shall be allocated to such LTIP Unit Limited Partner, or Liquidating Gains shall be allocated to the other Partners, to reduce or eliminate the disparity; provided, however, that if Liquidating Losses or Liquidating Gains are insufficient to completely eliminate all such disparities, such losses or gains shall be allocated among Partners in a manner reasonably determined by the General Partner.

(4) The parties agree that the intent of this Section 5.2(O) is (i) to the extent possible to make the Economic Capital Account Balance associated with each LTIP Unit economically equivalent to the Partnership Unit Economic Balance and (ii) to allow conversion of an LTIP Unit (assuming prior vesting) into a Partnership Unit when sufficient Liquidating Gains have been allocated to such LTIP Unit pursuant to Section 5.2(O)(1) so that either its initial Book-Up Target has been reduced to zero or the parity described in the definition of Target Balance has been achieved. The General Partner shall be permitted to interpret this Section 5.2(O) or to amend this Agreement to the extent necessary and consistent with this intention.

(5) In the event that Liquidating Gains or Liquidating Losses are allocated under this Section 5.2(O), Profits allocable under Sections 5.2A(5)-(7) and any Losses shall be recomputed without regard to the Liquidating Gains or Liquidating Losses so allocated.

(B) LTIP Forfeitures. If an LTIP Unit Limited Partner forfeits any LTIP Units to which Liquidating Gain has previously been allocated under Section 5.2(O), (I) the portion of such LTIP Unit Limited Partner's Capital Account attributable to such Liquidating Gain allocated to such forfeited LTIP Units will be re-allocated to that LTIP Unit Limited Partner's remaining LTIP Units that were outstanding on the date of the initial allocation of such Liquidating Gain, using a methodology similar to that described in Section 5.2(O)(2) above as reasonably determined by the General Partner, to the extent necessary to cause such LTIP Unit Limited Partner's Economic Capital Account Balance attributable to each such LTIP Unit to equal the Partnership Unit Economic Balance and (ii) such LTIP Unit Limited Partner's Capital Account will be reduced by the amount of any such Liquidating Gain not re-allocated pursuant to clause (i) above.

(C) Partnership Unit and LTIP Unit Pro-Rata Profit Allocations. The allocations under Section 5.2A(5)-(6) shall be adjusted so that Profits otherwise allocable under Section 5.2A(5)-(6) for any Fiscal Year (i.e., before the application of this Section 5.2(Q)) with respect to (i) Partnership Units held by the General Partner, (ii) Partnership Units issued on or after December 13, 2018 or (iii) LTIP Units are allocated to the holders of such Partnership Units and LTIP Units in proportion to their respective Percentage Interests.

Section 5.3 Distributions.

(A) The General Partner shall cause the Partnership to distribute to the holder of each Class C Unit an amount in cash equal to the cumulative undistributed Class C Priority Return Amount with respect to each such unit (*provided* that the amount distributable pursuant to this Section 5.3(A) shall not be in excess of the Distributable Cash) on March 31, June 30, September 30 and December 31 of each year, commencing on September 30, 1997 (or in the case of a Class C Unit with a Class C Deemed Original Issue Date after September 30, 1997, on the first such distribution date following the applicable Class C Deemed Original Issue Date); *provided* that if any such distribution date shall be a Saturday, Sunday or day on which banking institutions in the State of New York are authorized or obligated by law to close, or a day which is declared a national or New York State holiday (any of the foregoing, a "Non-business Day"), then such distribution shall be made on the next succeeding day which is not a Non-business Day. Class C Priority Return Amounts that are distributable with respect to a period greater or less than a full Class C Distribution Period shall be computed on the basis of a 360-day year consisting of 12 30-day months.

(B) The General Partner shall cause the Partnership to distribute to the holder of each Class F Unit an amount in cash equal to the cumulative undistributed Class F Priority Return Amount with respect to each such unit (*provided* that the amount distributable pursuant to this Section 5.3(B) shall not be in excess of the Distributable Cash) on each Class F Distribution Date.

(C) The General Partner shall cause the Partnership to distribute to the holder of each Class G Unit an amount in cash equal to the cumulative undistributed Class G Priority Return Amount with respect to each such unit (*provided* that the amount distributable pursuant to this Section 5.3(C) shall not be in excess of the Distributable Cash) on each Class G Distribution Date.

(D) The General Partner shall cause the Partnership to distribute to the holder of each Class I Unit an amount in cash equal to the cumulative undistributed Class I Priority Return Amount with respect to each such unit (*provided* that the amount distributable pursuant to this Section 5.3(D) shall not be in excess of the Distributable Cash) on each Class I Distribution Date.

(E) The General Partner shall cause the Partnership to distribute to the holder of each Class J Unit an amount in cash equal to the cumulative undistributed Class J Priority Return Amount with respect to each such unit (*provided* that the amount distributable pursuant to this Section 5.3(E) shall not be in excess of the Distributable Cash) on each Class J Distribution Date.

(F) The General Partner shall cause the Partnership to distribute to the holder of each Class K Unit an amount in cash equal to the cumulative undistributed Class K Priority Return Amount with respect to each such unit (*provided* that the amount distributable pursuant to this Section 5.3(F) shall not be in excess of the Distributable Cash) on each Class K Distribution Date.

(G) After giving effect to (A), (B), (C), (D), (E) and (F), if applicable, the General Partner shall have the authority to cause the Partnership to make distributions from time to time as it determines, including without limitation, distributions which are sufficient to enable the General Partner to (i) maintain its status as a REIT, (ii) avoid the imposition of any tax under Code Section 857 and (iii) avoid the imposition of any excise tax under Code Section 4981. Except as otherwise expressly set forth in this Section 5.3(G), all Distributions pursuant to this Section 5.3 shall be made on a *pari passu* basis.

(H) Distributions pursuant to Section 5.3(G) shall be made *pro rata* among the Partners of record on the Record Date established by the General Partner for the distribution, in accordance with their respective Percentage Interests, without regard to the length of time the record holder has been such except that the first distribution paid on Partnership Units issued after June 1, 1996 shall be pro-rated (other than Partnership Units issued upon conversion of LTIP Units, Partnership Units issued to the General Partner and, if so agreed by the General Partner and a Person receiving newly issued Partnership Units in connection with the issuance thereof, such other newly issued Partnership Units) shall be prorated to reflect the actual portion of the period for which the distribution is being paid during which such Partnership Units were outstanding, or shall be in such other amount or computed on such other basis as may be agreed by the General Partner and the holders of such Partnership Units, *provided* that such other amount ~~or of~~ the amount so computed, as applicable, may not exceed the ~~above mentioned~~ pro rated amount: that the holders of such Partnership Units would have been entitled to receive based on the Percentage Interests that such Partnership Units represented on the Record Date for such distribution.

(I) The General Partner shall use its reasonable efforts to make distributions to the Partners so as to preclude any distribution or portion thereof from being treated as part of a sale of property to the Partnership by a Partner under Section 707 of the Code or the Treasury Regulations thereunder; *provided* that the General Partner and the Partnership shall not have liability to a Limited Partner under any circumstances as a result of any distribution to a Partner being so treated.

Section 5.4 Distribution upon Redemption. Notwithstanding any other provision hereof, proceeds of (i) a Class C Redemption shall be distributed to the Class C Limited Partner in accordance with Section 9.1(C), (ii) a Class F Redemption shall be distributed to the Class F Limited Partner in accordance with Section 9.1(D), (iii) a Class G Redemption shall be distributed to the Class G Limited Partner in accordance with Section 9.1(E), (iv) a Class I Redemption shall be distributed to the Class I Limited Partner in accordance with Section 9.1(F), (v) a Class J Redemption shall be distributed to the Class J Limited Partner in accordance with Section 9.1(G) and (vi) a Class K Redemption shall be distributed to the Class K Limited Partner in accordance with Section 9.1(H).

Section 5.5 Distributions upon Liquidation. Notwithstanding any other provision hereof, proceeds of a Terminating Capital Transaction shall be distributed to the Partners in accordance with Section 10.2.

Section 5.6 Amounts Withheld. All amounts withheld pursuant to the Code or any provision of state or local tax law and Section 7.6 of this Agreement with respect to any allocation, payment or distribution to the General Partner, the Class C Limited Partner, the Class F Limited Partner, the Class G Limited Partner, the Class I Limited Partner, the Class J Limited Partner, the Class K Limited Partner, the Limited Partners or Assignees shall be treated as amounts distributed to such General Partner, the Class C Limited Partner, the Class F Limited Partner, the Class G Limited Partner, the Class I Limited Partner, the Class J Limited Partner, the Class K Limited Partner, the Limited Partners or Assignees, as applicable, pursuant to Section 5.3 of this Agreement.

ARTICLE VI. PARTNERSHIP MANAGEMENT

Section 6.1 Management and Control of Partnership Business.

(A) Except as otherwise expressly provided or limited by the provisions of this Agreement, the General Partner shall have full, exclusive and complete discretion to manage the business and affairs of the Partnership, to make all decisions affecting the business and affairs of the Partnership and to take all such action as it deems necessary or appropriate to accomplish the purposes of the Partnership as set forth herein. Except as set forth in this Agreement, the Limited Partners shall not have any authority, right, or power to bind the Partnership, or to manage, or to participate in the management of the business and affairs of the Partnership in any manner whatsoever. Such management shall in every respect be the full and complete responsibility of the General Partner alone as herein provided.

(B) In carrying out the purposes of the Partnership, the General Partner shall be authorized to take all actions it deems necessary and appropriate to carry on the business of the Partnership. The Limited Partners, the Class C Limited Partner, the Class F Limited Partner, the Class G Limited Partner, the Class I Limited Partner, the Class J Limited Partner and the Class K Limited Partner, by execution hereof, agree that the General Partner is authorized to execute, deliver and perform any agreement and/or transaction on behalf of the Partnership.

(C) The General Partner and its Affiliates may acquire Limited Partner Interests from Limited Partners who agree so to transfer Limited Partner Interests or from the Partnership in accordance with Section 4.2(A). Any Limited Partner Interest acquired by the General Partner shall be converted into a General Partner Interest. Upon acquisition of any Limited Partner Interest, any Affiliate of the General Partner shall have all the rights of a Limited Partner.

Section 6.2 No Management by Limited Partners; Limitation of Liability.

(A) Neither the Limited Partners, in their capacity as Limited Partners, the Class C Limited Partner, in its capacity as Class C Limited Partner, the Class F Limited Partner, in its capacity as Class F Limited Partner, the Class G Limited Partner, in its capacity as Class G Limited Partner, the Class I Limited Partner, in its capacity as Class I Limited Partner, the Class J Limited Partner, in its capacity as Class J Limited Partner, nor the Class K Limited Partner, in its capacity as Class K Limited Partner, shall take part in the day-to-day management, operation or control of the business and affairs of the Partnership or have any right, power, or authority to act for or on behalf of or to bind the Partnership or transact any business in the name of the Partnership. Neither the Limited Partners, the Class C Limited Partner, in its capacity as Class C Limited Partner, the Class F Limited Partner, in its capacity as Class F Limited Partner, the Class G Limited Partner, in its capacity as Class G Limited Partner, the Class I Limited Partner, in its capacity as Class I Limited Partner, the Class J Limited Partner, in its capacity as Class J Limited Partner, nor the Class K Limited Partner, in its capacity as Class K Limited Partner, shall have any rights other than those specifically provided herein or granted by law where consistent with a valid provision hereof. Any approvals rendered or withheld by the Limited Partners, the Class C Limited Partner, the Class F Limited Partner, the Class G Limited Partner, the Class I Limited Partner, the Class J Limited Partner or the Class K Limited Partner pursuant to this Agreement shall be deemed as consultation with or advice to the General Partner in connection with the business of the Partnership and, in accordance with the Act, shall not be deemed as participation by the Limited Partners, the Class C Limited Partner, the Class F Limited Partner, the Class G Limited Partner, the Class I Limited Partner, the Class J Limited Partner or the Class K Limited Partner in the business of the Partnership and are not intended to create any inference that the Limited Partners, the Class C Limited Partner, the Class F Limited Partner, the Class G Limited Partner, the

Class I Limited Partner, the Class J Limited Partner or the Class K Limited Partner should be classified as general partners under the Act.

(B) Neither the Limited Partner, the Class C Limited Partner, the Class F Limited Partner, the Class G Limited Partner, the Class I Limited Partner, the Class J Limited Partner nor the Class K Limited Partner shall have any liability under this Agreement except with respect to withholding under Section 7.6, in connection with a violation of any provision of this Agreement by such Limited Partner, Class C Limited Partner, Class F Limited Partner, Class G Limited Partner, Class I Limited Partner, Class J Limited Partner or Class K Limited Partner or as provided in the Act.

(C) The General Partner shall not take any action which would subject a Limited Partner (in its capacity as Limited Partner), the Class C Limited Partner (in its capacity as Class C Limited Partner), the Class F Limited Partner (in its capacity as Class F Limited Partner), the Class G Limited Partner (in its capacity as Class G Limited Partner), the Class I Limited Partner (in its capacity as Class I Limited Partner), the Class J Limited Partner (in its capacity as Class J Limited Partner) or the Class K Limited Partner (in its capacity as Class K Limited Partner) to liability as a general partner.

Section 6.3 Limitations on Partners.

(A) No Partner or Affiliate of a Partner shall have any authority to perform (i) any act in violation of any applicable law or regulation thereunder, (ii) any act prohibited by Section 6.2(C), or (iii) any act which is required to be Consented to or ratified pursuant to this Agreement without such Consent or ratification.

(B) No action shall be taken by a Partner if it would cause the Partnership to be treated as an association taxable as a corporation for federal income tax purposes or, without the consent of the General Partner, as a publicly-traded partnership within the meaning of Section 7704 of the Code. A determination of whether such action will have the above described effect shall be based upon a declaratory judgment or similar relief obtained from a court of competent jurisdiction, a favorable ruling from the IRS or the receipt of an opinion of counsel.

Section 6.4 Business with Affiliates.

(A) The General Partner, in its discretion, may cause the Partnership to transact business with any Partner or its Affiliates for goods or services reasonably required in the conduct of the Partnership's business; *provided* that any such transaction shall be effected only on terms competitive with those that may be obtained in the marketplace from unaffiliated Persons. The foregoing proviso shall not apply to transactions between the Partnership and its Subsidiaries. In addition, neither the General Partner nor any Affiliate of the General Partner may sell, transfer or otherwise convey any property to, or purchase any property from, the Partnership, except (i) on terms competitive with those that may be obtained in the marketplace from unaffiliated Persons or (ii) where the General Partner determines, in its sole judgment, that such sale, transfer or conveyance confers benefits on the General Partner or the Partnership in respect of matters of tax or corporate or financial structure; *provided*, in the case of this clause (ii), such sale, transfer, or conveyance is not being effected for the purpose of materially disadvantaging the Limited Partners.

(B) In furtherance of Section 6.4(A), the Partnership may lend or contribute to its Subsidiaries on terms and conditions established by the General Partner.

Section 6.5 Compensation; Reimbursement of Expenses. In consideration for the General Partner's services to the Partnership in its capacity as General Partner, the Partnership shall pay on behalf of or reimburse to the General Partner (i) all expenses of the General Partner incurred in connection with the management of the business and affairs of the Partnership, including all employee compensation of employees of the General Partner and indemnity or other payments made pursuant to agreements entered into in furtherance of the Partnership's business, (ii) all amounts payable by the General Partner under the Registration Rights Agreement and (iii) all general and administrative expenses incurred by the General Partner. Except as otherwise set forth in this Agreement, the General Partner shall be fully and entirely reimbursed by the Partnership for any and all direct and indirect costs and expenses incurred in connection with the organization and continuation of the Partnership pursuant to this Agreement. In addition, the General Partner shall be reimbursed for all expenses incurred by the General Partner in connection with (i) the initial public offering of REIT Shares by the General Partner and (ii) any other issuance of additional Partnership Interests or REIT Shares.

Section 6.6 Liability for Acts and Omissions.

(A) The General Partner shall not be liable, responsible or accountable in damages or otherwise to the Partnership or any of the other Partners for any act or omission performed or omitted in good faith on behalf of the Partnership and in a manner reasonably believed to be (i) within the scope of the authority granted by this Agreement and (ii) in the best interests of the Partnership or the stockholders of the General Partner. In exercising its authority hereunder, the General Partner may, but shall not be under any obligation to, take into account the tax consequences to any Partner of any action it undertakes on behalf of the Partnership. Neither the General Partner nor the Partnership shall have any liability as a result of any income tax liability incurred by a Partner as a result of any action or inaction of the General Partner hereunder and, by their execution of this Agreement, the Limited Partners acknowledge the foregoing.

(B) Unless otherwise prohibited hereunder, the General Partner shall be entitled to exercise any of the powers granted to it and perform any of the duties required of it under this Agreement directly or through any agent. The General Partner shall not be responsible for any misconduct or negligence on the part of any agent; *provided* that the General Partner selected or appointed such agent in good faith.

The General Partner acknowledges that it owes fiduciary duties both to its stockholders and to the Limited Partners and it shall use its reasonable efforts to discharge such duties to each; *provided, however*, that in the event of a conflict between the interests of the stockholders of the General Partner and the interests of the Limited Partners, the Limited Partners agree that the General Partner shall discharge its fiduciary duties to the Limited Partners by acting in the best interests of the General Partner's stockholders. Nothing contained in the preceding sentence shall be construed as entitling the General Partner to realize any profit or gain from any transaction between the General Partner and the Partnership (except in connection with a distribution in accordance with this Agreement), including from the lending of money by the General Partner to the Partnership or the contribution of property by the General Partner to the Partnership, it being understood that in any such transaction the General Partner shall be entitled to cost recovery only.

Section 6.7 Indemnification.

(A) The Partnership shall indemnify the General Partner and each director, officer and stockholder of the General Partner and each Person (including any Affiliate) designated as an agent by the General Partner in its reasonable discretion (each, an "Indemnified Party") to the fullest extent permitted under the Act (including any procedures set forth therein regarding advancement of expenses to such Indemnified Party) from and against any and all losses, claims, damages, liabilities, expenses (including reasonable attorneys' fees), judgments, fines, settlements and any other amounts arising out of or in connection with any claims, demands, actions, suits or proceedings (civil, criminal or administrative) relating to or resulting (directly or indirectly) from the operations of the Partnership, in which such Indemnified Party becomes involved, or reasonably believes it may become involved, as a result of the capacity referred to above.

(B) The Partnership shall have the authority to purchase and maintain such insurance policies on behalf of the Indemnified Parties as the General Partner shall determine, which policies may cover those liabilities the General Partner reasonably believes may be incurred by an Indemnified Party in connection with the operation of the business of the Partnership. The right to procure such insurance on behalf of the Indemnified Parties shall in no way mitigate or otherwise affect the right of any such Indemnified Party to indemnification pursuant to Section 6.7(A) hereof.

(C) The provisions of this Section 6.7 are for the benefit of the Indemnified Parties, their heirs, successors, assigns and administrators and shall not be deemed to create any rights in or benefit to any other Person.

ARTICLE VII. ADMINISTRATIVE, FINANCIAL AND TAX MATTERS

Section 7.1 Books and Records. The General Partner shall maintain at the office of the Partnership full and accurate books of the Partnership showing all receipts and expenditures, assets and liabilities, profits and losses, names and current addresses of Partners, and all other records necessary for recording the Partnership's business and affairs. Each Limited Partner shall have, upon written demand and at such Limited Partner's expense, the right to receive true and complete information regarding Partnership matters to the extent required (and subject to the limitations) under Delaware law.

Section 7.2 Annual Audit and Accounting. The books and records of the Partnership shall be kept for financial and tax reporting purposes on the accrual basis of accounting in accordance with generally accepted accounting principles ("GAAP"). The accounts of the Partnership shall be audited annually by a nationally recognized accounting firm of independent public accountants selected by the General Partner (the "Independent Accountants").

Section 7.3 Partnership Funds. The General Partner shall have responsibility for the safekeeping and use of all funds and assets of the Partnership, whether or not in its direct or indirect possession or control. All funds of the Partnership not otherwise invested shall be deposited in one or more accounts maintained in such banking institutions as the General Partner shall determine, and withdrawals shall be made only in the regular course of Partnership business on such signatures as the General Partner may from time to time determine.

Section 7.4 Reports and Notices. The General Partner shall provide all Partners with the following reports no later than the dates indicated or as soon thereafter as circumstances permit:

(A) By March 31 of each year, IRS Form 1065 and Schedule K-1, or similar forms as may be required by the IRS, stating each Partner's allocable share of income, gain, loss, deduction or credit for the prior Fiscal Year;

(B) Within ninety (90) days after the end of each of the first three (3) fiscal quarters, as of the last day of the fiscal quarter, a report containing unaudited financial statements of the Partnership, or of the General Partner if such statements are prepared on a consolidated basis with the General Partner, and such other information as may be legally required or determined to be appropriate by the General Partner; and

(C) Within one hundred twenty (120) days after the end of each Fiscal Year, as of the close of the Fiscal Year, an annual report containing audited financial statements of the Partnership, or of the General Partner if such statements are prepared on a consolidated basis with the General Partner, presented in accordance with GAAP and certified by the Independent Accountants.

Section 7.5 Tax Matters.

(A) For tax returns filed with respect to Fiscal Years beginning before January 1, 2018, the General Partner shall be the Tax Matters Partner of the Partnership for federal income tax matters pursuant to Code Section 6231(a)(7)(A) (as in effect prior to the effective date of the Revised Partnership Audit Rules). The Tax Matters Partner is authorized and required to represent the Partnership (at the expense of the Partnership) in connection with all examinations of the affairs of the Partnership by any federal, state, or local tax authorities, including any resulting administrative and judicial proceedings, and to expend funds of the Partnership for professional services and costs associated therewith. The Tax Matters Partner shall deliver to the Limited Partners within ten (10) business days of the receipt thereof a copy of any notice or other communication with respect to the Partnership received from the IRS (or other governmental tax authority), or any court, in each case with respect to any administrative or judicial proceeding involving the Partnership. The Partners agree to cooperate with each other in connection with the conduct of all proceedings pursuant to this Section 7.5(A).

(B) For tax returns filed with respect to Fiscal Years beginning after December 31, 2017, the General Partner, in its sole discretion, may cause, and take such actions as it determines necessary or appropriate to enable the Partnership to elect out of the application of the provisions of Code Sections 6221 through 6241 under the Revised Partnership Audit Rules. If, however, such provisions do apply to the Partnership for any Fiscal Year, the General Partner shall also act as the Partnership Representative within the meaning of Code Section 6223(a) under the Revised Partnership Audit Rules, for purposes of Code Sections 6221 through 6241. Each Partner hereby consents to the General Partner serving as the Partnership Representative and agrees upon request of the General Partner to execute, certify, acknowledge, deliver, swear to, file and record at the appropriate public offices such further documents as may be necessary or appropriate to evidence such consent. The Partnership Representative will be authorized to represent the Partnership (at the Partnership's expense) in connection with all examinations of the Partnership's affairs by tax authorities, including resulting administrative and judicial proceedings, and to (i) sign consents, enter into settlement and other agreements with such authorities with respect to any such examinations or proceedings and (ii) expend the Partnership's funds for professional services incurred in connection therewith. Each Partner hereby agrees to execute, certify, acknowledge and deliver such documents and certifications as the Partnership Representative may request in connection with any such examinations and proceedings. The Partnership Representative may duly and timely elect under Code Section 6226 and the Treasury Regulations promulgated thereunder to require each Person who was a Partner during the Fiscal Year of the Partnership that was audited to personally bear any tax, interest and penalty resulting from adjustments based on such audit and, if such an election is made, shall notify each such Person (and the IRS) of their share of such audit adjustments. If for any reason the Partnership is liable for a tax (including imputed underpayments), interest, addition to tax or penalty as a result of any audit (including state and local audits), each Person who was a Partner during the Fiscal Year of the Partnership that was audited, even if such Person is no longer a Partner (unless a Substitute Limited Partner has agreed to bear such liability in an appropriate document evidencing a transfer), shall pay to the Partnership an amount equal to such Person's proportionate share of such liability (and any expenses incurred by the Partnership in adjudicating or otherwise resolving such liability), as determined by the General Partner, based on the amount each such Person should have borne (computed at the tax rate used to compute the Partnership's liability) had the Partnership's tax return for such Fiscal Year reflected the audit adjustment, and the expense for the Partnership's payment, adjudication or other resolution of such tax, interest, addition to tax and penalty shall be specially allocated to such Persons (or their successors) in such proportions.

(C) The Tax Matters Partner or Partnership Representative, as applicable, shall receive no compensation for its services in such capacity. If the Tax Matters Partner or Partnership Representative, as applicable, incurs any costs related to any tax audit, declaration of any tax deficiency or any administrative proceeding or litigation involving any Partnership tax matter, such amount shall be an expense of the Partnership, and the Tax Matters Partner or Partnership Representative, as applicable, shall be entitled to full reimbursement therefor.

(D) The General Partner shall cause to be prepared all federal, state and local income tax returns required of the Partnership at the Partnership's expense.

(E) Except as set forth herein, the General Partner shall determine whether to make (and, if necessary, revoke) any tax election available to the Partnership under the Code or any state tax law; provided, however, upon the request of any Partner, the General Partner shall make the election under Code Section 754 and the Treasury Regulations promulgated thereunder. The Partnership shall elect to deduct expenses, if any, incurred by it in organizing the Partnership in accordance with the provisions of Code Section 709.

Section 7.6 Withholding. Each Partner hereby authorizes the Partnership to withhold from or pay to any taxing authority on behalf of such Partner any tax that the General Partner determines the Partnership is required to withhold or pay with respect to any amount distributable or allocable to such Partner. Any amount paid to any taxing authority which does not constitute a reduction in the amount otherwise distributable to such Partner shall be treated as a loan from the Partnership to such Partner, which loan shall bear interest at the "prime rate" as published from time to time in *The Wall Street Journal* plus two (2) percentage

points, and shall be repaid within ten (10) business days after request for repayment from the General Partner. The obligation to repay any such loan shall be secured by such Partner's Partnership Interest and each Partner hereby grants the Partnership a security interest in his Partnership Interest for the purposes set forth in this Section 7.6, this Section 7.6 being intended to serve as a security agreement for purposes of the Uniform Commercial Code with the General Partner having in respect hereof all of the remedies of a secured party under the Uniform Commercial Code. Each Partner agrees to take such reasonable actions as the General Partner may request to perfect and continue the perfection of the security interest granted hereby. In the event any Partner fails to repay any deemed loan pursuant to this Section 7.6 the Partnership shall be entitled to avail itself of any rights and remedies it may have. Furthermore, upon the expiration of ten (10) business days after demand for payment, the General Partner shall have the right, but not the obligation, to make the payment to the Partnership on behalf of the defaulting Partner and thereupon be subrogated to the rights of the Partnership with respect to such defaulting Partner.

ARTICLE VIII. TRANSFER OF PARTNERSHIP INTERESTS; ADMISSIONS OF PARTNERS

Section 8.1 Transfer by General Partner. The General Partner may not voluntarily withdraw or Transfer all or any portion of its General Partner Interest. Notwithstanding the foregoing, the General Partner may (i) consummate any acquisition, merger, consolidation, share exchange or other similar transaction provided that (A) substantially all of the assets of the General Partner surviving or resulting from such transaction, other than Partnership Interests, are contributed to the Partnership if not already owned thereby as a Capital Contribution in exchange for Partnership Interests or are otherwise received by the Partnership through any acquisition, merger, consolidation, share exchange or other similar transaction approved in accordance with Section 3.3 and consummated by the Partnership in connection with such transaction consummated by the General Partner or (B) in connection with such transaction (including, without limitation, through any acquisition, merger, consolidation, share exchange or other similar transaction approved in accordance with Section 3.3 and consummated by the Partnership), each Partnership Unit either will receive, or will have the right to elect to receive, an amount of cash, securities or other property equal to the product of the Conversion Factor multiplied by the greatest amount of cash, securities or other property paid in consideration of one REIT Share pursuant to such transaction or (ii) pledge its General Partner Interest in furtherance of the Partnership's business (including without limitation, in connection with a loan agreement under which the Partnership is a borrower) without the consent of any Partner.

Section 8.2 Obligations of a Prior General Partner. Upon an Involuntary Withdrawal of the General Partner and the subsequent Transfer of the General Partner's Interest, such General Partner shall (i) remain liable for all obligations and liabilities (other than Partnership liabilities payable solely from Partnership Assets) incurred by it as General Partner before the effective date of such event and (ii) pay all costs associated with the admission of its Successor General Partner. However, such General Partner shall be free of and held harmless by the Partnership against any obligation or liability incurred on account of the activities of the Partnership from and after the effective date of such event, except as provided in this Agreement.

Section 8.3 Successor General Partner. Except as provided in the last sentence of this section, a successor to all of a General Partner's General Partner Interest who is proposed to be admitted to the Partnership as a Successor General Partner shall be admitted as the General Partner, effective upon the Transfer. Any such transferee shall carry on the business of the Partnership without dissolution. In addition, the following conditions must be satisfied:

(A) The Person shall have accepted and agreed to be bound by all the terms and provisions of this Agreement by executing a counterpart thereof and such other documents or instruments as may be required or appropriate in order to effect the admission of such Person as a General Partner;

(B) An amendment to this Agreement evidencing the admission of such Person as a General Partner shall have been executed by all General Partners and an amendment to the Certificate shall have been filed for recordation as required by the Act; and

(C) Any consent required under Section 10.1(A) hereof shall have been obtained.

Notwithstanding anything in this Agreement to the contrary, any successor to a General Partner by merger, consolidation, share exchange or other similar transaction shall, without further act, be the General Partner hereunder, and such merger, consolidation share exchange or other similar transaction shall not constitute an assignment for purposes of this Agreement, and the Partnership shall continue without dissolution.

Section 8.4 Restrictions on Transfer and Withdrawal by Limited Partner.

(A) Subject to the provisions of Section 8.4(D), no Limited Partner may Transfer all or any portion of his Partnership Interest without first obtaining the Consent of the General Partner, which Consent may be granted or withheld in the sole and absolute discretion of the General Partner. Any such purported transfer undertaken without such Consent shall be considered to be null and void *ab initio* and shall not be given effect. Each Limited Partner acknowledges that the General Partner has agreed not to grant any such consent prior to the Transfer Restriction Date.

(B) No Limited Partner may withdraw from the Partnership other than as a result of a permitted Transfer (*i.e.*, a Transfer consented to as contemplated by clause (A) above or clause (D) below or a Transfer pursuant to clause (C) below) of all of

his Partnership Units pursuant to this Article VIII or pursuant to a redemption or exchange of all of his Partnership Units pursuant to Article IX. Upon the permitted Transfer or redemption of all of a Limited Partner's Partnership Units, such Limited Partner shall cease to be a Limited Partner.

(C) Upon the Involuntary Withdrawal of any Limited Partner (which shall under no circumstance cause the dissolution of the Partnership), the executor, administrator, trustee, guardian, receiver or conservator of such Limited Partner's estate shall become a Substituted Limited Partner upon compliance with the provisions of Section 8.5(A)(1)-(3).

(D) Subject to Section 8.4(E), a Limited Partner may Transfer, with the Consent of the General Partner, all or a portion of his Partnership Units to (a) a parent or parents, spouse, natural or adopted descendant or descendants, spouse of such a descendant, or brother or sister, or a trust created by such Limited Partner for the benefit of such Limited Partner and/or any such person(s), of which trust such Limited Partner or any such person(s) is a trustee, (b) a corporation controlled by a Person or Persons named in (a) above, or (c) if the Limited Partner is an entity, its beneficial owners, and the General Partner shall grant its Consent to any Transfer pursuant to this Section 8.4(D) unless such Transfer, in the reasonable judgment of the General Partner, would cause (or have the potential to cause) the General Partner to fail to qualify for taxation as a REIT, in which case the General Partner shall have the absolute right to refuse to permit such Transfer, and any purported Transfer in violation of this Section 8.4(D) shall be null and void *ab initio*.

(E) No Transfer of Limited Partnership Units shall be made if such Transfer would (i) in the opinion of Partnership counsel, cause the Partnership to be terminated for federal income tax purposes or to be treated as an association taxable as a corporation (rather than a partnership) for federal income tax purposes; (ii) be effected through an "established securities market" or a "secondary market (or the substantial equivalent thereof)" within the meaning of Code Section 7704 and the Treasury Regulations thereunder, (iii) in the opinion of Partnership counsel, violate the provisions of applicable securities laws; (iv) violate the terms of (or result in a default or acceleration under) any law, rule, regulation, agreement or commitment binding on the Partnership; (v) cause the Partnership to become, with respect to any employee benefit plan subject to Title I of ERISA, a "party-in-interest" (as defined in Section 3(14) of ERISA) or a "disqualified person" (as defined in Section 4975(e) of the Code); (vi) in the opinion of counsel to the Partnership, cause any portion of the underlying assets of the Partnership to constitute assets of any employee benefit plan pursuant to Department of Labor Regulations Section 2510.3-101; or (vii) result in a deemed distribution to any Partner attributable to a failure to meet the requirements of Treasury Regulations Section 1.752-2(d)(1), unless such Partner consents thereto.

(F) Prior to the consummation of any Transfer under this Section 8.4, the transferor and/or the transferee shall deliver to the General Partner such opinions, certificates and other documents as the General Partner shall request in connection with such Transfer.

Section 8.5 Substituted Limited Partner.

(A) No transferee shall become a Substituted Limited Partner in place of his assignor unless and until the following conditions have been satisfied:

(1) The assignor and transferee file a Notice or other evidence of Transfer and such other information reasonably required by the General Partner, including, without limitation, names, addresses and telephone numbers of the assignor and transferee;

(2) The transferee executes, adopts and acknowledges this Agreement, or a counterpart hereto, and such other documents as may be reasonably requested by the General Partner, including without limitation, all documents necessary to comply with applicable tax and/or securities rules and regulations;

(3) The assignor or transferee pays all costs and fees incurred or charged by the Partnership to effect the Transfer and substitution; and

(4) The assignor or transferee obtains the written Consent of the General Partner, which may be given or withheld in its sole and absolute discretion.

(B) If a transferee of a Limited Partner does not become a Substituted Limited Partner pursuant to Section 8.5(A), such transferee shall be an Assignee and shall not have any rights to require any information on account of the Partnership's business, to inspect the Partnership's books or to vote or otherwise take part in the affairs of the Partnership (such Partnership Units being deemed to have been voted in the same proportion as all other Partnership Units held by Limited Partners have been voted). Such Assignee shall be entitled, however, to all the rights of an assignee of a limited partnership interest under the Act. Any Assignee wishing to Transfer the Partnership Units acquired shall be subject to the restrictions set forth in this Article VIII.

Section 8.6 Timing and Effect of Transfers. Unless the General Partner agrees otherwise, Transfers under this Article VIII may only be made as of the first day of a fiscal quarter of the Partnership. Upon any Transfer of a Partnership Interest in accordance with this Article VIII or redemption of a Partnership Interest in accordance with Article IX, the Partnership shall allocate all items of Profit and Loss between the assignor Partner and the transferee Partner in accordance with Section 5.2(F)(2) hereof. The

assignor Partner shall have the right to receive all distributions as to which the Record Date precedes the date of Transfer and the transferee Partner shall have the right to receive all distributions thereafter.

Section 8.7 Additional Limited Partners. Other than in accordance with the transactions specified in the Contribution Agreements, after the initial execution of this Agreement and the admission to the Partnership of the Initial Limited Partners, any Person making a Capital Contribution to the Partnership in accordance herewith shall be admitted as an Additional Limited Partner of the Partnership only (i) with the Consent of the General Partner and (ii) upon execution, adoption and acknowledgment of this Agreement, or a counterpart hereto, and such other documents as may be reasonably requested by the General Partner, including without limitation, the power of attorney required under Section 12.3. Upon satisfaction of the foregoing requirements, such Person shall be admitted as an Additional Limited Partner effective on the date upon which the name of such Person is recorded on the books of the Partnership.

Section 8.8 Amendment of Agreement and Certificate. Upon any admission of a Person as a Partner to the Partnership, the General Partner shall make any necessary amendment to this Agreement to reflect such admission and, if required by the Act, to cause to be filed an amendment to the Certificate.

ARTICLE IX. REDEMPTION

Section 9.1 Right of Redemption.

(A) Subject to any restriction on the General Partner, which restriction may arise as a result of the REIT Charter, the laws governing the General Partner or otherwise (a "Redemption Restriction"), beginning on the Redemption Effective Date, during each Redemption Period each Redeeming Party shall have the right to require the Partnership to redeem all or a portion of the Partnership Units held by such Redeeming Party by providing the General Partner with a Redemption Notice. A Limited Partner may invoke its rights under this Article IX with respect to 100 Partnership Units or an integral multiple thereof or all of the Partnership Units held by such Limited Partner. Upon the General Partner's receipt of a Redemption Notice from a Redeeming Party, the Partnership shall be obligated (subject to the existence of any Redemption Restriction) to redeem the Partnership Units from such Redeeming Party (the "Redemption Obligation").

(B) Upon receipt of a Redemption Notice from a Redeeming Party, the General Partner shall either (i) cause the Partnership to redeem the Partnership Units tendered in the Redemption Notice, (ii) assume the Redemption Obligation, as set forth in Section 9.4 hereof, or (iii) provide written Notice to the Redeeming Party of each applicable Redemption Restriction.

(C) On and after June 6, 2007 at any time or from time to time, the Partnership may redeem all or such other number of Class C Units (any such redemption, a "Class C Redemption") at a cash redemption price per Class C Unit equal to that portion of the Capital Contribution of the Class C Limited Partner allocable to each such unit, plus all accumulated and unpaid Class C Priority Return Amounts to the date of Class C Redemption (such price, the "Class C Redemption Price"). Upon any Class C Redemption, an amount equal to the product of the Class C Redemption Price and the number of Class C Units redeemed by the Partnership shall be distributed by the Partnership to the Class C Limited Partner.

(D) The Partnership may redeem all or such other number of Class F Units (any such redemption, a "Class F Redemption") on any applicable date of redemption of any Class F Preferred Shares, at a cash redemption price per Class F Unit equal to that portion of the Capital Contribution of the Class F Limited Partner allocable to each such unit, plus all accumulated and unpaid Class F Priority Return Amounts to the date of Class F Redemption (such price, the "Class F Redemption Price"). Upon any Class F Redemption, an amount equal to the product of the Class F Redemption Price and the number of Class F Units redeemed by the Partnership shall be distributed by the Partnership to the Class F Limited Partner.

(E) The Partnership may redeem all or such other number of Class G Units (any such redemption, a "Class G Redemption") on any applicable date of redemption of any Class G Preferred Shares, at a cash redemption price per Class G Unit equal to that portion of the Capital Contribution of the Class G Limited Partner allocable to each such unit, plus all accumulated and unpaid Class G Priority Return Amounts to the date of Class G Redemption (such price, the "Class G Redemption Price"). Upon any Class G Redemption, an amount equal to the product of the Class G Redemption Price and the number of Class G Units redeemed by the Partnership shall be distributed by the Partnership to the Class G Limited Partner.

(F) The Partnership may redeem all or such other number of Class I Units (any such redemption, a "Class I Redemption") on any applicable date of redemption of any Class I Preferred Shares, at a cash redemption price per Class I Unit equal to that portion of the Capital Contribution of the Class I Limited Partner allocable to each such unit multiplied by the redemption premium then applicable to the Class I Preferred Shares, plus all accumulated and unpaid Class I Priority Return Amounts to the date of Class I Redemption (such price, the "Class I Redemption Price"). Upon any Class I Redemption, an amount equal to the product of the Class I Redemption Price and the number of Class I Units redeemed by the Partnership shall be distributed by the Partnership to the Class I Limited Partner.

(G) The Partnership may redeem all or such other number of Class J Units (any such redemption, a "Class J Redemption") on any applicable date of redemption of any Class J Preferred Shares, at a cash redemption price per Class J Unit equal to that portion of the Capital Contribution of the Class J Limited Partner allocable to each such unit multiplied by the

redemption premium then applicable to the Class J Preferred Shares, plus all accumulated and unpaid Class J Priority Return Amounts to the date of Class J Redemption (such price, the “Class J Redemption Price”). Upon any Class J Redemption, an amount equal to the product of the Class J Redemption Price and the number of Class J Units redeemed by the Partnership shall be distributed by the Partnership to the Class J Limited Partner.

(H) The Partnership may redeem all or such other number of Class K Units (any such redemption, a “Class K Redemption”) on any applicable date of redemption of any Class K Preferred Shares, at a cash redemption price per Class K Unit equal to that portion of the Capital Contribution of the Class K Limited Partner allocable to each such unit multiplied by the redemption premium then applicable to the Class K Preferred Shares, plus all accumulated and unpaid Class K Priority Return Amounts to the date of Class K Redemption (such price, the “Class K Redemption Price”). Upon any Class K Redemption, an amount equal to the product of the Class K Redemption Price and the number of Class K Units redeemed by the Partnership shall be distributed by the Partnership to the Class K Limited Partner.

Section 9.2 Timing of Redemption. The Redemption Obligation (or the obligation to provide Notice of an applicable Redemption Restriction, if one exists) shall mature on the date which is seven (7) business days after the receipt by the General Partner of a Redemption Notice from the Redeeming Party (the “Redemption Date”).

Section 9.3 Redemption Price. On or before the Redemption Date, the Partnership (or the General Partner if it elects pursuant to Section 9.4 hereof) shall deliver to the Redeeming Party, in the sole and absolute discretion of the General Partner either (i) a Share Payment or (ii) a Cash Payment. In order to enable the Partnership to effect a redemption by making a Share Payment pursuant to this Section 9.3, the General Partner in its sole and absolute discretion may issue to the Partnership the number of REIT Shares required to make such Share Payment in exchange for the issuance to the General Partner of Partnership Units equal in number to the quotient of the number of REIT Shares issued and Conversion Factor.

Section 9.4 Assumption of Redemption Obligation. Upon receipt of a Redemption Notice, the General Partner, in its sole and absolute discretion, shall have the right to assume the Redemption Obligation of the Partnership. In such case, the General Partner shall be substituted for the Partnership for all purposes of this Article IX and, upon acquisition of the Partnership Units tendered by the Redeeming Party pursuant to the Redemption Notice shall be treated for all purposes of this Agreement as the owner of such Partnership Units. Such exchange transaction shall be treated for federal income tax purposes by the Partnership, the General Partner and the Redeeming Party as a sale by the Redeeming Party as seller to the General Partner as purchaser.

Section 9.5 Further Assurances; Certain Representations. Each party to this Agreement agrees to execute any documents deemed reasonably necessary by the General Partner to evidence the issuance of any Share Payment to a Redeeming Party. Notwithstanding anything herein to the contrary, each holder of First Highland Units agrees that, if the General Partner shall elect to satisfy a Redemption Obligation with respect to First Highland Units by making a Share Payment, such Redemption Obligation shall mature on the date which is seven (7) business days after receipt by the Partnership and the General Partner of documents similar to the “Investor Materials” submitted in connection with the sale of the First Highland Properties to the Partnership and any other similar documents reasonably required by, and in form reasonably satisfactory to, the Partnership. Each Limited Partner, by executing this Agreement, shall be deemed to have represented to the General Partner and the Partnership that (i) its acquisition of its Partnership Interest on the date hereof is made as a principal for its own account, for investment purposes only and not with a view to the resale or distribution of such Partnership Interest and (ii) if it shall receive REIT Shares pursuant to this Article IX other than pursuant to an effective registration statement under the Securities Act of 1933, as amended, that its acquisition of such REIT Shares is made as a principal for its own account, for investment purposes only and not with a view to the resale or distribution of such REIT Shares and agrees that such REIT Shares may bear a legend to the effect that such REIT Shares have not been so registered and may not be sold other than pursuant to such a registration statement or an exemption from the registration requirements of such Act.

Section 9.6 Effect of Redemption. Upon the satisfaction of the Redemption Obligation by the Partnership or the General Partner, as the case may be, the Redeeming Party shall have no further right to receive any Partnership distributions in respect of the Partnership Units so redeemed and shall be deemed to have represented to the Partnership and the General Partner that the Partnership Units tendered for redemption are not subject to any liens, claims or encumbrances. Upon a Class C Redemption by the Partnership, the Class C Limited Partner shall have no further right to receive any Partnership distributions or allocations in respect of the Class C Units so redeemed. Upon a Class F Redemption by the Partnership, the Class F Limited Partner shall have no further right to receive any Partnership distributions in respect of the Class F Units so redeemed. Upon a Class G Redemption by the Partnership, the Class G Limited Partner shall have no further right to receive any Partnership distributions in respect of the Class G Units so redeemed. Upon a Class I Redemption by the Partnership, the Class I Limited Partner shall have no further right to receive any Partnership distributions in respect of the Class I Units so redeemed. Upon a Class J Redemption by the Partnership, the Class J Limited Partner shall have no further right to receive any Partnership distributions in respect of the Class J Units so redeemed. Upon a Class K Redemption by the Partnership, the Class K Limited Partner shall have no further right to receive any Partnership distributions in respect of the Class K Units so redeemed.

Section 9.7 Registration Rights. In the event a Limited Partner receives REIT Shares in connection with a redemption of Partnership Units originally issued to Initial Limited Partners on June 30, 1994 pursuant to this Article IX, such Limited Partner shall be entitled to have such REIT Shares registered under the Securities Act of 1933, as amended, as provided in the Registration Rights Agreement.

Section 9.8 Redemption upon REIT Share Repurchases by the General Partner. If the General Partner acquires outstanding REIT Shares then the Partnership shall redeem from the General Partner the General Partner's interest in the Partnership representing such acquired REIT Shares and pay to the General Partner, in cash, an amount equal to the consideration, if any, paid by or for the account of the General Partner for the acquired REIT Shares. The Partnership shall make such cash payment, if any, to the General Partner within three (3) business days after the General Partner notifies the Partnership that the General Partner is committed to acquiring REIT Shares and requests payment under this Section 9.8. Any REIT Shares acquired by the General Partner that are thereafter disposed of by the General Partner (which term shall not include cancellation) shall for the purposes of Section 4.2(B) and (C), be deemed issued at the time of such disposition.

ARTICLE X. DISSOLUTION AND LIQUIDATION

Section 10.1 Term and Dissolution. The Partnership commenced as of November 23, 1993, and shall continue until December 31, 2092, at which time the Partnership shall dissolve or until dissolution occurs prior to that date for any one of the following reasons:

(A) An Involuntary Withdrawal or a voluntary withdrawal, even though in violation of this Agreement, of the General Partner, or any other event causing the General Partner to cease to be a general partner of the Partnership, unless, (a) at the time of the occurrence of such event there is at least one remaining general partner of the Partnership who is hereby authorized to and does carry on the business of the Partnership, or (b) within ninety (90) days after such event of withdrawal all the remaining Partners agree in writing to the continuation of the Partnership and to the appointment of a Successor General Partner;

(B) Entry of a decree of judicial dissolution of the Partnership under the Act; or

(C) The sale, exchange or other disposition of all or substantially all of the Partnership Assets.

Section 10.2 Liquidation of Partnership Assets.

(A) Subject to Section 10.2(E), in the event of dissolution pursuant to Section 10.1, the Partnership shall continue solely for purposes of winding up the affairs of, achieving a final termination of, and satisfaction of the creditors of, the Partnership. The General Partner (or, if there is no General Partner remaining, any Person elected by a majority in interest of the Limited Partners (the "Liquidator")) shall be responsible for oversight of the winding up and dissolution of the Partnership. The Liquidator shall obtain a full accounting of the assets and liabilities of the Partnership and such Partnership Assets shall be liquidated (including, at the discretion of the Liquidator, in exchange, in whole or in part, for REIT Shares) as promptly as the Liquidator is able to do so without any undue loss in value, with the proceeds therefrom applied and distributed in the following order:

(1) First, to the discharge of Partnership debts and liabilities to creditors other than Partners;

(2) Second, to the discharge of Partnership debts and liabilities to the Partners;

(3) Third, after giving effect to all contributions, distributions, and allocations for all periods, to (i) the Class C Limited Partner in an amount equal to any unpaid Class C Priority Return Amounts, (ii) the Class F Limited Partner in an amount equal to any unpaid Class F Priority Return Amounts, (iii) the Class G Limited Partner in an amount equal to any unpaid Class G Priority Return Amounts, (iv) the Class I Limited Partner in an amount equal to any unpaid Class I Return Amounts, (v) the Class J Limited Partner in an amount equal to any unpaid Class J Return Amounts and (vi) the Class K Limited Partner in an amount equal to any unpaid Class K Return Amounts; *provided* that if the proceeds are inadequate to pay all of the unpaid Class C Priority Return Amounts, the unpaid Class F Priority Return Amounts, the unpaid Class G Priority Return Amounts, the unpaid Class I Priority Return Amounts, the unpaid Class J Priority Return Amounts and the unpaid Class K Priority Return Amounts, such proceeds shall be distributed to the Class C Limited Partner, the Class F Limited Partner, the Class G Limited Partner, the Class I Limited Partner, the Class J Limited Partner and the Class K Limited Partner *pro rata* based on the unpaid Class C Priority Return Amounts, the unpaid Class F Priority Return Amounts, the unpaid Class G Priority Return Amounts, the unpaid Class I Priority Return Amounts, the unpaid Class J Priority Return Amounts and the unpaid Class K Priority Return Amounts;

(4) The balance, if any, to the Partners in accordance with their positive Capital Accounts after giving effect to all contributions, distributions and allocations for all periods.

(B) In accordance with Section 10.2(A), the Liquidator shall proceed without any unnecessary delay to sell and otherwise liquidate the Partnership Assets; *provided, however*, that if the Liquidator shall determine that an immediate sale of part or all of the Partnership Assets would cause undue loss to the Partners, the Liquidator may defer the liquidation except (i) to the extent provided by the Act or (ii) as may be necessary to satisfy the debts and liabilities of the Partnership to Persons other than the Partners.

(C) If, in the sole and absolute discretion of the Liquidator, there are Partnership Assets that the Liquidator will not be able to liquidate, or if the liquidation of such assets would result in undue loss to the Partners, the Liquidator may distribute such Partnership Assets to the Partners in-kind, in lieu of cash, as tenants-in-common in accordance with the provisions of Section

10.2(A). The foregoing notwithstanding, such in-kind distributions shall only be made if in the Liquidator's good faith judgment that is in the best interest of the Partners.

(D) Upon the complete liquidation and distribution of the Partnership Assets, the Partners shall cease to be Partners of the Partnership, and the Liquidator shall execute, acknowledge and cause to be filed all certificates and notices required by law to terminate the Partnership. Upon the dissolution of the Partnership pursuant to Section 10.1, the Liquidator shall cause to be prepared, and shall furnish to each Partner, a statement setting forth the assets and liabilities of the Partnership. Promptly following the complete liquidation and distribution of the Partnership Assets, the Liquidator shall furnish to each Partner a statement showing the manner in which the Partnership Assets were liquidated and distributed.

(E) Notwithstanding the foregoing provisions of this Section 10.2, in the event that the Partnership shall dissolve as a result of the expiration of the term provided for herein or as a result of the occurrence of an event of the type described in Section 10.1(B) or (C), then each Limited Partner shall be deemed to have delivered a Redemption Notice on the date of such dissolution. In connection with each such Redemption Notice, the General Partner shall have the option of either (i) complying with the redemption procedures contained in Article IX or (ii) at the request of any Limited Partner, delivering to such Limited Partner, Partnership property approximately equal in value to the value of such Limited Partner's Partnership Units upon the assumption by such Limited Partner of such Limited Partner's proportionate share of the Partnership's liabilities and payment by such Limited Partner (or the Partnership) of any excess (or deficiency) of the value of the property so delivered over the value of such Limited Partner's Partnership Units. In lieu of requiring such Limited Partner to assume its proportionate share of Partnership liabilities, the General Partner may deliver to such Limited Partner unencumbered Partnership property approximately equal in value to the net value of such Limited Partner's Partnership Units.

Section 10.3 Effect of Treasury Regulations.

(A) In the event the Partnership is "liquidated" within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g), distributions made to Partners pursuant to Section 10.2(A) shall be made within the time period provided in Treasury Regulations Section 1.704-1(b)(2)(ii)(b)(2). If any Contributor Partner has a deficit balance in its Capital Account (after giving effect to all contributions (without regard to this Section 10.3(A)), distributions and allocations), each such Contributor Partner shall contribute to the capital of the Partnership an amount equal to its respective deficit balance, such obligation to be satisfied within ninety (90) days following the liquidation and dissolution of the Partnership in accordance with the provisions of this Article X hereof. Conversely, if any Partner other than a Contributor Partner has a deficit balance in its Capital Account (after giving effect to all contributions (without regard to this Section 10.3(A)), distributions and allocations), such Partner shall have no obligation to make any contribution to the capital of the Partnership. Any deficit restoration obligation pursuant to the provisions hereof shall be for the benefit of creditors of the Partnership or any other Person to whom any debts, liabilities, or obligations are owed by (or who otherwise has any claim against) the Partnership or the general partner, in its capacity as General Partner of the Partnership. For purposes of computing each Contributor Partner's deficit balance in its Capital Account and its corresponding obligations to contribute additional capital to the Partnership, only items of income, gain and loss actually recognized shall be reflected.

(B) In the event the Partnership is "liquidated" within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g) but there has been no dissolution of the Partnership under Section 10.1 hereof, then the Partnership Assets shall not be liquidated, the Partnership's liabilities shall not be paid or discharged and the Partnership's affairs shall not be wound up. In the event of such a liquidation there shall be deemed to have been a distribution of Partnership Assets in kind to the Partners in accordance with Section 10.2 followed by a recontribution of such Partnership Assets by the Partners in the same proportions.

Section 10.4 Time for Winding-Up. Anything in this Article X notwithstanding, a reasonable time shall be allowed for the orderly winding-up of the business and affairs of the Partnership and the liquidation of the Partnership Assets in order to minimize any potential for losses as a result of such process. During the period of winding-up, this Agreement shall remain in full force and effect and shall govern the rights and relationships of the Partners *inter se*.

ARTICLE XI. AMENDMENTS AND MEETINGS

Section 11.1 Amendment Procedure.

(A) Amendments to this Agreement may be proposed by the General Partner. An amendment proposed at any time when the General Partner holds less than 90% of all Partnership Units will be adopted and effective only if it receives the Consent of the holders of a majority of the Partnership Units not then held by the General Partner and an amendment proposed at any time when the General Partner holds 90% or more of all Partnership Units may be made by the General Partner without the Consent of any Limited Partner; *provided, however*, no amendment shall be adopted if it would (i) convert a Limited Partner's Interest in the Partnership into a general partner interest, (ii) increase the liability of a Limited Partner under this Agreement, (iii) except as otherwise permitted in this Agreement, alter the Partner's rights to distributions set forth in Article V; or the allocations set forth in Article V; (iv) alter or modify any aspect of the Partners' rights with respect to redemption of Partnership Units, (v) cause the early termination of the Partnership (other than pursuant to the terms hereof) or (vi) amend this Section 11.1(A), in each case without the Consent of each Partner adversely affected thereby. In connection with any proposed amendment of this Agreement requiring Consent, the General Partner shall either call a meeting to solicit the vote of the Partners or seek the written vote of the Partners to such amendment. In the case of a request for a written vote, the General Partner shall be authorized to impose such reasonable time

limitations for response, but in no event less than ten (10) days, with the failure to respond being deemed a vote consistent with the vote of the General Partner.

(B) Notwithstanding the foregoing, amendments may be made to this Agreement by the General Partner, without the Consent of any Limited Partner, to (i) add to the representations, duties or obligations of the General Partner or surrender any right or power granted to the General Partner herein; (ii) cure any ambiguity, correct or supplement any provision herein which may be inconsistent with any other provision herein or make any other provisions with respect to matters or questions arising hereunder which will not be inconsistent with any other provision hereof; (iii) reflect the admission, substitution, termination or withdrawal of Partners in accordance with this Agreement; or (iv) satisfy any requirements, conditions or guidelines contained in any order, directive, opinion, ruling or regulation of a federal or state agency or contained in federal or state law. The General Partner shall reasonably promptly notify the Limited Partners whenever it exercises its authority pursuant to this Section 11.1(B).

(C) Within ten (10) days of the making of any proposal to amend this Agreement for which the Consent of any Limited Partner is required, the General Partner shall give all Limited Partners Notice of such proposal (along with the text of the proposed amendment and a statement of its purposes). Within ten (10) days following the effectiveness of any amendment to this Agreement, the General Partner shall give all Limited Partners Notice of such amendment (along with the text of such amendment) which may be comprised of a copy of any publicly filed report of the General Partner under the Securities Exchange Act of 1934 that describes and contains (including as an exhibit) the text of such amendment.

Section 11.2 Meetings and Voting.

(A) Meetings of Partners may be called by the General Partner. The General Partner shall give all Partners Notice of the purpose of such proposed meeting not less than seven (7) days nor more than thirty (30) days prior to the date of the meeting. Meetings shall be held at a reasonable time and place selected by the General Partner. Whenever the vote or Consent of Partners is permitted or required hereunder, such vote or Consent shall be requested by the General Partner and may be given by the Partners in the same manner as set forth for a vote with respect to an amendment to this Agreement in Section 11.1(A).

(B) Any action required or permitted to be taken at a meeting of the Partners may be taken without a meeting if a written consent setting forth the action to be taken is signed by the Partners owning Percentage Interests required to vote in favor of such action, which consent may be evidenced in one or more instruments. Consents need not be solicited from any other Partner if the written consent of a sufficient number of Partners has been obtained to take the action for which such solicitation was required.

(C) Each Limited Partner may authorize any Person or Persons, including without limitation the General Partner, to act for him by proxy on all matters on which a Limited Partner may participate. Every proxy (i) must be signed by the Limited Partner or his attorney-in-fact, (ii) shall expire eleven (11) months from the date thereof unless the proxy provides otherwise and (iii) shall be revocable at the discretion of the Limited Partner granting such proxy.

Section 11.3 Voting of LB Units. On any matter on which the Limited Partners shall be entitled to vote, consent or grant an approval or waiver, following the admissions of the LB Partners to the Partnership as Additional Limited Partners and through the Voting Termination Date, each holder of the LB Units shall be deemed (i) in connection with any matter submitted to a vote, to have cast all votes attributable to such holder's LB Units in the same manner as the votes attributable to the Units held by the General Partner are cast on such matter, and (ii) in connection with any consent, approval or waiver, to have taken the same action as the General Partner shall have taken with respect to its Units in connection therewith. If the General Partner shall not have the right to vote, consent or grant an approval or waiver on a matter, each holder of LB Units shall vote or act as directed by the General Partner.

ARTICLE XII. MISCELLANEOUS PROVISIONS

Section 12.1 Title to Property. All property owned by the Partnership, whether real or personal, tangible or intangible, shall be deemed to be owned by the Partnership as an entity, and no Partner, individually, shall have any ownership of such property. The Partnership may hold any of its assets in its own name or, in the name of its nominee, which nominee may be one or more individuals, corporations, partnerships, trusts or other entities.

Section 12.2 Other Activities of Limited Partners. Except as expressly provided otherwise in this Agreement or in any other agreement entered into by a Limited Partner or any Affiliate of a Limited Partner and the Partnership, the General Partner or any Subsidiary of the Partnership or the General Partner, any Limited Partner or any Affiliate of any Limited Partner may engage in, or possess an interest in, other business ventures of every nature and description, independently or with others, including, without limitation, real estate business ventures, whether or not such other enterprises shall be in competition with any activities of the Partnership, the General Partner or any Subsidiary of the Partnership or the General Partner; and neither the Partnership, the General Partner, any such Subsidiary nor the other Partners shall have any right by virtue of this Agreement in and to such independent ventures or to the income or profits derived therefrom.

Section 12.3 Power of Attorney.

(A) Each Partner hereby irrevocably appoints and empowers the General Partner (which term shall include the Liquidator, in the event of a liquidation, for purposes of this Section 12.3) and each of their authorized officers and attorneys-in-fact with full power of substitution as his true and lawful agent and attorney-in-fact, with full power and authority in his name, place and stead to:

(1) make, execute, acknowledge, publish and file in the appropriate public offices (a) any duly approved amendments to the Certificate pursuant to the Act and to the laws of any state in which such documents are required to be filed; (b) any certificates, instruments or documents as may be required by, or may be appropriate under, the laws of any state or other jurisdiction in which the Partnership is doing or intends to do business; (c) any other instrument which may be required to be filed by the Partnership under the laws of any state or by any governmental agency, or which the General Partner deems advisable to file; (d) any documents which may be required to effect the continuation of the Partnership, the admission, withdrawal or substitution of any Partner pursuant to Article VIII, dissolution and termination of the Partnership pursuant to Article X, or the surrender of any rights or the assumption of any additional responsibilities by the General Partner; (e) any document which may be required to effect an amendment to this Agreement to correct any mistake, omission or inconsistency, or to cure any ambiguity herein, to the extent such amendment is permitted by Section 11.1(B); and (f) all instruments (including this Agreement and amendments and restatements hereof) relating to the determination of the rights, preferences and privileges of any class or series of Partnership Units issued pursuant to Section 4.2(B) of this Agreement; and

(2) sign, execute, swear to and acknowledge all voting ballots, consents, approvals, waivers, certificates and other instruments appropriate or necessary, in the sole discretion of the General Partner, to make, evidence, give, confirm or ratify any vote, consent, approval, agreement or other action which is made or given by the Partners hereunder or is consistent with the terms of this Agreement and appropriate or necessary, in the sole discretion of the General Partner, to effectuate the terms or intent of this Agreement.

(B) Nothing herein contained shall be construed as authorizing the General Partner to amend this Agreement except in accordance with Article XI or as may be otherwise expressly provided for in this Agreement.

(C) The foregoing grant of authority (i) is a special power of attorney, coupled with an interest, and it shall survive the Involuntary Withdrawal of any Partner and shall extend to such Partner's heirs, successors, assigns and personal representatives; (ii) may be exercised by the General Partner for each and every Partner acting as attorney-in-fact for each and every Partner; and (iii) shall survive the Transfer by a Limited Partner of all or any portion of its Interest and shall be fully binding upon such transferee; except that the power of attorney shall survive such assignment with respect to the assignor Limited Partner for the sole purpose of enabling the General Partner to execute, acknowledge and file any instrument necessary to effect the admission of the transferee as a Substitute Limited Partner. Each Partner hereby agrees to be bound by any representations made by the General Partner, acting in good faith pursuant to such power of attorney. Each Partner shall execute and deliver to the General Partner, within fifteen (15) days after receipt of the General Partner's request therefor, such further designations, powers of attorney and other instruments as the General Partner deems necessary to effectuate this Agreement and the purposes of the Partnership.

(D) Each LB Partner hereby irrevocably appoints and empowers the General Partner and the Liquidator, in the event of a liquidation, and each of their authorized officers and attorneys-in-fact with full power of substitution, as the true and lawful agent and attorney-in-fact of such LB Partner with full power and authority in the name, place and stead of such LB Partner to take such actions (including waivers under the Partnership Agreement) or refrain from taking such action as the General Partner reasonably believes are necessary or desirable to achieve the purposes of Section 11.3 of the Partnership Agreement.

Section 12.4 Notices. All notices and other communications provided for or permitted hereunder shall be made in writing by hand delivery, registered first-class mail, telex, telecopier, or any courier guaranteeing overnight delivery, (i) if to a Limited Partner, at the most current address given by such Limited Partner to the General Partner by means of a notice given in accordance with the provisions of this Section 12.4, which address initially is the address contained in the records of the General Partner, or (ii) if to the General Partner, 311 S. Wacker Drive, Suite 4000, Chicago, Illinois 60606, Attn: President.

All such notices and communications shall be deemed to have been duly given: at the time delivered by hand, if hand delivered; five (5) business days after being deposited in the mail, postage prepaid, if mailed; when answered back, if telexed; or when receipt is acknowledged, if telecopied.

Section 12.5 Further Assurances. The parties agree to execute and deliver all such documents, provide all such information and take or refrain from taking any action as may be necessary or desirable to achieve the purposes of this Agreement and the Partnership.

Section 12.6 Titles and Captions. All article or section titles or captions in this Agreement are solely for convenience and shall not be deemed to be part of this Agreement or otherwise define, limit or extend the scope or intent of any provision hereof.

Section 12.7 Applicable Law. This Agreement, and the application or interpretation thereof, shall be governed exclusively by its terms and by the law of the State of Delaware, without regard to its principles of conflicts of laws.

Section 12.8 Binding Agreement. This Agreement shall be binding upon the parties hereto, their heirs, executors, personal representatives, successors and assigns.

Section 12.9 Waiver of Partition. Each of the parties hereto irrevocably waives during the term of the Partnership any right that it may have to maintain any action for partition with respect to any property of the Partnership.

Section 12.10 Counterparts and Effectiveness. This Agreement may be executed in several counterparts, which shall be treated as originals for all purposes, and all so executed shall constitute one agreement, binding on all of the parties hereto, notwithstanding that all the parties are not signatory to the original or the same counterpart. Any such counterpart shall be admissible into evidence as an original hereof against each Person who executed it. The execution of this Agreement and delivery thereof by facsimile shall be sufficient for all purposes, and shall be binding upon any party who so executes.

Section 12.11 Survival of Representations. All representations and warranties herein shall survive the dissolution and final liquidation of the Partnership.

Section 12.12 Entire Agreement. This Agreement (and all Exhibits hereto) contains the entire understanding among the parties hereto and supersedes all prior written or oral agreements among them respecting the within subject matter, unless otherwise provided herein. There are no representations, agreements, arrangements or understandings, oral or written, among the Partners hereto relating to the subject matter of this Agreement which are not fully expressed herein and in said Exhibits.

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the sole general partner as of the day and year first above written.

~~General Partner:~~

~~FIRST INDUSTRIAL REALTY TRUST INC.,
as sole General Partner of the Partnership~~

~~By: _____~~

General Partner:

FIRST INDUSTRIAL REALTY TRUST INC.,
as sole General Partner of the Partnership

By: _____
Name:
Title:

Schedule A

LTIP Units

The following are certain additional terms of the LTIP Units:

- 1.1 Designation. A class of Partnership Interests designated as the "LTIP Units" is hereby established. LTIP Units are intended to qualify as "profits interests" in the Partnership for tax purposes. The number of LTIP Units that may be issued shall not be limited.
- 1.2 Vesting. LTIP Units may, in the sole discretion of the General Partner, be issued subject to vesting, forfeiture and additional restrictions on transfer pursuant to the terms of an award, vesting or other similar agreement (a "Vesting Agreement"), between the Partnership or the General Partner (on behalf of the Partnership) and a holder of LTIP Units. The terms of any Vesting Agreement may be modified from time to time in accordance with their terms. LTIP Units that have vested and are no longer subject to forfeiture under the terms of a Vesting Agreement are referred to as "Vested LTIP Units"; all other LTIP Units are referred to as "Unvested LTIP Units." Subject to the terms of any Vesting Agreement, a holder of LTIP Units shall be entitled to transfer his or her LTIP Units to the same extent, and subject to the same restrictions as holders of Partnership Units are entitled to transfer their Partnership Units pursuant to Article 8 of this Agreement.
- 1.3 Forfeiture or Transfer of Unvested LTIP Units. Unless otherwise specified in the relevant Vesting Agreement, upon the occurrence of any event specified in a Vesting Agreement as resulting in either the forfeiture of any LTIP Units, or the repurchase by the Partnership or the General Partner of LTIP Units at a specified purchase price, then, upon the occurrence of the circumstances resulting in such forfeiture or repurchase by the Partnership or the General Partner, the relevant LTIP

Units shall immediately, and without any further action, be treated as cancelled and no longer outstanding for any purpose, or as transferred to the Partnership or General Partner, as applicable. Unless otherwise specified in the Vesting Agreement, no consideration or other payment shall be due with respect to any LTIP Units that have been forfeited, other than any distributions declared with a record date prior to the effective date of the forfeiture.

- 1.4 Legend. Any certificate evidencing an LTIP Unit shall bear an appropriate legend indicating that additional terms, conditions and restrictions on transfer, including without limitation, any Vesting Agreement, apply to the LTIP Unit.
- 1.5 Distributions. The distributions to which holders of LTIP Units will be entitled with respect to their LTIP Units will be determined in accordance with the terms of this Agreement, including, without limitation, Article 5 of this Agreement.
- 1.6 Allocations. The allocations to which holders of LTIP Units will be entitled with respect to their LTIP Units will be determined in accordance with the terms of this Agreement, including, without limitation, Article 5 of this Agreement.
- 1.7 Adjustments. If an LTIP Unit Adjustment Event (as defined below) occurs, then the General Partner shall make a corresponding adjustment to the LTIP Units to maintain the same correspondence between Partnership Units and LTIP Units as existed prior to such LTIP Unit Adjustment Event. The following shall be "LTIP Unit Adjustment Events": (A) the Partnership makes a distribution on all outstanding Partnership Units in Partnership Units, (B) the Partnership subdivides the outstanding Partnership Units into a greater number of units or combines the outstanding Partnership Units into a smaller number of units, or (C) the Partnership issues any Partnership Units in exchange for its outstanding Partnership Units by way of a reclassification or recapitalization of its Partnership Units. If more than one LTIP Unit Adjustment Event occurs, the adjustment to the LTIP Units need be made only once using a single formula that takes into account each and every LTIP Unit Adjustment Event as if all LTIP Unit Adjustment Events occurred simultaneously. If the Partnership takes an action affecting the Partnership Units other than actions specifically described above as LTIP Unit Adjustment Events and in the opinion of the General Partner such action would require an adjustment to the LTIP Units to maintain the correspondence between Partnership Unit and LTIP Units as existed prior to such action, the General Partner shall make such adjustment to the LTIP Units, to the extent permitted by law and by the terms of any plan pursuant to which the LTIP Units have been issued, in such manner and at such time as the General Partner, in its sole discretion, may determine to be appropriate under the circumstances to maintain such correspondence. If an adjustment is made to the LTIP Units as herein provided, the Partnership shall promptly file in the books and records of the Partnership an officer's certificate setting forth such adjustment and a brief statement of the facts requiring such adjustment, which certificate shall be conclusive evidence of the correctness of such adjustment absent manifest error. Promptly after filing of such certificate, the Partnership shall mail a notice to each holder of LTIP Units setting forth the adjustment to his or her LTIP Units and the effective date of such adjustment.
- 1.8 Conversion of LTIP Units into Partnership Units. LTIP Units shall automatically convert into an equal number of Partnership Units, giving effect to all adjustments (if any) made pursuant to Section 1.7, on the later to occur of (i) the date on which such LTIP Units become Vested LTIP Units and (ii) the date on which the Book-Up Target for such LTIP Units becomes zero (the "LTIP Unit Conversion Date"). Any such conversion shall occur automatically after the close of business on the applicable LTIP Unit Conversion Date without any action on the part of such holder of LTIP Units, as of which time such holder of LTIP Units shall be credited on the books and records of the Partnership with the issuance as of the opening of business on the next day of the number of Partnership Units issuable upon such conversion.
- 1.9 Treatment of Capital Account. For purposes of making future allocations under Section 5.2(O)(2) of this Agreement, the portion of the Economic Capital Account Balance of the applicable holder of LTIP Units that is treated as attributable to his or her LTIP Units shall be reduced, as of the date of conversion, by the product of the number of LTIP Units converted into Partnership Units and the Partnership Unit Economic Balance with respect to such converted LTIP Unit, provided that for the avoidance of doubt, the amount of such reduction shall instead be attributable to the Economic Capital Account Balance that is attributable to the Partnership Units into which such LTIP Units were converted.
- 1.10 Conversion in Connection with a Transaction.
- (a) If the Partnership or the General Partner shall be a party to any transaction (including without limitation a merger, consolidation, unit exchange, self-tender offer for all or substantially all Partnership Units or other business combination or reorganization, or sale of all or substantially all of the Partnership's assets, but excluding any transaction which constitutes an LTIP Unit Adjustment Event), in each case as a result of which Partnership Units shall be exchanged for or converted into the right, or the holders of Partnership Units shall otherwise be entitled, to receive cash, securities or other property or any combination thereof (each of the foregoing being referred to herein as a "Transaction"), then, immediately prior to the Transaction, any LTIP Units that will become eligible for conversion in connection with the Transaction in accordance with Section 1.8 shall automatically convert into an equal number of Partnership Units, giving effect to all adjustments (if any) made pursuant to Section 1.7, and taking into account any allocations that occur in connection with the Transaction or that would occur in connection with the Transaction if the assets of the Partnership were sold at the Transaction price or, if applicable, at a value determined by the General Partner in good faith using the value attributed to the Partnership Units in the context of the

Transaction (in which case the LTIP Unit Conversion Date shall be the effective date of the Transaction and the conversion shall occur immediately prior to the effectiveness of the Transaction).

- (b) In anticipation of such automatic LTIP Unit conversion and the consummation of the Transaction, the Partnership shall cause each holder of LTIP Units to be afforded the right to receive in connection with such Transaction in consideration for the Partnership Units into which his or her LTIP Units will be converted the same kind and amount of cash, securities and other property (or any combination thereof) receivable upon the consummation of such Transaction by a holder of the same number of Partnership Units, assuming such holder of Partnership Units is not a Person with which the Partnership consolidated or into which the Partnership merged or which merged into the Partnership or to which such sale or transfer was made, as the case may be (a "Constituent Person"), or an Affiliate of a Constituent Person. In the event that holders of Partnership Units have the opportunity to elect the form or type of consideration to be received upon consummation of the Transaction, prior to such Transaction the General Partner shall give prompt written notice to each holder of LTIP Units of such election, and shall afford such holders the right to elect, by written notice to the General Partner, the form or type of consideration to be received upon conversion of each LTIP Unit held by such holder into Partnership Units in connection with such Transaction. If a holder of LTIP Units fails to make such an election, such holder (and any of its transferees) shall receive upon conversion of each LTIP Unit held by him or her (or by any of his or her transferees) the same kind and amount of consideration that a holder of a Partnership Unit would receive if such holder of Partnership Units failed to make such an election.
- (c) Subject to the rights of the Partnership and the General Partner under any Vesting Agreement and the terms of any plan under which LTIP Units are issued, the Partnership shall use commercially reasonable efforts to cause the terms of any Transaction to be consistent with the provisions of this Section 1.10 and to enter into an agreement with the successor or purchasing entity, as the case may be, for the benefit of any holders of LTIP Units whose LTIP Units will not be converted into Partnership Units in connection with the Transaction that will (i) contain provisions enabling the holders of LTIP Units that remain outstanding after such Transaction to convert their LTIP Units into securities as comparable as reasonably possible under the circumstances to the Partnership Units and (ii) preserve as far as reasonably possible under the circumstances the distribution, special allocation, conversion, and other rights set forth in the Agreement for the benefit of the holders of LTIP Units.

1.11 Redemption at the Option of the Partnership. LTIP Units will not be redeemable at the option of the Partnership; provided, however, that the foregoing shall not prohibit the Partnership from (i) repurchasing LTIP Units from the holder thereof if and to the extent such holder agrees to sell such LTIP Units or (ii) converting LTIP Units pursuant to Section 1.8 above.

1.12 Voting Rights. Holders of LTIP Units shall have the right to vote on all matters submitted to a vote of the holders of Partnership Units; holders of LTIP Units and Partnership Units shall vote together as a single class, together with any other class or series of Partnership Units upon which like voting rights have been conferred. In any matter in which the LTIP Units are entitled to vote, including an action by written consent, each LTIP Unit shall be entitled to vote a Percentage Interest equal on a per unit basis to the Percentage Interest represented by each Partnership Unit.

1.13 Special Approval Rights. Except as provided in Section 1.12 above, holders of LTIP Units shall only (a) have those voting rights required from time to time by non-waivable provisions of applicable law, if any, and (b) have the additional voting rights that are expressly set forth in this Section 1.13. The General Partner and/or the Partnership shall not, without the affirmative vote of holders of more than 50% of the then outstanding LTIP Units affected thereby, given in person or by proxy, either in writing or at a meeting (voting separately as a class), take any action that would materially and adversely alter, change, modify or amend, whether by merger, consolidation or otherwise, the rights, powers or privileges of such LTIP Units, subject to the following exceptions: (i) no separate consent of the holders of LTIP Units will be required if and to the extent that any such alteration, change, modification or amendment would equally, ratably and proportionately alter, change, modify or amend the rights, powers or privileges of the Partnership Units (in which event the holders of LTIP Units shall only have such voting rights, if any, as expressly provided for in the Agreement, in accordance with Section 1.12 above); (ii) with respect to any merger, consolidation or other business combination or reorganization, so long as either (w) the LTIP Units are converted into Partnership Units immediately prior to the effectiveness of the transaction, (x) the holders of LTIP Units either will receive, or will have the right to elect to receive, for each LTIP Unit an amount of cash, securities, or other property equal to the greatest amount of cash, securities or other property paid to a holder of one Partnership Unit in consideration of one Partnership Unit pursuant to the terms of such transaction, (y) the LTIP Units remain outstanding with the terms thereof materially unchanged, or (z) if the Partnership is not the surviving entity in such transaction, the LTIP Units are exchanged for a security of the surviving entity with terms that are materially the same with respect to rights to allocations, distributions, redemption, conversion and voting as the LTIP Units and without any income, gain or loss expected to be recognized by the holder upon the exchange for U.S. federal income tax purposes (and with the terms of the Partnership Units or such other securities into which the LTIP Units (or the substitute security therefor) are convertible materially the same with respect to rights to allocations, distributions, redemption, conversion and voting), such merger, consolidation or other business combination or reorganization shall not be deemed to materially and adversely alter, change, modify or amend the rights, powers or privileges of the LTIP Units, provided further, that if some, but not all, of the LTIP Units are converted into Partnership Units immediately prior to the effectiveness of the transaction (and neither clause (y) or (z) above is applicable), then the consent required pursuant to this Section will be the consent of the holders of more than 50% of the LTIP Units to be outstanding following such conversion; (iii) any creation or issuance of Partnership Interests

(whether ranking junior to, on a parity with or senior to the LTIP Units in any respect, which either (x) does not require the consent of the holders of Partnership Units or (y) does require such consent and is authorized by a vote of the holders of Partnership Units and LTIP Units voting together as a single class pursuant to Section 1.12 above, together with any other class or series of units of Partnership Interests upon which like voting rights have been conferred, shall not be deemed to materially and adversely alter, change, modify or amend the rights, powers or privileges of the LTIP Units; and (iv) any waiver by the Partnership of restrictions or limitations applicable to any outstanding LTIP Units with respect to any holder or holders thereof shall not be deemed to materially and adversely alter, change, modify or amend the rights, powers or privileges of the LTIP Units with respect to other holders.

- 1.14 The foregoing voting provisions will not apply if, as of or prior to the time when the action with respect to which such vote would otherwise be required to be taken or be effective, all outstanding LTIP Units shall have been converted and/or redeemed, or provision is made for such redemption and/or conversion to occur as of or prior to such time.

[End of text]

Exhibit 1A

<u>First Highland Partners</u>	<u>Number of Units</u>
Peter D O'Connor Family Trust	64,174
Peter Murphy	3,260
Partridge Road Associates Limited Partnership	2,751
Jonathan Stott Trust	143,940

Exhibit 1B

Schedule of Partners

<u>General Partner</u>	<u>Number of Units</u>
First Industrial Realty Trust, Inc.	126,307,431
<u>Limited Partners</u>	<u>Number of Units</u>
Nancy Gabel	14
Richard Rapp	23
Kathleen Sage	50
J. Stanley Mattison	79
Andrew Holder	97

Karen L. Hymowitz	154
Kerry Acker	154
Rowena Finke	154
Spnjen & Company, LLC	154
RBZ LLC	155
Carol F. Kaufman	166
Kris Neilsen	178
Barbara Lusen	307
Jerry Hymowitz	307
Magdalena G. Castleman	307
Norma A. Schulze	307
Sanders Acker	307
The Arel Company	307
Stanley Greenburg & Florence Greenburg JT TEN	307
Dorothy Sollar Residuary Trust	307
Helen Brown	307
Jeffrey L. Greenberg	330
Jack H. Kulka	330
James J. Warfield	330
Joan Eglow	330
Mitchell Sussman	410
Thelma C. Gretzinger Trust	450
Michael W. Jenkins	460
Peter M Polow	557
Gerald & Sharon Zuckerman JT TEN	615
Richard McClintock	623
Charles S. Cook & Shelby H. Cook TEN ENT	634
Henry E. Mawicke	636

Howard Trust DTD 4-30-79 Howard F Sklar Trustee	653
Barbara Lee O'Brien Burke	666
Patricia O'Brien Ferrell	666
Lee O'Brien, Trustee of the Martha J. Harbison Testamentary Trust FBO Christopher C. O'Brien	666
Gail Kurz TR UA 2/25/2000 Philip D Kaltenbacher 2000 Irrevocable Trust	720
JKC Financial, LLP	720
J. Peter Gaffney	727
Harpeth Hills Church of Christ	750
Lorraine T. Andrews	754
Craig R. Martin	754
Charles F Downs & Mary Jane Downs TTEE Charles F Downs Living Trust UA DTD 12/06/04	754
Mary Jane Downs & Charles F Downs TTEE Mary Jane Downs Living Trust UA DTD 12/06/04	754
Sterling Alsip Trust dated 8/1/89 Don Schaumberger Trustee	794
Martin Goodstein	922
Marilyn Rangel IRA DTD 2-5-86 Custodian Smith Barney Shearson	969
Johnson Living Trust DTD 2-18-83 H. Stanton & Carol A. Johnson Trustees	1,078
Perry C. Caplan	1,388
P & D Partners LP	1,440
Jack Kindler Estate	1,440
Martha O'Brien Jones	1,497
Catherine O'Brien Sturgis	1,498
Johannson Yap	1,680
Sybil T. Patten	1,816
Nourhan Kailian	2,183
Thomas K. Barad & Jill E. Barad Co-TTEES of the Thomas K. Barad & Jill E. Barad Trust dated 10/18/89	2,283
Gretchen Smith Crow	2,602
Partridge Road Associates Limited Partnership	2,751
Michael B. Slade	2,829

Jeffrey Pion	2,879
William S. Tyrrell	2,906
Pipkin Family Trust DTD 10-6-89 Chester & Janice Pipkin Trustees	3,140
Peter Murphy	3,260
Bagpipe, LLC	3,591
Michael W. Brennan	3,806
Howard F Sklar	3,912
HL Investors, LLC	4,000
Princeton South at Lawrenceville I, LP	4,265
The Sharon Green Trust	5,007
David Cleborne Crow	5,159
Wilton Wade Sample	5,449
McElroy Management Inc	5,478
Rebecca S. Roberts	8,308
REA Associates	8,908
Burton S. Ury	9,072
Edward Burger	9,261
Peter Kepic	9,261
Stanley Gruber TR UA 07/07/06 Stanley Gruber Living Trust	10,000
Kelly Collins	11,116
LP Family Group LLC	12,670
John M. DiSanto	14,844
Mark X. DiSanto	14,844
Frances Shankman Insurance Trust, Frances Shankman Trustee	16,540
Michael Collins	17,369
Holman/Shidler Investment Corp.	22,079
Wilson Management Co, LLC	35,787

JP Trusts, LLC	35,957
Monument Holdings, LLC	36,033
Suzann Jerger-Dietz TR UA 8/9/93 Suzann Jerger-Dietz Trust	36,476
L. Gary Waller & Nancy R. Waller JT TEN	36,837
Barbara Bell	32,219
Michelle Hoyt Trust Agreement u/a/d December 22, 2010, Michelle Lee Hoyt, Trustee	40,000
James C. Reynolds	40,284
RJB II Limited Partnership	40,788
Robert Stein TTEE UA DTD 5-21-96 FBO Robert Stein	63,630
S. Larry Stein, TTEE under Revocable Trust Agreement DTD 9-2-99 S. Larry Stein Grantor	63,630
Peter D O'Connor Family Trust	64,174
Enid Barden TTEE of the Enid Barden Trust as of 6/28/95	79,170
KEP, LLC	98,626
HP Family Group LLC	103,734
Pomeroy Delaware Investments #1, LLC	104,954
Jonathan Stott Trust	143,940
Robert W. Holman, Jr.	150,213
RJB Ford City LP	158,438
Jernie Holdings Corp	180,499
Christopher G Simonoff TR UA 11/01/2000 Christopher G Simonoff Living Trust	183,158
Draizin Family Partnership, L.P.	282,896
Sam Shamie, Trustee of the Sam Shamie Trust Agreement dated 3-16-78, as Restated 11-16-93	350,000

Exhibit 1C

LB Partners

Jernie Holdings Corp

Exhibit 1D

Contributor Partners

FIRST INDUSTRIAL, L.P.

EXHIBIT 2

TO

THIRTEENTH AMENDED AND RESTATED

LIMITED PARTNERSHIP AGREEMENT

Form of Redemption Notice

The undersigned hereby irrevocably (i) elects to exercise its redemption rights contained in Section 9.1(A) of the Thirteenth Amended and Restated Limited Partnership Agreement of First Industrial, L.P. (the "Partnership Agreement") with respect to an aggregate of _____ Partnership Units (as defined in the Partnership Agreement), (ii) surrenders such Partnership Units and all right, title and interest therein and (iii) directs that the REIT shares (as defined in the Partnership Agreement), or applicable cash amount if so determined by the General Partner (as defined in the Partnership Agreement) in accordance with the Partnership Agreement, deliverable upon redemption of such Partnership Units be delivered to the address specified below.

Dated: _____

Name of Limited Partner: _____

Social Security or
Federal Employer ID Number: _____

(Signature of Limited Partner)

(Street Address)

(City) (State)(Zip Code)

Signature Guaranteed by:

FIRST INDUSTRIAL, L.P.

EXHIBIT 3

TO

THIRTEENTH AMENDED AND RESTATED

LIMITED PARTNERSHIP AGREEMENT

Form of Registration Rights Agreement

REGISTRATION RIGHTS AGREEMENT

Dated as of June __, 1994

of

First Industrial Realty Trust, Inc.

for the benefit of

HOLDERS OF LIMITED PARTNERSHIP UNITS

of

First Industrial, L.P.

Registration Rights Agreement

THIS REGISTRATION RIGHTS AGREEMENT (this "Agreement") is made and entered into as of June __, 1994, by First Industrial Realty Trust, Inc. (the "Company") for the benefit of the persons who own limited partnership units ("Units") of First Industrial, L.P. (the "Partnership") on the date hereof and their successors, assigns and transferees (herein referred to collectively as the "Holders" and individually as a "Holder").

WHEREAS, on the date hereof each Holder is or will become the owner of Units in the Partnership in connection with the contribution (the "Contributions") of certain real properties and other assets to the Partnership;

WHEREAS, on the date hereof the company is consummating an initial public offering of its common stock and is becoming the sole general partner of the Partnership;

WHEREAS, in connection with the foregoing, the Company has agreed, subject to the terms, conditions and limitations set forth in the limited partnership agreement of the Partnership (the "Partnership Agreement"), to provide the Holders with certain registration rights.

NOW, THEREFORE, the Company for the benefit of the Holders agrees as follows:

Section 1. Definitions.

As used in this Agreement, the following capitalized defined terms shall have the following meanings:

Exchange Act: The Securities Exchange Act of 1934, as amended from time to time.

Holders or Holders: As set forth in the preamble.

Majority Holders: At any time, Holders of Registrable Securities and Units then redeemable for Registrable Securities, who if all Units were so redeemed, would then hold a majority of the Registrable Securities.

NASD: The National Association of Securities Dealers, Inc.

Person: Any individual, partnership, corporation, trust or other entity.

Prospectus: A prospectus included in the Shelf Registration statement, including any preliminary prospectus, and any such prospectus as amended or supplemented by any prospectus supplement with respect to the terms of the offering of any portion of the Registrable Securities covered by the Shelf Registration Statement, and by all other amendments and supplements to such prospectus, including post-effective amendments, and in each case including all material incorporated by reference therein.

Registrable Securities: The Shares, excluding (i) Shares for which the Shelf Registration Statement shall have become effective under the Securities Act and which have been disposed of under the Shelf Registration Statement (ii) Shares sold or otherwise distributed pursuant to Rule 144 under the Securities Act and (iii) Shares as to which registration under the Securities Act is not required to permit the sale thereof to the public.

Registration Expenses: Any and all expenses incident to performance of or compliance with this Agreement, including, without limitation: (i) all SEC, stock exchange or NASD registration and filing fees, (ii) all fees and expenses incurred in connection with compliance with state securities or blue sky laws (including reasonable fees and disbursements of counsel in connection with blue sky qualification of any of the Registrable Securities and the preparation of a Blue Sky Memorandum) and compliance with the rules of the NASD, (iii) all expenses of any Persons in preparing or assisting in preparing, word processing, printing and distributing the Shelf Registration Statement, any Prospectus, certificates and other documents relating to the performance of and compliance with this Agreement, (iv) all fees and expenses incurred in connection with the listing, if any, of any of the Registrable Securities on any securities exchange or exchanges pursuant to Section 3(1) hereof, and (v) the fees and disbursements of counsel for the Company and of the independent public accountants of the Company, including the expenses of any special audits or “cold comfort” letters, if any, required by or incident to such performance and compliance. Registration Expenses shall specifically exclude underwriting discounts and commissions, brokerage or dealer fees, the fees and disbursements of counsel, accountants or other representatives of a selling Holder, and transfer taxes, if any, relating to the sale or disposition of Registrable Securities by a selling Holder, all of which shall be borne by such Holder in all cases.

Registration Notice: As set forth in Section 3(b) hereof.

Sale Period: The 45-day period immediately following the filing with the SEC by the Company of an annual report of the Company on Form 1-K or a quarterly report of the Company on Form 10-Q or such other period as the Company may determine.

SEC: The Securities and Exchange Commission.

Securities Act: The Securities Act of 1933, as amended from time to time.

Shares: The shares of common stock, \$.01 par value, of the Company issued to Holders of Unites upon redemption or exchange of their Units.

Shelf Registration: A registration required to be effected pursuant to Section 2 hereof.

Shelf Registration Statement: A “shelf” registration statement of the Company and any other entity required to be a registrant with respect to such shelf registration statement pursuant to the requirements of the Securities Act which covers all of the Registrable Securities on an appropriate form under Rule 415 under the Securities Act, or any similar rule that may be adopted by the SEC, and all amendments and supplements to such registration statement, including post-effective amendments, in each case including the Prospectus contained therein, all exhibits thereto and all materials incorporated by reference therein.

Units: Limited partnership interests in the Partnership issued to the holders in connection with the Contributions.

Section 2. Shelf Registration Under the Securities Act.

(a) *Filing of Shelf Registration Statement.* Within 13 months following the date hereof, the Company shall cause to be filed a Shelf Registration Statement providing for the sale by the Holders of all of the Registrable Securities in accordance with the terms hereof and will use its reasonable best efforts to cause such Shelf Registration Statement to be declared effective by the SEC as soon as reasonably practicable. The Company agrees to use its reasonable best efforts to keep the Shelf Registration Statement continuously effective under the Securities Act until such time as the aggregate number of Units and Registrable Securities outstanding is less than 5% of the aggregate number of Units outstanding on the date hereof (after giving effect to the Contributions) and, subject to Section 3(b) and Section 3(i), further agrees to supplement or amend the Shelf Registration Statement, if and as required by the rules, regulations or instructions applicable to the registration form used by the Company for such Shelf Registration Statement or by the Securities Act or by any other rules and regulations thereunder for Shelf Registration. Each Holder who sells Shares as part of the Shelf Registration shall be deemed to have agreed to all of the terms and conditions of this Agreement and to have agreed to perform any and all obligations of a Holder hereunder.

(b) *Expenses.* The Company shall pay all Registration Expenses in connection with the registration pursuant to Section 2(a). Each Holder shall pay all underwriting discounts and commissions, brokerage or dealer fees, the fees and disbursements of counsel, accountants or other representatives of such Holder and transfer taxes, if any, relating to the sale or disposition of such Holder’s Registrable Securities pursuant to the Shelf Registration Statement or Rule 144 under the Securities Act.

(c) *Inclusion in Shelf Registration Statement.* Not later than 30 days prior to filing the Shelf Registration Statement with the SEC, the Company shall notify each Holder of its intention to make such filing and request advice from each Holder as to whether such Holder desires to have Registrable Securities held by it or which it is entitled to receive not later than the last day of the first Sale Period occurring in whole or in part after the date of such notice included in the Shelf Registration Statement at such time. Any Holder who does not provide the information reasonably requested by the Company in connection with the Shelf Registration Statement as promptly as practicable after receipt of such notice, but in no event later than 20 days thereafter, shall not be entitled to have its Registrable Securities included in the Shelf Registration Statement at the time it becomes effective, but shall have the right thereafter to deliver to the Company a Sale Notice as contemplated by Section 3(b).

Section 3. Registration Procedures.

In connection with the obligations of the Company with respect to the Shelf Registration Statement pursuant to Section 2 hereof, the Company shall:

(a) prepare and file with the SEC, within the time period set forth in Section 2(a) hereof, a Shelf Registration Statement, which Shelf Registration Statement (i) shall be available for the sale of the Registrable Securities in accordance with the intended method or methods of distribution by the selling Holders thereof and (ii) shall comply as to form in all material respects with the requirements of the applicable form and include all financial statements required by the SEC to be filed therewith.

(b) subject to the last three sentences of this Section 3(b) and to Section 3(i) hereof, (i) prepare and file with the SEC such amendments and post-effective amendments to the Shelf Registration Statement as may be necessary to keep the Shelf Registration Statement effective for the applicable period; (ii) cause each Prospectus to be supplemented by any required prospectus supplement, and as so supplemented to be filed pursuant to Rule 424 or any similar rule that may be adopted under the Securities Act; (iii) respond promptly to any comments received from the SEC with respect to the Shelf Registration Statement, or any amendment, post-effective amendment or supplement relating thereto; and (iv) comply with the provisions of the Securities Act with respect to the disposition of all securities covered by the Shelf Registration Statement during the applicable period in accordance with the intended method or methods of distribution by the selling Holders thereof. Notwithstanding anything to the contrary contained herein, the Company shall not be required to take any of the actions described in clauses (i), (ii) or (iii) above with respect to each particular Holder of Registrable Securities unless and until the Company has received either a written notice (a "Registration Notice") from a Holder that such Holder intends to make offers or sales under the Shelf Registration Statement as specified in such Registration Notice or a written response from such Holder of the type contemplated by Section 2(c); *provided, however*, that the Company shall have 7 business days to prepare and file any such amendment or supplement after receipt of a Registration Notice. Once a Holder has delivered such a written response or a Registration Notice to the Company, such Holder shall promptly provide to the Company such information as the Company reasonably requests in order to identify such Holder and the method of distribution in a post-effective amendment to the Shelf Registration Statement or a supplement to a Prospectus. Offers or sales under the Shelf Registration Statement may be made only during a Sale Period. Such Holder also shall notify the Company in writing upon completion of such offer or sale or at such time as such Holder no longer intends to make offers or sales under the Shelf Registration Statement.

(c) furnish to each Holder of Registrable Securities that has delivered a Registration Notice to the Company, without charge, as many copies of each applicable Prospectus, including each preliminary Prospectus, and any amendment or supplement thereto and such other documents as such Holder may reasonably request, in order to facilitate the public sale or other disposition of the Registrable Securities; the Company consents to the use of such Prospectus, including each preliminary Prospectus, by each such Holder of Registrable Securities in connection with the offering and sale of the Registrable Securities covered by such Prospectus or the preliminary Prospectus.

(d) use its reasonable best efforts to register or qualify the Registrable Securities by the time the Shelf Registration Statement is declared effective by the SEC under all applicable state securities or "blue sky" laws of such jurisdictions as any Holder of Registrable Securities covered by the Shelf Registration Statement shall reasonably request in writing, keep each such registration or qualification effective during the period the Shelf Registration Statement is required to be kept effective or during the period offers or sales are being made by a Holder that has delivered a Registration Notice to the Company, whichever is shorter, and do any and all other acts and things which may be reasonably necessary or advisable to enable such Holder to consummate the disposition in each such jurisdiction of such Registrable Securities owned by such Holder; *provided, however*, that the Company shall not be required (i) to qualify generally to do business in any jurisdiction or to register as a broker or dealer in such jurisdiction where it would not be required so to qualify or register but for this Section 3(d), (ii) to subject itself to taxation in any such jurisdiction or (iii) to submit to the general service of process in any such jurisdiction.

(e) notify each Holder when the Shelf Registration Statement has become effective and notify each Holder of Registrable Securities that has delivered a Registration Notice to the Company promptly and, if requested by such Holder, confirm such advice in writing (i) when any post-effective amendments and supplements to the Shelf Registration Statement become effective, (ii) of the issuance by the SEC or any state securities authority of any stop order suspending the effectiveness of the Shelf Registration Statement or the initiation of any proceedings for that purpose, (iii) if the Company receives any notification with respect to the suspension of the qualification of the Registrable Securities for sale in any jurisdiction or the initiation of any proceeding for such purpose and (iv) of the happening of any event during the period the Shelf Registration Statement is effective as a result of which the Shelf Registration Statement or a related Prospectus contains any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein (in the case of the Prospectus, in light of the circumstances under which they were made) not misleading.

(f) make every reasonable effort to obtain the withdrawal of any order suspending the effectiveness of the Shelf Registration Statement at the earliest possible moment.

(g) furnish to each Holder of Registrable Securities that has delivered a Registration Notice to the Company, without charge, at least one conformed copy of the Shelf Registration Statement and any post-effective amendment thereto (without documents incorporated therein by reference or exhibits thereto, unless requested).

(h) cooperate with the selling Holders of Registrable Securities to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be sold and not bearing any Securities Act legend; and enable certificates for such Registrable Securities to be issued for such numbers of shares and registered in such names as the selling Holders may reasonably request at least two (2) business days prior to any sale of Registrable Securities.

(i) subject to the last three sentences of Section 3(b) hereof, upon the occurrence of any event contemplated by Section 3(e)(iv) hereof, use its reasonable best efforts promptly to prepare and file a supplement or prepare, file and obtain effectiveness of a post-effective amendment to the Shelf Registration Statement or a related Prospectus or any document incorporated therein by reference or file any other required document so that, as thereafter delivered to the purchasers of the Registrable Securities, such Prospectus will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(j) make available for inspection by representatives of the Holders of the Registrable Securities and any counsel or accountant retained by such Holders, all financial and other records, pertinent corporate documents and properties of the Company, and cause the respective officers, directors and employees of the Company to supply all information reasonably requested by any such representative, counsel or accountant in connection with the Shelf Registration Statement; *provided, however*, that such records, documents or information which the Company determines in good faith to be confidential, and notifies such representatives, counsel or accountants in writing that such records, documents or information are confidential, shall not be disclosed by the representatives, counsel or accountants unless (i) the disclosure of such records, documents or information is necessary to avoid or correct a material misstatement or omission in the Shelf Registration Statement, (ii) the release of such records, documents or information is ordered pursuant to a subpoena or other order from a court of competent jurisdiction or (iii) such records, documents or information have been generally made available to the public otherwise than in violation of this Agreement.

(k) a reasonable time prior to the filing of any Prospectus, any amendment to the Shelf Registration Statement or amendment or supplement to a Prospectus, provide copies of such document (not including any documents incorporated by reference therein unless requested) to the Holders of Registrable Securities that have provided a Registration Notice to the Company.

(l) use its reasonable best efforts to cause all Registrable Securities to be listed on any securities exchange on which similar securities issued by the Company are then listed.

(m) obtain a CUSIP number for all Registrable Securities, not later than the effective date of the Shelf Registration Statement.

(n) otherwise use its reasonable efforts to comply with all applicable rules and regulations of the SEC and make available to its security holders, as soon as reasonably practicable, an earnings statement covering at least 12 months which shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder.

(o) use its reasonable best efforts to cause the Registrable Securities covered by the Shelf Registration Statement to be registered with or approved by such other governmental agencies or authorities as may be necessary by virtue of the business and operations of the Company to enable Holders that have delivered Registration Notices to the Company to consummate the disposition of such Registrable Securities.

The Company may require each Holder of Registrable Securities to furnish to the Company in writing such information regarding the proposed distribution by such Holder of such Registrable Securities as the Company may from time to time reasonably request in writing.

In connection with and as a condition to the Company's obligations with respect to the Shelf Registration Statement pursuant to Section 2 hereof and this Section 3, each Holder agrees that (i) it will not offer or sell its Registrable Securities under the Shelf Registration Statement until (A) it has either (1) provided a Registration Notice pursuant to Section 3(b) hereof or (2) had Registrable Securities included in the Shelf Registration Statement at the time it became effective pursuant to Section 2(c) hereof and (B) it has received copies of the supplemented or amended Prospectus contemplated by Section 3(b) hereof and receives notice that any post-effective amendment has become effective; (ii) upon receipt of any notice from the Company of the happening of any event of the kind described in Section 3(b)(iv) hereof, such Holder will forthwith discontinue disposition of Registrable Securities pursuant to the Shelf Registration Statement until such Holder receives copies of the supplemented or amended Prospectus contemplated by Section 3(i) hereof and receives notice that any post-effective amendment has become effective, and, if so directed by the Company, such Holder will deliver to the Company (at the expense of the Company) all copies in its possession, other than permanent file copies then in such Holder's possession, of the Prospectus covering such registrable Securities current at the time of receipt of such notice; and (iii) all offers and sales under the Shelf Registration Statement shall be completed within forty-five (45) days after the first date on which offers or sales can be made pursuant to clause (i) above, and upon expiration of such forty-five (45) day period the Holder will not offer or sell its Registrable Securities under the Shelf Registration Statement until it has again complied with the provisions of clauses (i)(A) (1) and (B) above, except that if the applicable Registration Notice was delivered to the Company at a time which was not part of a Sale Period, such forty-five (45) day period shall be the next succeeding Sale Period.

Section 4. Restrictions on Public Sale by Holders of Registrable Securities.

Each Holder agrees with the Company that:

(a) If the Company determines in its good faith judgment, after consultation with counsel, that the filing of the Shelf Registration Statement under Section 2 hereof or the use of any Prospectus would require the disclosure of important information which the Company has a bona fide business purpose for preserving as confidential or the disclosure of which would impede the Company's ability to consummate a significant transaction, upon written notice of such determination by the Company, the rights of the Holders to offer, sell or distribute any Registrable Securities pursuant to the Shelf Registration Statement or to require the Company to take action with respect to the registration or sale of any Registrable Securities pursuant to the Shelf Registration Statement (including any action contemplated by Section 3 hereof) will be suspended until the date upon which the Company notifies the Holders in writing that suspension of such rights for the grounds set forth in this Section 4(a) is no longer necessary.

(b) In the case of the registration of any underwritten equity offering proposed by the Company (other than any registration by the Company on Form S-8, or a successor or substantially similar form, of (i) an employee stock option, stock purchase or compensation plan or of securities issued or issuable pursuant to any such plan or (ii) a dividend reinvestment plan), each Holder agrees, if requested in writing by the managing underwriter or underwriters administering such offering, not to effect any offer, sale or distribution of Registrable Securities) or any option or right to acquire Registrable Securities) during the period commencing on the 10th day prior to the expected effective date (which date shall be stated in such notice) of the registration statement covering such underwritten primary equity offering and ending on the date specified by such managing underwriter in such written request to such Holder, which date shall not be later than six months after such expected date of effectiveness;

(c) In the event that any Holder uses a Prospectus in connection with the offering and sale of Registrable Securities covered by such Prospectus, such Holder will use only the latest version of such Prospectus provided to it by the Company.

Section 5. Indemnification Contribution.

(a) *Indemnification by the Company.* The Company agrees to indemnify and hold harmless each Holder and its officers and directors and each person, if any, who controls any Holder within the meaning of Section 15 of the Securities Act as follows:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of any untrue statement or alleged untrue statement of a material fact contained in the Shelf Registration Statement (or any amendment thereto) or any Prospectus, including all documents incorporated therein by reference, or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, if such settlement is effected with the written consent of the Company; and

(iii) against any and all expense whatsoever, as incurred (including reasonable fees and disbursements of counsel), reasonably incurred in investigating, preparing or defending against any litigation, or investigation or proceeding by any governmental agency or body, commenced or threatened, in each case whether or not a party, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under clause (i) or (ii) above;

provided, however, that the indemnity provided pursuant to this Section 5(a) does not apply to any Holder with respect to any loss, liability, claim, damage or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information furnished to the Company by such Holder expressly for use in the Shelf Registration Statement (or any amendment thereto) or any Prospectus.

(b) *Indemnification by Holders.* Each Holder severally agrees to indemnify and hold harmless the Company and the other selling Holders, and each of their respective directors and officers (including each director and officer of the Company who signed the Shelf Registration Statement), and each person, if any, who controls the Company or any other selling Holder within the meaning of Section 15 of the Securities Act, to the same extent as the indemnity contained in Section 5(a) hereof (except that any settlement described in Section 5(a)(2) shall be effected with the written consent of such Holder), but only insofar as such loss, liability, claim, damage or expense arises out of or is based upon any untrue statement or omission, or alleged untrue statement or omission, made in the Shelf Registration Statement (or any amendment thereto) or any Prospectus in reliance upon and in conformity with written information furnished to the Company by such selling Holder expressly for use in the Shelf Registration Statement (or any amendment thereto) or such Prospectus. In no event shall the liability of any Holder under this Section 5(b) be greater in amount than the dollar amount of the proceeds received by such Holder upon the sale of the Registrable Securities giving rise to such indemnification obligation.

(c) Each indemnified party shall give reasonably prompt notice to each indemnifying party of any action or proceeding commenced against it in respect of which indemnity may be sought hereunder, but failure so to notify an indemnifying party (i) shall not relieve it from any liability which it may have under the indemnity agreement provided in Section 5(a) or (b) unless and to the extent it did not otherwise learn of such action and the lack of notice by the indemnified party results in the forfeiture by the indemnifying party of substantial rights and defenses and (ii) shall not, in any event, relieve the indemnifying party from any obligations to any indemnified party other than the indemnification obligation provided under Section 5(a) or (b). If the indemnifying party so elects within a reasonable time after receipt of such notice, the indemnifying party may assume the defense of such action or proceeding at such indemnifying party's own expense with counsel chosen by the indemnifying party; *provided, however*, that, if such indemnified party or parties reasonably determine that a conflict of interest exists where it is advisable for such indemnified part or parties to be represented by separate counsel or that, upon advice of counsel, there may be legal defenses available to them which are different from or in addition to those available to the indemnifying party, then the indemnifying party shall not be entitled to assume such defense and the indemnified party or parties in the aggregate shall be entitled to one separate counsel at the indemnifying party's expense. If an indemnifying party is not so entitled to assume the defense of such action or does not assume such defense, after having received the notice referred to in the first sentence of this Section 5(c), the indemnifying party or parties will pay the reasonable fees and expenses of counsel for the indemnified party or parties. In such event however, no indemnifying party will be liable for any settlement effected without the written consent of such indemnifying party. If an indemnifying party is entitled to assume, and assumes, the defense of such action or proceeding in accordance with this paragraph, such indemnifying party shall not be liable for any fees and expenses of counsel for the indemnified parties incurred thereafter in connection with such action or proceeding.

(d) In order to provide for just and equitable contribution in circumstances in which the indemnity agreement provided for in this Section 5 is for any reason held to be unenforceable although applicable in accordance with its terms, the Company and the selling Holders shall contribute to the aggregate losses, liabilities, claims, damages and expenses of the nature contemplated by such indemnity agreement incurred by the Company and the selling Holders, in such proportion as is appropriate to reflect the relative fault of and benefits to the Company on the one hand the selling Holders on the other (in such proportions that the selling Holders are severally, not jointly, reasonable for the balance), in connection with the statements or omissions which resulted in such losses, liabilities, claims, damages or expenses, as well as any other relevant equitable considerations. The relative benefits to the indemnifying party and indemnified parties shall be determined by reference to, among other things, the total proceeds received by the indemnifying party and indemnified parties in connection with the offering to which such losses, liabilities, claims, damages, or expenses relate. The relative fault of the indemnifying party and indemnified parties shall be determined by reference to, among other things, whether the action in question, including any untrue or alleged untrue statement

of a material fact or omission or alleged omission to state a material fact, has been made by, or relates to information supplied by, such indemnifying party or the indemnified parties, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action.

The Company and the Holders agree that it would not be just or equitable if contribution pursuant to this Section 5(d) were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in the immediately preceding paragraph. Notwithstanding the provisions of this Section 5(d), no selling Holder shall be required to contribute any amount in excess of the amount by which the total price at which the Registrable Securities of such selling Holder were offered to the public exceeds the amount of any damages which such selling Holder is otherwise required to pay by reason of such untrue statement or omission.

Notwithstanding the foregoing, no Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. For purposes of this Section 5(d), each Person, if any, who controls a Holder within the meaning of Section 15 of the Securities Act and directors and officers of a Holder shall have the same rights to contribution as such Holder, and each director of the Company, each officer of the Company who signed the Shelf Registration Statement and each Person, if any, who controls the Company within the meaning of Section 15 of the Securities Act shall have the same rights to contribution as the Company.

Section 6. Rule 144 Sales.

(a) The Company covenants that it will file the reports required to be filed by the Company under the Securities Act and the Exchange Act, so as to enable any Holder to sell Registrable Securities pursuant to Rule 144 under the Securities Act.

(b) In connection with any sale, transfer or other disposition by any Holder of any Registrable Securities pursuant to Rule 144 under the Securities Act, the Company shall cooperate with such Holder to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be sold and not bearing any Securities Act legend, and enable certificates for such Registrable Securities to be for such number of shares and registered in such names as the selling Holders may reasonably request at least two business days prior to any sale of Registrable Securities.

Section 7. Miscellaneous.

(a) *Amendments and Waivers.* The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given without consent of the Company and Holders constituting Majority Holders; *provided, however*, that no amendment, modification or supplement or waiver or consent to the departure with respect to the provisions of Sections 2, 3, 4, 5, 6 or 7(a) hereof or the definition of Registrable Securities or which would impair the rights of any Holder under such provisions, shall be effective as against any Holder of Registrable Securities or Units redeemable for Registrable Securities unless consented to in writing by such Holder of Registrable Securities or Units. Notice of any amendment, modification or supplement to this Agreement adopted in accordance with this Section 7(a) shall be provided by Company to each Holder of Registrable Securities or Units redeemable for Registrable Securities at least thirty (30) days prior to the effective date of such amendment, modification or supplement.

(b) *Notices.* All notices and other communications provided for or permitted hereunder shall be made in writing by hand delivery, registered first-class mail, telex, telecopier or any courier guaranteeing overnight delivery, (i) if to a Holder, at the most current address given by such Holder to the Company by means of a notice given in accordance with the provisions of this Section 7(b), which address initially is, with respect to each Holder, the address set forth in the Partnership Agreement, or (ii) to the Company, at 150 N. Wacker Drive, Suite 150, Chicago, Illinois 60606, Attention: President.

All such notices and communications shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; five (5) business days after being deposited in the mail, postage prepaid, if mailed; when answered back, if telexed; when receipt is acknowledged, if telecopied; or at the time delivered if delivered by an air courier guaranteeing overnight delivery.

(c) *Successors and Assigns.* This Agreement shall inure to the benefit of and be binding upon the successors, assigns and transferees of each of the Company and the Holders, including without limitation and without the need for an express assignment, subsequent Holders. If any successor, assignee or transferee of any Holder shall acquire Registrable Securities, in any manner, whether by operation of law or otherwise, such Registrable Securities shall be held subject to all of the terms of this Agreement, and by taking and holding such Registrable Securities such Person shall be entitled to receive the benefits hereof and shall be conclusively deemed to have agreed to be bound by all of the terms and provisions hereof.

(d) *Headings.* The headings in this Agreement are for the convenience of reference only and shall not limited or otherwise affect the meaning hereof.

(e) *GOVERNING LAW.* THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF MARYLAND WITHOUT GIVING EFFECT TO THE CONFLICTS OF LAW PROVISIONS THEREOF.

(f) *Specific Performance.* The Company and the Holders acknowledge that there would be no adequate remedy at law if any party fails to perform any of its obligations hereunder, and accordingly agree that the Company and each Holder, in addition to any other remedy to which it may be entitled at law or in equity, shall be entitled to compel specific performance of the obligations of another under this Agreement in accordance with the terms and conditions of this Agreement in any court of the United States or any State thereof having jurisdictions.

(g) *Entire Agreement.* This Agreement is intended by the Company as a final expression of its agreement and is intended to be a complete and exclusive statement of the agreement and understanding of the Company in respect of the subject matter contained herein. This Agreement supersedes all prior agreements and understandings of the Company with respect to such subject matter.

IN WITNESS WHEREOF, the Company has executed this Agreement as of the date first written above.

FIRST INDUSTRIAL REALTY TRUST, INC.

By: _____
Name: _____
Title: _____

FIRST INDUSTRIAL REALTY TRUST, INC.
2014 STOCK INCENTIVE PLAN

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FIRST INDUSTRIAL REALTY TRUST, INC.

2014 STOCK INCENTIVE PLAN

(amended and restated as of December 1, 2018)

Section 1 General Purpose of Plan; Definitions.

The name of this plan is the First Industrial Realty Trust, Inc. 2014 Stock Incentive Plan (the “**Plan**”). The purpose of the Plan is to encourage and enable the officers, employees and Directors of, and service providers (with respect to which issuances of securities may be registered under Form S-8) to, First Industrial Realty Trust, Inc. (the “**Company**”) and its Affiliates and Subsidiaries upon whose judgment, initiative and efforts the Company largely depends for the successful conduct of its business to acquire a proprietary interest in the Company. It is anticipated that providing such persons with a direct stake in the Company’s welfare will ensure a closer identification of their interests with those of the Company, thereby stimulating their efforts on the Company’s behalf and strengthening their desire to remain with the Company. As of the Effective Date, no further awards shall be granted under the Prior Plans.

The following terms shall be defined in the Plan as set forth below:

“**Act**” means the Securities Exchange Act of 1934, as amended, and any successor act, and related rules, regulations and interpretations.

“**Affiliate**” means any entity other than the Company and its Subsidiaries that is designated by the Board or the Committee as a participating employer under the Plan, *provided* that the Company directly or indirectly owns at least twenty percent (20%) of the combined voting power of all classes of stock of such entity or at least twenty percent (20%) of the ownership interests in such entity.

“**Award**” or “**Awards**,” except where referring to a particular category of grant under the Plan, shall include Incentive Stock Options, Non-Qualified Stock Options, Stock Appreciation Rights, Restricted Stock Awards, Restricted Stock Unit Awards, LTIP Unit Awards, Performance Share Awards, Dividend Equivalents and Performance Awards.

“**Board**” means the Board of Directors of the Company.

“**Cause**” means the participant’s dismissal as a result of (i) any material breach by the participant of any agreement to which the participant and the Company or an Affiliate or Subsidiary are parties, (ii) any act (other than retirement) or omission to act by the participant, including without limitation, the commission of any crime (other than ordinary traffic violations), that may have a material and adverse effect on the business of the Company or any Affiliate or Subsidiary or on the participant’s ability to perform services for the Company or any Affiliate or Subsidiary, or (iii) any material misconduct or neglect of duties by the participant in connection with the business or affairs of the Company or any Affiliate or Subsidiary.

“**Change of Control**” is defined in **Section 15** below.

“**Code**” means the Internal Revenue Code of 1986, as amended, and any successor code, and related rules, regulations and interpretations.

“**Committee**” means any Committee of the Board referred to in **Section 2** below.

“**Company**” means First Industrial Realty Trust, Inc.

“**Deferred Compensation**” means a “deferral of compensation” as defined in Section 409A of the Code.

“**Director**” means a member of the Board.

“**Disability**” means “disability” as defined in Section 22(e)(3) of the Code.

“**Dividend Equivalent**” means a right, granted under **Section 7(c)(ii)** or **Section 10** below, to receive cash, Stock, or other property equal in value to dividends paid with respect to a specified number of shares of Stock or the excess of dividends paid over a specified rate of return. Dividend Equivalents may be awarded on a free-standing basis or in connection with another Award, and may be paid currently or on a deferred basis.

“**Effective Date**” means the date on which the Plan is approved by the stockholders of the Company as set forth in **Section 18** below.

“**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended, and any successor act, and related rules, regulations and interpretations.

“**Fair Market Value**” on any given date means the last reported sale price at which Stock is traded on such date or, if no Stock is traded on such date, the most recent date on which Stock was traded, as reflected on the New York Stock Exchange or, if applicable, any other national stock exchange that is the principal trading market for the Stock.

“**Form S-8**” means a Registration Statement on Form S-8 promulgated by the U.S. Securities and Exchange Commission.

“**Incentive Stock Option**” means any Stock Option designated and qualified as an “incentive stock option” as defined in Section 422 of the Code.

“**LTIP Units**” means LTIP Units in the Operating Partnership, which, by their terms, conditioned upon minimum allocations to the capital accounts of the LTIP units, will convert automatically upon vesting into Partnership Units (as defined in the partnership agreement of the Operating Partnership) in the Operating Partnership, and which Partnership Units may be redeemed for cash or an equal number of shares of Stock.

“**LTIP Unit Award**” means an Award of LTIP Units granted pursuant to **Section 7(a)(ii)** below.

“**Non-Qualified Stock Option**” means any Stock Option that is not an Incentive Stock Option.

“**Operating Partnership**” means First Industrial, L.P.

“**Option**” or “**Stock Option**” means any option to purchase shares of Stock granted pursuant to **Section 6** below.

“**Parent**” means a “parent corporation” as defined in Section 424(e) of the Code.

“**Performance Award**” means an Award granted pursuant to **Section 11** below.

“**Performance-Based Compensation**” has the meaning set forth in Section 162(m) of the Code.

“**Performance Share Award**” means an Award granted pursuant to **Section 8** below.

“**Plan**” means the First Industrial Realty Trust, Inc. 2014 Stock Incentive Plan.

“**Prior Plan(s)**” means the First Industrial Realty Trust, Inc. 2011 Stock Incentive Plan, the First Industrial Realty Trust, Inc. 2009 Stock Incentive Plan, the First Industrial Realty Trust, Inc. 2001 Stock Incentive Plan and the First Industrial Realty Trust, Inc. 1997 Stock Incentive Plan.

“**Restricted Stock**” is defined in **Section 7(a)(i)** below.

“**Restricted Stock Award**” means an Award granted pursuant to **Section 7(a)(i)** below.

“**Restricted Stock Units**” is defined in **Section 7(a)(ii)** below.

“**Restricted Stock Unit Award**” means an Award granted pursuant to **Section 7(a)(ii)** below.

“**Service Provider**” means an officer, employee or Director of, or other service provider (with respect to which issuances of securities may be registered under Form S-8) to, the Company or an Affiliate or Subsidiary.

“**Stock**” means the common stock, one cent (\$.01) par value per share, of the Company, subject to adjustment pursuant to **Section 3** below.

“**Stock Appreciation Right**” or “**SAR**” means an Award granted pursuant to **Section 9** below.

“**Subsidiary**” means any corporation (other than the Company) in an unbroken chain of corporations beginning with the Company if each of the corporations (other than the last corporation in the unbroken chain) owns stock possessing fifty percent (50%) or more of the combined voting power of all classes of stock in one (1) of the other corporations in the chain or fifty percent (50%) or more of the ownership interests in one (1) of the other corporations in the chain.

“Termination of Service” means the first day occurring on or after a grant date on which the participant ceases to be a Service Provider, regardless of the reason for such cessation, subject to the following:

(i) The participant’s cessation as Service Provider shall not be deemed to occur by reason of the transfer of the participant between the Company and an Affiliate or Subsidiary or between an Affiliate and a Subsidiary.

(ii) The participant’s cessation as a Service Provider shall not be deemed to occur by reason of the participant’s approved leave of absence for military service or sickness, or for any other purpose approved by the Company, if the Service Provider’s right to re-employment is guaranteed either by a statute or by contract or under the policy pursuant to which the leave of absence was granted or if the Committee otherwise so provides in writing.

(iii) A service provider other than an officer, employee or Director whose services to the Company or an Affiliate or a Subsidiary are governed by a written agreement with the service provider shall cease to be a service provider at the time the term of such written agreement ends (without renewal); and a service provider other than an officer, employee or Director whose services to the Company or an Affiliate or a Subsidiary are not governed by a written agreement with the service provider shall cease to be a service provider upon the earlier of (A) written notice from the Company, an Affiliate or a Subsidiary or (B) the date that is ninety (90) days after the date such service provider last provides services requested by the Company or an Affiliate or a Subsidiary (as determined by the Committee).

(iv) Unless otherwise provided by the Committee, an employee who ceases to be an employee, but become or remains a Director, or a Director who ceases to be a Director, but becomes or remains an employee, shall not be deemed to have incurred a Termination of Service.

(v) Notwithstanding the foregoing, in the event that any Award constitutes Deferred Compensation, the term Termination of Service shall be interpreted by the Committee in a manner not to be inconsistent with the definition of “separation from service” as defined under Section 409A of the Code.

“10% Stockholder” is defined in **Section 6(b)(i)** below.

Section 2 Administration of Plan; Committee Authority to Select Participants and Determine Awards.

(a) **Committee.** The Plan shall be administered by a committee of not less than two (2) Directors, as appointed by the Board from time to time (the **“Committee”**). Unless otherwise determined by the Board, each member of the Committee shall qualify as a “non-employee director” under Rule 16b-3 of the Act, an “outside director” under Section 162(m) of the Code and an “independent director” under the rules of the New York Stock Exchange or, if applicable, any other national stock exchange that is the principal trading market for the Stock. Subject to applicable stock exchange rules, if the Committee does not exist, or for any other reason determined by the Board, the Board may take any action under the Plan that would otherwise be the responsibility of the Committee.

(b) **Powers of Committee.** The Committee shall have the power and authority to grant Awards consistent with the terms of the Plan, including the power and authority:

(i) To select the Service Providers to whom Awards may from time to time be granted;

(ii) To determine the time or times of grant, and the extent, if any, of Incentive Stock Options, Non-Qualified Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, LTIP Units, Performance Shares and Dividend Equivalents, or any combination of the foregoing, granted to any Service Provider;

(iii) To determine the number of shares to be covered by any Award granted to a Service Provider;

(iv) To determine the terms and conditions, including restrictions, not inconsistent with the terms of the Plan, of any Award granted to a Service Provider, which terms and conditions may differ among individual Awards and participants, and to approve the form of written instruments evidencing the Awards;

(v) To accelerate the exercisability or vesting of all or any portion of any Award granted to a participant;

(vi) Subject to the provisions of **Section 6(b)(ii)** below, to extend the period in which Stock Options granted may be exercised;

(vii) To determine whether, to what extent and under what circumstances Stock and other amounts payable with respect to an Award granted to a participant shall be deferred either automatically or at the election of the participant and whether and to what extent the Company shall pay or credit amounts equal to interest (at rates determined by the Committee) or dividends or deemed dividends on such deferrals;

(viii) To adopt, alter and repeal such rules, guidelines and practices for administration of the Plan and for its own acts and proceedings as it shall deem advisable; to interpret the terms and provisions of the Plan and any Award (including

related written instruments) granted to a participant; and to decide all disputes arising in connection with and make all determinations it deems advisable for the administration of the Plan; and

(ix) To grant Awards, in its sole discretion, to Service Providers who are residing in jurisdictions outside of the United States. For purposes of the foregoing, the Committee may, in its sole discretion, vary the terms of the Plan in order to conform any Awards to the legal and tax requirements of each non-U.S. jurisdiction where such individual resides or any such non-U.S. jurisdiction that would apply its laws to such Award. The Committee may, in its sole discretion, establish one (1) or more sub-plans of the Plan and/or may establish administrative rules and procedures to facilitate the operation of the Plan in such non-U.S. jurisdictions. For purposes of clarity, any terms contained herein that are subject to variation in a non-U.S. jurisdiction and any administrative rules and procedures established for a non-U.S. jurisdiction shall be reflected in a written addendum to the Plan. To the extent permitted under applicable law, the Committee may delegate its authority and responsibilities under this **Section 2(b)(ix)** to any one (1) or more officers of the Company, an Affiliate or a Subsidiary.

All decisions and interpretations of the Committee shall be final and binding on all persons, including the Company and Plan participants and other beneficiaries under the Plan.

(c) Delegation by Committee. Except to the extent prohibited by applicable law, the applicable rules of a stock exchange or the Plan, or as necessary to comply with the exemptive provisions of Rule 16b-3 of the Act, the Committee may allocate all or any portion of its responsibilities and powers to any one (1) or more of its members and may delegate all or any part of its responsibilities and powers to any person or persons selected by it, including: (i) delegating to a committee of one (1) or more members of the Board who are not “outside directors” within the meaning of Section 162(m) of the Code, the authority to grant Awards to eligible persons who are either: (A) not then “covered employees,” within the meaning of Section 162(m) of the Code and are not expected to be “covered employees” at the time of recognition of income resulting from such Award; or (B) not persons with respect to whom the Company wishes to comply with Section 162(m) of the Code; and/or (ii) delegating to a committee of one (1) or more members of the Board who are not “non-employee directors,” within the meaning of Rule 16b-3 of the Act, the authority to grant Awards to eligible persons who are not then subject to Section 16 of the Act. The acts of such delegates shall be treated hereunder as acts of the Committee and such delegates shall report regularly to the Committee regarding the delegated duties and responsibilities and any Awards so granted. Any such allocation or delegation may be revoked by the Committee at any time.

(d) Information to be Furnished to Committee. As may be permitted by applicable law, the Company and any Affiliate or Subsidiary shall furnish the Committee with such data and information as it determines may be required for it to discharge its duties. The records of the Company and any Affiliate or Subsidiary as to a Service Provider’s employment or service, Termination of Service, leave of absence, reemployment and compensation shall be conclusive on all persons unless determined by the Committee to be manifestly incorrect. Subject to applicable law, participants and other persons entitled to benefits under the Plan must furnish the Committee such evidence, data or information as the Committee considers desirable to carry out the terms of the Plan.

(e) Expenses and Liabilities. All expenses and liabilities incurred by the Committee in the administration and interpretation of the Plan or any Award agreement shall be borne by the Company. The Committee may employ attorneys, consultants, accountants or other persons in connection with the administration and interpretation of the Plan. The Company, and its officers and Directors, shall be entitled to rely upon the advice, opinions or valuations of any such persons.

(f) Indemnification. To the fullest extent permitted by law, each person who is or shall have been a member of the Committee or of the Board, an officer of the Company to whom authority was delegated in accordance with the Plan or an employee of the Company shall be indemnified and held harmless by the Company against and from any loss (including amounts paid in settlement), cost, liability or expense (including reasonable attorneys’ fees) that may be imposed upon or reasonably incurred by him or her in connection with or resulting from any claim, action, suit or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action taken or failure to act under the Plan and against and from any and all amounts paid by him or her in settlement thereof, with the Company’s approval, or paid by him or her in satisfaction of any judgment in any such action, suit or proceeding against him or her; *provided, however*, that he or she shall give the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf, unless such loss, cost, liability or expense is a result of his or her own willful misconduct or except as expressly provided by statute. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company’s charter or bylaws, as a matter of law or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

Section 3 Shares Issuable under Plan; Mergers; Substitution.

(a) Shares Issuable. Subject to adjustment as provided in **Section 3(d)** below, the maximum number of shares of Stock reserved and available for issuance under the Plan shall be three million six hundred thousand (3,600,000) (all of which may be issued through Incentive Stock Options), plus any shares of Stock that are covered under a Prior Plan award that otherwise would become available for reuse under the Prior Plan following the Effective Date due to forfeiture, expiration, cancellation or the like. For purposes of this limitation, the shares of Stock underlying any Awards that are forfeited, canceled, reacquired by the Company, satisfied without the issuance of Stock or otherwise terminated shall not be deemed to have been issued and shall be added back to

the shares of Stock available for issuance under the Plan; *provided, however*, that any shares (i) tendered to pay the exercise price of an Award or (ii) withheld for taxes by the Company or an Affiliate or a Subsidiary will not be available for future issuance under the Plan. Shares issued under the Plan may be authorized but unissued shares or shares reacquired by the Company. Subject to adjustment as provided in **Section 3(d)** below, with respect to Performance Share Awards, Restricted Stock Awards, Restricted Stock Unit Awards and LTIP Unit Awards the maximum number of shares of Stock subject to such Awards shall be three million six hundred thousand (3,600,000).

(b) **Share Limitations.** Subject to adjustment as provided in **Section 3(d)** below, (i) the maximum number of shares of Stock with respect to which Stock Options and Stock Appreciation Rights may be granted during a calendar year to any participant under the Plan that are intended to be Performance-Based Compensation, and then only to the extent such limitation is required by Section 162(m) of the Code, shall be five hundred thousand (500,000) shares, (ii) with respect to Performance Share Awards, Restricted Stock Awards, Restricted Stock Unit Awards and LTIP Unit Awards, the maximum number of shares of Stock subject to such Awards granted during a calendar year to any participant under the Plan that are intended to be Performance-Based Compensation, and then only to the extent such limitation is required by Section 162(m) of the Code, shall be five hundred thousand (500,000) shares and (iii) the maximum dollar amount that may be payable pursuant to cash incentive awards and cash-settled stock awards granted during a calendar year to any participant under the Plan that are intended to be Performance-Based Compensation, and then only to the extent such limitation is required by Section 162(m) of the Code, shall be five million dollars (\$5,000,000).

(c) **Partial Performance.** Notwithstanding the provisions of **Section 3(b)** above, if in respect of any performance period or restriction period, the Committee grants to a participant Awards having an aggregate dollar value and/or number of shares less than the maximum dollar value and/or number of shares that could be paid or awarded to such participant based on the degree to which the relevant performance measures were attained, the excess of such maximum dollar value and/or number of shares over the aggregate dollar value and/or number of shares actually subject to Awards granted to such participant shall be carried forward and shall increase the maximum dollar value and/or the number of shares that may be awarded to such participant in respect of the next performance period in respect of which the Committee grants to such participant an Award intended to qualify as Performance-Based Compensation, subject to adjustment as provided in **Section 3(d)** below.

(d) **Corporate Transactions.** To the extent permitted under Section 409A of the Code, if applicable, in the event of a corporate transaction involving the Company or the shares of Stock (including any stock dividend, stock split, extraordinary cash dividend, recapitalization, reorganization, merger, consolidation, split-up, spin-off, combination or exchange of shares), all outstanding Awards, the number of shares reserved for issuance under the Plan under **Section 3(a)** above and the specified limitations set forth in **Section 3(b)** above shall automatically be adjusted to proportionately and uniformly reflect such transaction (but only to the extent that such adjustment will not affect the status of an Award intended to qualify as Performance-Based Compensation, if applicable); *provided, however*, that the Committee may otherwise adjust Awards (or prevent such automatic adjustment) as it deems necessary, in its sole discretion, to preserve the benefits or potential benefits of the Awards and the Plan. Action by the Committee may include: (i) adjustment of the number and kind of shares that may be delivered under the Plan; (ii) adjustment of the number and kind of shares subject to outstanding Awards; (iii) adjustment of the exercise price of outstanding Options and SARs; and (iv) any other adjustments that the Committee determines to be equitable (which may include, (A) replacement of Awards with other awards that the Committee determines have comparable value and that are based on stock of a company resulting from the corporate transaction, and (B) cancellation of the Award in return for cash payment of the current value of the Award, determined as though the Award were fully vested at the time of payment, *provided* that in the case of an Option or SAR, the amount of such payment shall be the excess of the value of the Stock subject to the Option or SAR at the time of the corporate transaction over the exercise price; *provided, however*, that no such payment shall be required in consideration of the Award if the exercise price is greater than the value of the Stock at the time of such corporate transaction).

Section 4 Awards.

(a) **General.** Any Award may be granted singularly, in combination with another Award (or Awards), or in tandem whereby the exercise or vesting of one (1) Award held by a participant cancels another Award held by the participant. Each Award shall be subject to the terms and conditions of the Plan and such additional terms, conditions, limitations and restrictions as the Committee shall provide with respect to such Award and as evidenced in the Award agreement. An Award may be granted as an alternative to or replacement of an existing Award under (i) the Plan; (ii) any other plan of the Company or any Affiliate or Subsidiary; (iii) any Prior Plan; or (iv) as the form of payment for grants or rights earned or due under any other compensation plan or arrangement of the Company or any Affiliate or Subsidiary, including without limitation the plan of any entity acquired by the Company or any Affiliate or Subsidiary.

(b) **Substitute Awards.** The Committee may grant Awards in substitution for stock and stock-based awards held by employees of another corporation who concurrently become employees of the Company, an Affiliate or a Subsidiary as the result of a merger or consolidation of the employing corporation with the Company, an Affiliate or a Subsidiary or the acquisition by the Company, an Affiliate or a Subsidiary of property or stock of the employing corporation. The Committee may direct that the substitute Awards be granted on such terms and conditions as the Committee considers appropriate in the circumstances.

(c) **Repricing Prohibited.** Notwithstanding any provision in the Plan to the contrary, no adjustment or reduction of the exercise price of any outstanding Stock Option or SAR in the event of a decline in Stock price is permitted without approval by the

Company's stockholders or as otherwise specifically provided under **Section 3(d)** above. The foregoing prohibition includes (i) reducing the exercise price of outstanding Stock Options or SARs, (ii) cancelling outstanding Stock Options or SARs in connection with granting of Stock Options or SARs with a lower exercise price to the same individual, (iii) cancelling a Stock Option or SAR in exchange for a cash or other payment, and (iv) taking any other action that would be treated as a repricing of a Stock Option or SAR under the rules of the primary stock exchange on which the Stock is listed.

(d) Director Awards.

(i) The maximum number of shares of Stock that may be subject to Stock Options or SARs granted to any one (1) Director during any calendar year shall be one hundred thousand (100,000).

(ii) The maximum number of shares of Stock that may be subject to Awards other than Options or SARs that are granted to any one (1) Director during any calendar year shall be one hundred thousand (100,000).

(iii) The foregoing limitations shall not apply to cash-based director fees that a Director elects to receive in the form of Stock or Stock-based units equal in value to the cash-based director fees.

Section 5 Eligibility.

Participants in the Plan will be such full or part-time Service Providers who are responsible for or contribute to the management, growth or profitability of the Company, its Affiliates and Subsidiaries and who are selected from time to time by the Committee, in its sole discretion. Notwithstanding any provision of the Plan to the contrary, an Award (other than an Incentive Stock Option) may be granted to a person, in connection with his or her hiring as an employee, prior to the date the employee first performed services for the Company, an Affiliate or a Subsidiary; *provided, however*, that any such Award shall not become exercisable or vested prior to the date the employee first performs such services as an employee.

Section 6 Stock Options.

(a) Form of Options. Any Stock Option shall be in such form as the Committee may from time to time approve. Stock Options may be either Incentive Stock Options or Non-Qualified Stock Options. To the extent that any Option does not qualify as an Incentive Stock Option, it shall constitute a Non-Qualified Stock Option. No Incentive Stock Option may be granted under the Plan after the tenth (10th) anniversary of the Effective Date. Incentive Stock Options may only be granted to employees of the Company, a Parent of the Company or a Subsidiary.

(b) Terms of Options. The Committee in its discretion may grant Stock Options to Service Providers. Stock Options shall be subject to the following terms and conditions and shall contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Committee shall deem desirable:

(i) Exercise Price. The per share exercise price of a Stock Option shall be determined by the Committee at the time of grant. The per share exercise price of a Stock Option shall not be less than one hundred percent (100%) of Fair Market Value on the date of grant. Unless specifically designated in writing by the Committee, any Stock Option shall be designed to be exempt from Section 409A of the Code. If an employee owns or is deemed to own (by reason of the attribution rules of Section 424(d) of the Code) more than ten percent (10%) of the combined voting power of all classes of stock of the Company or any Subsidiary or Parent corporation (a "**10% Stockholder**") and an Incentive Stock Option is granted to such employee, the exercise price of such Incentive Stock Option shall not be less than one hundred ten percent (110%) of the Fair Market Value.

(ii) Option Term. The term of each Stock Option shall be fixed by the Committee, but no Stock Option shall be exercisable more than ten (10) years after the date the Option is granted. For 10% Stockholders, the term of an Incentive Stock Option shall be no more than five (5) years from the date of grant.

(iii) Exercisability; Rights of a Stockholder. Stock Options shall become exercisable at such time or times, whether or not in installments, as shall be determined by the Committee at or after the grant date. The Committee may at any time accelerate the exercisability of all or any portion of any Stock Option. Unless otherwise provided by the Committee and reflected in the Award agreement, if the exercisability of a Stock Option is conditioned solely on the completion of a specified period of service with the Company or its Subsidiaries, then the required period of service for full exercisability shall not be less than three (3) years (subject to accelerated vesting provisions contained in the Award agreement or the Plan); *provided, however*, that such required period of service for full exercisability shall not apply to Stock Options granted to non-employee Directors or substitute Awards granted pursuant to **Section 4** above. An optionee shall have the rights of a stockholder only as to shares acquired upon the exercise of a Stock Option and not as to unexercised Stock Options.

(iv) Method of Exercise. Stock Options may be exercised in whole or in part, by giving written notice of exercise to the Company, specifying the number of shares to be purchased. Payment of the purchase price may be made by one (1) or more of the following methods:

(A) In cash, by certified or bank check or other instrument acceptable to the Committee or by wire transfer to an account designated by the Company;

(B) In the form of shares of Stock (by actual delivery or by attestation) that are not then subject to restrictions under any Company plan, if permitted by the Committee in its discretion. Such surrendered shares shall be valued at Fair Market Value on the exercise date;

(C) Payment through a net exercise such that, without the payment of any funds, the optionee may exercise the Option and receive the net number of shares of Stock equal in value to (y) the number of shares of Stock as to which the Option is being exercised, multiplied by (z) a fraction, the numerator of which is the Fair Market Value (on such date as is determined by the Committee) less the purchase price, and the denominator of which is such Fair Market Value;

(D) By the optionee delivering to the Company a properly executed exercise notice together with irrevocable instructions to a broker to promptly deliver to the Company cash or a check payable and acceptable to the Company to pay the purchase price; *provided, however*, that in the event the optionee chooses to pay the purchase price as so provided, the optionee and the broker shall comply with such procedures and enter into such agreements of indemnity and other agreements as the Committee shall prescribe as a condition of such payment procedure. Payment instruments will be received subject to collection; or

(E) Other such method as may be determined by the Committee from time to time.

The delivery of shares of Stock to be purchased pursuant to the exercise of the Stock Option will be contingent upon receipt from the optionee (or a purchaser acting in his stead in accordance with the provisions of the Stock Option) by the Company of the full purchase price for such shares and the fulfillment of any other requirements contained in the Stock Option or applicable provisions of laws (including satisfaction of applicable tax withholding requirements).

(v) Non-transferability of Options. No Incentive Stock Option shall be transferable by the optionee other than by will or by the laws of descent and distribution, and all Incentive Stock Options shall be exercisable, during the optionee's lifetime, only by the optionee. Non-Qualified Stock Options may be assigned or otherwise transferred by the participant only in the following circumstances: (A) by will or by the laws of descent and distribution; (B) by the participant to entities that are permitted to exercise rights under Awards in accordance with Form S-8, including to members of his or her immediate family, to a trust established for the exclusive benefit of solely one (1) or more members of the participant's immediate family and/or the participant, or to a partnership, limited liability company or corporation pursuant to which the only partners, members or stockholders, as the case may be, are one (1) or more members of the participant's immediate family and/or the participant; *provided, however*, that such transfers are not made for consideration to the participant; or (C) pursuant to a certified domestic relations order. Any Non-Qualified Stock Option held by a transferee will continue to be subject to the same terms and conditions that were applicable to the Option immediately prior to the transfer, except that the Option will be transferable by the transferee only by will or the laws of descent and distribution. For purposes hereof, "immediate family" means the participant's children, stepchildren, grandchildren, parents, stepparents, grandparents, spouse, siblings (including half brothers and sisters), in-laws, and relationships arising because of legal adoption.

(vi) Termination by Death. If any optionee's Termination of Service occurs by reason of death, the Stock Option may thereafter be exercised, to the extent exercisable at the date of death, by the legal representative or legatee of the optionee, for a period of six (6) months (or such longer period as the Committee shall specify at any time) from the date of death, or until the expiration of the stated term of the Option, if earlier.

(vii) Termination by Reason of Disability.

(A) Any Stock Option held by an optionee who incurs a Termination of Service by reason of Disability may thereafter be exercised, to the extent it was exercisable at the time of such termination, for a period of twelve (12) months (or such longer period as the Committee shall specify at any time) from such Termination of Service, or until the expiration of the stated term of the Option, if earlier.

(B) The Committee shall have sole authority and discretion to determine whether a participant's Termination of Service is by reason of Disability.

(C) Except as otherwise provided by the Committee at the time of grant or otherwise, the death of an optionee during a period provided in this **Section 6(b)(vii)** for the exercise of a Non-Qualified Stock Option, shall extend such period for six (6) months from the date of death, subject to termination on the expiration of the stated term of the Option, if earlier.

(viii) Termination for Cause. If any optionee's Termination of Service is for Cause, any Stock Option held by such optionee shall immediately terminate and be of no further force and effect; *provided, however*, that the Committee may, in

its sole discretion, provide that such Stock Option can be exercised for a period of up to thirty (30) days from the Termination of Service or until the expiration of the stated term of the Option, if earlier.

(ix) Other Termination. Unless otherwise determined by the Committee, if an optionee's Termination of Service is for any reason other than death, Disability, or for Cause, any Stock Option held by such optionee may thereafter be exercised, to the extent it was exercisable as of the Termination of Service, for three (3) months (or such longer period as the Committee shall specify at any time) from the Termination of Service or until the expiration of the stated term of the Option, if earlier.

(x) Annual Limit on Incentive Stock Options. To the extent required for "incentive stock option" treatment under Section 422 of the Code, the aggregate Fair Market Value (determined as of the time of grant) of the Stock with respect to which Incentive Stock Options granted under the Plan and any other plan of the Company or its Subsidiaries become exercisable for the first time by an optionee during any calendar year shall not exceed one hundred thousand dollars (\$100,000).

(xi) Form of Settlement. Shares of Stock issued upon exercise of a Stock Option shall be free of all restrictions under the Plan, except as otherwise provided in the Plan or the applicable Stock Option Award agreement.

Section 7 Restricted Stock Awards, Restricted Stock Unit Awards and LTIP Unit Awards

(a) Nature of Awards. The Committee may grant Restricted Stock Awards, Restricted Stock Unit Awards or LTIP Unit Awards to Service Providers.

(i) Restricted Stock Award. A Restricted Stock Award is an Award entitling the recipient to acquire, at no cost or for a purchase price determined by the Committee, shares of Stock subject to such restrictions and conditions as the Committee may determine at the time of grant ("**Restricted Stock**"). Conditions may be based on continuing service and/or achievement of pre-established performance goals and objectives. In addition, a Restricted Stock Award may be granted to a Service Provider by the Committee in lieu of any compensation due to such Service Provider.

(ii) Restricted Stock Unit Award. A Restricted Stock Unit Award is an Award evidencing the right of the recipient to receive an equivalent number of shares of Stock on a specific date or upon the attainment of pre-established performance goals, objectives and other conditions as specified by the Committee, with the units being subject to such restrictions and conditions as the Committee may determine at the time of grant ("**Restricted Stock Units**"). Conditions may be based on continuing service and/or achievement of pre-established performance goals and objectives. In addition, a Restricted Stock Unit Award may be granted to a Service Provider by the Committee in lieu of any compensation due to such Service Provider.

(iii) LTIP Unit Award. An LTIP Unit Award is an Award entitling the recipient to acquire, at no cost or for a purchase price determined by the Committee, LTIP Units, subject to such restrictions and conditions as the Committee may determine at the time of grant ("**LTIP Units**"). Conditions may be based on continuing service and/or achievement of pre-established performance goals and objectives. In addition, an LTIP Unit Award may be granted to a Service Provider by the Committee in lieu of any compensation due to such Service Provider.

(b) Acceptance of Award. A participant who is granted a Restricted Stock Award, a Restricted Stock Unit Award or an LTIP Unit Award shall have no rights with respect to such Award unless the participant shall have accepted the Award within sixty (60) days (or such shorter date as the Committee may specify) following the grant date by making payment to the Company, if required, by certified or bank check or other instrument or form of payment acceptable to the Committee in an amount equal to the specified purchase price, if any, of the shares covered by the Award and by executing and delivering to the Company a written instrument that sets forth the terms and conditions of the Restricted Stock, the Restricted Stock Units or the LTIP Units in such form as the Committee shall determine.

(c) Rights as a Stockholder. Upon complying with **Section 7(b)** above:

(i) With respect to Restricted Stock, a participant shall have all the rights of a stockholder including voting and dividend rights, subject to transferability restrictions and forfeiture provisions described in this **Section 7** and subject to such other conditions contained in the written instrument evidencing the Restricted Stock Award. Unless the Committee shall otherwise determine, if certificates are issued to evidence shares of Restricted Stock, such certificates shall remain in the possession of the Company until such shares are vested as provided in **Section 7(e)(i)** below;

(ii) With respect to Restricted Stock Units, a participant shall have no voting rights or dividend rights prior to the time shares of Stock are received in settlement of such Restricted Stock Units. Notwithstanding the foregoing, unless otherwise provided by the Committee and reflected in the Award agreement, in lieu of actual dividend rights in connection with Restricted Stock Units, the participant shall have the right to receive additional shares of Stock or cash (the "**Dividend Equivalents**") equal in value (calculated using the closing price on the vesting date of the Restricted Stock Units) to any cash dividends and property dividends paid with respect to the shares underlying the Restricted Stock Units that vest in

accordance with their terms; *provided, however*, that no such Dividend Equivalents shall be payable to or for the benefit of the participant with respect to record dates for cash dividends or property dividends occurring before the grant date of the Restricted Stock Units or on or after the date, if any, on which the participant has forfeited the Restricted Stock Units or the Award has been settled in shares of Stock. Dividend Equivalents shall be delivered simultaneously with the delivery of the shares underlying the vested Restricted Stock Units; and

(iii) With respect to LTIP Units, a participant shall have the rights of a holder of LTIP Units set forth in the partnership agreement of the Operating Partnership and the applicable Award.

(d) Restrictions. Restricted Stock Units, shares of Restricted Stock and LTIP Units may not be sold, assigned, transferred, pledged or otherwise encumbered or disposed of except as specifically provided herein.

(e) Vesting of Restricted Stock, Restricted Stock Units and LTIP Units. The Committee at the time of grant shall specify the date or dates and/or the attainment of pre-established performance goals, objectives and other conditions on which the non-transferability of the Restricted Stock, the Restricted Stock Units and the LTIP Units shall lapse:

(i) Vesting of Restricted Stock. Subsequent to such date or dates and/or the attainment of such pre-established performance goals, objectives and other conditions, the shares of Restricted Stock on which all restrictions have lapsed shall no longer be Restricted Stock and shall be deemed “vested.” Unless otherwise provided by the Committee and reflected in the Award agreement, if the vesting of a Restricted Stock Award is conditioned solely on the completion of a specified period of service with the Company or its Subsidiaries, then the required period of service for full vesting shall not be less than three (3) years (subject to accelerated vesting provisions contained in the Award agreement or the Plan); *provided, however*, that such required period of service for full vesting shall not apply to Restricted Stock granted to non-employee Directors or substitute Awards granted pursuant to **Section 4** above.

(ii) Vesting of Restricted Stock Units. Upon such date or dates and/or the attainment of such pre-established performance goals, objectives and other conditions, the Restricted Stock Units on which all restrictions have lapsed shall no longer be Restricted Stock Units and shall be deemed “vested,” and, unless otherwise provided by the Committee and reflected in the Award agreement, the participant shall be entitled to shares of Stock equal to the number of vested Restricted Stock Units. Unless otherwise provided by the Committee and reflected in the Award agreement, if the vesting of a Restricted Stock Unit Award is conditioned solely on the completion of a specified period of service with the Company or its Subsidiaries, then the required period of service for full vesting shall not be less than three (3) years (subject to accelerated vesting provisions contained in the Award agreement or the Plan); *provided, however*, that such required period of service for full vesting shall not apply to Restricted Stock Units granted to non-employee Directors or substitute Awards granted pursuant to **Section 4** above. Unless otherwise provided by the Committee and reflected in the Award agreement, the newly acquired shares of Stock shall be acquired by the participant free and clear of any restrictions except such imposed under applicable law, if any.

(iii) Vesting of LTIP Units. Upon such date or dates and/or the attainment of such pre-established performance goals, objectives and other conditions, the LTIP Units on which all forfeiture restrictions have lapsed shall be deemed “vested.” Unless otherwise provided by the Committee and reflected in the Award agreement, if the vesting of an LTIP Unit Award is conditioned solely on the completion of a specified period of service with the Company or its Subsidiaries, then the required period of service for full vesting shall not be less than three (3) years (subject to accelerated vesting provisions contained in the Award agreement or the Plan); *provided, however*, that such required period of service for full vesting shall not apply to LTIP Units granted to non-employee Directors or substitute Awards granted pursuant to **Section 4** above. LTIP Units that are deemed vested may continue to be subject to restrictions on transfer or other disposition to the extent provided by the Committee and reflected in the partnership agreement of the Operating Partnership or the Award agreement. Unless otherwise provided by the Committee and reflected in the partnership agreement of the Operating Partnership or the Award agreement, shares of Stock issued by the Company in exchange for LTIP Units (or Partnership Units (as defined in the partnership agreement of the Operating Partnership) of the Operating Partnership into which LTIP Units are converted) shall be acquired by the participant free and clear of any restrictions except such imposed under applicable law or the charter and bylaws of the Company, if any.

(f) Waiver, Deferral and Reinvestment of Dividends. The written instrument evidencing the Restricted Stock Award, the Restricted Stock Unit Award or the LTIP Unit Award may require or permit the immediate payment, waiver, deferral or investment of dividends paid on the Restricted Stock or the Restricted Stock Units or distributions paid on the LTIP Units; *provided, however*, that any such deferral may be permitted only to the extent that such deferral would satisfy the requirements of Section 409A of the Code.

Section 8 Performance Share Awards

(a) Nature of Performance Shares. A Performance Share Award is an Award entitling the recipient to acquire shares of Stock upon the attainment of specified performance goals. The Committee may make Performance Share Awards independent of or in connection with the granting of any other Award. Performance Share Awards may be granted to Service Providers, including those who qualify for awards under other performance plans of the Company. The Committee in its sole discretion shall determine

whether and to whom Performance Share Awards shall be made, the performance goals applicable under each such Award, the periods during which performance is to be measured and all other limitations and conditions applicable to the awarded Performance Shares; *provided, however*, that the Committee may rely on the performance goals and other standards applicable to other performance-based plans of the Company in setting the standards for Performance Share Awards.

(b) Restrictions on Transfer. Performance Share Awards and all rights with respect to such Awards may not be sold, assigned, transferred, pledged or otherwise encumbered.

(c) Rights as a Stockholder. A participant receiving a Performance Share Award shall have the rights of a stockholder only as to shares actually received by the participant under the Plan and not with respect to shares subject to the Award but not actually received by the participant. A participant shall be entitled to receive shares of Stock under a Performance Share Award only upon satisfaction of all conditions specified in the written instrument evidencing the Performance Share Award (or in a performance plan adopted by the Committee).

(d) Termination. Except as may otherwise be provided by the Committee at any time prior to Termination of Service, a participant's rights in all Performance Share Awards shall automatically terminate upon the participant's Termination of Service for any reason.

(e) Acceleration, Waiver, Etc. At any time prior to the participant's Termination of Service, the Committee may in its sole discretion accelerate, waive or, subject to **Section 13** below, amend any or all of the goals, restrictions or conditions imposed under any Performance Share Award; *provided, however*, that in no event shall any provision of the Plan be construed as granting to the Committee any discretion to increase the amount of compensation payable under any Performance Share Award intended to qualify as a Performance Award under **Section 11** below to the extent such an increase would cause the amounts payable pursuant to the Performance Share Award to be nondeductible in whole or in part pursuant to Section 162(m) of the Code, and the Committee shall have no such discretion notwithstanding any provision of the Plan to the contrary.

Section 9 Stock Appreciation Rights

(a) Notice of Stock Appreciation Rights. A Stock Appreciation Right is a right entitling the participant to receive cash or Stock having a fair market value equal to the appreciation in the Fair Market Value of a stated number of shares from the date of grant, or in the case of rights granted in tandem with or by reference to an Option granted prior to the grant of such rights, from the date of grant of the related Option to the date of exercise. SARs may be granted to Service Providers.

(b) Terms of Awards. SARs may be granted in tandem with or with reference to a related Option, in which event the participant may elect to exercise either the Option or the SAR, but not both, as to the same share subject to the Option and the SAR, or the SAR may be granted independently. In the event of an Award with a related Option, the SAR shall be subject to the terms and conditions of the related Option. In the event of an independent Award, the SAR shall be subject to the terms and conditions determined by the Committee; *provided, however*, that no SAR shall be exercisable more than ten (10) years after the date the SAR is granted. Unless otherwise provided by the Committee and reflected in the Award agreement, if the exercisability of an SAR Award is conditioned solely on the completion of a specified period of service with the Company or its Subsidiaries, then the required period of service for full exercisability shall not be less than three (3) years (subject to accelerated vesting provisions contained in the Award agreement or the Plan); *provided, however*, that such required period of service for full exercisability shall not apply to SARs granted to non-employee Directors or substitute Awards granted pursuant to **Section 4** above.

(c) Restrictions on Transfer. SARs shall not be transferred, assigned or encumbered, except that SARs may be exercised by the executor, administrator or personal representative of the deceased participant within six (6) months of the death of the participant (or such longer period as the Committee shall specify at any time) and transferred pursuant to a certified domestic relations order.

(d) Payment Upon Exercise. Upon exercise of an SAR, the participant shall be paid the excess of the then Fair Market Value of the number of shares to which the SAR relates over the Fair Market Value of such number of shares at the date of grant of the SAR, or of the related Option, as the case may be. Such excess shall be paid in cash or in Stock having a Fair Market Value equal to such excess or in such combination thereof as the Committee shall determine.

Section 10 Dividend Equivalents

The Committee is authorized to grant Dividend Equivalents to Service Providers. The Committee may provide, at the date of grant or thereafter, that Dividend Equivalents shall be paid or distributed when accrued or shall be deemed to have been reinvested in additional Shares, or other investment vehicles as the Committee may specify; *provided, however*, that Dividend Equivalents (other than freestanding Dividend Equivalents) shall be subject to all conditions and restrictions of the underlying Awards to which they relate unless otherwise provided by the Committee. Any grant of Dividend Equivalents made to a participant hereunder shall be permitted only to the extent that such grant would satisfy the requirements of Section 409A of the Code. To the extent that a grant of Dividend Equivalents would be deemed, under Section 409A of the Code, to reduce the exercise price of an Option or SAR below the Fair Market Value (determined as of the date of grant) of the share of Stock underlying such Award, no

grant of Dividend Equivalents shall be allowed with respect to such Option or SAR. No Dividend Equivalents shall be transferable by the holder other than by will or by the laws of descent and distribution.

Section 11 Performance Awards.

If the Committee determines that an Award to be granted to a participant should qualify as Performance-Based Compensation, the grant, vesting and/or settlement of such Award shall be contingent upon achievement of pre-established performance goals and other terms set forth in this **Section 11** and such Award shall be considered a “**Performance Award**” under the Plan.

(a) Performance Goals Generally. The performance goals for Performance Awards shall consist of one (1) or more business criteria and a targeted level or levels of performance with respect to each of such criteria, as specified by the Committee consistent with this **Section 11**. Performance goals shall be objective and shall otherwise meet the requirements of Section 162(m) of the Code. The Committee may determine that such Performance Awards shall be granted, vested and/or settled upon achievement of any one (1) performance goal or that two (2) or more of the performance goals must be achieved as a condition to grant, vesting and/or settlement of such Performance Awards. Performance goals may differ for Performance Awards granted to any one (1) participant or to different participants. Any Performance Award shall be settled as soon as administratively practicable following the date on which such Award vests, but in no event later than sixty (60) days after the date on which such Performance Award vests.

(b) Business Criteria. One (1) or more of the following business criteria for the Company, on a consolidated basis, and/or for specified Affiliates, Subsidiaries or business units of the Company (except with respect to the total stockholder return and earnings per share criteria), shall be used by the Committee in establishing performance goals for such Performance Awards: (1) earnings, including funds from operations; (2) revenues; (3) cash flow; (4) cash flow return on investment; (5) return on assets; (6) return on investment; (7) return on capital; (8) return on equity; (9) economic value added; (10) operating margin; (11) net income; (12) pretax earnings; (13) pretax earnings before interest, depreciation and amortization; (14) pretax operating earnings after interest expense and before incentives, service fees and extraordinary or special items; (15) operating earnings; (16) total stockholder return; (17) market share; (18) debt load reduction; (19) expense management; (20) stock price; (21) book value; (22) overhead; (23) assets; (24) assessment of balance sheet or income statement objectives; and (25) strategic business objectives, consisting of one (1) or more objectives based on meeting specific cost targets, business expansion goals and goals relating to acquisitions or divestitures. Any of the above goals may be compared to the performance of a peer group, business plan or a published or special index deemed applicable by the Committee including, but not limited to, the Standard & Poor’s 500 Stock Index.

(c) Performance Period; Timing for Established Performance Goals. Achievement of performance goals in respect of such Performance Awards shall be measured over a performance period, as specified by the Committee. Performance goals shall be established not later than ninety (90) days after the beginning of any performance period applicable to such Performance Awards, or at such other date as may be required or permitted for Performance-Based Compensation.

(d) Settlement of Performance Awards; Other Terms. Settlement of Performance Awards shall be in cash, Stock or other property, in the discretion of the Committee. The Committee may, in its discretion, reduce the amount of a settlement otherwise to be made in connection with Performance Awards, but may not exercise discretion to increase any such amount payable to a participant in respect of a Performance Award. The Committee shall specify the circumstances in which Performance Awards shall be paid or forfeited in the event of a Termination of Service of the participant prior to the end of a performance period or settlement of Performance Awards.

(e) Written Determination. All determinations by the Committee as to the establishment of performance goals or potential individual Performance Awards and as to the achievement of performance goals relating to Performance Awards shall be made in writing in the case of any Award intended to qualify as Performance-Based Compensation.

(f) Partial Achievement. The terms of any Performance Award may provide that partial achievement of the business criteria may result in a payment or vesting based upon the degree of achievement. In addition, partial achievement of business criteria shall apply toward a participant’s individual limitations as set forth in **Section 3(b)** above.

(g) Extraordinary Items. In establishing any business criteria, the Committee may provide for the exclusion of the effects of the following items, to the extent identified in the audited financial statements of the Company, including footnotes, or in the Management’s Discussion and Analysis section of the Company’s annual report: (i) extraordinary, unusual and/or nonrecurring items of gain or loss; (ii) gains or losses on the disposition of a business; (iii) changes in tax or accounting principles, regulations or laws; (iv) mergers or acquisitions; or (v) such other items permitted from time to time hereafter under the regulations promulgated under Section 162(m) of the Code. To the extent not specifically excluded, such effects shall be included in any applicable business criteria.

Section 12 Tax Withholding.

(a) Payment by Participant. Each participant shall, no later than the date as of which the value of an Award or of any Stock or other amounts received thereunder first becomes includible in the gross income of the participant for federal income tax purposes, pay to the Company, or make arrangements satisfactory to the Committee regarding payment of, any federal, state, or local taxes of any kind required by law to be withheld with respect to such income. The Company, its Affiliates and Subsidiaries shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the participant.

(b) Payment in Shares. A participant may elect, subject to such rules and limitations as may be established by the Committee from time to time, to have such tax withholding obligation satisfied, in whole or in part, by (i) authorizing the Company to withhold from shares of Stock to be issued pursuant to any Award a number of shares with an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the withholding amount due (based on the minimum statutory rates) (*provided, however*, that except as otherwise specifically provided by the Committee, such shares may not be used to satisfy more than the Company's minimum statutory withholding obligation), or (ii) transferring to the Company shares of Stock owned by the participant with an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the withholding amount due (based on the minimum statutory rates).

Section 13 Amendments and Termination

(a) General. The Board may, as permitted by law, at any time amend or discontinue the Plan and the Committee may at any time amend or cancel any outstanding Award, but no such action shall adversely affect rights under any outstanding Award without the holder's consent and, except as set forth in **Section 3(d)** above, no amendment shall (i) materially increase the benefits accruing to participants under the Plan; (ii) materially increase the aggregate number of securities that may be issued under the Plan, or (iii) materially modify the requirements for participation in the Plan, unless the amendment under (i), (ii) or (iii) immediately above is approved by the Company's stockholders. It is the intention of the Company that the Plan and any Awards made hereunder comply with or are exempt from the requirements of Section 409A of the Code and the Plan shall be administered and interpreted in accordance with such intent. The Company does not guarantee that the Awards, payments and benefits that may be made or provided under the Plan will satisfy all applicable provisions of Section 409A or any other Section of the Code.

(b) Deferred Compensation. If any Award would be considered Deferred Compensation, the Committee reserves the absolute right (including the right to delegate such right) to unilaterally amend the Plan or the Award agreement, without the consent of the participant, to avoid the application of, or to maintain compliance with, Section 409A of the Code. Any amendment by the Committee to the Plan or an Award agreement pursuant to this section shall maintain, to the extent practicable and permissible, the original intent of the applicable provision without violating Section 409A of the Code. A participant's acceptance of any Award constitutes acknowledgement and consent to such rights of the Committee, without further consideration or action. Any discretionary authority retained by the Committee pursuant to the terms of the Plan or pursuant to an Award agreement shall not be applicable to an Award that is determined to constitute Deferred Compensation, if such discretionary authority would contravene Section 409A of the Code.

(c) Amendment to Conform to Law. Notwithstanding any provision in the Plan or any Award agreement to the contrary, the Committee may amend the Plan or an Award agreement, to take effect retroactively or otherwise, as deemed necessary or advisable for the purpose of conforming the Plan or the Award agreement to any present or future law relating to plans of this or similar nature (including, but not limited to, Section 409A of the Code). By accepting an Award, a participant shall be deemed to have agreed and consented to any amendment made pursuant to this **Section 13(c)** or **Section 13(b)** above to any Award without further consideration or action.

Section 14 Status of Plan

With respect to the portion of any Award that has not been exercised and any payments in cash, Stock or other consideration not received by a participant, a participant shall have no rights greater than those of a general unsecured creditor of the Company unless the Committee shall otherwise expressly determine in connection with any Award or Awards. In its sole discretion, the Committee may authorize the creation of trusts or other arrangements to meet the Company's obligations to deliver Stock or make payments with respect to Awards hereunder, *provided* that the existence of such trusts or other arrangements is consistent with the provision of the foregoing sentence.

Section 15 Change of Control Provisions

Upon the occurrence of a Change of Control as defined in this **Section 15**:

(a) Each Stock Option and each Stock Appreciation Right shall automatically become fully exercisable unless the Committee shall otherwise expressly provide at the time of grant.

(b) Restrictions and conditions on Awards of Restricted Stock, Restricted Stock Units, LTIP Units, Performance Shares, Dividend Equivalents and Performance Awards shall automatically be deemed waived, and the recipients of such Awards shall become entitled to receipt of the maximum amount of Stock subject to such Awards unless the Committee shall otherwise expressly provide at the time of grant.

(c) “**Change of Control**” shall mean the occurrence of any one (1) of the following events:

(i) any “person,” as such term is used in Sections 13(d) and 14(d) of the Act (other than the Company, any of its Subsidiaries, or any trustee, fiduciary or other person or entity holding securities under any employee benefit plan of the Company or any of its Subsidiaries), together with all “affiliates” and “associates” (as such terms are defined in Rule 12b-2 of the Act) of such person, becomes the “beneficial owner” (as such term is defined in Rule 13d-3 of the Act), directly or indirectly, of securities of the Company representing forty percent (40%) or more of either (A) the combined voting power of the Company’s then outstanding securities having the right to vote in an election of the Board (“**Voting Securities**”) or (B) the then outstanding shares of Stock of the Company (in either such case other than as result of acquisition of securities directly from the Company); or

(ii) persons who, as of the Effective Date, constitute the Board (the “**Incumbent Directors**”) cease for any reason, including without limitation, as a result of a tender offer, proxy contest, merger or similar transaction, to constitute at least a majority of the Board, *provided* that any person becoming a director of the Company subsequent to the Effective Date whose election or nomination for election was approved by a vote of at least a majority of the Incumbent Directors shall, for purposes of the Plan, be considered an Incumbent Director; or

(iii) the consummation of: (A) any consolidation or merger of the Company or First Industrial, L.P. where the stockholders of the Company, immediately prior to the consolidation or merger, would not, immediately after the consolidation or merger, beneficially own (as such term is defined in Rule 13d-3 of the Act), directly or indirectly, shares representing in the aggregate fifty percent (50%) or more of the voting stock of the corporation issuing cash or securities in the consolidation or merger (or of its ultimate parent corporation, if any), (B) any sale, lease, exchange or other transfer (in one (1) transaction or a series of transactions contemplated or arranged by any party as a single plan) of all or substantially all of the assets of the Company or (C) any plan or proposal for the liquidation or dissolution of the Company.

Notwithstanding the foregoing, a “Change of Control” shall not be deemed to have occurred for purposes of the foregoing clause (i) solely as the result of an acquisition of securities by the Company that, by reducing the number of shares of Stock or other Voting Securities outstanding, increases (x) the proportionate number of shares of Stock beneficially owned by any person to forty percent (40%) or more of the shares of Stock then outstanding or (y) the proportionate voting power represented by the Voting Securities beneficially owned by any person to forty percent (40%) or more of the combined voting power of all then outstanding Voting Securities; *provided, however*, that if any person referred to in clause (x) or (y) of this sentence shall thereafter become the beneficial owner of any additional shares of Stock or other Voting Securities (other than pursuant to a stock split, stock dividend or similar transaction), then a “Change of Control” shall be deemed to have occurred for purposes of the foregoing clause (i). In the event that any Award constitutes Deferred Compensation, and the settlement of or distribution of benefits under such Award is to be triggered by a Change of Control, then such settlement or distribution shall be subject to the event constituting the Change of Control also constituting a “change in control event” under Section 409A of the Code.

Section 16 General Provisions.

(a) No Distribution; Compliance with Legal Requirements. The Committee may require each person acquiring shares pursuant to an Award to represent to and agree with the Company in writing that such person is acquiring the shares without a view to distribution thereof. No shares of Stock shall be issued pursuant to an Award until all applicable securities laws and other legal and stock exchange requirements have been satisfied. The Company may, as it deems appropriate: (i) require the placing of such stop-orders and restrictive legends on certificates, if any, for Stock and Awards, (ii) make a notation within any electronic recordation system for ownership of shares, or (iii) utilize other reasonable means to evidence such shares have not been registered under the Securities Act of 1933.

(b) Certificates. To the extent that the Plan provides for the issuance of shares of Stock, the issuance may be effected on a non-certificated basis, in accordance with applicable law and the applicable rules of any stock exchange. If stock certificates are issued to evidence shares awarded under the Plan, delivery of stock certificates to participants under the Plan shall be deemed effected for all purposes when the Company or a stock transfer agent of the Company shall have delivered such certificates in the United States mail, addressed to the participant, at the participant’s last known address on file with the Company.

(c) Other Compensation Arrangements; No Employment Rights. Nothing contained in the Plan shall prevent the Board from adopting other or additional compensation arrangements, including trusts, subject to stockholder approval if such approval is required; and such arrangements may be either generally applicable or applicable only in specific cases. The adoption of the Plan and the grant of Awards do not confer upon any Service Provider any right to continued employment or service with the Company or any Affiliate or Subsidiary.

Section 17 Clawback Policy.

Any Award, amount or benefit received under the Plan shall be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the terms of any applicable Company clawback policy, as it may be amended from time to time (the “**Policy**”) or any applicable law. A Service Provider’s receipt of an Award shall be deemed to constitute the Service Provider’s acknowledgment of and consent to the Company’s application, implementation and enforcement of (a) the Policy or any

similar policy established by the Company that may apply to the Service Provider and (b) any provision of applicable law relating to cancellation, rescission, payback or recoupment of compensation, as well as the Service Provider's express agreement that the Company may take such actions as are necessary to effectuate the Policy, any similar policy (as applicable to the Service Provider) or applicable law, without further consideration or action.

Section 18 Effective Date of Plan.

The Plan shall become effective upon approval by the stockholders of the Company and shall terminate on the tenth (10th) anniversary of the Effective Date, unless terminated earlier in accordance with **Section 13** above.

Section 19 Governing Law.

THE PLAN SHALL BE GOVERNED BY THE LAWS OF THE STATE OF ILLINOIS WITHOUT REGARD TO THE PRINCIPLES OF CONFLICT OF LAWS THEREOF, EXCEPT TO THE EXTENT SUCH LAWS ARE PREEMPTED BY FEDERAL LAWS.

**FIRST INDUSTRIAL REALTY TRUST, INC.
SUBSIDIARIES OF THE REGISTRANT**

Name	State of Incorporation Formation
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 10586 Tamarind, LLC	Delaware
FR 10680 88 AVENUE, LLC	Delaware
FR 1351 NW 78, LLC	Delaware

FR 14750 Jurupa, LLC	Delaware
FR 17825 Indian Street, LLC	Delaware
FR 200 Cascade, LLC	Delaware
FR 21301 E. 33, LLC	Delaware
FR 24 Street East, LLC	Delaware
FR 2504 NW 19, LLC	Delaware
FR 2777 Loker, LLC	Delaware
FR 28545 Livingston, LLC	Delaware
FR 301 Bordentown-Hedding, 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 6407 South 210, LLC	Delaware
FR 6635 E 30, LLC	Delaware
FR 750 Gateway, LLC	Delaware
FR 7900 Cochran Road, LLC	Delaware
FR 81 Paragon Drive, LLC	Delaware
FR 8751 Skinner, 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 Danieldale 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 Engineer Street, 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 Loveton 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 Oceanside, LLC	Delaware
FR Old Post Road, 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 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 19, 2019 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 19, 2019

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 19, 2019 relating to the consolidated financial statements, financial statement schedule and the effectiveness of internal control over financial reporting of First Industrial, L.P., which appear in this Form 10-K.

/s/ PricewaterhouseCoopers LLP
Chicago, Illinois
February 19, 2019

**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 19, 2019

/s/ PETER E. BACCILE

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 19, 2019

/s/ SCOTT A. MUSIL

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 19, 2019

/s/ PETER E. BACCILE

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 19, 2019

/s/ SCOTT A. MUSIL

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, 2018 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 19, 2019

/s/ PETER E. BACCILE

Peter E. Baccile
President and Chief Executive Officer
(Principal Executive Officer)

Dated: February 19, 2019

/s/ SCOTT A. MUSIL

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, 2018 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 19, 2019

/s/ PETER E. BACCILE

Peter E. Baccile
President and Chief Executive Officer
(Principal Executive Officer)
First Industrial Realty Trust, Inc.

Dated: February 19, 2019

/s/ SCOTT A. MUSIL

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.