



First Industrial Realty Trust

REITWeek 2014: NAREIT's Investor Forum

June 2014



Safe Harbor

This presentation may contain certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934. We intend for such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and are including this statement for purposes of complying with those safe harbor provisions. Forward-looking statements, which are based on certain assumptions and describe future plans, strategies and expectations of the Company, are generally identifiable by use of the words “believe,” “expect,” “intend,” “plan,” “anticipate,” “estimate,” “project,” “seek,” “target,” “potential,” “focus,” “may,” “should” or similar expressions. Our ability to predict results or the actual effect of future plans or strategies is inherently uncertain. 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) to us and to our potential counterparties; the availability and attractiveness of terms of additional debt repurchases; interest rates; our credit agency ratings; our ability to comply with applicable financial covenants; competition; changes in supply and demand for industrial properties (including land, the supply and demand for which is inherently more volatile than other types of industrial property) in the Company’s current and proposed market areas; difficulties in identifying and consummating acquisitions and dispositions; our ability to manage the integration of properties we acquire; risks related to our investments in properties through joint ventures; environmental liabilities; slippages in development or lease-up schedules; tenant creditworthiness; higher-than-expected costs; changes in asset valuations and related impairment charges; changes in general accounting principles, policies and guidelines applicable to real estate investment trusts; international business risks; and those additional factors described under the “Risk Factors” and elsewhere in the Company’s annual report on Form 10-K for the year ended December 31, 2013 and in the Company’s subsequent Exchange Act reports. 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 press release or the dates indicated in the statements. We assume no obligation to update or supplement forward-looking statements. For further information on these and other factors that could impact the Company and the statements contained herein, reference should be made to the Company’s filings with the Securities and Exchange Commission.

Why FR?

Tested Leadership and Platform

- Focused strategy: Deliver sustainable cash flow growth through leasing and disciplined portfolio and capital management
- Local market experts execute management, leasing, acquisitions, development and targeted sales
- Track record of industry-leading customer service

Strengthened Capital Structure

- Reduced net debt + preferred stock to EBITDA ratio to 6.8x as of 1Q14
- Net debt plus preferreds reduced by \$940 million since 4Q08
- Returned to investment grade rating on unsecured notes by S&P

Diversified, In-fill Portfolio

- 65.8 million square feet owned, managed and under development as of 3/31/14
- Nation's top industrial markets
- Predominantly concentrated in distribution and light industrial facilities
- 92.4% occupied as of 3/31/14

Favorable Industrial Fundamentals

- 1Q14 was the 15th consecutive quarter of positive net absorption
- GDP growth drives tenant demand
- New supply still below historical levels

Cash Flow Growth Opportunity – Potential Drivers

- Lower capital costs
- Small tenant leasing
- Key bulk warehouse lease-up opportunities
- Rental rate escalations
- Lower TI/LC/Cap Ex
- Future development/acquisitions

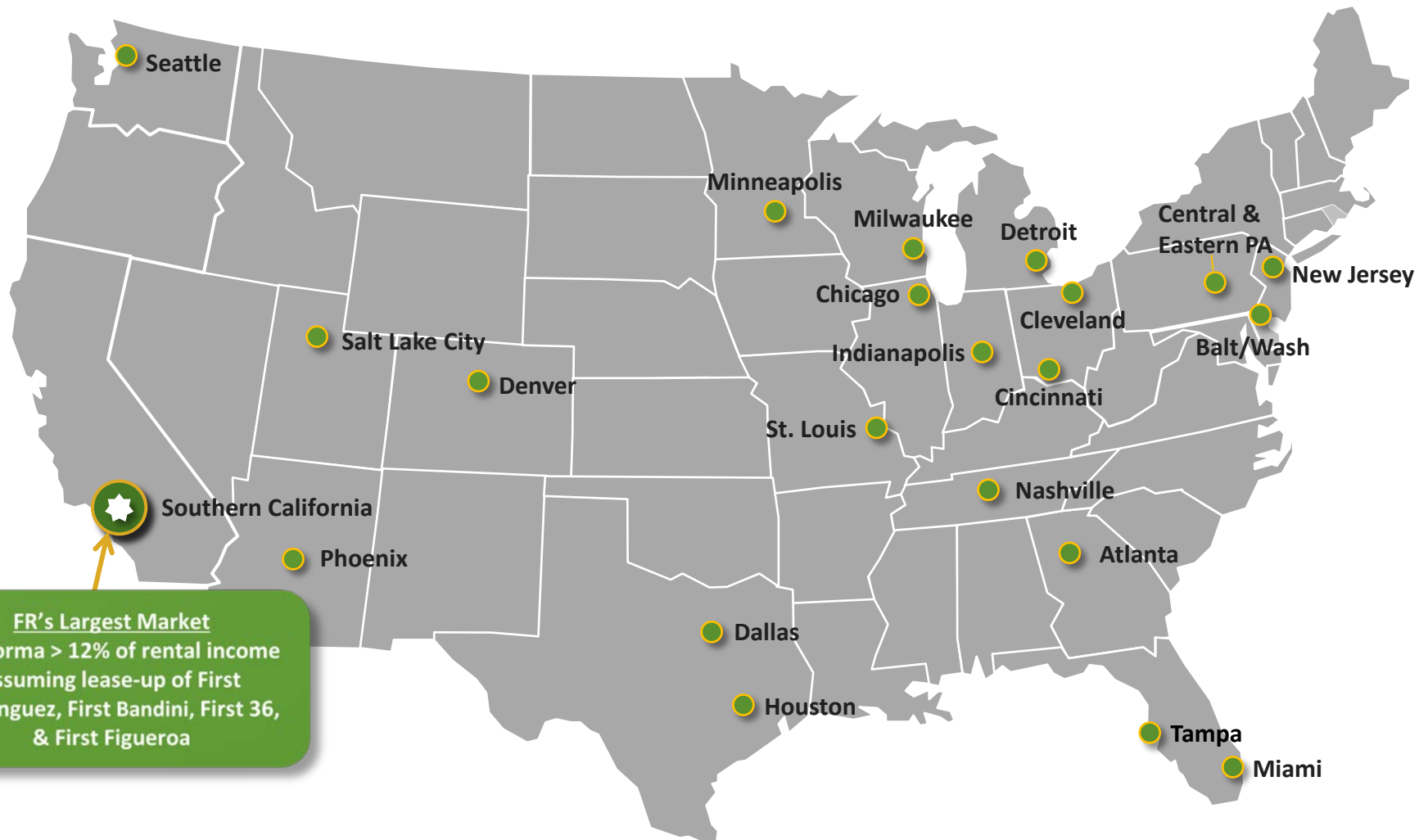
FR Recent Actions

- Increased common dividend by 20.6% to \$0.1025 per share/unit for 1Q14
- Closed on a \$200M 7-year term loan with an initial rate of LIBOR plus 175 bps
 - Used swaps to effectively fix rate at 4.04%
- Received investment grading from Standard & Poor's on unsecured notes
- Completed retirement of all \$50M Series F Preferred Stock and all \$25M Series G Preferred Stock
- Established a new ATM under which the Company may sell, from time to time, up to 13.3 million common shares for an aggregate gross sales price of up to \$200 million
- Started two new projects in Houston and Dallas, totaling 949,000 SF with an estimated investment of \$45.4M
- Acquired a 100% leased, 252,000 SF bulk warehouse in Minneapolis for \$13.4M
- Broke ground on a 2-building, 239,000 SF development project in Minneapolis in 2Q14, including a 97,000 square-foot BTS; total estimated investment of \$19M

2013 Accomplishments

- Re-initiated common stock dividend
- Increased occupancy to 92.9% at year-end, up 300 basis points from YE 2012
- Completed three new developments, 1.5 million square feet, estimated total investment of \$107.3 million
- Started three new developments totaling 849,155 SF
- Acquired two bulk distribution properties in the Chicago market totaling 1.1 MSF plus three development sites for a total of \$72.8 million
- Sold 67 properties totaling 3.0 MSF and six land parcels for a total of \$144.6 million
- Further strengthened balance sheet, reflected in 6.6x net debt plus preferred stock to EBITDA ratio as of 4Q13

Broad Platform and Presence



Size and Diversification: 63 MSF on balance sheet, Top Tenant ≈ 2.8% of Income, Top 20: 21.7%

Where We've Been...

2009 – 2010

- Addressed liquidity and maturities
- Redefined strategy
- Rationalized G&A
- Set the stage for portfolio refinement

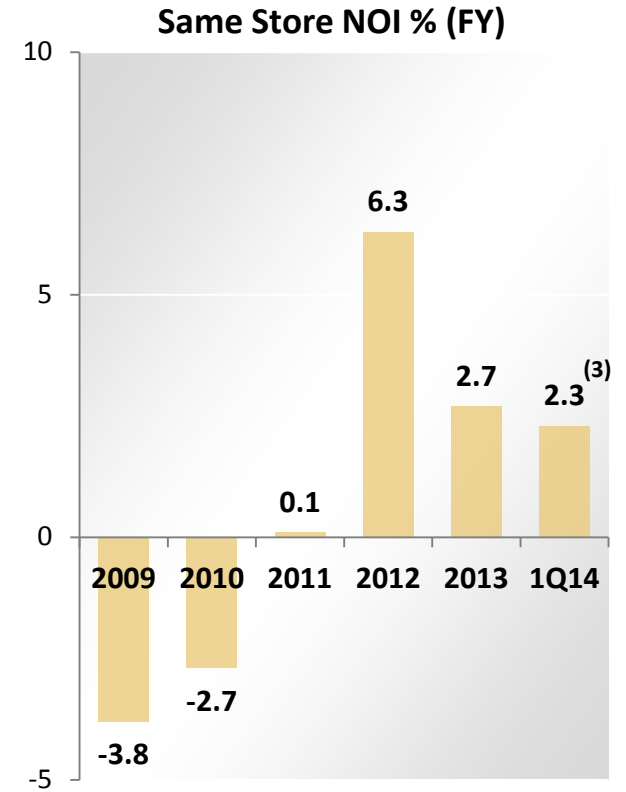
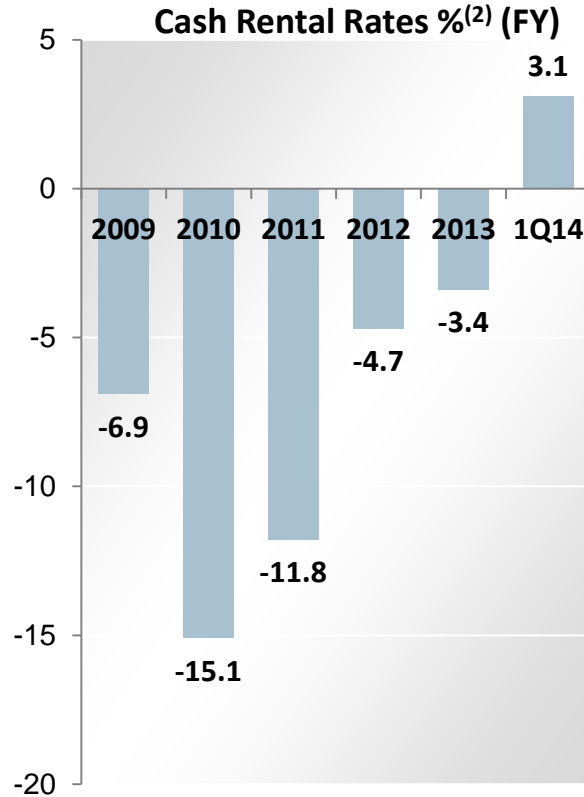
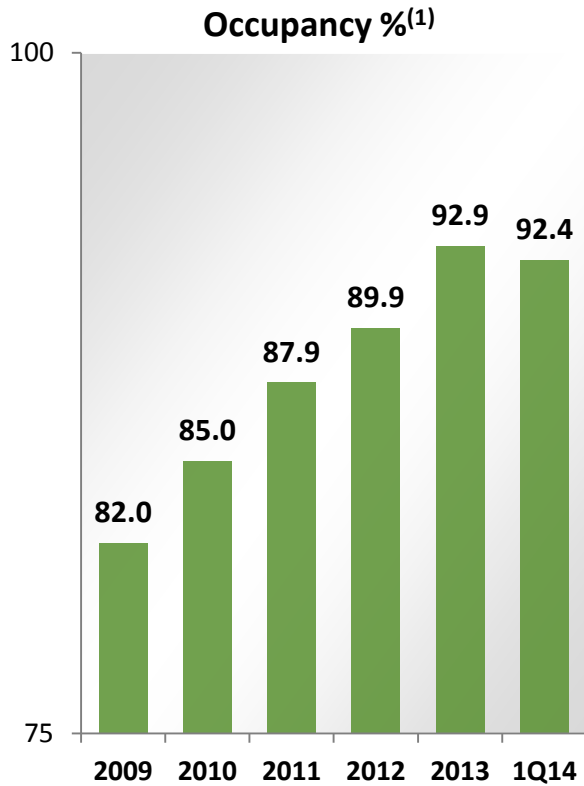
2011 – 1Q14

- Drove occupancy and NOI
- Strengthened balance sheet
- Executed targeted sales
- Initiated selective growth
- Re-initiated common dividend



Where We've Been...

Key Portfolio Cash Flow Metrics



Our key metrics have recovered, but still have room to grow.

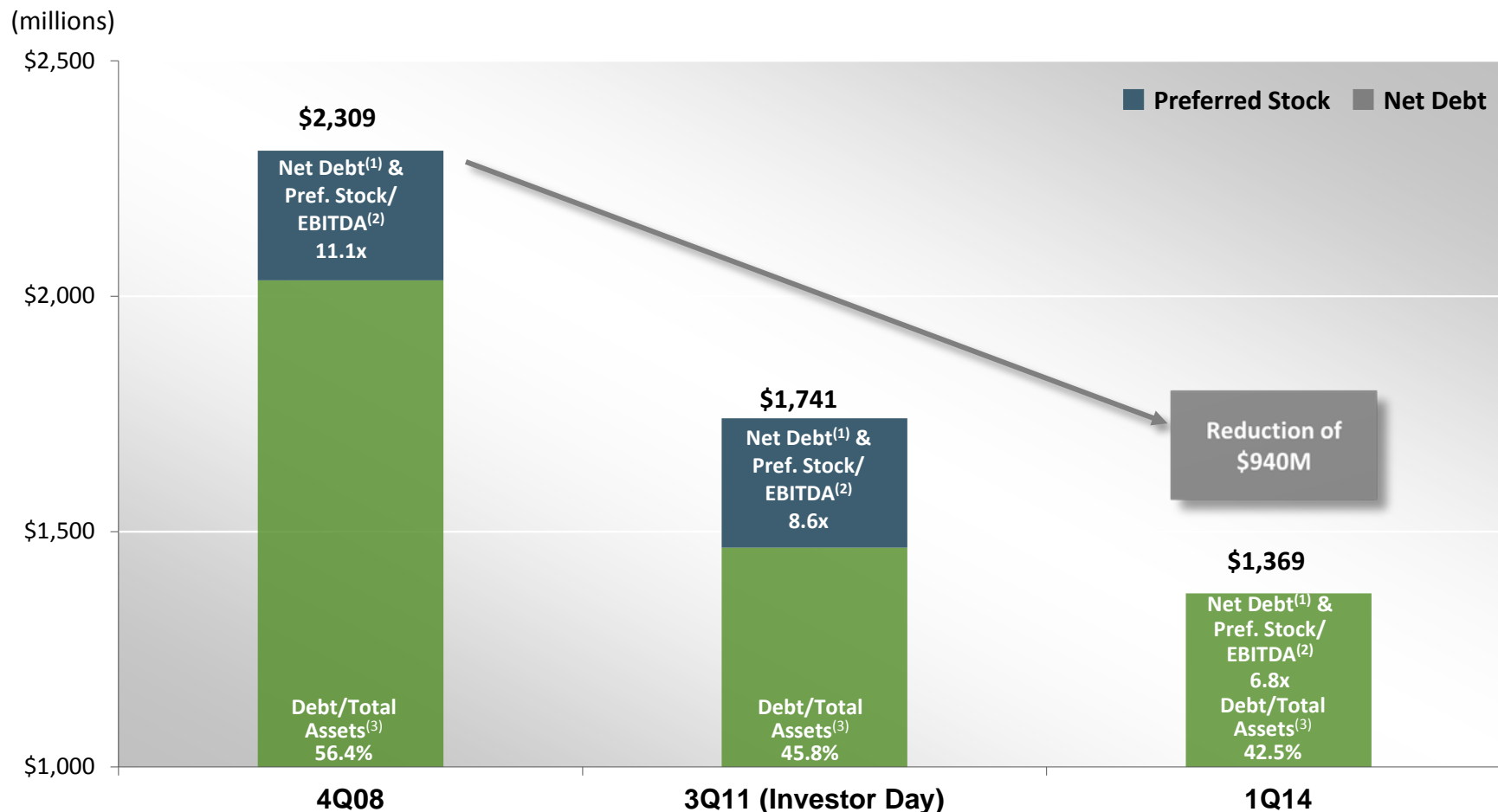
⁽¹⁾ Period End

⁽²⁾ Period Average

⁽³⁾ Excludes the impact of the \$0.4 million portion of a one-time restoration fee recognized during 1Q14

Where We've Been...

Capital Management Progress



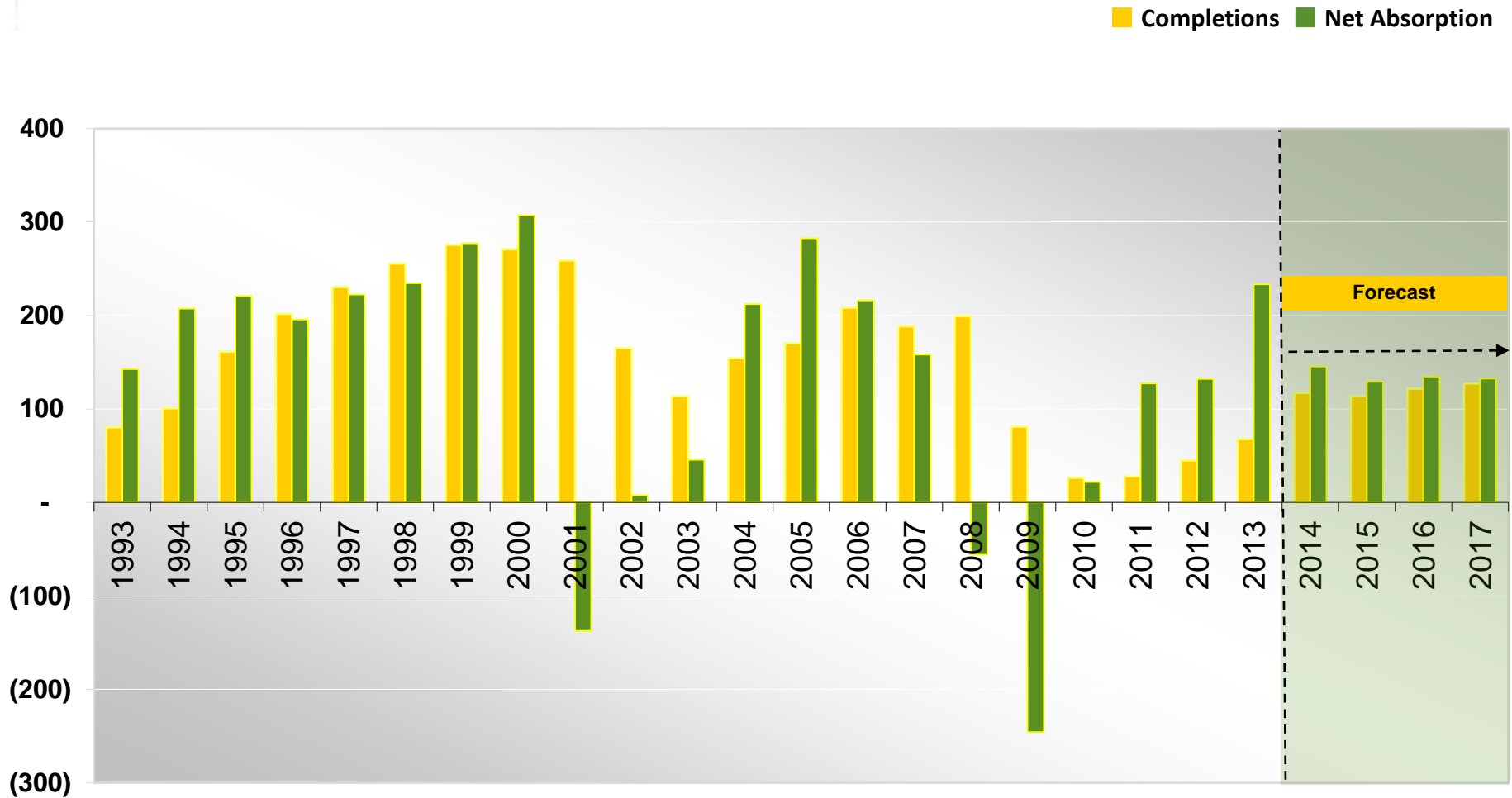
Current target range: (Debt + Preferred) to EBITDA ratio of 6x to 7x.

(1) Net Debt and Preferred = Debt plus book value of preferred stock, net of cash.

(2) EBITDA adjusted for one-time items.

(3) Per unsecured note indentures.

Favorable Industry Fundamentals



Positive net absorption continues to outpace new supply and should drive rental rates higher.

Where We're Going...

Strategy for Success



Leasing and Operations Management

- Drive to ±95% by YE 2015
- Grow Rents
- Normalize TI/LC/CapEx
- Customer Service Focus

Capital Management

- Conservative and Flexible Balance Sheet
- Return to Investment Grade
- Optimize Cost of Capital

Portfolio Management

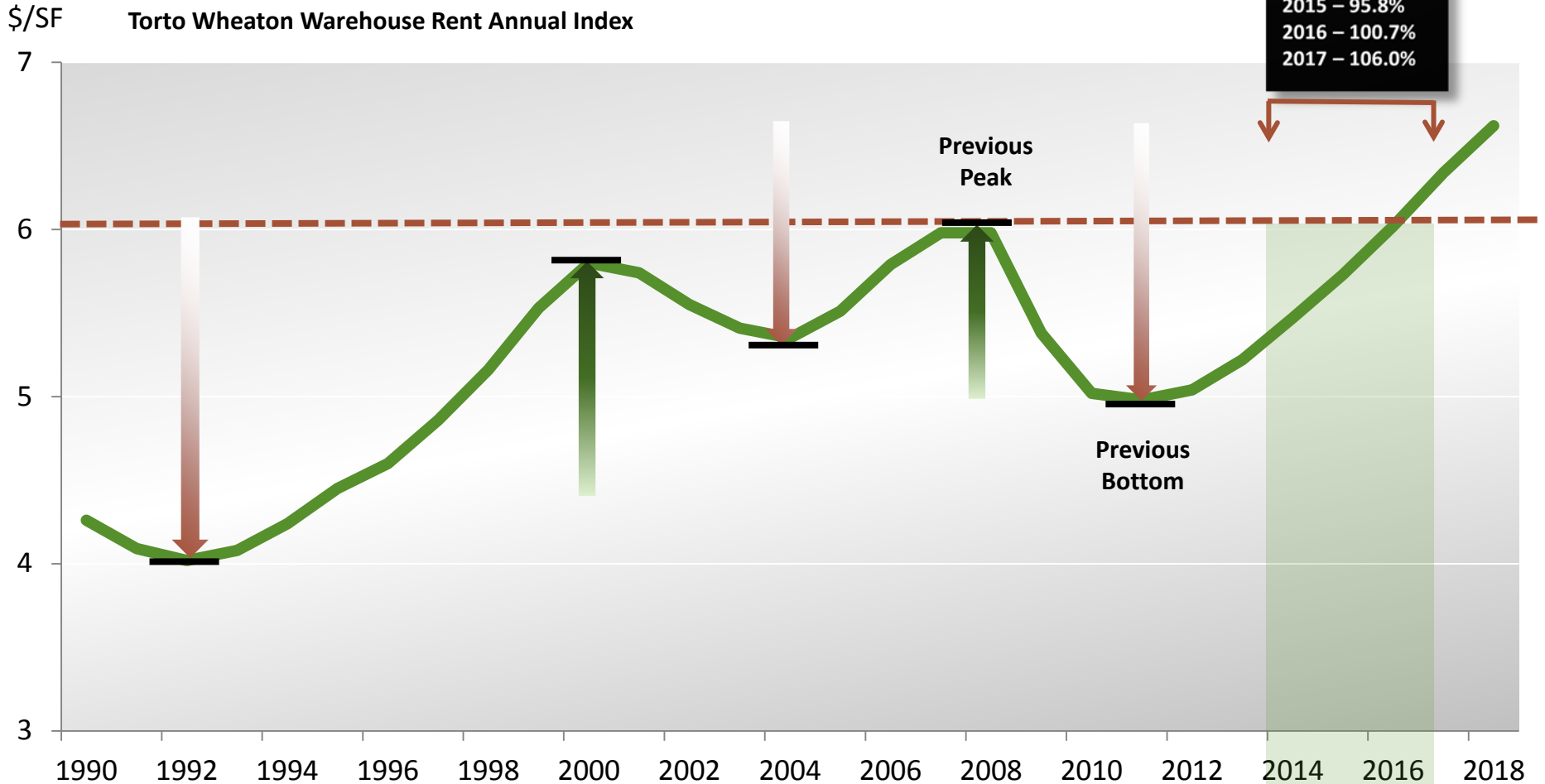
- Selective Acquisitions
- Targeted Development Opportunities
- Addition by Subtraction

Grow dividend consistent with sustainable cash flow, close the value gap to public peers and replacement cost.

Areas for Potential Cash Flow Growth

- Lower capital costs
- Small tenant occupancy
- Key bulk warehouse lease-up opportunities
- Rental rate bumps on existing leases and growth in market rents
- Lower TI/LC/Cap Ex
- Future development and acquisitions

U.S. Market Rent Recovery



Previous peak rents achieved in 2008, projected to regain that level in 2016.

Drive to +95%!

Ten Key Bulk Opportunities

Per Investor Day November 2013

Market	Property	Vacant SF as of 9/30/13	Vacant SF as of 3/31/14
Los Angeles	First Dominguez Gateway Center	213,544	0
Chicago	9501 Nevada	118,670	118,670
Atlanta	596 Bonnie Valentine	212,525	371,525
Central & Eastern PA	18212 Shawley	150,000	150,000
Central & Eastern PA	200 Cascade	127,400	111,900
Central & Eastern PA	301 Railroad	139,960	0
Atlanta	3060 South Park	159,193	142,393
Phoenix	9180 Buckeye	98,230	0
Miami	6891 Northwest 74 th	72,304	72,304
St. Louis	8921-8957 Frost	<u>80,000</u>	<u>32,000</u>
TOTAL		1,371,826 SF	998,792 SF

First Bandini Logistics Center • Southern California Development



Summary

Square Feet:	489,000
Estimated Investment:	\$54M
Estimated GAAP Yield:	6.5%
Completed:	4Q13
Potential NOI Impact:	\$3.5M

First Logistics Center @ I-83 • Central Pennsylvania Development

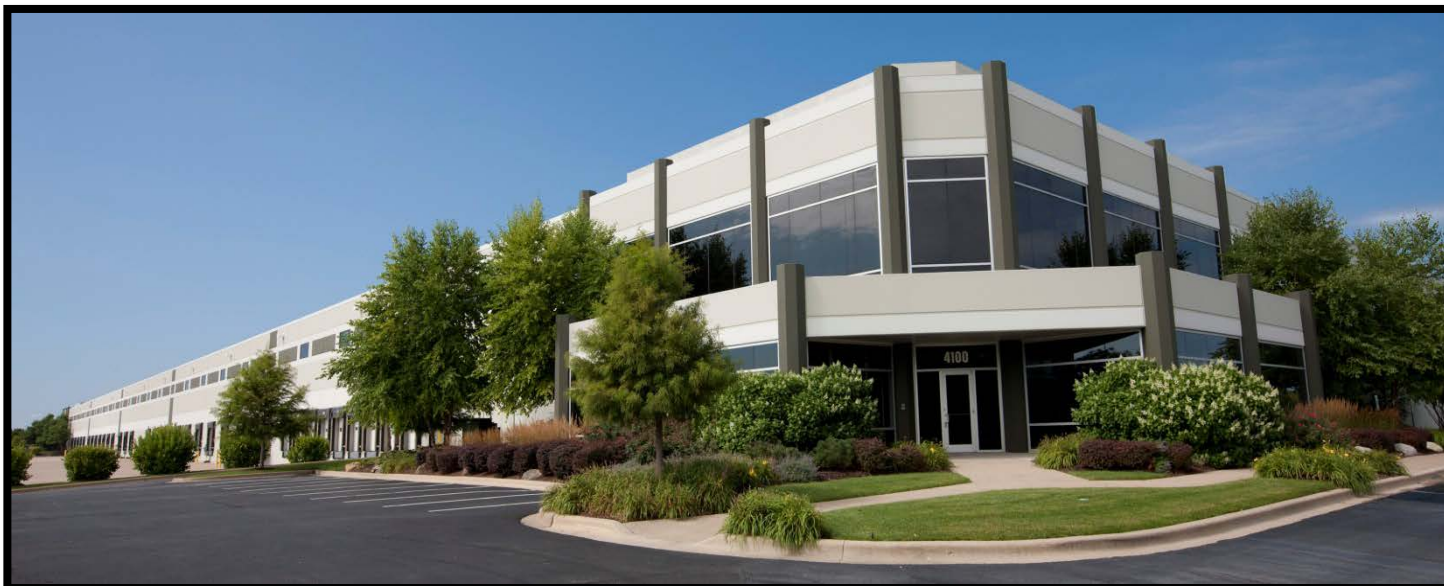


Summary

Square Feet:	708,000
Estimated Investment:	\$34M
Estimated GAAP Yield:	8.4%
Completed:	4Q13
Lease Start Date:	9/15/14
Potential NOI Impact:	\$2.9M

4100 Rock Creek • Chicago

Acquisition – In Lease-Up

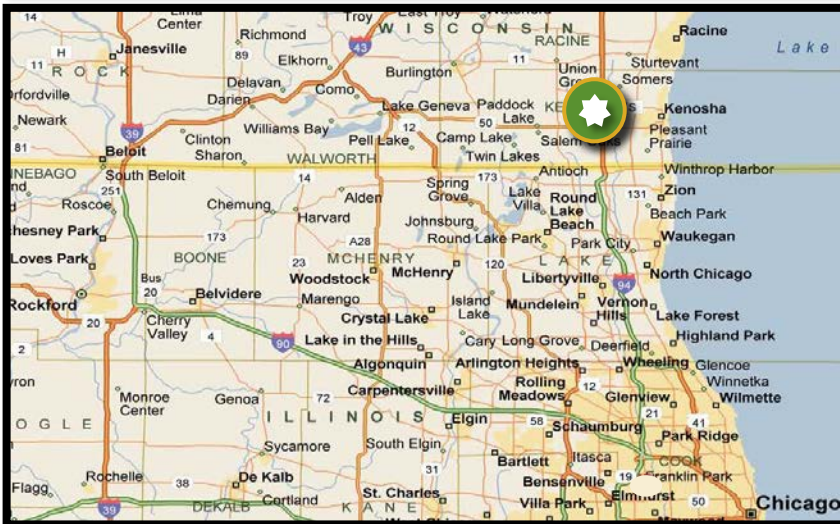


Summary

Square Feet:	509,216
Initial Investment:	\$20.5M
Estimated GAAP Yield:	6.6%
Potential NOI Impact:	\$1.4M

I-94 Distribution Center • Chicago

Acquisition – 100% Leased



Summary	
Square Feet:	626,784
Investment:	\$26.3M
In-Place GAAP Yield:	6.7%
NOI Impact:	\$1.9M

First Northwest Commerce Center • Houston

Development Start – 1Q 2014

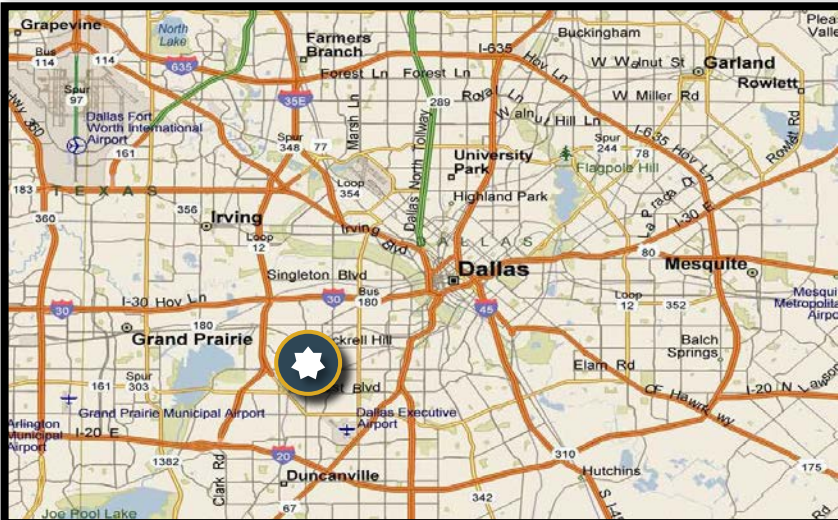


Summary

Square Feet:	350,000
Estimated Investment:	\$20M
Estimated GAAP Yield:	8.0%
Targeted Completion Date:	1Q15
Potential NOI Impact:	\$1.6M

First Pinnacle Industrial Center • Dallas

Development Start – 1Q 2014



Summary

Square Feet:	598,000
Estimated Investment ⁽¹⁾ :	\$26M
Estimated GAAP Yield ⁽¹⁾ :	7.5%
Targeted Completion Date:	1Q15
Potential NOI Impact:	\$1.9M

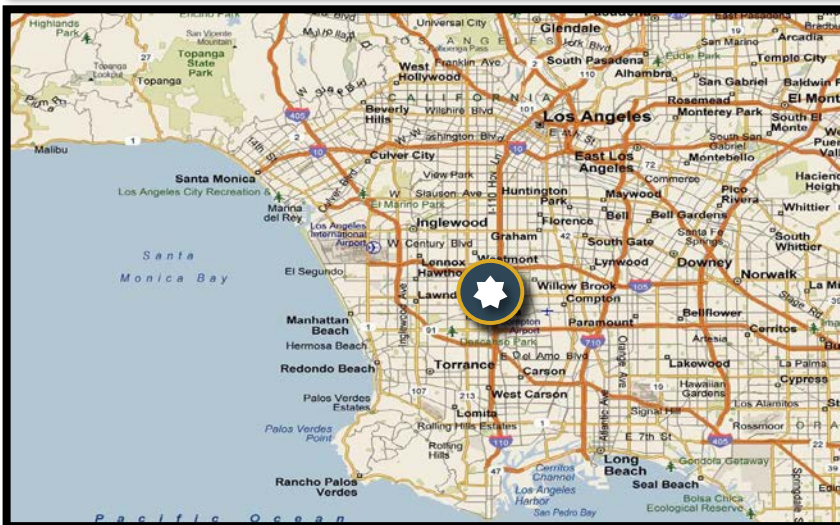
⁽¹⁾ Incremental investment \$23M, yield 8.3%

First 36 Logistics Center • Southern California Development



Summary	
Square Feet:	555,000
Estimated Investment:	\$32M
Estimated GAAP Yield:	6.9%
Completion Date:	2Q14
Potential Annual NOI Impact:	\$2.2M

First Figueroa Logistics Center • Southern California Development

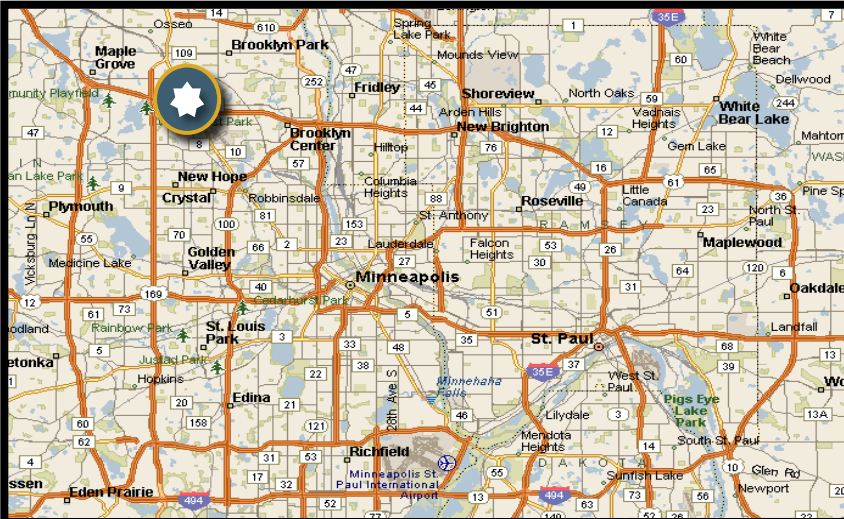


Summary	
Square Feet:	43,000
Estimated Investment ⁽¹⁾ :	\$9M
Estimated GAAP Yield ⁽¹⁾ :	3.6%
Completion Date:	2Q14
Lease Start Date:	6/1/14
Potential Gross NOI Impact:	\$0.3M

⁽¹⁾ Incremental investment \$5M, yield 6.7%

Interstate North Business Center • Minneapolis

Development Start – 2Q14



Summary

Square Feet:	239,000 ⁽¹⁾
Estimated Investment:	\$19M
Estimated GAAP Yield:	7.3%
Completion Date:	1Q15
Potential NOI Impact:	\$1.4M

(1) 97K SF BTS and 142K SF Spec Building

FR Value Propositions

- Opportunity to deliver AFFO growth of as much as 70% to 90% by YE 2017 from YE 2013
- Valuation discount relative to:
 - Peers
 - Sales comparables
 - Replacement cost

Team and strategy in place to realize the value within our current portfolio.



Q&A