UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2001

[ ] Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Commission File Number 1-13102

FIRST INDUSTRIAL REALTY TRUST, INC.
(Exact Name of Registrant as Specified in its Charter)

MARYLAND	36-3935116
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

311 S. WACKER DRIVE, SUITE 4000, CHICAGO, ILLINOIS 60606
(Address of Principal Executive Offices)

(312) 344-4300
(Registrant's Telephone Number, Including Area Code)

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, and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Number of shares of Common Stock, $.01 par value, outstanding as of August 3, 2001: 39,587,783

FIRST INDUSTRIAL REALTY TRUST, INC.
FORM 10-Q
FOR THE PERIOD ENDED JUNE 30, 2001

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PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS
FIRST INDUSTRIAL REALTY TRUST, INC.
CONSOLIDATED BALANCE SHEETS
(DOLLARS IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)
(UNAUDITED)

	June 30, 2001	December 31, 2000
ASSETS		
Assets:		
Investment in Real Estate:		
Land	$ 409,813	$ 397,624
Buildings and Improvements	2,002,631	1,989,034
Furniture, Fixtures and Equipment	1,333	1,437
Construction in Progress	90,899	52,715
Less: Accumulated Depreciation	(235,019)	(219,701)
Net Investment in Real Estate	2,269,657	2,221,109
Real Estate Held for Sale, Net of Accumulated Depreciation and Amortization of $24,013 at June 30, 2001 and $26,318 at December 31, 2000	176,946	236,422
Cash and Cash Equivalents	8,699	7,731
Restricted Cash	52,192	24,215
Tenant Accounts Receivable, Net	9,704	9,793
Investments in Joint Ventures	5,992	6,158
Deferred Rent Receivable	14,646	14,790
Deferred Financing Costs, Net	12,550	12,154
Prepaid Expenses and Other Assets, Net	66,533	86,121
Total Assets	$ 2,616,919	$ 2,618,493
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Mortgage Loans Payable, Net	$ 89,807	$ 102,575
Senior Unsecured Debt, Net	1,048,423	948,781
Acquisition Facility Payable	141,000	170,000
Accounts Payable and Accrued Expenses	71,606	93,336
Rents Received in Advance and Security Deposits	23,374	20,104
Dividends/Distributions Payable	37,899	38,492
Total Liabilities	1,412,109	1,373,288
Minority Interest	183,473	186,833
Commitments and Contingencies	--	--
Stockholders' Equity:		
Preferred Stock ($.01 par value, 10,000,000 shares authorized, 40,000, 20,000, 50,000 and 30,000 shares of Series B, C, D and E Cumulative Preferred Stock, respectively, issued and outstanding at June 30, 2001 and December 31, 2000, having a liquidation preference of $2,500 per share ($100,000), $2,500 per share ($50,000), $2,500 per share ($125,000) and $2,500 per share ($75,000), respectively, and 1,650,000 shares of Series A Cumulative Preferred Stock issued and outstanding at December 31, 2000, having a liquidation preference of $25 per share ($41,250)	1	18
Common Stock ($.01 par value, 100,000,000 shares authorized, 39,928,952 and 39,238,386 shares issued and 39,534,652 and 38,844,086 shares outstanding at June 30, 2001 and December 31, 2000, respectively)	400	392
Additional Paid-in-Capital	1,188,652	1,205,052
Distributions in Excess of Accumulated Earnings	(135,742)	(126,962)
Unearned Value of Restricted Stock Grants	(8,981)	(8,812)
Amortization of Stock Based Compensation	959	383
Accumulated Other Comprehensive Loss	(12,253)	--
Treasury Shares at Cost (394,300 shares)	(11,699)	(11,699)
Total Stockholders' Equity	1,021,337	1,058,372
Total Liabilities and Stockholders' Equity	$ 2,616,919	$ 2,618,493

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

FIRST INDUSTRIAL REALTY TRUST, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)
(UNAUDITED)

	Six Months Ended June 30, 2001	Six Months Ended June 30, 2000
Revenues:		
Rental Income	$ 149,839	$ 148,636
Tenant Recoveries and Other Income	47,039	40,778
Total Revenues	196,878	189,414
Expenses:		
Real Estate Taxes	29,974	29,436
Repairs and Maintenance	10,452	8,829
Property Management	6,971	7,133
Utilities	5,751	4,929
Insurance	1,209	621
Other	2,356	3,078
General and Administrative	9,653	8,229
Interest Expense	42,633	40,076
Amortization of Deferred Financing Costs	898	899
Depreciation and Other Amortization	34,474	35,162
Total Expenses	144,371	138,392
Income from Operations Before Equity in Income of Joint Ventures and Income Allocated to Minority Interest	52,507	51,022
Equity in Income of Joint Ventures	436	119
Income Allocated to Minority Interest	(8,824)	(8,109)
Income from Operations	44,119	43,032
Gain on Sale of Real Estate	29,698	15,931
Income Before Extraordinary Loss	73,817	58,963
Extraordinary Loss	(10,309)	--
Net Income	63,508	58,963
Less: Preferred Stock Dividends	(15,539)	(16,422)
Net Income Available to Common Stockholders	$ 47,969	$ 42,541
Net Income Available to Common Stockholders Before Extraordinary Loss Per Weighted Average Common Share Outstanding:		
Basic	$ 1.45	$ 1.10
Diluted	$ 1.43	$ 1.10
Net Income Available to Common Stockholders Per Weighted Average Common Share Outstanding:		
Basic	$ 1.22	$ 1.10
Diluted	$ 1.21	$ 1.10
Net Income	$ 63,508	$ 58,963
Other Comprehensive Income (Loss):		
Cumulative Transition Adjustment	(14,920)	--
Settlement of Interest Rate Protection Agreements	(191)	--
Write-off of Unamortized Interest Rate Protection Agreement Due to the Early Retirement of Debt	2,156	--
Amortization of Interest Rate Protection Agreements	702	--
Comprehensive Income	$ 51,255	$ 58,963

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

FIRST INDUSTRIAL REALTY TRUST, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)
(UNAUDITED)

	Three Months Ended June 30, 2001	Three Months Ended June 30, 2000
Revenues:		
Rental Income	$ 75,381	$ 74,507
Tenant Recoveries and Other Income	22,084	19,759
Total Revenues	97,465	94,266
Expenses:		
Real Estate Taxes	14,833	14,131
Repairs and Maintenance	4,725	4,275
Property Management	3,442	3,829
Utilities	2,302	2,314
Insurance	612	433
Other	1,157	1,624
General and Administrative	5,051	4,568
Interest Expense	21,431	20,291
Amortization of Deferred Financing Costs	456	471
Depreciation and Other Amortization	17,120	17,541
Total Expenses	71,129	69,477
Income from Operations Before Equity in Income of Joint Ventures and Income Allocated to Minority Interest	26,336	24,789
Equity in Income of Joint Ventures	250	88
Income Allocated to Minority Interest	(3,790)	(4,310)
Income from Operations	22,796	20,567
Gain on Sale of Real Estate	15,822	10,057
Income Before Extraordinary Loss	38,618	30,624
Extraordinary Loss	(10,309)	--
Net Income	28,309	30,624
Less: Preferred Stock Dividends	(7,328)	(8,211)
Net Income Available to Common Stockholders	$ 20,981	$ 22,413
Net Income Available to Common Stockholders Before Extraordinary Loss Per Weighted Average Common Share Outstanding:		
Basic	$ .75	$ .58
Diluted	$ .75	$ .58
Net Income Available to Common Stockholders Per Weighted Average Common Share Outstanding:		
Basic	$ .53	$ .58
Diluted	$ .53	$ .58
Net Income	$ 28,309	$ 30,624
Other Comprehensive Income (Loss):		
Settlement of Interest Rate Protection Agreement, Net	(425)	--
Write-off of Interest Rate Protection Agreement Due to the Early Retirement of Debt	2,156	--
Amortization of Interest Rate Protection Agreements	612	--
Comprehensive Income	$ 30,652	$ 30,624

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

FIRST INDUSTRIAL REALTY TRUST, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(DOLLARS IN THOUSANDS)
(UNAUDITED)

	Six Months Ended June 30, 2001	Six Months Ended June 30, 2000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	$ 63,508	$ 58,963
Income Allocated to Minority Interest	8,824	8,109
Income Before Minority Interest	72,332	67,072
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation	29,887	31,693
Amortization of Deferred Financing Costs	898	899
Other Amortization	7,313	4,831
Equity in Income of Joint Ventures	(436)	(119)
Distributions from Joint Ventures	436	119
Gain on Sale of Real Estate	(29,698)	(15,931)
Extraordinary Loss	10,309	--
Increase in Tenant Accounts Receivable and Prepaid Expenses and Other Assets, Net	(4,556)	(17,511)
Increase in Deferred Rent Receivable	(1,244)	(766)
Decrease in Accounts Payable and Accrued Expenses and Rents Received in Advance and Security Deposits	(10,291)	(1,449)
(Increase)Decrease in Restricted Cash	(94)	53
Net Cash Provided by Operating Activities	74,856	68,891
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of and Additions to Investment in Real Estate	(204,365)	(176,636)
Net Proceeds from Sales of Investment in Real Estate	212,445	125,421
Contributions to and Investments in Joint Ventures	--	(37)
Distributions from Joint Ventures	166	367
Repayment of Mortgage Loans Receivable	4,429	14,564
Increase in Restricted Cash	(27,883)	(25,958)
Net Cash Used in Investing Activities	(15,208)	(62,279)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net Proceeds from Exercise of Employee Stock Options	13,936	6,667
Repurchase of Restricted Stock	(1,638)	--
Purchase of Treasury Shares	--	(477)
Purchase of U.S. Government Securities	(1,123)	(1,244)
Proceeds from Senior Unsecured Debt	199,390	--
Repayments of Senior Unsecured Debt	(100,000)	--
Redemption of Preferred Stock	(41,295)	--
Dividends/Distributions	(60,812)	(56,625)
Preferred Stock Dividends	(16,519)	(16,422)
Repayments on Mortgage Loans Payable	(12,731)	(1,130)
Proceeds from Acquisition Facility Payable	297,300	111,000
Repayments on Acquisition Facility Payable	(326,300)	(43,200)
Cost of Debt Issuance and Prepayment Fees	(8,888)	(2,281)
Net Cash Used in Financing Activities	(58,680)	(3,712)
Net Increase in Cash and Cash Equivalents	968	2,900
Cash and Cash Equivalents, Beginning of Period	7,731	2,609
Cash and Cash Equivalents, End of Period	$ 8,699	$ 5,509

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

FIRST INDUSTRIAL REALTY TRUST, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(DOLLARS IN THOUSANDS)

1. ORGANIZATION AND FORMATION OF COMPANY

First Industrial Realty Trust, Inc. (the "Company") was organized in the state of Maryland on August 10, 1993. The Company is a real estate investment trust as defined in the Internal Revenue Code. The Company's operations are conducted primarily through First Industrial, L.P. (the "Operating Partnership") of which the Company is the sole general partner with an approximate 84.8% ownership interest at June 30, 2001. As of June 30, 2001, the Company owned 947 in-service properties located in 24 states, containing an aggregate of approximately 65.8 million square feet of gross leasable area ("GLA"). Of the 947 in-service properties owned by the Company, 770 are held by the Operating Partnership, 109 are held by limited partnerships in which the Operating Partnership is the limited partner and wholly-owned subsidiaries of the Company are the general partners, 52 are held by limited liability companies of which the Operating Partnership is the sole member and 16 are held by an entity wholly-owned by the Operating Partnership. The Company, through wholly-owned limited liability companies of which the Operating Partnership is the sole member, also owns 10% equity interests in, and provides asset and property management services to, two joint ventures which invest in industrial properties (the "September 1998 Joint Venture" and the "September 1999 Joint Venture"). Minority interest in the Company at June 30, 2001 represents the approximate 15.2% aggregate partnership interest in the Operating Partnership held by the limited partners thereof.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying unaudited interim financial statements have been prepared in accordance with the accounting policies described in the financial statements and related notes included in the Company's 2000 Form 10-K/A No. 1 and should be read in conjunction with such financial statements and related notes. The following notes to these interim financial statements highlight significant changes to the notes included in the December 31, 2000 audited financial statements included in the Company's 2000 Form 10-K/A No.1 and present interim disclosures as required by the Securities and Exchange Commission.

In order to conform with generally accepted accounting principles, management, in preparation of the Company's financial statements, is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of June 30, 2001 and December 31, 2000, and the reported amounts of revenues and expenses for each of the six and three months ended June 30, 2001 and 2000. Actual results could differ from those estimates.

In the opinion of management, all adjustments consist of normal recurring adjustments necessary for a fair statement of the financial position of the Company as of June 30, 2001 and the results of its operations for each of the six months and three months ended June 30, 2001 and 2000 and its cash flows for the six months ended June 30, 2001 and 2000.

Tenant Accounts Receivable, Net:

The Company provides an allowance for doubtful accounts against the portion of tenants accounts receivable which is estimated to be uncollectible. Tenant accounts receivable in the consolidated balance sheets are shown net of an allowance for doubtful accounts of approximately $2,050 as of June 30, 2001 and December 31, 2000.

FIRST INDUSTRIAL REALTY TRUST, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(DOLLARS IN THOUSANDS)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Recent Accounting Pronouncements:

On January 1, 2001, the Company adopted the Financial Accounting Standards Board's Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("FAS 133"), as amended by Statement of Financial Accounting Standards No. 138, "Accounting for Derivative Instruments and Hedging Activities- An Amendment of FAS Statement 133". FAS 133, as amended, establishes accounting and reporting standards for derivative instruments. Specifically, FAS 133, as amended, requires an entity to recognize all derivatives as either assets or liabilities in the statement of financial position and to measure those instruments at fair value. Additionally, the fair value adjustment will affect either other comprehensive income (shareholders' equity) or net income, depending on whether the derivative instrument qualifies as a hedge for accounting purposes and, if so, the nature of the hedging activity. FAS 133, as amended, also requires that any gains or losses on derivative instruments that are reported independently as deferred gains or losses (assets or liabilities) in the statement of financial position at the date of initial application shall be derecognized and reported as a cumulative transition adjustment in other comprehensive income.

In conjunction with prior issuances of senior unsecured debt, the Company entered into interest rate protection agreements to fix the interest rate on anticipated offerings of unsecured debt. On January 1, 2001, the Company derecognized the deferred settlement amounts relating to these settled interest rate protection agreements and recorded in other comprehensive income a cumulative transition adjustment expense of approximately $14,920. The Company will amortize approximately $214 into net income as an adjustment to interest expense in the next twelve months relating to these interest rate protection agreements.

In March 2001, the Company entered into an interest rate protection agreement which fixed the interest rate on a forecasted offering of unsecured debt which it designated as a cash flow hedge. In conjunction with the offering of the 2011 Notes (as defined in footnote 4), the Company settled this interest rate protection agreement and received approximately $371, which is shown in other comprehensive income. The Company is amortizing this settlement amount into net income as an adjustment to interest expense over the life of the 2011 Notes (as defined in footnote 4). The Company will amortize approximately $37 into net income as an adjustment to interest expense in the next twelve months relating to this interest rate protection agreement.

In March 2001, the Company entered into an interest rate protection agreement which fixed the retirement price on a forecasted retirement of unsecured debt which it designated as a cash flow hedge. In conjunction with the retirement of the 2011 Drs. (as defined in footnote 4) in April 2001, the Company settled this interest rate protection agreement for a payment of approximately $562 which is a component of the extraordinary loss the Company has recognized relating to the retirement of the 2011 Drs. (as defined in footnote 4).

The following is a roll-forward of the accumulated other comprehensive loss balance relating to these derivative transactions:

Balance at December 31, 2000	$ --
Cumulative Transition Adjustment	(14,920)
Settlement of Interest Rate Protection Agreements	(191)
Write-off of Unamortized Interest Rate Protection Agreement Due to The Early Retirement of Debt	2,156
Amortization of Interest Rate Protection Agreements	702
Balance at June 30, 2001	$(12,253)

Reclassification:

Certain 2000 items have been reclassified to conform to the 2001 presentation.

FIRST INDUSTRIAL REALTY TRUST, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(DOLLARS IN THOUSANDS)

3. INVESTMENTS IN JOINT VENTURES

During the six months ended June 30, 2001, the Company, through wholly-owned limited liability companies in which the Operating Partnership is the sole member, received, in the aggregate, approximately $1,238 in asset management and property management fees from the September 1998 Joint Venture and the September 1999 Joint Venture, collectively. The Company, through wholly-owned limited liability companies in which the Operating Partnership is the sole member, received distributions of approximately $544 and $58 from the September 1998 Joint Venture and the September 1999 Joint Venture, respectively. As of June 30, 2001, the September 1998 Joint Venture owned 121 industrial properties comprising approximately 6.3 million square feet of GLA and the September 1999 Joint Venture owned 39 industrial properties comprising approximately 1.2 million square feet of GLA.

4. MORTGAGE LOANS PAYABLE, NET, SENIOR UNSECURED DEBT, NET AND ACQUISITION FACILITY PAYABLE

Mortgage Loans Payable, Net:

On December 29, 1995, the Company, through an entity in which the Operating Partnership is the sole limited partner and a wholly-owned subsidiary of the Company is the general partner (the "Mortgage Partnership"), entered into a $40,200 mortgage loan (the "1995 Mortgage Loan"). In March 2001, the Company purchased approximately $1.1 million of U.S. Government securities as substitute collateral to execute a legal defeasance of approximately $1.1 million of the 1995 Mortgage Loan. The terms of the legal defeasance require the Mortgage Partnership to use the gross proceeds from the maturities of the U.S. Government securities to paydown and subsequently retire the defeased portion of the 1995 Mortgage Loan in January 2003. The Company is carrying the defeased portion of the 1995 Mortgage Loan on its balance sheet until it pays down and retires the defeased portion of the 1995 Mortgage Loan in January 2003. Upon the execution of the legal defeasance, one of the 22 properties collateralizing the 1995 Mortgage Loan was released and subsequently sold.

On October 23, 1997, the Company, through the Operating Partnership, assumed a mortgage loan in the amount of $4,153 (the "Acquisition Mortgage Loan I") in conjunction with the acquisition of a portfolio of properties. The Acquisition Mortgage Loan I was collateralized by a property in Bensenville, Illinois, bore interest at a fixed rate of 8.5% and provided for monthly principal and interest payments based upon a 15-year amortization schedule. On May 31, 2001, the Company, through the Operating Partnership, paid off and retired the Acquisition Mortgage Loan I. Due to the retirement of the Acquisition Mortgage Loan I, the Company has recorded an extraordinary loss of approximately $128 due to a prepayment fee.

On December 9, 1997, the Company, through the Operating Partnership, assumed a mortgage loan in the amount of $7,997 (the "Acquisition Mortgage Loan II") in conjunction with the acquisition of a portfolio of properties. The Acquisition Mortgage Loan II was collateralized by ten properties in St. Charles, Louisiana, bore interest at a fixed rate of 7.75% and provided for monthly principal and interest payments based upon a 22-year amortization schedule. On June 27, 2001, the Company, through the Operating Partnership, paid off and retired the Acquisition Mortgage Loan II. Due to the retirement of the Acquisition Mortgage Loan II, the Company has recorded an extraordinary loss of approximately $936 due to a prepayment fee.

FIRST INDUSTRIAL REALTY TRUST, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(DOLLARS IN THOUSANDS)

4. MORTGAGE LOANS PAYABLE, NET, SENIOR UNSECURED DEBT, NET AND ACQUISITION FACILITY PAYABLE, CONTINUED

Senior Unsecured Debt, Net:

On March 19, 2001, the Company, through the Operating Partnership, issued $200,000 of senior unsecured debt which matures on March 15, 2011 and bears a coupon interest rate of 7.375% (the "2011 Notes"). The issue price of the 2011 Notes was 99.695%. Interest is paid semi-annually in arrears on September 15 and March 15. The Company also entered into an interest rate protection agreement which was used to fix the interest rate on the 2011 Notes prior to issuance. The Company settled the interest rate protection agreement for approximately $371 of proceeds which is included in other comprehensive income. The debt issue discount and the settlement amount of the interest rate protection agreement are being amortized over the life of the 2011 Notes as an adjustment to interest expense. The 2011 Notes contain certain covenants including limitations on incurrence of debt and debt service coverage.

On March 31, 1998, the Company, through the Operating Partnership, issued $100,000 of Dealer remarketable securities which were to mature on April 5, 2011 and bore a coupon interest rate of 6.50% (the "2011 Drs."). The issue price of the 2011 Drs. was 99.753%. On April 5, 2001 the Company paid off and retired the 2011 Drs. for a payment of approximately $105,569. In conjunction with the forecasted retirement of the 2011 Drs., the Company entered into an interest rate protection agreement which fixed the retirement price of the 2011 Drs. On April 2, 2001, this interest rate protection agreement was settled for a payment of approximately $562. Due to the retirement of the 2011 Drs., the Company has recorded an extraordinary loss of approximately $9,245 comprised of the amount paid above the 2011 Drs. carrying value, the write-off of unamortized deferred financing fees, the write-off of the unamortized portion of an interest rate protection agreement which was used to fix the interest rate on the 2011 Drs. prior to issuance, the settlement of the interest rate protection agreement as discussed above, legal costs and other expenses.

(DOLLARS IN THOUSANDS)

4. MORTGAGE LOANS PAYABLE, NET, SENIOR UNSECURED DEBT, NET AND ACQUISITION FACILITY PAYABLE, CONTINUED

The following table discloses certain information regarding the Company's mortgage loans payable, senior unsecured debt and acquisition facility payable:

	OUTSTANDING BALANCE AT		ACCRUED INTEREST PAYABLE AT		INTEREST RATE AT	
	JUNE 30, 2001	DECEMBER 31, 2000	JUNE 30, 2001	DECEMBER 31, 2000	JUNE 30, 2001	MATURITY DATE
MORTGAGE LOANS PAYABLE, NET -						
1995 Mortgage Loan	$ 38,335 (1)	$ 38,604	$ 154	$ 163	7.220%	1/11/26
CIGNA Loan	33,590	33,952	210	212	7.500%	4/01/03
Assumed Loans	6,781	7,995	--	--	9.250%	1/01/13
LB Mortgage Loan II	705	705	5	5	8.000%	(2)
Acquisition Mortgage Loan I	--	3,294	--	--	8.500%	8/01/08 (7)
Acquisition Mortgage Loan II	--	7,432	--	--	7.750%	4/01/06 (7)
Acquisition Mortgage Loan III	3,141	3,214	--	--	8.875%	6/01/03
Acquisition Mortgage Loan IV	2,323	2,364	--	17	8.950%	10/01/06
Acquisition Mortgage Loan V	2,697 (3)	2,729 (3)	--	--	9.010%	9/01/06
Acquisition Mortgage Loan VI	939 (3)	957 (3)	--	--	8.875%	11/01/06
Acquisition Mortgage Loan VII	1,296 (3)	1,329 (3)	--	--	9.750%	3/15/02
Total	$ 89,807	$102,575	$ 369	$ 397		
SENIOR UNSECURED DEBT, NET -						
2005 Notes	$ 50,000	$ 50,000	$ 383	$ 383	6.900%	11/21/05
2006 Notes	150,000	150,000	875	875	7.000%	12/01/06
2007 Notes	149,969 (4)	149,966 (4)	1,457	1,457	7.600%	5/15/07
2011 PATS	99,540 (4)	99,517 (4)	942	942	7.375%	5/15/11 (5)
2017 Notes	99,843 (4)	99,838 (4)	625	625	7.500%	12/01/17
2027 Notes	99,874 (4)	99,872 (4)	914	914	7.150%	5/15/27 (6)
2028 Notes	199,787 (4)	199,783 (4)	7,009	7,009	7.600%	7/15/28
2011 Drs	--	99,805 (4)	--	1,553	6.500%	4/05/11 (7)
2011 Notes	199,410 (4)	--	4,179	--	7.375%	3/15/11
Total	$1,048,423	$948,781	$16,384	$13,758		
ACQUISITION FACILITY PAYABLE -						
2000 Unsecured Acquisition Facility	$ 141,000	$170,000	$ 797	$ 1,359	4.800%	6/30/03

(1) Approximately $2.4 million of this loan has been defeased and will be paid in full in January 2003.

(2) The maturity date of the LB Mortgage Loan II is based on a contingent event relating to the environmental status of the property collateralizing the loan.
(3) At June 30, 2001, the Acquisition Mortgage Loan V, the Acquisition Mortgage Loan VI and the Acquisition Mortgage Loan VII are net of unamortized premiums of $200, $45 and $21, respectively. At December 31, 2000, the Acquisition Mortgage Loan V, the Acquisition Mortgage Loan VI and the Acquisition Mortgage Loan VII are net of unamortized premiums of $219, $49 and $35, respectively.
(4) At June 30, 2001, the 2007 Notes, 2011 PATS, 2017 Notes, 2027 Notes, 2028 Notes and the 2011 Notes are net of unamortized discounts of $31, $460, $157, $126, $213 and $590, respectively. At December 31, 2000, the 2007 Notes, 2011 PATS, 2017 Notes, 2027 Notes, 2028 Notes and the 2011 Drs. are net of unamortized discounts of $34, $483, $162, $128, $217 and $195, respectively.
(5) The 2011 PATS are redeemable at the option of the holder thereof, on May 15, 2004.
(6) The 2027 Notes are redeemable at the option of the holders thereof, on May 15, 2002.
(7) The Company paid off and retired the 2011 Drs. on April 5, 2001, the Acquisition Mortgage Loan I on May 31, 2001, and the Acquisition Mortgage Loan II on June 27, 2001.

The following is a schedule of the stated maturities and scheduled principal payments of the mortgage loans payable, senior unsecured debt and acquisition facility payable for the next five years ending December 31, and thereafter:

	Amount
Remainder of 2001	$ 1,049
2002	3,456
2003	179,848
2004	1,418
2005	51,548
Thereafter	1,042,517
Total	$ 1,279,836

The maturity date of the LB Mortgage Loan II is based on a contingent event. As a result, this loan is not included in the preceding table.

FIRST INDUSTRIAL REALTY TRUST, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(DOLLARS IN THOUSANDS)

5. STOCKHOLDERS' EQUITY

Preferred Stock:

In 1995, the Company issued 1,650,000 shares of 9.5%, $ .01 par value, Series A Cumulative Preferred Stock (the "Series A Preferred Stock") at an initial offering price of $25 per share. On or after November 17, 2000, the Series A Preferred Stock became redeemable for cash at the option of the Company, in whole or in part, at $25 per share, or $41,250 in the aggregate, plus dividends accrued and unpaid to the redemption date. On March 9, 2001, the Company called for the redemption of all of the outstanding Series A Preferred Stock at the price of $25 per share, plus accrued and unpaid dividends. The Company redeemed the Series A Preferred Stock on April 9, 2001 and paid a prorated second quarter dividend of $.05872 per share, totaling approximately $97.

Restricted Stock:

During the six months ended June 30, 2001, the Company awarded 94,450 shares of restricted common stock to certain employees and 1,762 shares of restricted common stock to certain Directors. These shares of restricted common stock had a fair value of approximately $3,074 on the date of grant. The restricted common stock vests over periods from one to ten years. Compensation expense will be charged to earnings over the respective vesting period.

Non-Qualified Employee Stock Options:

During the six months ended June 30, 2001, the Company issued 1,030,900 non-qualified employee stock options to certain officers, Directors and employees of the Company. These non-qualified employee stock options vest over periods from one to three years, have a strike price of $31.05 - 33.125 per share and expire ten years from the date of grant.

During the six months ended June 30, 2001, certain employees of the Company exercised 523,048 non-qualified employee stock options. Gross proceeds to the Company were approximately $13,936.

Dividends/Distributions:

The following table summarizes dividends/distributions for the six months ended June 30, 2001.

COMMON STOCK/OPERATING PARTNERSHIP UNITS

	Record Date	Payable Date	Dividend/Distribution Per Share/Unit	Total Dividend/Distribution
Fourth Quarter 2000	December 31, 2000	January 22, 2001	$ .6575	$ 30,275
First Quarter 2001	March 31, 2001	April 23, 2001	$ .6575	$ 30,537
Second Quarter 2001	June 29, 2001	July 23, 2001	$ .6575	$ 30,668

PREFERRED STOCK

First Quarter:	Record Date	Payable Date	Dividend per Share	Total Quarterly Dividend
Series A Preferred Stock	March 15, 2001	March 31, 2001	$ .59375	$ 980
Series B Preferred Stock	March 15, 2001	March 31, 2001	$ 54.68750	$ 2,188
Series C Preferred Stock	March 15, 2001	March 31, 2001	$ 53.90600	$ 1,078
Series D Preferred Stock	March 15, 2001	March 31, 2001	$ 49.68700	$ 2,485
Series E Preferred Stock	March 15, 2001	March 31, 2001	$ 49.37500	$ 1,480

Second Quarter:	Redemption/ Record Date	Payable Date	Dividend per Share	Total Quarterly Dividend
Series A Preferred Stock	April 9, 2001	April 9, 2001	$ .05872	$ 97
Series B Preferred Stock	June 15, 2001	June 30, 2001	$ 54.68750	$ 2,188
Series C Preferred Stock	June 15, 2001	June 30, 2001	$ 53.90600	$ 1,078
Series D Preferred Stock	June 15, 2001	June 30, 2001	$ 49.68700	$ 2,485
Series E Preferred Stock	June 15, 2001	June 30, 2001	$ 49.37500	$ 1,480

FIRST INDUSTRIAL REALTY TRUST, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(DOLLARS IN THOUSANDS)

6. ACQUISITION AND DEVELOPMENT OF REAL ESTATE

During the six months ended June 30, 2001, the Company acquired 51 industrial properties comprising, in the aggregate, approximately 2.4 million square feet of GLA and several land parcels. The aggregate purchase price for these acquisitions totaled approximately $124,361, excluding costs incurred in conjunction with the acquisition of the properties. Two of the 51 industrial properties acquired, comprising approximately .1 million square feet of GLA, were acquired from the 1998 Joint Venture for an aggregate purchase price of approximately $5,845, excluding costs incurred in conjunction with the acquisition of the properties. The Company also completed the development of five industrial properties comprising approximately 1.0 million square feet of GLA at a cost of approximately $36.2 million.

7. SALES OF REAL ESTATE AND REAL ESTATE HELD FOR SALE

During the six months ended June 30, 2001, the Company sold 69 industrial properties comprising approximately 5.1 million square feet of GLA and several land parcels. Gross proceeds from these sales were approximately $226,395. The Company also recognized a gain on a sale that was deferred. The gain on sale of real estate was approximately $29,698.

The Company has an active sales program through which it is continually engaged in evaluating its current portfolio for potential sales candidates in order to redeploy capital. At June 30, 2001, the Company had 65 industrial properties comprising approximately 7.1 million square feet of GLA held for sale. There can be no assurance that such properties held for sale will be sold.

The following table discloses certain information regarding the 65 industrial properties held for sale by the Company.

	SIX MONTHS ENDED JUNE 30,		THREE MONTHS ENDED JUNE 30,	
	2001	2000	2001	2000
Total Revenues	$ 14,347	$ 14,680	$ 7,019	$ 7,273
Operating Expenses	(3,934)	(4,022)	(1,794)	(1,988)
Depreciation and Amortization	(168)	(2,600)	(84)	(1,320)
Income from Operations	$ 10,245	$ 8,058	$ 5,141	$ 3,965

FIRST INDUSTRIAL REALTY TRUST, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(DOLLARS IN THOUSANDS)

8. SUPPLEMENTAL INFORMATION TO STATEMENTS OF CASH FLOWS

Supplemental disclosure of cash flow information:

	Six Months Ended	
	June 30, 2001	June 30, 2000
Interest paid, net of capitalized interest	$ 40,597	$ 40,716
Interest capitalized	$ 4,297	$ 2,747
Supplemental schedule of noncash investing and financing activities:		
Distribution payable on common stock/units	$ 30,668	$ 28,601
Distribution payable on preferred stock	$ 7,231	$ --
Issuance of units in exchange for property	$ 1,491	$ 869
Exchange of units for common shares:		
Minority interest	$ (4,213)	$ (2,488)
Common stock	2	1
Additional paid-in capital	4,211	2,487
	$ --	$ --
In conjunction with the property and land acquisitions, the following assets and liabilities were assumed:		
Purchase of real estate	$ 124,361	100,200
Accrued real estate taxes and security deposits	(1,072)	$ (1,014)
	$ 123,289	$ 99,186
In conjunction with certain property sales, the Company provided seller financing:		
Notes receivable	$ --	$ 5,149

FIRST INDUSTRIAL REALTY TRUST, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(DOLLARS IN THOUSANDS)

9. EARNINGS PER SHARE

The computation of basic and diluted EPS is presented below:

	Six Months Ended		Three Months Ended	
	June 30, 2001	June 30, 2000	June 30, 2001	June 30, 2000
Numerator:				
Net Income Before Extraordinary Loss	$ 73,817	$ 58,963	$ 38,618	$ 30,624
Less: Preferred Stock Dividends	(15,539)	(16,422)	(7,328)	(8,211)
Less: Minority Interest Allocable to Extraordinary Loss	(1,597)	--	(1,597)	--
Net Income Available to Common Stockholders Before Extraordinary Loss, net of Minority Interest -For Basic and Diluted EPS	56,681	42,541	29,693	22,413
Extraordinary Loss, net of Minority Interest......................	(8,712)	--	(8,712)	--
Net Income Available to Common Stockholders -For Basic and Diluted EPS	$ 47,969	$ 42,541	$ 20,981	$ 22,413
Denominator:				
Weighted Average Shares - Basic	39,196,852	38,558,694	39,440,432	38,736,752
Effect of Dilutive Securities:				
Employee and Director Common Stock Options	373,698	194,828	289,465	231,926
Weighted Average Shares- Diluted	39,570,550	38,753,522	39,729,897	38,968,678
Basic EPS:				
Net Income Available to Common Stockholders Before Extraordinary Loss, net of Minority Interest	$ 1.45	$ 1.10	$ .75	$ .58
Extraordinary Loss, net of Minority Interest	(.22)	--	(.22)	--
Net Income Available to Common Stockholders	$ 1.22	$ 1.10	$ .53	$ .58
Diluted EPS:				
Net Income Available to Common Stockholders Before Extraordinary Loss, net of Minority Interest	$ 1.43	$ 1.10	$ .75	$ .58
Extraordinary Loss, net of Minority Interest	(.22)	--	(.22)	--
Net Income Available to Common Stockholders	$ 1.21	$ 1.10	$ .53	$ .58

10. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Company is involved in legal actions arising from the operation of its properties. In management's opinion, the liabilities, if any, that may ultimately result from such legal actions are not expected to have a materially adverse effect on the consolidated financial position, operations or liquidity of the Company.

The Company has committed to the construction of 31 development projects totaling approximately 6.6 million square feet of GLA for an estimated investment of approximately $289.0 million. Of this amount, approximately $159.6 million remains to be funded. These developments are expected to be funded with cash flows from operations, borrowings under the Company's 2000 Unsecured Acquisition Facility and proceeds from the sale of select properties of the Company. The Company expects to place in service approximately 24 of the 31 development projects, comprising approximately 5.1 million square feet of GLA at an estimated investment of approximately $215.2 million, during the next twelve months.

FIRST INDUSTRIAL REALTY TRUST, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(DOLLARS IN THOUSANDS)

11. SUBSEQUENT EVENTS

From July 1, 2001 to August 3, 2001, the Company acquired six industrial properties for an aggregate purchase price of approximately $16,705, excluding costs incurred in conjunction with the acquisition of these industrial properties. The Company also sold 20 industrial properties and several land parcels for approximately $42,347 of gross proceeds.

On July 2, 2001, the Company paid second quarter preferred stock dividends of $54.688 per share (equivalent to $.54688 per Depositary Share) on its Series B Preferred Stock, $53.906 per share (equivalent to $.53906 per Depositary Share) on its Series C Preferred Stock, $49.687 per share (equivalent to $.49687 per Depositary Share) on its Series D Preferred Stock and $49.375 per share (equivalent to $.49375 per Depositary Share) on its Series E Preferred Stock. The preferred stock dividends paid on July 2, 2001 totaled, in the aggregate, approximately $7,231.

On July 23, 2001, the Company and the Operating Partnership paid a second quarter 2001 dividend/distribution of $.6575 per common share/Unit, totaling approximately $30,668.

FIRST INDUSTRIAL REALTY TRUST, INC.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of First Industrial Realty Trust, Inc.'s (the "Company") financial condition and results of operations should be read in conjunction with the financial statements and notes thereto appearing elsewhere in this Form 10-Q.

This report contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The Company intends 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 is 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", "anticipate", "estimate", "project" or similar expressions. The Company's ability to predict results or the actual effect of future plans or strategies is inherently uncertain. Factors which could have a material adverse affect on the operations and future prospects of the Company on a consolidated basis include, but are not limited to, changes in: economic conditions generally and the real estate market specifically, legislative/regulatory changes (including changes to laws governing the taxation of real estate investment trusts), availability of capital, interest rates, competition, supply and demand for industrial properties in the Company's current and proposed market areas and general accounting principles, policies and guidelines applicable to real estate investment trusts. These risks and uncertainties should be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements. Further information concerning the Company and its business, including additional factors that could materially affect the Company's financial results, is included herein and in the Company's other filings with the Securities and Exchange Commission.

The Company was organized in the state of Maryland on August 10, 1993. The Company is a real estate investment trust ("REIT") as defined in the Internal Revenue Code. The Company's operations are conducted primarily through First Industrial, L.P. (the "Operating Partnership") of which the Company is the sole general partner with an approximate 84.8% ownership interest at June 30, 2001. As of June 30, 2001, the Company owned 947 in-service properties located in 24 states, containing an aggregate of approximately 65.8 million square feet of gross leasable area ("GLA") and 14 properties held for redevelopment. Of the 947 in-service properties owned by the Company, 770 are held by the Operating Partnership, 109 are held by limited partnerships in which the Operating Partnership is the limited partner and wholly-owned subsidiaries of the Company are the general partners, 52 are held by limited liability companies of which the Operating Partnership is the sole member and 16 are held by an entity wholly-owned by the Operating Partnership. The Company, through wholly-owned limited liability companies of which the Operating Partnership is the sole member, also owns 10% equity interests in, and provides asset and property management services to, two joint ventures which invest in industrial properties (the "September 1998 Joint Venture" and the "September 1999 Joint Venture"). Minority interest in the Company at June 30, 2001 represents the approximate 15.2% aggregate partnership interest in the Operating Partnership held by the limited partners thereof.

RESULTS OF OPERATIONS

At June 30, 2001, the Company owned 947 in-service properties with approximately 65.8 million square feet of GLA, compared to 975 in-service properties with approximately 68.3 million square feet of GLA at June 30, 2000. During the period between July 1, 2000 and June 30, 2001, the Company acquired 105 in-service properties containing approximately 5.6 million square feet of GLA, completed development of 18 properties and redevelopment of two properties totaling approximately 2.8 million square feet of GLA and sold 142 in-service properties totaling approximately 10.7 million square feet of GLA, one out of service property and several land parcels. The Company also took 14 properties out of service that are under redevelopment, comprising approximately .8 million square feet of GLA and placed in service three properties comprising approximately .6 million square feet of GLA.

COMPARISON OF SIX MONTHS ENDED JUNE 30, 2001 TO SIX MONTHS ENDED JUNE 30, 2000

Rental income and tenant recoveries and other income increased by approximately $7.5 million or 3.9% due primarily to general rent increases and an increase in tenant recoveries related to an increase in property expenses (as discussed below) for the six months ended June 30, 2001 as compared to the six months ended June 30, 2000. Rental income and tenant recoveries and other income from properties owned prior to January 1, 2000 increased by approximately $4.5 million or 3.3% due primarily to general rent increases and an increase in tenant recoveries due to an increase in property expenses (as discussed below) for the six months ended June 30, 2001 as compared to the six months ended June 30, 2000.

Property expenses, which include real estate taxes, repairs and maintenance, property management, utilities, insurance and other expenses increased by approximately $2.7 million or 5.0%. The increase in repairs and maintenance is due to an increase in snow removal and related expenses. The increase in utilities is due to increases in gas and electricity expenses. The increase in insurance is due to an increase in insurance premiums. Property expenses from properties owned prior to January 1, 2000 increased by approximately $2.3 million or 5.9% due primarily to the explanations discussed above.

General and administrative expense increased by approximately $1.4 million due primarily to general increases in employee compensation and the write-off of the Company's technology initiative investment.

Interest expense increased by approximately $2.6 million for the six months ended June 30, 2001 compared to the six months ended June 30, 2000 due primarily to a higher average debt balance outstanding. This was slightly offset by a decrease in the weighted average interest rate for the six months ended June 30, 2001 (7.19%) compared to the six months ended June 30, 2000 (7.29%) and an increase in capitalized interest for the six months ended June 30, 2001 due to an increase in development activities. The average debt balance outstanding for the six months ended June 30, 2001 and 2000 was approximately $1,310.5 million and $1,183.0 million, respectively.

Amortization of deferred financing costs remained relatively unchanged.

Depreciation and other amortization decreased by approximately $.7 million due primarily to the Company ceasing depreciation and amortization on properties it considers held for sale and due to properties sold subsequent to December 31, 1999. This decrease is offset by depreciation and amortization related to properties acquired or developed subsequent to December 31, 2000.

Equity in income of joint ventures increased by approximately $.3 million due primarily due to an increase in gain on sale of real estate.

The $29.7 million gain on sale of real estate for the six months ended June 30, 2001 resulted from the sale of 69 industrial properties and several land parcels. Gross proceeds from these sales were approximately $226.4 million.

The $15.9 million gain on sale of real estate for the six months ended June 30, 2000 resulted from the sale of 35 industrial properties and several land parcels. Gross proceeds from these sales were approximately $136.2 million.

The $10.3 million extraordinary loss for the six months ended June 30, 2001 is due to the early retirement of senior unsecured debt and various mortgage loans. The extraordinary loss is comprised of the amount paid above the carrying amount of the senior unsecured debt, the write-off of unamortized deferred financing fees, the write-off of the unamortized portion of an interest rate protection agreement which was used to fix the interest rate on the senior unsecured debt, the settlement of an interest rate protection agreement used to fix the retirement price of the senior unsecured debt, prepayment fees, legal costs and other expenses.

COMPARISON OF THREE MONTHS ENDED JUNE 30, 2001 TO THREE MONTHS ENDED JUNE 30, 2000

Rental income and tenant recoveries and other income increased by approximately $3.2 million or 3.4% due primarily to general rent increases and an increase in tenant recoveries related to an increase in property expenses (as discussed below) for the three months ended June 30, 2001 as compared to the three months ended June 30, 2000. Rental income and tenant recoveries and other income from properties owned prior to January 1, 2000 increased by approximately $2.2 million or 3.1% due primarily to general rent increases and an increase in tenant recoveries due to an increase in property expenses (as discussed below) for the three months ended June 30, 2001 as compared to the three months ended June 30, 2000.

Property expenses, which include real estate taxes, repairs and maintenance, property management, utilities, insurance and other expenses increased by approximately $.5 million or 1.8%. The increase in real estate tax expense is due to an increase in real estate taxes in many of the Company's markets. The increase in repairs and maintenance is due to an increase in snow removal and related expenses. The increase in insurance is due to an increase in insurance premiums. This is offset by a decrease in property management fees and a decrease in other expense. Property expenses from properties owned prior to January 1, 2000 increased by approximately $.7 million or 3.5% due primarily to the explanations discussed above.

General and administrative expense increased by approximately $.5 million due primarily to general increases in employee compensation and the write-off of the Company's technology initiative investment.

Interest expense increased by approximately $1.1 million for the three months ended June 30, 2001 compared to the three months ended June 30, 2000 due primarily to a higher average debt balance outstanding. This was slightly offset by a decrease in the weighted average interest rate for the three months ended June 30, 2001 (7.12%) compared to the three months ended June 30, 2000 (7.30%) and an increase in capitalized interest for the three months ended June 30, 2001 due to an increase in development activities. The average debt balance outstanding for the three months ended June 30, 2001 and 2000 was approximately $1,332.1 million and $1,196.1 million, respectively.

Amortization of deferred financing costs remained relatively unchanged.

Depreciation and other amortization decreased by approximately $.4 million due primarily to the Company ceasing depreciation and amortization on properties it considers held for sale and due to properties sold subsequent to December 31, 1999. This decrease is offset by depreciation and amortization related to properties acquired or developed subsequent to December 31, 2000.

Equity in income of joint ventures increased by approximately $.2 million due primarily to an increase in gain on sale of real estate.

The $15.8 million gain on sale of real estate for the three months ended June 30, 2001 resulted from the sale of 45 industrial properties and several land parcels. Gross proceeds from these sales were approximately $165.5 million.

The $10.1 million gain on sale of real estate for the three months ended June 30, 2000 resulted from the sale of 24 industrial properties and several land parcels. Gross proceeds from these sales were approximately $81.1 million.

The $10.3 million extraordinary loss for the three months ended June 30, 2001 is due to the early retirement of senior unsecured debt and various mortgage loans. The extraordinary loss is comprised of the amount paid above the carrying amount of the senior unsecured debt, the write-off of unamortized deferred financing fees, the write-off of the unamortized portion of an interest rate protection agreement which was used to fix the interest rate on the senior unsecured debt, the settlement of an interest rate protection agreement used to fix the retirement price of the senior unsecured debt, prepayment fees, legal costs and other expenses.

LIQUIDITY AND CAPITAL RESOURCES

At June 30, 2001, the Company's cash and cash equivalents was approximately $8.7 million and restricted cash was approximately $52.2 million. Included in restricted cash are approximately $1.3 million of cash reserves required to be set aside under the Company's $40.0 million mortgage loan (the "1995 Mortgage Loan") for payments of security deposit refunds, tenant improvements, capital expenditures, interest, real estate taxes and insurance. The portion of the cash reserve relating to payments for capital expenditures, interest, real estate taxes and insurance for properties collateralizing the 1995 Mortgage Loan is established monthly, distributed to the Company as such expenditures are made and is replenished to a level adequate to make the next periodic payment of such expenditures. The portion of the cash reserve relating to security deposit refunds for the tenants occupying the properties collateralizing the 1995 Mortgage Loan is adjusted as tenants turn over. Also included in restricted cash is approximately $50.9 million of gross proceeds from the sales of certain properties. These sales proceeds will be disbursed as the Company exchanges properties under Section 1031 of the Internal Revenue Code.

SIX MONTHS ENDED JUNE 30, 2001

Net cash provided by operating activities of approximately $74.9 million for the six months ended June 30, 2001 was comprised primarily of net income before minority interest of approximately $72.3 million and adjustments for non-cash items of approximately $17.5 million, offset by the net change in operating assets and liabilities of approximately $14.9 million. The adjustments for the non-cash items of approximately $17.5 million are primarily comprised of depreciation and amortization of approximately $38.1 million and an extraordinary loss of approximately $10.3 million from the early retirement of debt, offset by the gain on sale of real estate of approximately $29.7 million and the effect of the straight-lining of rental income of approximately $1.2 million.

Net cash used in investing activities of approximately $15.2 million for the six months ended June 30, 2001 was comprised primarily of the acquisition of real estate, development of real estate, capital expenditures related to the expansion and improvement of existing real estate and an increase in restricted cash from sales proceeds deposited with an intermediary for Section 1031 exchange purposes, offset by the net proceeds from the sale of real estate, distributions from the Company's two industrial real estate joint ventures and the repayment of mortgage loans receivable.

Net cash used in financing activities of approximately $58.7 million for the six months ended June 30, 2001 was comprised primarily of repayments on mortgage loans payable, the repurchase of restricted stock, the purchase of U.S. Government securities used as substitute collateral to execute a legal defeasance of a portion of the 1995 Mortgage Loan, common and preferred stock dividends and unit distributions, debt issuance costs incurred in conjunction with the 2011 Notes (defined below), repayment of senior unsecured debt and prepayment fees incurred in the early retirement of the Acquisition Mortgage Loan I (defined below) and the Acquisition Mortgage Loan II (defined below), redemption of the Company's Series A Preferred Stock (defined below), and the net repayments under the Company's $300 million unsecured line of credit (the "2000 Unsecured Acquisition Facility"), offset by the proceeds from the issuance of senior unsecured debt and net proceeds from the exercise of employee stock options.

SIX MONTHS ENDED JUNE 30, 2000

Net cash provided by operating activities of approximately $68.9 million for the six months ended June 30, 2000 was comprised primarily of net income before minority interest of approximately $67.1 million and adjustments for non-cash items of approximately $20.7 million, offset by the net change in operating assets and liabilities of approximately $18.9 million. The adjustments for the non-cash items of approximately $20.7 million are primarily comprised of depreciation and amortization of approximately $37.4 million, offset by the gain on sale of real estate of approximately $15.9 million and the effect of the straight-lining of rental income of approximately $.8 million.

Net cash used in investing activities of approximately $62.3 million for the six months ended June 30, 2000 was comprised primarily of the acquisition of real estate, development of real estate, capital expenditures related to the expansion and improvement of existing real estate and an increase in restricted cash from sales proceeds deposited with an intermediary for Section 1031 exchange purposes, offset by the net proceeds from the sale of real estate, distributions from one of the Company's two industrial real estate joint ventures and the repayment of mortgage loans receivable.

Net cash used in financing activities of approximately $3.7 million for the six months ended June 30, 2000 was comprised primarily of repayments on mortgage loans payable, the purchase of treasury shares, the purchase of U.S. Government securities used as substitute collateral to execute a legal defeasance of a portion of the 1995 Mortgage Loan, common and preferred stock dividends and unit distributions and debt issuance costs incurred in conjunction with the 2000 Unsecured Acquisition Facility, offset by the net borrowings under the Company's lines of credit and net proceeds from the exercise of employee stock options.

INVESTMENT IN REAL ESTATE, DEVELOPMENT OF REAL ESTATE AND SALES OF REAL ESTATE

During the six months ended June 30, 2001, the Company purchased 51 industrial properties comprising, in the aggregate, approximately 2.4 million square feet of GLA and several land parcels, for an aggregate purchase price of approximately $124.4 million, excluding costs incurred in conjunction with the acquisition of the properties. Two of the 51 industrial properties acquired, comprising approximately .1 million square feet of GLA, were acquired from the 1998 Joint Venture for an aggregate purchase price of approximately $5.8 million, excluding costs incurred in conjunction with the acquisition of the properties. The Company also completed the development of five industrial properties comprising approximately 1.0 million square feet of GLA at a cost of approximately $36.2 million.

During the six months ended June 30, 2001, the Company sold 69 industrial properties comprising approximately 5.1 million square feet of GLA and several land parcels. Gross proceeds from these sales were approximately $226.4 million.

The Company has committed to the construction of 31 development projects totaling approximately 6.6 million square feet of GLA for an estimated investment of approximately $289.0 million. Of this amount, approximately $159.6 million remains to be funded. These developments are expected to be funded with cash flows from operations, borrowings under the Company's 2000 Unsecured Acquisition Facility and proceeds from the sale of select properties of the Company. The Company expects to place in service approximately 24 of the 31 development projects, comprising approximately 5.1 million square feet of GLA at an estimated investment of approximately $215.2 million, during the next twelve months.

REAL ESTATE HELD FOR SALE

The Company plans on exiting the markets of Cleveland, Columbus, Dayton, Des Moines, Grand Rapids and Long Island and continually engages in evaluating its other real estate markets for potential sales candidates. At June 30, 2001, the Company had 65 industrial properties comprising approximately 7.1 million square feet of GLA held for sale. Income from operations of the 65 industrial properties held for sale for the six months ended June 30, 2001 and 2000 is approximately $10.2 million and $8.1 million, respectively. Income from operations of the 65 industrial properties held for sale for the three months ended June 30, 2001 and 2000 is approximately $5.1 million and $4.0 million, respectively. Net carrying value of the 65 industrial properties held for sale at June 30, 2001 is approximately $176.9 million. There can be no assurance that such properties held for sale will be sold.

INVESTMENTS IN JOINT VENTURES

During the six months ended June 30, 2001, the Company, through wholly-owned limited liability companies in which the Operating Partnership is the sole member, received, in the aggregate, approximately $1.2 million in asset management and property management fees from the September 1998

Joint Venture and the September 1999 Joint Venture, collectively. The Company, through wholly-owned limited liability companies in which the Operating Partnership is the sole member, received, in the aggregate, distributions of approximately $.6 million from the September 1998 Joint Venture and the September 1999 Joint Venture. As of June 30, 2001, the September 1998 Joint Venture owned 121 industrial properties comprising approximately 6.3 million square feet of GLA and the September 1999 Joint Venture owned 39 industrial properties comprising approximately 1.2 million square feet of GLA.

MORTGAGE LOANS PAYABLE

In March 2001, the Company purchased approximately $1.1 million of U.S. Government securities as substitute collateral to execute a legal defeasance of approximately $1.1 million of the 1995 Mortgage Loan. The terms of the legal defeasance require the Mortgage Partnership to use the gross proceeds from the maturities of the U.S. Government securities to paydown and subsequently retire the defeased portion of the 1995 Mortgage Loan in January 2003. The Company is carrying the defeased portion of the 1995 Mortgage Loan on its balance sheet until it pays down and retires the defeased portion of the 1995 Mortgage Loan in January 2003. Upon the execution of the legal defeasance, one of the 22 properties collateralizing the 1995 Mortgage Loan was released and subsequently sold.

On October 23, 1997, the Company, through the Operating Partnership, assumed a mortgage loan in the amount of $4.2 million (the "Acquisition Mortgage Loan I") in conjunction with the acquisition of a portfolio of properties. The Acquisition Mortgage Loan I was collateralized by a property in Bensenville, Illinois, bore interest at a fixed rate of 8.5% and provided for monthly principal and interest payments based upon a 15-year amortization schedule. On May 31, 2001, the Company, through the Operating Partnership, paid off and retired the Acquisition Mortgage Loan I. Due to the retirement of the Acquisition Mortgage Loan I, the Company has recorded an extraordinary loss of approximately $.1 million due to a prepayment fee.

On December 9, 1997, the Company, through the Operating Partnership, assumed a mortgage loan in the amount of $8.0 million (the "Acquisition Mortgage Loan II") in conjunction with the acquisition of a portfolio of properties. The Acquisition Mortgage Loan II was collateralized by ten properties in St. Charles, Louisiana, bore interest at a fixed rate of 7.75% and provided for monthly principal and interest payments based upon a 22-year amortization schedule. On June 27, 2001, the Company, through the Operating Partnership, paid off and retired the Acquisition Mortgage Loan II. Due to the retirement of the Acquisition Mortgage Loan II, the Company has recorded an extraordinary loss of approximately $.9 million due to a prepayment fee.

SENIOR UNSECURED DEBT

On March 19, 2001, the Company, through the Operating Partnership, issued $200 million of senior unsecured debt which matures on March 15, 2011 and bears a coupon interest rate of 7.375% (the "2011 Notes"). The issue price of the 2011 Notes was 99.695%. Interest is paid semi-annually in arrears on September 15 and March 15. The Company also entered into an interest rate protection agreement which was used to fix the interest rate on the 2011 Notes prior to issuance. The Company settled the interest rate protection agreement for approximately $.4 million of proceeds which is included in other comprehensive income. The debt issue discount and the settlement amount of the interest rate protection agreement are being amortized over the life of the 2011 Notes as an adjustment to interest expense. The 2011 Notes contain certain covenants including limitations on incurrence of debt and debt service coverage.

On March 31, 1998, the Company, through the Operating Partnership, issued $100 million of Dealer remarketable securities which were to mature on April 5, 2011 and bore a coupon interest rate of 6.50% (the "2011 Drs."). The issue price of the 2011 Drs. was 99.753%. On April 5, 2001 the Company paid off and retired the 2011 Drs. for a payment of approximately $105.6 million. In conjunction with the forecasted retirement of the 2011 Drs., the Company entered into an interest rate protection agreement which fixed the retirement price of the 2011 Drs. On April 2, 2001, this interest rate protection agreement was settled for a payment of approximately $.6 million. Due to the retirement of the 2011 Drs., the Company has recorded an extraordinary loss of approximately $9.2 million comprised of the amount paid above the 2011 Drs. carrying value, the write-off of unamortized deferred financing fees, the write-off of the unamortized portion of an interest rate protection agreement which was used to fix the interest rate on the 2011 Drs. prior to issuance, the settlement of the interest rate protection agreement as discussed above, legal costs and other expenses.

PREFERRED STOCK

In 1995, the Company issued 1,650,000 shares of 9.5%, $ .01 par value, Series A Cumulative Preferred Stock (the "Series A Preferred Stock") at an initial offering price of $25 per share. On or after November 17, 2000, the Series A Preferred Stock became redeemable for cash at the option of the Company, in whole or in part, at $25 per share, or $41.3 million in the aggregate, plus dividends accrued and unpaid to the redemption date. On March 9, 2001, the Company called for the redemption of all of the outstanding Series A Preferred Stock at the price of $25 per share, plus accrued and unpaid dividends. The Company redeemed the Series A Preferred Stock on April 9, 2001 and paid a prorated second quarter dividend of $.05872 per share, totaling approximately $.1 million.

MARKET RISK

The following discussion about the Company's 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.

This 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 the Company at June 30, 2001 that are sensitive to changes in the 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, the Company also faces 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 June 30, 2001, $141.0 million (approximately 11% of total debt at June 30, 2001) of the Company's debt was variable rate debt (all of the variable rate debt relates to the Company's 2000 Unsecured Acquisition Facility) and $1,138.2 million (approximately 89% of total debt at June 30, 2001) was fixed rate debt. The Company also has outstanding a written put option (the "Written Option") which was issued in conjunction with the initial offering of one tranche of senior unsecured debt. Currently, the Company does not enter into financial instruments for trading or other speculative purposes.

For fixed rate debt, changes in interest rates generally affect the fair value of the debt, but not earnings or cash flows of the Company. Conversely, for variable rate debt, changes in the interest rate generally do not impact the fair value of the debt, but would affect the Company's 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 the Company until the Company is required to refinance such debt. See Note 4 to the consolidated financial statements for a discussion of the maturity dates of the Company's various fixed rate debt.

Based upon the amount of variable rate debt outstanding at June 30, 2001, a 10% increase or decrease in the interest rate on the Company's variable rate debt would decrease or increase, respectively, future net income and cash flows by approximately $.7 million per year. A 10% increase in interest rates would decrease the fair value of the fixed rate debt at June 30, 2001 by approximately $53.6 million to $1,056.3 million. A 10% decrease in interest rates would increase the fair value of the fixed rate debt at June 30, 2001 by approximately $59.2 million to $1,169.1 million. A 10% increase in interest rates would decrease the fair value of the Written Option at June 30, 2001 by approximately $1.6 million to $4.0 million. A 10%

decrease in interest rates would increase the fair value of the Written Option at June 30, 2001 by approximately $2.0 million to $7.6 million.

ISSUANCE OF RESTRICTED STOCK AND EMPLOYEE STOCK OPTIONS

During the six months ended June 30, 2001, the Company awarded 94,450 shares of restricted common stock to certain employees and 1,762 shares of restricted common stock to certain Directors. These shares of restricted common stock had a fair value of approximately $3.1 million on the date of grant. The restricted common stock vests over periods from one to ten years. Compensation expense will be charged to earnings over the respective vesting period.

During the six months ended June 30, 2001, the Company issued 1,030,900 non-qualified employee stock options to certain officers, Directors and employees of the Company. These non-qualified employee stock options vest over periods from one to three years, have a strike price of $31.05-33.125 per share and expire ten years from the date of grant.

COMMON STOCK

During the six months ended June 30, 2001, certain employees of the Company exercised 523,048 non-qualified employee stock options. Gross proceeds to the Company were approximately $13.9 million.

DIVIDENDS/DISTRIBUTIONS

On January 2, 2001 and April 2, 2001, the Company paid quarterly preferred stock dividends of $.59375 per share on its Series A Preferred Stock, $54.688 per share (equivalent to $.54688 per Depositary Share) on its Series B Preferred Stock, $53.906 per share (equivalent to $.53906 per Depositary Share) on its Series C Preferred Stock, $49.687 per share (equivalent to $.49687 per Depositary Share) on its Series D Preferred Stock and $49.375 per share (equivalent to $.49375 per Depositary Share) on its Series E Preferred Stock. The preferred stock dividends paid on January 2, 2001 and April 2, 2001 totaled, in the aggregate, approximately $8.2 million per quarter.

On January 22, 2001, the Company and the Operating Partnership paid a fourth quarter 2000 distribution of $.6575 per common share/Unit, totaling approximately $30.3 million.

On April 9, 2001, the Company paid a prorated second quarter dividend of $.05872 per share, totaling approximately $.1 million, on its Series A Preferred Stock.

On April 23, 2001, the Company and the Operating Partnership paid a first quarter 2001 dividend/distribution of $.6575 per common share/Unit, totaling approximately $30.5 million.

SUBSEQUENT EVENTS

From July 1, 2001 to August 3, 2001, the Company acquired six industrial properties for an aggregate purchase price of approximately $16.7 million, excluding costs incurred in conjunction with the acquisition of these industrial properties. The Company also sold 20 industrial properties and several land parcels for approximately $42.3 million of gross proceeds.

On July 2, 2001, the Company paid second quarter preferred stock dividends of $54.688 per share (equivalent to $.54688 per Depositary Share) on its Series B Preferred Stock, $53.906 per share (equivalent to $.53906 per Depositary Share) on its Series C Preferred Stock, $49.687 per share (equivalent to $.49687 per Depositary Share) on its Series D Preferred Stock and $49.375 per share (equivalent to $.49375 per Depositary Share) on its Series E Preferred Stock. The preferred stock dividends paid on July 2, 2001 totaled, in the aggregate, approximately $7.2 million.

On July 23, 2001, the Company and the Operating Partnership paid a second quarter 2001 dividend/distribution of $.6575 per common share/Unit, totaling approximately $30.7 million.

SHORT-TERM AND LONG-TERM LIQUIDITY NEEDS

The Company has considered its short-term (one year or less) liquidity needs and the adequacy of its estimated cash flow from operations and other expected liquidity sources to meet these needs. The Company believes that its principle short-term liquidity needs are to fund normal recurring expenses, debt service requirements and the minimum distribution required to maintain the Company's REIT qualification under the Internal Revenue Code. The Company anticipates that these needs will be met with cash flows provided by operating activities.

The Company expects to meet long-term (greater than one year) 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 secured and unsecured indebtedness and the issuance of additional equity securities. As of June 30, 2001, $589.2 million of common stock, preferred stock and depositary shares and $100.0 million of debt securities were registered and unissued under the Securities Act of 1933, as amended. As of August 3, 2001, $589.2 million of common stock, preferred stock and depositary shares and $500.0 million of debt securities were registered and unissued under the Securities Act of 1933, as amended. The Company also may finance the development or acquisition of additional properties through borrowings under the 2000 Unsecured Acquisition Facility. At June 30, 2001, borrowings under the 2000 Unsecured Acquisition Facility bore interest at a weighted average interest rate of 4.8%. The 2000 Unsecured Acquisition Facility bears interest at a floating rate of LIBOR plus .80%, or the Prime Rate, at the Company's election. As of August 3, 2001, the Company had approximately $148.3 million available for additional borrowings under the 2000 Unsecured Acquisition Facility.

OTHER

On January 1, 2001, the Company adopted the Financial Accounting Standards Board's Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("FAS 133"), as amended by Statement of Financial Accounting Standards No. 138, "Accounting for Derivative Instruments and Hedging Activities- An Amendment of FAS Statement 133". FAS 133, as amended, establishes accounting and reporting standards for derivative instruments. Specifically, FAS 133, as amended, requires an entity to recognize all derivatives as either assets or liabilities in the statement of financial position and to measure those instruments at fair value. Additionally, the fair value adjustment will affect either other comprehensive income (shareholders' equity) or net income, depending on whether the derivative instrument qualifies as a hedge for accounting purposes and, if so, the nature of the hedging activity. FAS 133, as amended, also requires that any gains or losses on derivative instruments that are reported independently as deferred gains or losses (assets or liabilities) in the statement of financial position at the date of initial application shall be derecognized and reported as a cumulative transition adjustment in other comprehensive income.

In conjunction with prior issuances of senior unsecured debt, the Company entered into interest rate protection agreements to fix the interest rate on anticipated offerings of unsecured debt. On January 1, 2001, the Company derecognized the deferred settlement amounts relating to these settled interest rate protection agreements and recorded in other comprehensive income a cumulative transition adjustment expense of approximately $14.9 million.

In March 2001, the Company entered into an interest rate protection agreement which fixed the interest rate on a forecasted offering of unsecured debt which it designated as a cash flow hedge. In conjunction with the offering of the 2011 Notes, the Company settled this interest rate protection agreement and received approximately $.4 million, which is shown in other comprehensive income. The

Company is amortizing this settlement amount into net income as an adjustment to interest expense over the life of the 2011 Notes.

In March 2001, the Company entered into an interest rate protection agreement which fixed the retirement price on a forecasted retirement of unsecured debt which it designated as a cash flow hedge. In conjunction with the retirement of the 2011 Drs. in April 2001, the Company settled this interest rate protection agreement for a payment of approximately $.6 million which is a component of the extraordinary loss the Company has recognized relating to the retirement of the 2011 Drs.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Response to this item is included in Item 2. "Management's Discussion and Analysis of Financial Condition and Results of Operations" above.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS
None.

ITEM 2. CHANGES IN SECURITIES
None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES
None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

On May 16, 2001, First Industrial Realty Trust, Inc. ("the Company") held its Annual Meeting of Stockholders. At the meeting, three Class I directors of the Company were elected to serve until the 2004 Annual Meeting of Stockholders and until their respective successors are duly elected and qualified. The votes cast for each director were as follows:

For election of Jay H. Shidler
Votes for: 32,481,392
Votes withheld: 1,444,310

For election of John L. Lesher
Votes for: 33,659,106
Votes withheld: 266,596

For election of J. Steven Wilson
Votes for: 33,669,366
Votes withheld: 256,336

The Company's 2001 Stock Incentive Plan was approved at the meeting with 18,024,569 shares voting in favor, 6,379,886 shares voting against, 352,182 shares abstaining and 9,169,065 broker non-votes.

In addition, the appointment of PricewaterhouseCoopers LLP, as independent auditors of the Company for the fiscal year ending December 31, 2001 was ratified at the meeting with 33,516,272 shares voting in favor, 79,634 shares voting against and 329,796 shares abstaining.

Michael W. Brennan, Michael G. Damone and Kevin W. Lynch continue to serve as Class II directors until their present terms expire in 2002 and their successors are duly elected. John Rau, Robert J. Slater and W. Ed Tyler continue to serve as Class III directors until their present terms expire in 2003 and their successors are duly elected.

ITEM 5. OTHER INFORMATION
Not Applicable

ITEM 6. EXHIBITS AND REPORT ON FORM 8-K

a) Exhibits:
None.

b) Report on Form 8-K:

Report on Form 8-K filed April 10, 2001, dated April 10, 2001 reporting the redemption of all of the Company's outstanding 9 1/2 % Series A Cumulative Preferred Stock.

The Company has prepared supplemental financial and operating information which is available without charge upon request to the Company. Please direct requests as follows:

First Industrial Realty Trust, Inc.
311 S. Wacker, Suite 4000
Chicago, IL 60606
Attention: Investor Relations

SIGNATURE

Pursuant to the requirements 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.

Date: August 10, 2001

By: /s/ Michael J. Havala

Michael J. Havala
Chief Financial Officer
(Principal Financial and Accounting Officer)

EXHIBIT INDEX

Exhibit No.	Description
None.	