



Supplemental Information

June 30, 2002

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BALANCE SHEETS

(UNAUDITED)
(IN 000's)

	Quarter Ended				
	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001	June 30, 2001
ASSETS					
Real Estate (y)					
Land	\$ 437,708	\$ 426,763	\$ 426,040	\$ 431,685	\$ 435,789
Buildings and Improvements	2,179,923	2,162,187	2,167,362	2,156,640	2,173,997
Construction in Progress (al)	154,559	148,166	154,175	127,776	90,899
Furniture, Fixtures and Equipment	1,258	1,258	1,258	1,333	1,333
	<u>2,773,448</u>	<u>2,738,374</u>	<u>2,748,835</u>	<u>2,717,434</u>	<u>2,702,018</u>
Less: Accumulated Depreciation	(301,431)	(291,668)	(280,518)	(265,797)	(257,464)
Net Real Estate Investment	2,472,017	2,446,706	2,468,317	2,451,637	2,444,554
Cash and Cash Equivalents	2,630	2,075	-	13,244	8,699
Restricted Cash (b)	39,939	60,568	22,764	47,397	52,192
Tenant Accounts Receivable, Net	11,132	11,499	11,956	10,632	9,704
Deferred Rent Receivable	14,841	15,744	15,442	15,469	14,646
Other Assets and Deferred Financing Costs, Net (d)	130,878	123,616	102,921	97,008	87,124
	<u>2,671,437</u>	<u>2,660,208</u>	<u>2,621,400</u>	<u>2,635,387</u>	<u>2,616,919</u>
Total Assets	\$ 2,671,437	\$ 2,660,208	\$ 2,621,400	\$ 2,635,387	\$ 2,616,919
LIABILITIES AND STOCKHOLDERS' EQUITY					
<i>Liabilities</i>					
Mortgage Loans Payable (e)	\$ 97,473	\$ 86,924	\$ 87,459	\$ 89,273	\$ 89,807
Acquisition Facilities Payable (g)	156,100	219,500	182,500	152,000	141,000
Senior Unsecured Debt, net (f) (ad)	1,211,715	1,048,525	1,048,491	1,048,457	1,048,423
Dividends/Distributions Payable	36,651	38,684	31,196	37,891	37,899
Other Liabilities	82,508	82,584	97,715	96,509	94,980
	<u>1,584,447</u>	<u>1,476,217</u>	<u>1,447,361</u>	<u>1,424,130</u>	<u>1,412,109</u>
Total Liabilities	1,584,447	1,476,217	1,447,361	1,424,130	1,412,109
Minority Interest (h)	176,492	177,564	178,442	181,609	183,473
<i>Stockholders' Equity</i>					
Preferred Stock (f)(i)	1	1	1	1	1
Common Stock (j)	410	407	403	402	400
Accumulated Other Comprehensive Loss (c)	(10,663)	(8,754)	(12,381)	(12,202)	(12,253)
Treasury Stock, at cost (j)	(40,098)	(40,098)	(40,098)	(16,840)	(11,699)
Unearned Value of Restricted Stock Grants	(6,891)	(8,228)	(6,247)	(7,429)	(8,981)
Paid in Capital	1,121,190	1,210,389	1,197,877	1,195,347	1,189,611
Distributions in Excess of Net Income	(153,451)	(147,290)	(143,958)	(129,631)	(135,742)
	<u>910,498</u>	<u>1,006,427</u>	<u>995,597</u>	<u>1,029,648</u>	<u>1,021,337</u>
Total Stockholders' Equity	910,498	1,006,427	995,597	1,029,648	1,021,337
Total Liabilities and Stockholders' Equity	\$ 2,671,437	\$ 2,660,208	\$ 2,621,400	\$ 2,635,387	\$ 2,616,919



STATEMENT OF OPERATIONS

By Quarter

(UNAUDITED)

(IN 000'S)

	Quarter Ended				
	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001	June 30, 2001
REVENUES					
Rental Income	\$ 70,148	\$ 70,244	\$ 72,196	\$ 72,021	\$ 76,367
Tenant Recoveries and Other Income (ag)	22,671	21,341	22,511	22,447	22,586
Total Operating Revenues	<u>92,819</u>	<u>91,585</u>	<u>94,707</u>	<u>94,468</u>	<u>98,953</u>
EXPENSES					
Real Estate Taxes	14,810	14,356	15,176	14,250	14,833
Repairs and Maintenance	6,068	4,893	5,151	4,454	4,725
Property Management	2,938	2,662	2,748	2,325	2,427
Utilities	2,284	2,534	2,162	1,964	2,302
Insurance	706	625	612	402	612
Other	2,319	2,241	2,033	2,146	2,645
Total Property Expenses	<u>29,125</u>	<u>27,311</u>	<u>27,882</u>	<u>25,541</u>	<u>27,544</u>
NET OPERATING INCOME	63,694	64,274	66,825	68,927	71,409
Equity in FFO of Joint Ventures (ak)	418	356	66	313	337
IIS Services Income (l)	10,168	10,297	9,303	10,775	9,079
Write-Off of Technology Investment	-	-	-	-	(666)
General and Administrative	<u>(4,139)</u>	<u>(4,487)</u>	<u>(4,138)</u>	<u>(3,624)</u>	<u>(3,631)</u>
EBITDA	70,141	70,440	72,056	76,391	76,528
Interest Expense (ae)	(22,920)	(19,784)	(19,858)	(20,089)	(21,431)
Preferred Dividends	(6,113)	(7,231)	(7,231)	(7,231)	(7,328)
Amortization of Deferred Financing Costs	(497)	(462)	(452)	(459)	(456)
Depreciation of Corporate FF&E	<u>(416)</u>	<u>(408)</u>	<u>(315)</u>	<u>(308)</u>	<u>(303)</u>
FUNDS FROM OPERATIONS - FFO (aa)	40,195	42,555	44,200	48,304	47,010
Depreciation and Other Amortization	(18,737)	(18,559)	(23,853)	(17,316)	(16,817)
Valuation Allowance (ac)	-	-	(9,500)	-	-
Equity in Dep/Other Amortization of Joint Ventures (ak)	(64)	(134)	(1,608)	2	(87)
Add Preferred Dividends	6,113	7,231	7,231	7,231	7,328
Gain/(Loss) on Sales of Properties	8,368	3,857	5,015	7,041	4,974
Extraordinary Loss (af)	(888)	-	-	-	(10,309)
Minority Interest (h)	<u>(4,300)</u>	<u>(4,177)</u>	<u>(2,113)</u>	<u>(5,778)</u>	<u>(3,790)</u>
NET INCOME	\$ 30,687	\$ 30,773	\$ 19,372	\$ 39,484	\$ 28,309
Preferred Dividends	<u>(6,113)</u>	<u>(7,231)</u>	<u>(7,231)</u>	<u>(7,231)</u>	<u>(7,328)</u>
NET INCOME FOR COMMON STOCKHOLDERS	24,574	23,542	12,141	32,253	20,981
Extraordinary Loss, net of Minority Interest	<u>754</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,712</u>
NET INCOME FOR COMMON STOCKHOLDERS BEFORE EXTRAORDINARY LOSS	\$ 25,328	\$ 23,542	\$ 12,141	\$ 32,253	\$ 29,693
Gain on Sale of Property from Discontinued Operations (a)	(17,211)	(15,028)	-	-	-
Net Operating Income from Discontinued Operations (a)	(1,860)	(3,654)	(3,863)	(4,378)	(3,954)
Depreciation and Amortization from Discontinued Operations (a)	347	849	1,388	820	699
Minority Interest from Discontinued Operations (a)	<u>2,804</u>	<u>2,705</u>	<u>375</u>	<u>539</u>	<u>499</u>
NET INCOME FOR COMMON STOCKHOLDERS BEFORE DISCONTINUED OPERATIONS AND EXTRAORDINARY LOSS	\$ 9,408	\$ 8,414	\$ 10,041	\$ 29,234	\$ 26,937
EBITDA	\$ 70,141	\$ 70,440	\$ 72,056	\$ 76,391	\$ 76,528
Interest Expense	(22,920)	(19,784)	(19,858)	(20,089)	(21,431)
Preferred Dividends	(6,113)	(7,231)	(7,231)	(7,231)	(7,328)
Straight-line Rental Income Adjustment	(3)	(681)	(804)	(1,467)	(963)
Restricted Stock Amortization	1,367	1,158	1,154	1,576	1,323
Non-Incremental Capital Expenditures (n)	<u>(8,116)</u>	<u>(5,527)</u>	<u>(6,798)</u>	<u>(5,951)</u>	<u>(5,689)</u>
FUNDS AVAILABLE FOR DISTRIBUTION - FAD	\$ 34,356	\$ 38,375	\$ 38,519	\$ 43,229	\$ 42,440
COMMON DIVIDENDS/DISTRIBUTIONS	\$ 31,607	\$ 31,452	\$ 31,204	\$ 30,717	\$ 30,668



STATEMENT OF OPERATIONS

By Quarter

(UNAUDITED)

(AS A % OF TOTAL REVENUES)

	Quarter Ended				
	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001	June 30, 2001
REVENUES					
Rental Income	75.6%	76.7%	76.2%	76.2%	77.2%
Tenant Recoveries and Other Income (ag)	24.4%	23.3%	23.8%	23.8%	22.8%
Total Operating Revenues	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
EXPENSES					
Real Estate Taxes	16.0%	15.7%	16.0%	15.1%	15.0%
Repairs and Maintenance	6.5%	5.3%	5.4%	4.7%	4.8%
Property Management	3.2%	2.9%	2.9%	2.5%	2.5%
Utilities	2.5%	2.8%	2.3%	2.1%	2.3%
Insurance	0.8%	0.7%	0.6%	0.4%	0.6%
Other	2.5%	2.4%	2.1%	2.3%	2.7%
Total Property Expenses	<u>31.4%</u>	<u>29.8%</u>	<u>29.4%</u>	<u>27.0%</u>	<u>27.8%</u>
NET OPERATING INCOME	68.6%	70.2%	70.6%	73.0%	72.2%
Equity in FFO of Joint Ventures (ak)	0.5%	0.4%	0.1%	0.3%	0.3%
IIS Services Income (l)	11.0%	11.2%	9.8%	11.4%	9.2%
Write-Off of Technology Investment	-	-	-	-	(0.7%)
General and Administrative	<u>(4.5%)</u>	<u>(4.9%)</u>	<u>(4.4%)</u>	<u>(3.8%)</u>	<u>(3.7%)</u>
EBITDA	75.6%	76.9%	76.1%	80.9%	77.3%
Interest Expense (ae)	(24.7%)	(21.6%)	(21.0%)	(21.3%)	(21.7%)
Preferred Dividends	(6.6%)	(7.9%)	(7.6%)	(7.7%)	(7.4%)
Amortization of Deferred Financing Costs	(0.5%)	(0.5%)	(0.5%)	(0.5%)	(0.5%)
Depreciation of Corporate FF&E	<u>(0.4%)</u>	<u>(0.4%)</u>	<u>(0.3%)</u>	<u>(0.3%)</u>	<u>(0.3%)</u>
FUNDS FROM OPERATIONS - FFO (aa)	43.3%	46.5%	46.7%	51.1%	47.5%
Depreciation and Other Amortization	(20.2%)	(20.3%)	(25.2%)	(18.3%)	(17.0%)
Valuation Allowance (ac)	-	-	(10.0%)	-	-
Equity in Dep/Other Amortization of Joint Ventures (ak)	(0.1%)	(0.1%)	(1.7%)	0.0%	(0.1%)
Add Preferred Dividends	6.6%	7.9%	7.6%	7.7%	7.4%
Gain/(Loss) on Sales of Properties	9.0%	4.2%	5.3%	7.5%	5.0%
Extraordinary Loss (af)	(1.0%)	-	-	-	(10.4%)
Minority Interest (h)	<u>(4.6%)</u>	<u>(4.6%)</u>	<u>(2.2%)</u>	<u>(6.1%)</u>	<u>(3.8%)</u>
NET INCOME	33.1%	33.6%	20.5%	41.8%	28.6%
Preferred Dividends	<u>(6.6%)</u>	<u>(7.9%)</u>	<u>(7.6%)</u>	<u>(7.7%)</u>	<u>(7.4%)</u>
NET INCOME FOR COMMON STOCKHOLDERS	26.5%	25.7%	12.8%	34.1%	21.2%
Extraordinary Loss, net of Minority Interest	<u>0.8%</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8.8%</u>
NET INCOME FOR COMMON STOCKHOLDERS BEFORE EXTRAORDINARY LOSS	27.3%	25.7%	12.8%	34.1%	30.0%
Gain on Sale of Property from Discontinued Operations (a)	(18.5%)	(16.4%)	-	-	-
Net Operating Income from Discontinued Operations (a)	(2.0%)	(4.0%)	(4.1%)	(4.6%)	(4.0%)
Depreciation and Amortization from Discontinued Operations (a)	0.4%	0.9%	1.5%	0.9%	0.7%
Minority Interest from Discontinued Operations (a)	<u>3.0%</u>	<u>3.0%</u>	<u>0.4%</u>	<u>0.6%</u>	<u>0.5%</u>
NET INCOME FOR COMMON STOCKHOLDERS BEFORE DISCONTINUED OPERATIONS AND EXTRAORDINARY LOSS	<u>10.1%</u>	<u>9.2%</u>	<u>10.6%</u>	<u>30.9%</u>	<u>27.2%</u>
EBITDA	75.6%	76.9%	76.1%	80.9%	77.3%
Interest Expense	(24.7%)	(21.6%)	(21.0%)	(21.3%)	(21.7%)
Preferred Dividends	(6.6%)	(7.9%)	(7.6%)	(7.7%)	(7.4%)
Straight-line Rental Income Adjustment	(0.0%)	(0.7%)	(0.8%)	(1.6%)	(1.0%)
Restricted Stock Amortization	1.5%	1.3%	1.2%	1.7%	1.3%
Non-Incremental Capital Expenditures (n)	<u>(8.7%)</u>	<u>(6.0%)</u>	<u>(7.2%)</u>	<u>(6.3%)</u>	<u>(5.7%)</u>
FUNDS AVAILABLE FOR DISTRIBUTION - FAD	<u>37.0%</u>	<u>41.9%</u>	<u>40.7%</u>	<u>45.8%</u>	<u>42.9%</u>
COMMON DIVIDENDS/DISTRIBUTIONS	<u>34.1%</u>	<u>34.3%</u>	<u>32.9%</u>	<u>32.5%</u>	<u>31.0%</u>



STATEMENT OF OPERATIONS

By Quarter

(UNAUDITED)
(PER SHARE) (ai)

	Quarter Ended				
	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001	June 30, 2001
REVENUES					
Rental Income	\$ 1.50	\$ 1.52	\$ 1.56	\$ 1.53	\$ 1.63
Tenant Recoveries and Other Income (ag)	0.48	0.46	0.49	0.48	0.48
Total Operating Revenues	<u>1.98</u>	<u>1.98</u>	<u>2.05</u>	<u>2.01</u>	<u>2.11</u>
EXPENSES					
Real Estate Taxes	0.32	0.31	0.33	0.30	0.32
Repairs and Maintenance	0.13	0.11	0.11	0.09	0.10
Property Management	0.06	0.06	0.06	0.05	0.05
Utilities	0.05	0.05	0.05	0.04	0.05
Insurance	0.02	0.01	0.01	0.01	0.01
Other	0.05	0.05	0.04	0.05	0.06
Total Property Expenses	<u>0.62</u>	<u>0.59</u>	<u>0.60</u>	<u>0.54</u>	<u>0.59</u>
NET OPERATING INCOME	1.36	1.39	1.45	1.47	1.52
Equity in FFO of Joint Ventures (ak)	0.01	0.01	0.00	0.01	0.01
IIS Services Income (l)	0.22	0.22	0.20	0.23	0.19
Write-Off of Technology Investment	-	-	-	-	(0.01)
General and Administrative	(0.09)	(0.10)	(0.09)	(0.08)	(0.08)
EBITDA	1.50	1.52	1.56	1.63	1.63
Interest Expense (ae)	(0.49)	(0.43)	(0.43)	(0.43)	(0.46)
Preferred Dividends	(0.13)	(0.16)	(0.16)	(0.15)	(0.16)
Amortization of Deferred Financing Costs	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Depreciation of Corporate FF&E	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
FUNDS FROM OPERATIONS - FFO (aa)	0.86	0.92	0.96	1.03	1.00
Depreciation and Other Amortization	(0.40)	(0.40)	(0.52)	(0.37)	(0.36)
Valuation Allowance (ac)	-	-	(0.21)	-	-
Equity in Dep/Other Amortization of Joint Ventures (ak)	(0.00)	(0.00)	(0.03)	0.00	(0.00)
Add Preferred Dividends	0.13	0.16	0.16	0.15	0.16
Gain/(Loss) on Sales of Properties	0.18	0.08	0.11	0.15	0.11
Extraordinary Loss (af)	(0.02)	-	-	-	(0.22)
NET INCOME	\$ 0.75	\$ 0.76	\$ 0.47	\$ 0.96	\$ 0.68
Preferred Dividends	(0.13)	(0.16)	(0.16)	(0.15)	(0.16)
NET INCOME FOR COMMON STOCKHOLDERS	\$ 0.62	\$ 0.60	\$ 0.31	\$ 0.81	\$ 0.53
Extraordinary Loss, net of Minority Interest	0.02	-	-	-	0.22
NET INCOME FOR COMMON STOCKHOLDERS BEFORE EXTRAORDINARY LOSS	\$ 0.64	\$ 0.60	\$ 0.31	\$ 0.81	\$ 0.75
Gain on Sale of Property from Discontinued Operations (a)	(0.37)	(0.33)	-	-	-
Net Operating Income from Discontinued Operations (a)	(0.04)	(0.08)	(0.08)	(0.09)	(0.08)
Depreciation and Amortization from Discontinued Operations (a)	0.01	0.02	0.03	0.02	0.01
NET INCOME FOR COMMON STOCKHOLDERS BEFORE DISCONTINUED OPERATIONS AND EXTRAORDINARY LOSS	<u>\$ 0.24</u>	<u>\$ 0.21</u>	<u>\$ 0.26</u>	<u>\$ 0.73</u>	<u>\$ 0.68</u>
EBITDA					
EBITDA	\$ 1.50	\$ 1.52	\$ 1.56	\$ 1.63	\$ 1.63
Interest Expense	(0.49)	(0.43)	(0.43)	(0.43)	(0.46)
Preferred Dividends	(0.13)	(0.16)	(0.16)	(0.15)	(0.16)
Straight-line Rental Income Adjustment	(0.00)	(0.01)	(0.02)	(0.03)	(0.02)
Restricted Stock Amortization	0.03	0.03	0.03	0.03	0.03
Non-Incremental Capital Expenditures (n)	(0.17)	(0.12)	(0.15)	(0.13)	(0.12)
FUNDS AVAILABLE FOR DISTRIBUTION - FAD	<u>0.73</u>	<u>0.83</u>	<u>0.83</u>	<u>0.92</u>	<u>0.91</u>
COMMON DIVIDENDS/DISTRIBUTIONS	<u>\$ 0.68</u>	<u>\$ 0.68</u>	<u>\$ 0.68</u>	<u>\$ 0.66</u>	<u>\$ 0.66</u>



STATEMENT OF OPERATIONS

By Fiscal Year

(UNAUDITED)

(IN 000'S)

	6 Months		Year Ended	
	Ended		December	December
	June	December	December	December
	30, 2002	31, 2001	31, 2000	31, 1999
REVENUES				
Rental Income	\$ 140,392	\$ 296,296	\$ 302,744	\$ 296,632
Tenant Recoveries and Other Income (ag)	44,012	92,914	83,858	78,443
Total Operating Revenues	<u>184,404</u>	<u>389,210</u>	<u>384,170</u>	<u>374,155</u>
EXPENSES				
Real Estate Taxes	29,166	59,400	59,446	56,573
Repairs and Maintenance	10,961	20,057	18,127	16,827
Property Management	5,600	10,013	9,572	10,875
Utilities	4,818	9,877	9,989	9,933
Insurance	1,331	2,223	1,437	832
Other	4,560	9,692	8,678	4,875
Total Property Expenses	<u>56,436</u>	<u>111,262</u>	<u>104,817</u>	<u>98,995</u>
NET OPERATING INCOME	127,968	277,948	279,353	275,160
Equity in FFO of Joint Ventures (ak)	774	1,043	1,285	1,057
IIS Services Income (l)	20,465	37,679	21,515	3,173
Write-Off of Technology Investment	-	(666)	-	-
General and Administrative	<u>(8,626)</u>	<u>(15,241)</u>	<u>(13,318)</u>	<u>(13,259)</u>
EBITDA	140,581	300,763	288,835	266,131
Interest Expense (ae)	(42,704)	(82,580)	(83,925)	(79,869)
Preferred Dividends	(13,344)	(30,001)	(32,844)	(32,844)
Amortization of Deferred Financing Costs	(959)	(1,809)	(1,750)	(1,362)
Depreciation of Corporate FF&E	<u>(824)</u>	<u>(1,224)</u>	<u>(1,128)</u>	<u>(1,030)</u>
FUNDS FROM OPERATIONS - FFO (aa)	82,750	185,149	169,188	151,026
Depreciation and Other Amortization	(37,296)	(75,042)	(65,861)	(67,382)
Valuation Allowance (ac)	-	(9,500)	(2,900)	-
Equity in Dep/Other Amortization of Joint Ventures (ak)	(198)	(1,834)	(926)	(755)
Add Preferred Dividends	13,344	30,001	32,844	32,844
Gain/(Loss) on Sales of Properties	12,225	20,614	1,914	26,624
Extraordinary Loss (af)	(888)	(10,309)	-	-
Minority Interest (h)	<u>(8,477)</u>	<u>(16,715)</u>	<u>(16,395)</u>	<u>(17,609)</u>
NET INCOME	\$ 61,460	\$ 122,364	\$ 117,864	\$ 124,748
Preferred Dividends	<u>(13,344)</u>	<u>(30,001)</u>	<u>(32,844)</u>	<u>(32,844)</u>
NET INCOME FOR COMMON STOCKHOLDERS	\$ 48,116	\$ 92,363	\$ 85,020	\$ 91,904
Extraordinary Loss, net of Minority Interest	<u>754</u>	<u>8,712</u>	<u>-</u>	<u>-</u>
NET INCOME FOR COMMON STOCKHOLDERS BEFORE EXTRAORDINARY LOSS	\$ 48,870	\$ 101,075	\$ 85,020	\$ 91,904
Gain on Sale of Property from Discontinued Operations (a)	(32,239)	-	-	-
Net Operating Income from Discontinued Operations (a)	(5,514)	(16,116)	(12,795)	(11,576)
Depreciation and Amortization from Discontinued Operations (a)	1,196	3,558	2,451	2,461
Minority Interest from Discontinued Operations (a)	<u>5,509</u>	<u>1,925</u>	<u>1,637</u>	<u>1,456</u>
NET INCOME FOR COMMON STOCKHOLDERS BEFORE DISCONTINUED OPERATIONS AND EXTRAORDINARY LOSS	\$ 17,822	\$ 90,442	\$ 76,313	\$ 84,245
<hr/>				
EBITDA	\$ 140,581	\$ 300,763	\$ 288,835	\$ 266,131
Interest Expense	(42,704)	(82,580)	(83,925)	(79,869)
Preferred Dividends	(13,344)	(30,001)	(32,844)	(32,844)
Straight-line Rental Income Adjustment	(684)	(3,548)	(1,517)	(4,062)
Restricted Stock Amortization	2,525	5,635	4,645	1,220
Non-Incremental Capital Expenditures (n)	<u>(13,643)</u>	<u>(25,105)</u>	<u>(29,362)</u>	<u>(24,522)</u>
FUNDS AVAILABLE FOR DISTRIBUTION - FAD	<u>\$ 72,731</u>	<u>\$ 165,163</u>	<u>\$ 145,832</u>	<u>\$ 126,054</u>
COMMON DIVIDENDS/DISTRIBUTIONS	<u>\$ 63,059</u>	<u>\$ 123,132</u>	<u>\$ 115,753</u>	<u>\$ 109,635</u>



STATEMENT OF OPERATIONS

By Fiscal Year

(UNAUDITED)

(AS A % OF TOTAL REVENUES)

	6 Months	Year Ended		
	Ended June 30, 2002	December 31, 2001	December 31, 2000	December 31, 1999
REVENUES				
Rental Income	76.1%	76.1%	78.5%	79.1%
Tenant Recoveries and Other Income (ag)	23.9%	23.9%	21.5%	20.9%
Total Operating Revenues	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
EXPENSES				
Real Estate Taxes	15.8%	15.3%	15.5%	15.1%
Repairs and Maintenance	5.9%	5.2%	4.7%	4.5%
Property Management	3.0%	2.6%	2.5%	2.9%
Utilities	2.6%	2.5%	2.6%	2.7%
Insurance	0.7%	0.6%	0.4%	0.2%
Other	2.5%	2.5%	1.6%	1.1%
Total Property Expenses	<u>30.6%</u>	<u>28.6%</u>	<u>27.3%</u>	<u>26.5%</u>
NET OPERATING INCOME				
Equity in FFO of Joint Ventures (ak)	69.4%	71.4%	72.7%	73.5%
IIS Services Income (l)	0.4%	0.3%	0.3%	0.3%
Write-Off of Technology Investment	11.1%	9.7%	5.6%	0.8%
General and Administrative	-	(0.2%)	-	-
	<u>(4.7%)</u>	<u>(3.9%)</u>	<u>(3.5%)</u>	<u>(3.5%)</u>
EBITDA				
Interest Expense (ae)	76.2%	77.3%	75.2%	71.1%
Preferred Dividends	(23.2%)	(21.2%)	(21.8%)	(21.3%)
Amortization of Deferred Financing Costs	(7.2%)	(7.7%)	(8.5%)	(8.8%)
Depreciation of Corporate FF&E	(0.5%)	(0.5%)	(0.5%)	(0.4%)
	<u>(0.4%)</u>	<u>(0.3%)</u>	<u>(0.3%)</u>	<u>(0.3%)</u>
FUNDS FROM OPERATIONS - FFO (aa)				
Depreciation and Other Amortization	44.9%	47.6%	44.0%	40.4%
Valuation Allowance (ac)	(20.2%)	(19.3%)	(17.1%)	(18.0%)
Equity in Dep/Other Amortization of Joint Ventures (ak)	-	(2.4%)	(0.8%)	-
Add Preferred Dividends	(0.1%)	(0.5%)	(0.2%)	(0.2%)
Gain/(Loss) on Sales of Properties	7.2%	7.7%	8.5%	8.8%
Extraordinary Loss (af)	6.6%	5.3%	0.5%	7.1%
Minority Interest	(0.5%)	(2.6%)	-	-
	<u>(4.6%)</u>	<u>(4.3%)</u>	<u>(4.3%)</u>	<u>(4.7%)</u>
NET INCOME FOR COMMON STOCKHOLDERS				
Preferred Dividends	33.3%	31.4%	30.7%	33.3%
	<u>(7.2%)</u>	<u>(7.7%)</u>	<u>(8.5%)</u>	<u>(8.8%)</u>
NET INCOME FOR COMMON STOCKHOLDERS				
Extraordinary Loss, net of Minority Interest	26.1%	23.7%	22.1%	24.6%
	<u>0.4%</u>	<u>2.2%</u>	<u>-</u>	<u>-</u>
NET INCOME FOR COMMON STOCKHOLDERS BEFORE				
EXTRAORDINARY LOSS				
Gain on Sale of Property from Discontinued Operations (a)	26.5%	26.0%	22.1%	24.6%
Net Operating Income from Discontinued Operations (a)	(17.5%)	-	-	-
Depreciation and Amortization from Discontinued Operations	(3.0%)	(1.7%)	(3.3%)	(3.1%)
Minority Interest from Discontinued Operations (a)	0.6%	0.3%	0.6%	0.7%
	<u>3.0%</u>	<u>0.2%</u>	<u>0.4%</u>	<u>0.4%</u>
NET INCOME FOR COMMON STOCKHOLDERS BEFORE				
DISCONTINUED OPERATIONS AND EXTRAORDINARY				
LOSS				
	<u>9.7%</u>	<u>24.8%</u>	<u>19.9%</u>	<u>22.5%</u>
EBITDA				
Interest Expense	76.2%	77.3%	75.2%	71.1%
Preferred Dividends	(23.2%)	(21.2%)	(21.8%)	(21.3%)
Straight-line Rental Income Adjustment	(7.2%)	(7.7%)	(8.5%)	(8.8%)
Restricted Stock Amortization	(0.4%)	(0.9%)	(0.4%)	(1.1%)
Non-Incremental Capital Expenditures (n)	1.4%	1.4%	1.2%	0.3%
	<u>(7.4%)</u>	<u>(6.5%)</u>	<u>(7.6%)</u>	<u>(6.6%)</u>
FUNDS AVAILABLE FOR DISTRIBUTION - FAD				
	<u>39.4%</u>	<u>42.4%</u>	<u>38.0%</u>	<u>33.7%</u>
COMMON DIVIDENDS/DISTRIBUTIONS				
	<u>34.2%</u>	<u>31.6%</u>	<u>30.1%</u>	<u>29.3%</u>



STATEMENT OF OPERATIONS

By Fiscal Year

(UNAUDITED)
(PER SHARE) (ai)

	6 Months Ended	Year Ended		
	June 30, 2002	December 31, 2001	December 31, 2000	December 31, 1999
REVENUES				
Rental Income	\$ 3.02	\$ 6.35	\$ 6.56	\$ 6.54
Tenant Recoveries and Other Income (ag)	0.95	1.99	1.82	1.73
Total Operating Revenues	<u>3.97</u>	<u>8.34</u>	<u>8.32</u>	<u>8.25</u>
EXPENSES				
Real Estate Taxes	0.63	1.27	1.29	1.25
Repairs and Maintenance	0.24	0.43	0.39	0.37
Property Management	0.12	0.21	0.21	0.24
Utilities	0.10	0.21	0.22	0.22
Insurance	0.03	0.05	0.03	0.02
Other	0.10	0.21	0.19	0.11
Total Property Expenses	<u>1.21</u>	<u>2.38</u>	<u>2.27</u>	<u>2.18</u>
NET OPERATING INCOME	2.75	5.96	6.05	6.06
Equity in FFO of Joint Ventures (ak)	0.02	0.02	0.03	0.02
IIS Services Income (l)	0.44	0.81	0.47	0.07
Write-Off of Technology Investment	-	(0.01)	-	-
General and Administrative	<u>(0.19)</u>	<u>(0.33)</u>	<u>(0.29)</u>	<u>(0.29)</u>
EBITDA	3.02	6.45	6.25	5.87
Interest Expense (ae)	(0.92)	(1.77)	(1.82)	(1.76)
Preferred Dividends	(0.29)	(0.64)	(0.71)	(0.72)
Amortization of Deferred Financing Costs	(0.02)	(0.04)	(0.04)	(0.03)
Depreciation of Corporate FF&E	<u>(0.02)</u>	<u>(0.03)</u>	<u>(0.02)</u>	<u>(0.02)</u>
FUNDS FROM OPERATIONS - FFO (aa)	1.78	3.97	3.66	3.33
Depreciation and Other Amortization	(0.80)	(1.61)	(1.43)	(1.49)
Valuation Allowance (ac)	-	(0.20)	(0.06)	-
Equity in Dep/Other Amortization of Joint Ventures (ak)	(0.00)	(0.04)	(0.02)	(0.02)
Add Preferred Dividends	0.29	0.64	0.71	0.72
Gain/(Loss) on Sales of Properties	0.26	0.44	0.04	0.59
Extraordinary Loss (af)	<u>(0.02)</u>	<u>(0.22)</u>	<u>-</u>	<u>-</u>
NET INCOME FOR COMMON STOCKHOLDERS	1.50	2.98	2.91	3.14
Preferred Dividends	<u>(0.29)</u>	<u>(0.64)</u>	<u>(0.71)</u>	<u>(0.72)</u>
NET INCOME FOR COMMON STOCKHOLDERS	1.22	2.34	2.19	2.42
Extraordinary Loss, net of Minority Interest	<u>0.02</u>	<u>0.22</u>	<u>-</u>	<u>-</u>
NET INCOME FOR COMMON STOCKHOLDERS BEFORE				
EXTRAORDINARY LOSS	1.24	2.56	2.19	2.42
Gain on Sale of Property from Discontinued Operations (a)	(0.69)	-	-	-
Net Operating Income from Discontinued Operations (a)	(0.12)	(0.14)	(0.28)	(0.26)
Depreciation and Amortization from Discontinued Operations (a)	<u>0.03</u>	<u>0.03</u>	<u>0.05</u>	<u>0.05</u>
NET INCOME FOR COMMON STOCKHOLDERS BEFORE				
DISCONTINUED OPERATIONS AND EXTRAORDINARY LOSS	<u>\$0.45</u>	<u>\$2.46</u>	<u>\$1.97</u>	<u>\$2.22</u>
EBITDA	3.02	6.45	6.25	5.87
Interest Expense	(0.92)	(1.77)	(1.82)	(1.76)
Preferred Dividends	(0.29)	(0.64)	(0.71)	(0.72)
Straight-line Rental Income Adjustment	(0.01)	(0.08)	(0.03)	(0.09)
Restricted Stock Amortization	0.05	0.12	0.10	0.03
Non-Incremental Capital Expenditures (n)	<u>(0.29)</u>	<u>(0.54)</u>	<u>(0.64)</u>	<u>(0.54)</u>
FUNDS AVAILABLE FOR DISTRIBUTION - FAD	<u>\$1.56</u>	<u>\$3.54</u>	<u>\$3.16</u>	<u>\$2.78</u>
COMMON DIVIDENDS/DISTRIBUTIONS	<u>\$ 1.36</u>	<u>\$2.65</u>	<u>\$2.52</u>	<u>\$2.42</u>



EQUITY ANALYSIS

(UNAUDITED)
(IN 000'S EXCEPT PER SHARE DATA)

	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001	June 30, 2001
COMMON STOCK					
Common Shares and Partnership Units Outstanding					
Common Shares	39,573	39,297	38,905	39,639	39,535
Partnership Units (o)	6,928	6,960	6,973	6,993	7,109
Total	<u>46,501</u>	<u>46,257</u>	<u>45,877</u>	<u>46,632</u>	<u>46,643</u>
Basic					
Weighted Avg. Shares/Units Outstanding	46,346	45,948	46,022	46,738	46,581
Weighted Avg. Shares Outstanding	39,407	38,978	39,037	39,662	39,440
Diluted					
Weighted Avg. Shares/Units Outstanding	46,769	46,228	46,171	46,970	46,870
Weighted Avg. Shares Outstanding	39,830	39,258	39,186	39,894	39,729
Common Shares Trading Volume					
Average Daily Volume (Shares)	165	138	165	209	163
Average Daily Volume (Dollars) (p)	\$ 5,639	\$ 4,432	\$ 4,852	\$ 6,523	\$ 5,107
As a % of Common Shares	0.42%	0.35%	0.42%	0.53%	0.41%
Common Share Price Range					
Quarterly High	\$ 36.500	\$ 34.810	\$ 32.180	\$ 33.350	\$ 32.200
Quarterly Low	32.810	30.390	27.070	28.430	30.040
Quarterly Average (q)	34.100	32.150	29.400	31.160	31.360
End of Quarter	32.850	34.250	31.100	30.000	32.140
Common Stock Options Outstanding (Shares) (r)	3,286.5	3,425.3	2,949.4	3,175.4	3,287.3
Weighted Average Option Exercise Price	\$ 30.08	\$ 28.34	\$ 29.55	\$ 29.45	\$ 29.28
PREFERRED STOCK (i)					
Series B Preferred Shares Outstanding	-	4,000	4,000	4,000	4,000
Series B Preferred Shares Book Value	\$ -	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
Series C Preferred Shares Outstanding	2,000	2,000	2,000	2,000	2,000
Series C Preferred Shares Book Value	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
Series D Preferred Shares Outstanding	5,000	5,000	5,000	5,000	5,000
Series D Preferred Shares Book Value	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
Series E Preferred Shares Outstanding	3,000	3,000	3,000	3,000	3,000
Series E Preferred Shares Book Value	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
CAPITALIZATION					
Book Value of Preferred Stock	250,000	350,000	350,000	350,000	350,000
Market Value of Common Equity	1,527,555	1,584,304	1,426,785	1,398,962	1,499,114
Market Capitalization	\$ 1,777,555	\$ 1,934,304	\$ 1,776,785	\$ 1,748,962	\$ 1,849,114
Total Debt	1,465,288	1,354,949	1,318,450	1,289,730	1,279,230
Total Market Capitalization	\$ 3,242,843	\$ 3,289,253	\$ 3,095,235	\$ 3,038,692	\$ 3,128,344
(Market Capitalization + Total Debt)					



EQUITY ANALYSIS

(UNAUDITED)
(IN 000'S EXCEPT PER SHARE DATA)

RESEARCH

Current Analysts Coverage

Banc of America
Credit Suisse First Boston
Davenport & Company
Deutsche Banc AB
J P Morgan
Merrill Lynch & Co.
Prudential Securities
Raymond James & Associates
Salomon Smith Barney

Contact

Lee Schalop
Lawrence Raiman
Robert Norfleet
Louis Taylor
Stephanie Krewson
Steve Sakwa
James Sullivan
Paul Puryear
Jonathan Litt

INSTITUTIONAL OWNERSHIP

	Shares Owned	% of Common Shares
Top Ten Institutional Holders 13F, UK UT, CAN MF and Offsh Fd	9,193,343	19.8%
Top Twenty Institutional Holders 13F, UK UT, CAN MF and Offsh Fd	13,745,378	29.6%
Total Shares Held by Institutions 13F, UK UT, CAN MF and Offsh Fd	22,008,602	47.3%
Total Number of Institutional Shareholders 13F, UK UT, CAN MF, and Offsh Fd	190	

Source: Based on information compiled by TF/Carson Group and using total outstanding shares and units of 46,500,900. This information may reflect filing and/or reporting lags.



DEBT ANALYSIS

By Quarter

(UNAUDITED)

(IN 000'S)

	Quarter Ended				
	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001	June 30, 2001
DEBT OUTSTANDING					
Outstanding Balance					
Mortgage Loans Payable (e)	\$ 97,473	\$ 86,924	\$ 87,459	\$ 89,273	\$ 89,807
Acquisition Facilities Payable (g)	156,100	219,500	182,500	152,000	141,000
Senior Unsecured Debt, net (f)(ad)	1,211,715	1,048,525	1,048,491	1,048,457	1,048,423
	<u>\$1,465,288</u>	<u>\$ 1,354,949</u>	<u>\$ 1,318,450</u>	<u>\$ 1,289,730</u>	<u>\$ 1,279,230</u>
Average Outstanding Balance					
Mortgage Loans Payable (e)	\$ 98,303	\$ 87,173	\$ 88,541	\$ 89,527	\$ 99,205
Acquisition Facilities Payable (g)	127,078	212,439	200,120	145,054	180,103
Senior Unsecured Debt, net (f)(ad)	1,211,813	1,048,504	1,048,472	1,048,438	1,052,791
	<u>\$1,437,194</u>	<u>\$ 1,348,116</u>	<u>\$ 1,337,133</u>	<u>\$ 1,283,019</u>	<u>\$ 1,332,100</u>
Interest Rate Structure					
Fixed (e)(ad)	\$ 1,384,188	\$ 1,210,449	\$ 1,185,950	\$ 1,137,730	\$ 1,138,230
Floating (g)	81,100	144,500	132,500	152,000	141,000
	<u>\$1,465,288</u>	<u>\$ 1,354,949</u>	<u>\$ 1,318,450</u>	<u>\$ 1,289,730</u>	<u>\$ 1,279,230</u>
Average Interest Rates					
Mortgage Loans Payable (e)	7.74%	7.68%	7.70%	7.71%	7.73%
Acquisition Facilities Payable (g)	3.11%	2.96%	3.35%	4.60%	5.36%
Senior Unsecured Debt, net (f) (ad)	7.32%	7.36%	7.36%	7.36%	7.36%
Total Weighted Average	6.98%	6.79%	6.79%	7.08%	7.12%
DEBT RATIOS					
Debt to Total Market Capitalization (Total Debt/(Market Value Common Stock + Preferred Stock + Total Debt))	45.2%	41.2%	42.6%	42.4%	40.9%
Debt to Asset Value (Avg. Debt/ (Ann. NOI / Assumed Cap Rate)) (t)	41.0%	38.2%	37.4%	34.7%	37.2%
Unencumbered Real Estate / Total Real Estate	90.0%	91.7%	91.6%	90.8%	91.1%
COVERAGE RATIOS					
Interest Coverage - NOI (NOI / Interest)	2.8x	3.2x	3.4x	3.4x	3.3x
Interest Coverage - EBITDA (EBITDA / Interest)	3.1x	3.6x	3.6x	3.8x	3.6x
Fixed Charge Coverage - NOI (NOI / (Interest + Principal Amort. + Preferred Dividends))	2.2x	2.3x	2.4x	2.5x	2.4x
Fixed Charge Coverage - EBITDA (EBITDA / (Interest + Principal Amort. + Preferred Dividends))	2.4x	2.6x	2.6x	2.7x	2.6x



DIVIDEND ANALYSIS

By Quarter

(UNAUDITED)

	Quarter Ended				
	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001	June 30, 2001
COMMON STOCK DIVIDENDS					
Dividends per Share/Unit	\$ 0.6800	\$ 0.6800	\$ 0.6800	\$ 0.6575	\$ 0.6575
Percentage of Dividend - Ordinary Income (z)	55.00%	55.00%	67.75%	67.75%	67.75%
Percentage of Dividend - Return of Capital (z)	20.00%	20.00%	20.50%	20.50%	20.50%
Percentage of Dividend - Long-Term Gain (z)	25.00%	25.00%	11.75%	11.75%	11.75%
Common Shareholders' Record Date	6/28/02	3/29/02	12/31/01	9/28/01	6/29/01
Common Dividends Payment Date	7/22/02	4/22/02	1/21/02	10/22/01	7/23/01
COMMON DIVIDEND PAYOUT RATIOS					
Payout - FFO (Dividends / FFO)	78.4%	73.4%	70.8%	63.6%	65.1%
Payout - FAD (Dividends / FAD)	91.7%	81.4%	81.2%	71.1%	72.2%
Dividend Coverage - FFO (FFO / Dividends)	1.28x	1.36x	1.41x	1.57x	1.53x
Dividend Coverage - FAD (FAD / Dividends)	1.09x	1.23x	1.23x	1.41x	1.39x
COMMON DIVIDEND YIELDS					
Dividend Yield	8.28%	7.94%	8.75%	8.77%	8.18%
Spread Over 5 Year U.S. Treasury (u)	4.22%	3.10%	4.41%	4.98%	3.24%
Spread Over 10 Year U.S. Treasury (u)	3.45%	2.54%	3.71%	4.19%	2.78%
PREFERRED STOCK DIVIDENDS (i)					
Series A Preferred Stock Dividends Per Share	\$ -	\$ -	\$ -	\$ -	\$ 0.0588
Series A Preferred Stock Dividend Yield	-	-	-	-	-
Series A Quarter End Price	-	-	-	-	-
Series B Preferred Stock Dividends Per Share	\$ 0.2674	\$ 0.5469	\$ 0.5469	\$ 0.5469	\$ 0.5469
Series B Preferred Stock Dividend Yield	-	8.75%	8.75%	8.89%	8.79%
Series B Quarter End Price	-	25.000	25.010	24.600	24.900
Series C Preferred Stock Dividends Per Share	\$ 0.5391	\$ 0.5391	\$ 0.5391	\$ 0.5391	\$ 0.5391
Series C Preferred Stock Dividend Yield	8.29%	8.29%	8.46%	8.64%	8.29%
Series C Quarter End Price	26.000	26.000	25.500	24.970	26.000
Series D Preferred Stock Dividends Per Share	\$ 0.4969	\$ 0.4969	\$ 0.4969	\$ 0.4969	\$ 0.4969
Series D Preferred Stock Dividend Yield	8.09%	8.38%	8.53%	8.76%	8.62%
Series D Quarter End Price	24.570	23.730	23.310	22.700	23.050
Series E Preferred Stock Dividends Per Share	\$ 0.4938	\$ 0.4938	\$ 0.4938	\$ 0.4938	\$ 0.4938
Series E Preferred Stock Dividend Yield	8.03%	8.35%	8.34%	8.82%	8.55%
Series E Quarter End Price	24.580	23.650	23.670	22.400	23.100



VALUATION ANALYSIS

By Quarter
(UNAUDITED)

	Quarter Ended				
	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001	June 30, 2001
PRICING MULTIPLES /YIELDS					
NOI Multiple (Mkt. Value of Common Equity+Avg. Preferred Stock+ Avg. Total Debt)/Ann. NOI) (s)	12.8x	12.8x	11.6x	11.0x	11.2x
EBITDA Multiple (Mkt. Value of Common Equity+Avg. Preferred Stock+ Avg. Total Debt)/Ann. EBITDA) (s)	11.6x	11.6x	10.8x	9.9x	10.5x
FFO Multiple (Common Share Price / Ann. FFO) (s)	9.5x	9.3x	8.1x	7.2x	8.0x
FAD Multiple (Common Share Price / Ann. FAD) (s)	11.1x	10.3x	9.3x	8.1x	8.8x
NOI Yield (Ann. NOI / (Mkt. Value of Common Equity + Avg. Preferred Stock+ Avg. Total Debt)) (s)	7.8%	7.8%	8.6%	9.1%	8.9%
EBITDA Yield (Ann. EBITDA / (Mkt. Value of Common Equity + Avg. Preferred Stock+ Avg. Total Debt)) (s)	8.6%	8.6%	9.3%	10.1%	9.6%
FFO Yield (Ann. FFO / Common Share Price) (s)	10.5%	10.7%	12.4%	13.8%	12.5%
FAD Yield (Ann. FAD / Common Share Price) (s)	9.0%	9.7%	10.8%	12.4%	11.3%
RETURNS (u)					
Unleveraged Yield on Real Estate Owned - NOI (Ann. NOI / Avg. Gross Real Estate Investment) (s)	9.8%	9.9%	10.3%	10.6%	10.8%
Unleveraged Yield on Real Estate Owned - EBITDA (Ann. EBITDA / Avg. Gross Real Estate Investment) (s)	10.8%	10.9%	11.1%	11.8%	11.6%
Return on Book Value of Common Stockholders' Equity (Ann. EBITDA / Avg. Common Stockholders' Equity) (s)	25.0%	26.7%	27.1%	29.1%	28.7%
VALUATION					
Asset Value (Ann. NOI / Assumed Cap Rate) (t)	\$ 3,506,759	\$ 3,528,865	\$ 3,578,138	\$ 3,698,874	\$ 3,578,017
Net Asset Value (NAV) (ah) (Asset Value-Total Liab.- Preferred Stock)	\$ 1,672,312	\$ 1,702,648	\$ 1,780,777	\$ 1,924,744	\$ 1,815,908
NAV per Share (ah) (NAV / Total Shares and Units Outstanding)	\$ 35.96	\$ 36.81	\$ 38.82	\$ 41.28	\$ 38.93
NAV as a Percent of Common Share Price (NAV per Share / Common Share Price)	109.5%	107.5%	124.8%	137.6%	121.1%
Market Premium (Discount) to NAV (Market Value of Common Equity - NAV) / NAV)	(8.7%)	(7.0%)	(19.9%)	(27.3%)	(17.4%)
Total Market Capitalization per Square Foot (Market Value of Common Stock + Preferred Stock + Total Debt)/GLA)	\$ 51.25	\$ 52.11	\$ 48.36	\$ 47.28	\$ 47.56



DEBT ANALYSIS

By Fiscal Year

(UNAUDITED)
(IN 000'S)

	6 Months Ended	Year Ended		
	June	December	December	December
	30, 2002	31, 2001	31, 2000	31, 1999
DEBT OUTSTANDING				
Average Outstanding Balance				
Mortgage Loans Payable (e)	\$ 92,769	\$ 94,782	\$ 104,051	\$ 106,824
Acquisition Facilities Payable (g)	169,523	183,456	171,197	146,327
Senior Unsecured Debt, net (f)(ad)	1,130,610	1,032,063	951,333	948,640
	<u>\$ 1,392,901</u>	<u>\$ 1,310,301</u>	<u>\$ 1,226,581</u>	<u>\$ 1,201,790</u>
Average Interest Rate				
Mortgage Loans Payable (e)	7.71%	7.72%	7.76%	7.77%
Acquisition Facilities Payable (g)	3.09%	5.10%	7.32%	6.01%
Senior Unsecured Debt, net (f)(ad)	7.34%	7.34%	7.27%	7.27%
Total Weighted Average	<u>6.85%</u>	<u>7.06%</u>	<u>7.32%</u>	<u>7.16%</u>
COVERAGE RATIOS				
Interest Coverage - NOI (NOI / Interest)	3.0x	3.4x	3.3x	3.4x
Interest Coverage - EBITDA (EBITDA / Interest)	3.3x	3.6x	3.4x	3.3x
Fixed Charge Coverage - NOI (NOI / (Interest + Principal Amort. + Preferred Dividends))	2.2x	2.4x	2.3x	2.4x
Fixed Charge Coverage - EBITDA (EBITDA / (Interest + Principal Amort. + Preferred Dividends))	2.5x	2.6x	2.4x	2.3x
DEBT MATURITY				
Weighted Average Maturity in Years as of 6/30/02 (v)	11.5	12.2	13.1	14.3
Debt Maturity By Year as of 6/30/02 (ab)				
2002	2,113			
2003	197,683			
2004	1,628			
2005	51,777			
2006	156,058			
2007	151,932			
2008	2,093			
2009	2,281			
2010	2,024			
2011	301,497			
2012	201,610			
Thereafter	<u>397,750</u>			
Total Debt	<u>\$ 1,468,446</u>			



DIVIDEND ANALYSIS

By Fiscal Year

(UNAUDITED)

	6 Months Ended	Year Ended		
	June 30, 2002	December 31, 2001	December 31, 2000	December 31, 1999
COMMON STOCK DIVIDENDS				
Dividends per Share/Unit	\$ 1.3600	\$ 2.6525	\$ 2.5175	\$ 2.4200
Percentage of Dividend - Ordinary Income (z)	55.00%	67.75%	91.09%	88.27%
Percentage of Dividend - Return of Capital (z)	20.00%	20.50%	8.91%	11.73%
Percentage of Dividend - Long-Term Gain (z)	25.00%	11.75%	-	-
COMMON DIVIDEND PAYOUT RATIOS				
Payout - FFO (Dividends / FFO)	75.8%	66.4%	68.3%	72.5%
Payout - FAD (Dividends / FAD)	86.3%	74.5%	79.3%	86.9%
Dividend Coverage - FFO (FFO / Dividends)	1.32x	1.50x	1.46x	1.38x
Dividend Coverage - FAD (FAD / Dividends)	1.16x	1.34x	1.26x	1.14x
PREFERRED STOCK DIVIDENDS (i)				
Series A Preferred Stock Dividends Per Share	\$ -	\$ 0.6525	\$ 2.3750	\$ 2.3750
Series B Preferred Stock Dividends Per Share	\$ 0.8143	\$ 2.1876	\$ 2.1876	\$ 2.1876
Series C Preferred Stock Dividends Per Share	\$ 1.0782	\$ 2.1564	\$ 2.1564	\$ 2.1564
Series D Preferred Stock Dividends Per Share	\$ 0.9938	\$ 1.9875	\$ 1.9875	\$ 1.9875
Series E Preferred Stock Dividends Per Share	\$ 0.9875	\$ 1.9750	\$ 1.9750	\$ 1.9750
SHARES/UNITS OUTSTANDING				
Basic				
Weighted Avg. Shares / Units Outstanding	46,148	46,382	45,928	45,271
Diluted				
Weighted Avg. Shares / Units Outstanding	46,494	46,660	46,184	45,373



PROPERTY INFORMATION

(UNAUDITED)

	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001	June 30, 2001
TOTAL PORTFOLIO					
Number of Properties - In Service (m)	906	914	918	930	947
Number of Properties - Under Development	41	42	44	46	51
Total Number of Properties	947	956	962	976	998
Land Area - Developed (Acres)	4,525.66	4,502.23	4,547.13	4,576.92	4,668.38
Land Area - Developable (Acres) (w)	677.74	512.91	462.77	453.00	494.55
Gross Leasable Area s.f.-In Service	63,276,527	63,123,561	64,002,809	64,266,984	65,780,354
Gross Leasable Area s.f.-Under Development	4,364,709	4,314,196	5,092,061	5,201,791	6,648,829
Total Gross Leasable Area s.f.	67,641,236	67,437,757	69,094,870	69,468,775	72,429,183
Occupied (Square Feet)	57,517,347	57,294,190	58,494,649	58,810,398	61,286,895
Vacant (Square Feet)	5,759,180	5,829,371	5,508,160	5,456,586	4,493,459
Number of Tenants	2,555	2,626	2,627	2,680	2,781
Average Tenant Size per Occupied s.f.	22,512	21,818	22,267	21,944	22,038
Occupancy Rates - Based on In Service GLA	90.9%	90.8%	91.4%	91.5%	93.2%
Weighted Average Lease Term (years)	5.4	5.3	5.4	5.4	5.5
PORTFOLIO LEASING AND OPERATING STATISTICS					
Leasing (Based on leasing activity during the period)					
Rental Rate Increases (previous cash rent vs. new cash rent)	2.0%	6.2%	7.7%	7.3%	8.0%
Lease Costs Per Square Foot (includes tenant improvements and lease commissions)	\$ 1.53	\$ 1.16	\$ 1.79	\$ 1.68	\$ 1.29
Tenant Retention (by square feet)	66.6%	68.3%	50.4%	65.8%	68.5%
Tenant Retention (by number of leases)	62.6%	68.5%	66.5%	66.5%	68.3%
Capital Expenditures					
Non-Leasing Capital Expenditures Per Sq. Ft. (i.e., roofs, parking lot, etc.)	0.04	0.02	0.04	0.03	0.02
Same Property Detail (am)					
Change in Revenues	1.9%	(1.3%)	2.6%	0.9%	3.1%
Change in Expenses	12.6%	(2.8%)	7.6%	(1.4%)	3.0%
Change in NOI	(2.0%)	(0.7%)	0.7%	1.7%	3.1%
Occupancy	90.4%	90.9%	91.3%	91.0%	92.9%
Square Feet in Same Property Pool	56,646,016	57,508,178	56,264,677	56,120,922	55,729,627
% of Total Square Feet	89.5%	91.1%	87.9%	87.3%	84.7%



PROPERTY INFORMATION

(UNAUDITED)

	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001	June 30, 2001
NUMBER OF PROPERTIES					
Number of In Service Properties by Metropolitan Area					
Atlanta	35	37	37	41	30
Baltimore	17	17	17	16	16
Central Pennsylvania	14	16	20	20	21
Chicago	56	59	59	58	59
Cincinnati	8	8	8	8	8
Cleveland	1	1	1	1	1
Columbus	7	7	7	7	7
Dallas/Fort Worth	70	70	72	72	72
Dayton	7	7	7	7	7
Denver	94	94	95	91	99
Des Moines	4	4	4	4	6
Detroit	139	139	140	143	144
Grand Rapids	19	22	24	24	24
Houston	26	26	26	26	26
Indianapolis	41	43	43	43	43
Long Island	n/a	6	7	17	16
Los Angeles	27	18	18	18	18
Louisville	2	2	2	2	2
Milwaukee	8	8	8	8	9
Minneapolis/St. Paul	54	54	54	56	57
Nashville	16	17	17	17	19
Northern New Jersey	43	45	47	45	58
Philadelphia	41	41	27	27	27
Phoenix	1	1	2	2	2
Portland	27	28	29	29	30
Salt Lake City	46	46	46	46	46
Southern New Jersey	26	26	26	26	25
St. Louis	13	9	11	12	12
Tampa	49	49	50	50	49
Other	15	14	14	14	14
Total In Service Properties	<u>906</u>	<u>914</u>	<u>918</u>	<u>930</u>	<u>947</u>
In Service Properties as a % of Total Portfolio by Region					
Atlanta	3.9%	4.0%	4.0%	4.4%	3.2%
Baltimore	1.9%	1.9%	1.9%	1.7%	1.7%
Central Pennsylvania	1.5%	1.8%	2.2%	2.2%	2.2%
Chicago	6.2%	6.5%	6.4%	6.2%	6.2%
Cincinnati	0.9%	0.9%	0.9%	0.9%	0.8%
Cleveland	0.1%	0.1%	0.1%	0.1%	0.1%
Columbus	0.8%	0.8%	0.8%	0.8%	0.7%
Dallas/Fort Worth	7.7%	7.7%	7.8%	7.7%	7.6%
Dayton	0.8%	0.8%	0.8%	0.8%	0.7%
Denver	10.4%	10.3%	10.3%	9.8%	10.5%
Des Moines	0.4%	0.4%	0.4%	0.4%	0.6%
Detroit	15.3%	15.2%	15.3%	15.4%	15.2%
Grand Rapids	2.1%	2.4%	2.6%	2.6%	2.5%
Hartford	0.0%	0.0%	0.0%	0.0%	0.0%
Houston	2.9%	2.8%	2.8%	2.8%	2.7%
Indianapolis	4.5%	4.7%	4.7%	4.6%	4.5%
Long Island	n/a	0.7%	0.8%	1.8%	1.7%
Los Angeles	3.0%	2.0%	2.0%	1.9%	1.9%
Louisville	0.2%	0.2%	0.2%	0.2%	0.2%
Milwaukee	0.9%	0.9%	0.9%	0.9%	1.0%
Minneapolis/St. Paul	6.0%	5.9%	5.9%	6.0%	6.0%
Nashville	1.8%	1.9%	1.9%	1.8%	2.0%
Northern New Jersey	4.7%	4.9%	5.1%	4.8%	6.1%
Philadelphia	4.5%	4.5%	2.9%	2.9%	2.9%
Phoenix	0.1%	0.1%	0.2%	0.2%	0.2%
Portland	3.0%	3.1%	3.2%	3.1%	3.2%
Salt Lake City	5.1%	5.0%	5.0%	4.9%	4.9%
Southern New Jersey	2.9%	2.8%	2.8%	2.8%	2.6%
St. Louis	1.4%	1.0%	1.2%	1.3%	1.3%
Tampa	5.4%	5.4%	5.4%	5.4%	5.2%
Other	1.7%	1.5%	1.5%	1.5%	1.5%
Total In Service Properties	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001	June 30, 2001
GLA					
In Service Gross Leasable Area by Region					
Atlanta	5,006,964	5,254,229	5,254,229	5,868,844	5,356,304
Baltimore	1,308,111	1,308,111	1,308,111	1,258,852	1,258,852
Central Pennsylvania	1,660,135	2,197,855	3,214,209	3,214,209	3,592,209
Chicago	6,074,748	6,068,436	6,053,262	5,706,238	6,070,238
Cincinnati	1,683,100	1,683,100	1,683,100	1,683,100	1,683,100
Cleveland	102,500	102,500	102,500	102,500	102,500
Columbus	2,126,616	2,126,616	2,126,616	2,126,616	2,126,616
Dallas/Fort Worth	4,057,104	3,990,872	4,147,323	4,147,323	4,147,302
Dayton	342,746	342,746	342,746	342,746	342,746
Denver	4,540,552	4,540,479	4,600,647	4,102,145	4,369,711
Des Moines	692,708	692,711	692,708	692,708	967,040
Detroit	4,769,386	4,769,386	4,817,386	5,052,499	5,060,944
Grand Rapids	2,447,126	2,715,336	2,789,686	2,789,686	2,789,686
Houston	3,228,925	3,228,925	3,228,925	3,228,925	3,228,925
Indianapolis	4,332,532	4,822,192	4,822,192	4,823,456	4,823,456
Long Island	n/a	203,469	237,869	500,164	470,864
Los Angeles	1,377,485	418,885	418,885	418,885	310,483
Louisville	443,500	443,500	443,500	443,500	443,500
Milwaukee	419,034	419,034	419,034	419,034	482,750
Minneapolis/St. Paul	4,934,082	4,933,720	4,933,720	5,116,280	5,173,628
Nashville	1,793,882	1,843,804	1,843,804	1,843,804	2,369,554
Northern New Jersey	2,902,412	2,772,906	2,870,593	2,667,106	2,960,574
Philadelphia	1,951,605	1,951,605	1,186,116	1,186,116	1,186,116
Phoenix	38,560	38,560	96,845	96,845	96,845
Portland	685,050	720,050	744,553	744,553	752,053
Salt Lake City	738,947	738,947	738,947	738,947	738,947
Southern New Jersey	1,439,786	1,439,786	1,439,786	1,439,786	1,297,036
St. Louis	1,301,488	968,858	1,031,858	1,098,458	1,098,458
Tampa	1,557,985	1,557,985	1,584,701	1,584,701	1,650,959
Other	1,319,458	828,958	828,958	828,958	828,958
Total In Service GLA	63,276,527	63,123,561	64,002,809	64,266,984	65,780,354

In Service GLA as a % of Total Portfolio by Region

Atlanta	7.9%	8.3%	8.2%	9.1%	8.1%
Baltimore	2.1%	2.1%	2.0%	2.0%	1.9%
Central Pennsylvania	2.6%	3.5%	5.0%	5.0%	5.5%
Chicago	9.6%	9.6%	9.5%	8.9%	9.2%
Cincinnati	2.7%	2.7%	2.6%	2.6%	2.6%
Cleveland	0.2%	0.2%	0.2%	0.2%	0.2%
Columbus	3.4%	3.4%	3.3%	3.3%	3.2%
Dallas/Fort Worth	6.4%	6.3%	6.5%	6.5%	6.3%
Dayton	0.5%	0.5%	0.5%	0.5%	0.5%
Denver	7.2%	7.2%	7.2%	6.4%	6.6%
Des Moines	1.1%	1.1%	1.1%	1.1%	1.5%
Detroit	7.5%	7.6%	7.5%	7.9%	7.7%
Grand Rapids	3.9%	4.3%	4.4%	4.3%	4.2%
Houston	5.1%	5.1%	5.0%	5.0%	4.9%
Indianapolis	6.8%	7.6%	7.5%	7.5%	7.3%
Long Island	n/a	0.3%	0.4%	0.8%	0.7%
Los Angeles	2.2%	0.7%	0.7%	0.7%	0.5%
Louisville	0.7%	0.7%	0.7%	0.7%	0.7%
Milwaukee	0.7%	0.7%	0.7%	0.7%	0.7%
Minneapolis/St. Paul	7.8%	7.8%	7.7%	8.0%	7.9%
Nashville	2.8%	2.9%	2.9%	2.9%	3.6%
Northern New Jersey	4.6%	4.4%	4.5%	4.2%	4.5%
Philadelphia	3.1%	3.1%	1.9%	1.8%	1.8%
Phoenix	0.1%	0.1%	0.2%	0.2%	0.1%
Portland	1.1%	1.1%	1.2%	1.2%	1.1%
Salt Lake City	1.2%	1.2%	1.2%	1.1%	1.1%
Southern New Jersey	2.3%	2.3%	2.2%	2.2%	2.0%
St. Louis	2.1%	1.5%	1.6%	1.7%	1.7%
Tampa	2.5%	2.5%	2.5%	2.5%	2.5%
Other	2.1%	1.3%	1.3%	1.3%	1.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%



PROPERTY INFORMATION
(UNAUDITED)

	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001	June 30, 2001
NUMBER OF PROPERTIES					
Number of In Service Properties by Property Type (aj)					
Bulk Warehouse	145	147	151	152	156
Light Industrial	477	488	484	493	506
R&D/Flex	167	163	164	163	159
Regional Warehouse	80	78	80	81	84
Manufacturing	37	38	39	41	42
Total In Service Properties	<u>906</u>	<u>914</u>	<u>918</u>	<u>930</u>	<u>947</u>

BASE RENT

Base Rent Rate by Property Type					
Bulk Warehouse	34.9%	34.4%	35.3%	35.5%	35.7%
Light Industrial	35.2%	35.9%	34.9%	34.9%	34.9%
R&D/Flex	16.2%	16.0%	16.1%	16.1%	15.4%
Regional Warehouse	8.6%	8.3%	8.4%	8.1%	8.4%
Manufacturing	5.1%	5.4%	5.3%	5.4%	5.6%
Total	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

GLA

In Service Gross Leasable Area by Property Type					
Bulk Warehouse	29,461,532	29,066,314	30,082,666	30,203,834	31,224,183
Light Industrial	19,176,312	19,396,908	19,012,417	19,181,693	19,308,628
R&D/Flex	5,930,608	5,911,443	6,000,594	5,877,469	5,729,704
Regional Warehouse	4,875,265	4,716,086	4,842,572	4,878,552	5,028,403
Manufacturing	3,832,810	4,032,810	4,064,560	4,125,436	4,489,436
Total In Service GLA	<u>63,276,527</u>	<u>63,123,561</u>	<u>64,002,809</u>	<u>64,266,984</u>	<u>65,780,354</u>

In Service Gross Leasable Area by Property Type

Bulk Warehouse	46.6%	46.0%	47.0%	47.0%	47.5%
Light Industrial	30.3%	30.7%	29.7%	29.8%	29.4%
R&D/Flex	9.4%	9.4%	9.4%	9.1%	8.7%
Regional Warehouse	7.7%	7.5%	7.6%	7.6%	7.6%
Manufacturing	6.0%	6.4%	6.3%	6.4%	6.8%
Total	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

Average In Service Property Size (GLA)

Bulk Warehouse	203,183	197,730	199,223	198,709	200,155
Light Industrial	40,202	39,748	39,282	38,908	38,159
R&D/Flex	35,513	36,267	36,589	36,058	36,036
Regional Warehouse	60,941	60,463	60,532	60,229	59,862
Manufacturing	103,589	106,127	104,219	100,620	106,891



PROPERTY INFORMATION
(UNAUDITED)

OCCUPANCY RATES	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001	June 30, 2001
Occupancy Rates by Metropolitan Area					
Atlanta	96%	95%	96%	89%	91%
Baltimore	85%	90%	92%	92%	89%
Central Pennsylvania	85%	97%	94%	97%	99%
Chicago	93%	92%	91%	90%	91%
Cincinnati	84%	75%	77%	80%	83%
Cleveland	100%	100%	100%	100%	100%
Columbus	88%	81%	74%	68%	95%
Dallas/Fort Worth	88%	90%	92%	94%	94%
Dayton	94%	92%	94%	94%	95%
Denver	92%	92%	93%	92%	95%
Des Moines	99%	99%	97%	97%	97%
Detroit	90%	91%	94%	95%	96%
Grand Rapids	81%	79%	91%	88%	94%
Houston	94%	93%	94%	95%	97%
Indianapolis	88%	86%	83%	87%	82%
Long Island	n/a	98%	98%	98%	98%
Los Angeles	99%	92%	93%	93%	97%
Louisville	89%	100%	100%	100%	100%
Milwaukee	91%	91%	87%	94%	96%
Minneapolis/St. Paul	93%	94%	95%	94%	94%
Nashville	80%	84%	84%	92%	97%
Northern New Jersey	91%	93%	93%	95%	95%
Philadelphia	96%	98%	99%	99%	94%
Phoenix	-	100%	94%	94%	94%
Portland	97%	94%	94%	94%	90%
Salt Lake City	90%	85%	87%	89%	91%
Southern New Jersey	93%	97%	99%	96%	97%
St. Louis	97%	95%	100%	100%	100%
Tampa	87%	86%	86%	89%	90%
Other	99%	98%	98%	98%	97%
	<u>91%</u>	<u>91%</u>	<u>91%</u>	<u>92%</u>	<u>93%</u>

RENTAL INCOME	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001	June 30, 2001
Rental Income as a % of Total Portfolio by Metropolitan Area					
Atlanta	7.6%	6.9%	7.0%	7.1%	5.9%
Baltimore	2.2%	2.4%	2.3%	2.1%	2.1%
Central Pennsylvania	3.1%	4.0%	4.0%	4.5%	4.8%
Chicago	8.8%	9.0%	8.4%	8.0%	10.7%
Cincinnati	1.5%	1.5%	1.5%	2.0%	1.5%
Cleveland	0.2%	0.2%	0.2%	0.2%	0.2%
Columbus	2.0%	1.6%	1.4%	1.3%	1.9%
Dallas/Fort Worth	6.1%	6.0%	6.4%	6.2%	5.7%
Dayton	0.5%	0.5%	0.5%	0.4%	0.4%
Denver	9.1%	9.3%	9.2%	8.9%	8.8%
Des Moines	0.7%	0.5%	0.8%	0.5%	0.9%
Detroit	9.4%	9.8%	10.2%	9.6%	10.6%
Grand Rapids	2.8%	2.7%	3.2%	3.1%	3.1%
Houston	3.6%	3.8%	3.8%	4.0%	3.7%
Indianapolis	4.6%	5.5%	5.3%	6.2%	4.9%
Long Island	0.6%	0.7%	1.2%	1.6%	1.2%
Los Angeles	2.0%	1.1%	1.0%	1.1%	0.8%
Louisville	0.4%	0.5%	0.5%	0.9%	0.5%
Milwaukee	0.7%	0.8%	0.6%	0.7%	1.6%
Minneapolis/St. Paul	8.7%	8.6%	8.8%	8.0%	8.7%
Nashville	2.0%	2.2%	2.1%	2.5%	2.6%
Northern New Jersey	8.3%	7.3%	7.1%	7.4%	6.6%
Philadelphia	3.0%	2.9%	2.0%	2.1%	1.8%
Phoenix	(0.0%)	0.3%	0.7%	0.4%	0.2%
Portland	1.4%	1.3%	1.3%	1.4%	1.3%
Salt Lake City	1.5%	1.4%	1.4%	1.4%	1.4%
Southern New Jersey	2.3%	2.4%	2.2%	2.0%	1.8%
St. Louis	1.7%	1.4%	1.5%	1.5%	1.5%
Tampa	4.1%	4.2%	4.7%	4.5%	3.8%
Other	1.2%	1.4%	0.8%	0.6%	1.2%
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>



PROPERTY INFORMATION

(UNAUDITED)

SAME PROPERTY OCCUPANCY RATES	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001	June 30, 2001
Property Occupancy Rates by Metropolitan Area					
Atlanta	97%	95%	95%	95%	94%
Baltimore	85%	90%	92%	92%	90%
Central Pennsylvania	85%	96%	89%	95%	97%
Chicago	92%	93%	92%	93%	91%
Cincinnati	84%	75%	78%	80%	83%
Cleveland	100%	100%	100%	100%	100%
Columbus	88%	81%	74%	68%	95%
Dallas/Fort Worth	88%	90%	91%	94%	94%
Dayton	94%	92%	94%	94%	95%
Denver	92%	92%	93%	92%	95%
Des Moines	99%	99%	97%	97%	97%
Detroit	90%	91%	94%	94%	96%
Grand Rapids	81%	76%	90%	86%	93%
Houston	94%	93%	94%	95%	97%
Indianapolis	88%	85%	81%	86%	79%
Los Angeles	96%	93%	99%	98%	98%
Louisville	89%	100%	100%	100%	100%
Milwaukee	91%	91%	87%	94%	95%
Minneapolis/St. Paul	93%	94%	95%	94%	94%
Nashville	82%	84%	83%	92%	96%
Northern New Jersey	94%	96%	95%	94%	94%
Philadelphia	96%	98%	98%	98%	91%
Phoenix	0%	100%	100%	100%	100%
Portland	97%	94%	93%	94%	89%
Salt Lake City	90%	85%	87%	89%	91%
Southern New Jersey	92%	97%	99%	97%	97%
St. Louis	95%	95%	100%	100%	100%
Tampa	87%	87%	87%	90%	88%
Other	98%	98%	98%	98%	97%
Weighted Average Occupancy	<u>90%</u>	<u>91%</u>	<u>91%</u>	<u>92%</u>	<u>93%</u>

SAME PROPERTY RENTAL INCOME

Annual Rental Income per Average Occupied Square Foot by Metropolitan Area (x)

Atlanta	3.48	3.41	3.43	3.42	3.44
Baltimore	5.08	5.21	5.23	5.14	5.21
Central Pennsylvania	4.36	4.30	4.19	4.26	4.20
Chicago	4.41	4.61	4.71	4.72	4.34
Cincinnati	3.15	3.35	3.33	3.42	3.31
Cleveland	4.65	4.65	4.65	4.65	4.60
Columbus	3.05	2.66	2.72	2.27	2.70
Dallas/Fort Worth	4.28	4.29	4.25	4.20	4.16
Dayton	4.24	4.24	4.27	4.25	4.29
Denver	6.19	6.15	6.05	6.00	5.99
Des Moines	2.73	2.26	2.78	2.74	2.78
Detroit	5.96	6.04	6.10	6.01	5.90
Grand Rapids	3.55	3.25	3.65	3.48	3.59
Houston	3.32	3.42	3.44	3.46	3.44
Indianapolis	3.42	3.52	3.51	3.55	3.54
Los Angeles	7.13	7.09	7.05	7.08	6.87
Louisville	3.05	3.24	3.24	3.24	3.24
Milwaukee	5.79	5.76	6.31	6.24	6.16
Minneapolis/St. Paul	5.10	5.03	5.06	5.02	4.91
Nashville	3.80	3.88	3.66	3.86	3.59
Northern New Jersey	7.52	7.49	7.55	7.25	6.77
Philadelphia	5.28	5.23	5.22	5.07	5.19
Phoenix	-	6.60	6.60	6.60	6.60
Portland	5.62	5.52	5.55	5.56	5.53
Salt Lake City	6.23	6.07	6.27	6.32	5.88
Southern New Jersey	4.32	4.10	4.28	4.22	4.23
St. Louis	3.82	3.70	3.79	3.75	3.78
Tampa	7.96	8.13	7.92	8.02	7.96
Other	4.58	4.69	4.74	4.68	4.73
Weighted Average Rental Income / Sq.Ft.	<u>4.62</u>	<u>4.62</u>	<u>4.65</u>	<u>4.61</u>	<u>4.53</u>



PROPERTY INFORMATION

(UNAUDITED)

(AS OF JUNE 30, 2002 AND DOLLARS IN 000'S)

LARGEST TENANTS

Twenty Largest Tenants By Annualized Lease Rent

	Annualized Lease Rent	
	Amount	% of Total
1. General Motors	\$ 5,029	1.9%
2. Amazon.com	2,639	1.0%
3. American Standard	2,443	0.9%
4. Venture Industries Corporation	2,410	0.9%
5. Best Buy	2,109	0.8%
6. Southland Bonded Warehouse	2,020	0.8%
7. General Services Administration	2,011	0.8%
8. Jacobson Warehouse Company	1,523	0.6%
9. North American Logistics	1,404	0.5%
10. Victor Equipment Co.	1,358	0.5%
11. USCO Contract Logistics	1,351	0.5%
12. Republic Beverage Company	1,348	0.5%
13. Damark International	1,343	0.5%
14. Lucent Technologies	1,322	0.5%
15. C & D Warehouse	1,201	0.5%
16. Federal Express Corporation	1,191	0.4%
17. Dopaco, Inc.	1,188	0.4%
18. Dana Corporation	1,153	0.4%
19. Treasure Chest Advertising	1,135	0.4%
20. St. George Warehousing	1,097	0.4%
	<u>\$ 35,273</u>	<u>13.3%</u>

Twenty Largest Tenants by Gross Leasable Area

	Gross Leasable Area	
	Occupied	% of Total
1. General Motors	1,275,750	2.0%
2. Amazon.com	800,000	1.3%
3. American Standard, Inc.	704,934	1.1%
4. Southland Bonded Warehouse	689,533	1.1%
5. Best Buy	602,929	1.0%
6. North American Logistics	523,236	0.8%
7. USCO Contract Logistics, LLC	504,000	0.8%
8. Venture Industries Corporation	474,750	0.8%
9. Republic Beverage Company	417,350	0.7%
10. Prime Distribution Services	416,744	0.7%
11. Victor Equipment	378,882	0.6%
12. Caterpillar Logistics, Inc	377,603	0.6%
13. Lucent Technologies	370,818	0.6%
14. C & D Warehouse	360,374	0.6%
15. Dana Corporation	336,470	0.5%
16. Contico International, Inc	332,630	0.5%
17. Anixter, Inc	320,171	0.5%
18. Jacobson Warehouse Company	314,552	0.5%
19. HPI North America, Inc	312,265	0.5%
20. Dopaco, Inc.	309,600	0.5%
	<u>9,822,591</u>	<u>15.5%</u>

PROPERTY INFORMATION

(UNAUDITED)

(AS OF JUNE 30, 2002 AND DOLLARS IN 000'S)



LEASE EXPIRATION SCHEDULE

By Base Rent	Amount	Average	
		Base Rent	% of Total
2002 (As of June 30, 2002)	30,088	4.50	11.3%
2003	59,714	4.60	22.5%
2004	54,738	4.59	20.6%
2005	45,122	5.04	17.0%
2006	27,456	5.09	10.3%
2007	22,849	4.05	8.6%
2008	6,421	5.30	2.4%
2009	9,472	3.60	3.6%
2010	3,906	4.15	1.5%
2011	3,942	5.29	1.5%
Thereafter	2,075	5.00	0.8%
	<u>\$265,784</u>	<u>\$4.62</u>	<u>100.0%</u>

By GLA	GLA	Average	
		Lease (GLA)	% of Total
2002 (As of June 30, 2002)	6,687,639	15,374	11.6%
2003	12,971,583	19,684	22.6%
2004	11,929,839	21,970	20.7%
2005	8,956,781	19,904	15.6%
2006	5,394,649	21,155	9.4%
2007	5,636,516	35,009	9.8%
2008	1,211,760	34,622	2.1%
2009	2,628,171	84,780	4.6%
2010	940,336	52,241	1.6%
2011	744,680	37,234	1.3%
Thereafter	415,393	24,435	0.7%
	<u>57,517,347</u>	<u>21,920</u>	<u>100.0%</u>

By Number of Leases	Number	% of Total
2002 (As of June 30, 2002)	435	16.6%
2003	659	25.1%
2004	543	20.7%
2005	450	17.1%
2006	255	9.7%
2007	161	6.1%
2008	35	1.3%
2009	31	1.2%
2010	18	0.7%
2011	20	0.8%
Thereafter	17	0.6%
	<u>2,624</u>	<u>100.0%</u>

2002 PROPERTY ACQUISITION SUMMARY

(UNAUDITED)



DATE CLOSED	PORTFOLIO	LOCATION	SQUARE FEET	PURCHASE PRICE (in millions)	WEIGHTED AVERAGE EXPECTED CAP RATE (k)
2/20/02	Metropolitan Drive	Philadelphia	765,489	\$38.9	
2/20/02	175 Wall Street	Chicago	50,050	2.8	
Total First Quarter Acquisitions			815,539	\$41.7	10.6%
4/1/02	OMA Rancho Dominguez	Los Angeles	464,800	19.8	
4/9/02	New Jersey Flex Portfolio	N. New Jersey	281,926	13.2	
4/9/02	1067 Warson Road	St. Louis	332,630	8.4	
4/29/02	Gateway #11	Denver	81,564	3.8	
5/3/02	Shoemaker Industrial Park	Los Angeles	105,005	5.7	
6/19/02	GM Portfolio	Various	1,275,750	36.8	
Total Second Quarter Acquisitions			2,541,675	\$87.6	11.4%
Total 2002 Acquisitions			3,357,214	\$129.3	11.1%

2001 PROPERTY ACQUISITION SUMMARY

(UNAUDITED)



DATE CLOSED	PORTFOLIO	LOCATION	SQUARE FEET	PURCHASE PRICE (in millions)	WEIGHTED AVERAGE EXPECTED CAP RATE (k)
1/26/01	Valwood	Dallas	1,255,366	\$60.8	
2/6/01	Harbor Freeway	Los Angeles	129,600	7.8	
Total First Quarter Acquisitions			1,384,966	\$68.5	10.4%
4/3/01	Blackmore Portfolio	Los Angeles	81,134	6.9	
4/18/01	Lehigh Valley	Philadelphia	447,642	18.5	
5/8/01	9910 North by Northeast Blvd	Indianapolis	192,000	4.4	
6/15/01	301-329 Airport Blvd	Chicago	92,527	3.7	
6/28/01	556 Metroplex Drive	Nashville	43,026	1.6	
6/28/01	4515-4519 George Road	Tampa	64,742	4.3	
6/28/01	9 Whittendale	S. New Jersey	52,800	2.2	
Total Second Quarter Acquisitions			973,871	\$41.6	10.3%
7/2/01	Benjamin Center Business Park	Tampa	237,949	16.7	
8/8/01	21136 S. Wilmington	Los Angeles	115,702	8.2	
8/31/01	Oakbrook Technology Campus	Atlanta	512,540	26.2	
Total Third Quarter Acquisitions			866,191	\$51.1	10.0%
10/1/01	Denver Business Center	Denver	514,102	20.2	
10/11/01	I55 Corridor Portfolio	Chicago	396,191	13.0	
11/8/01	9020 Mendenhall Court	Baltimore	49,259	3.5	
12/31/01	Raritan Center & Columbus Circle	N. New Jersey	203,252	14.0	
Total Fourth Quarter Acquisitions			1,162,804	\$50.7	10.1%
Total 2001 Acquisitions			4,387,832	\$212.0	10.2%



2002 PROPERTY DEVELOPMENT SUMMARY

(UNAUDITED)

DEVELOPMENTS PLACED IN SERVICE IN 2002

DATE	DEVELOPMENT	LOCATION	SQUARE FEET	ESTIMATED INVESTMENT (in millions)	WEIGHTED AVERAGE EXPECTED CAP RATE (k)
3/28/02	4645 West McDowell	Phoenix	73,802	\$3.5	
3/28/02	700 Allen Road	Harrisburg	181,990	6.5	
3/28/02	Terminus/West Business Park-Bldg 1	Atlanta	527,000	14.1	
First Quarter Total			782,792	\$24.2	10.5%
5/1/02	Addison Tech - Bldg B	Dallas	102,232	\$9.1	
6/27/02	First Arrowhead - Bldg B	Phoenix	54,455	4.6	
Second Quarter Total			156,687	\$13.7	11.2%
2002 Total			939,479	\$37.9	10.8%

DEVELOPMENTS IN PROCESS AT JUNE 30, 2002

ESTIMATED IN SERVICE DATE	DEVELOPMENT	LOCATION	SQUARE FEET	ESTIMATED INVESTMENT (in millions)	
Projects Owned					
3rd Qtr 2002	First Garland - Bldg A	Dallas	472,200	12.8	
3rd Qtr 2002	Greenwood Phase III	Atlanta	455,000	10.2	
3rd Qtr 2002	Tollway Park of Commerce I - Bldg C	Chicago	53,330	2.9	
3rd Qtr 2002	Verizon Wireless	Baltimore	67,200	3.8	
3rd Qtr 2002	Addison Tech - Bldg A	Dallas	35,816	3.4	
3rd Qtr 2002	Bridgewater Dunes - Bldg 1A	Tampa	360,000	12.2	
3rd Qtr 2002	Hilltop Business Ctr. I - Bldg A	Denver	42,380	5.4	
4th Qtr 2002	Omega Lot #2	Baltimore	43,978	4.9	
4th Qtr 2002	Terminus/West Business Park-Bldg 2	Atlanta	202,400	7.1	
4th Qtr 2002	Baseline Road - Bldg B	Phoenix	37,394	3.4	
4th Qtr 2002	First Arrowhead - Bldg C	Phoenix	18,865	1.8	
4th Qtr 2002	First Commons Phase II - Bldg 4	Phoenix	54,890	3.2	
4th Qtr 2002	First Park @ Brandon - Bldg 1 & 2	Tampa	134,260	10.0	
4th Qtr 2002	Garden of the Gods Phase II	Denver	50,470	4.6	
4th Qtr 2002	Hampden North	Philadelphia	103,200	3.8	
4th Qtr 2002	Hilltop Business Ctr. I - Bldg B	Denver	37,043	4.6	
4th Qtr 2002	Jeffco Business Ctr. I - Bldg A & B	Denver	36,440	4.7	
4th Qtr 2002	Park 2000 SW Phase III	Minneapolis	133,116	6.2	
4th Qtr 2002	Park 370 - Bldg A	St. Louis	144,400	6.9	
4th Qtr 2002	Park Centre - Bldg B	Denver	33,419	3.8	
4th Qtr 2002	Tollway Park of Commerce I-Bldg B&E	Chicago	287,545	13.4	
4th Qtr 2002	Warm IV	Cincinnati	180,000	5.6	
1st Qtr 2003	First Arrowhead - Bldg D	Phoenix	19,950	1.7	
1st Qtr 2003	Tradepointe III	Louisville	221,000	6.3	
1st Qtr 2003	Park Centre - Bldg A & D	Denver	78,868	8.3	
1st Qtr 2003	Sayreville Business Center - Lot 3 & 4	N. New Jersey	124,800	10.2	
1st Qtr 2003	Addison Tech - Bldg C & D	Dallas	89,668	8.3	
1st Qtr 2003	Baseline Road - Bldg A & C	Phoenix	111,125	9.4	
1st Qtr 2003	First Commons Phase II - Bldg 3	Phoenix	44,545	2.8	
1st Qtr 2003	Warm V	Cincinnati	236,250	7.1	
2nd Qtr 2003	Park Centre - Bldg C	Denver	33,419	3.9	
2nd Qtr 2003	Hazelwood	St. Louis	180,658	7.1	
2nd Qtr 2003	Jeffco Business Ctr. I - Bldg C	Denver	67,280	7.8	
2nd Qtr 2003	Park 370 - Bldg B	St. Louis	173,800	7.6	
Total Owned			4,364,709	\$214.9	10.4%
	% Leased			23%	
	% Funded			78%	

Projects Not Owned (Fee Development)

Maytag	Harrisburg	390,000	13.3
Total Fee Development		390,000	\$13.3
	% Leased		100%

2001 PROPERTY DEVELOPMENT SUMMARY

(UNAUDITED)



DEVELOPMENTS PLACED IN SERVICE IN 2001

DATE	DEVELOPMENT	LOCATION	SQUARE FEET	ESTIMATED INVESTMENT (in millions)	WEIGHTED AVERAGE EXPECTED CAP RATE (k)
3/30/01	Metropointe 14	Tampa	42,000	2.7	
3/1/01	Trolley II	Detroit	160,000	8.4	
First Quarter Total			202,000	\$11.0	10.5%
6/1/01	Eastgate Industrial Park	Nashville	403,750	10.6	
6/27/01	Baton Rouge 11 & 12	Baton Rouge	90,662	5.5	
6/27/01	James Distribution Center	New Orleans	253,681	10.1	
Second Quarter Total			748,093	\$26.2	10.8%
8/1/01	9197 6th Avenue	Denver	32,741	3.2	
Third Quarter Total			32,741	\$3.2	10.8%
10/1/01	First Arrowhead - Bldg A	Phoenix	109,730	7.5	
Fourth Quarter Total			109,730	\$7.5	10.7%
2001 Total			1,092,564	\$48.0	10.7%



2002 PROPERTY SALES SUMMARY
(UNAUDITED)

DATE SOLD	ADDRESS/PORTFOLIO	LOCATION	SQUARE FEET	SALE PRICE (in millions)	WEIGHTED AVERAGE CAP RATE
1/15/02	10 Edison Street	Long Island	34,400	\$1.5	
1/15/02	5062 Kendrick Court	Grand Rapids	31,750	0.9	
1/25/02	3395 Kraft Avenue	Grand Rapids	42,600	1.5	
2/28/02	12 Wright Way	N. New Jersey	52,402	3.3	
3/27/02	4107 N. Himes Avenue	Tampa	26,716	3.2	
3/27/02	2651-2677 Manana	Dallas	82,229	2.0	
3/27/02	2001 110th Street	Dallas	74,106	2.3	
3/28/02	11674-11688 Fairgrove	St. Louis	31,500	1.0	
3/28/02	11652-11666 Fairgrove	St. Louis	31,500	1.0	
3/28/02	First Commons Phase I	Phoenix	132,261	8.0	
3/28/02	Delicor - 1645 NE 72nd Avenue	Portland	21,600	1.0	
3/28/02	700 Allen Road	Harrisburg	181,990	7.4	
3/28/02	155 Pierce Street	N. New Jersey	46,000	6.4	
3/28/02	7025 S. Revere Pkwy	Denver	59,270	4.8	
3/28/02	1255 Terminus Drive	Atlanta	527,000	15.6	
3/28/02	22731 Newman Street	Detroit	48,000	5.1	
3/28/02	Capital Business Center	Harrisburg	1,016,354	28.2	
3/29/02	851 Feehanville	Chicago	34,875	2.2	
Total First Quarter Sales			2,474,553	\$95.4	9.2%
4/5/02	5902 Decatur Blvd/GM	Indianapolis	389,660	\$20.9	
5/10/02	20909-11 Western	Los Angeles	7,300	0.8	
5/22/02	7359 South Hamlin	Chicago	56,017	1.5	
5/23/02	5079 33rd Street	Grand Rapids	109,875	3.2	
5/31/02	1920 Air Lane Dr.	Nashville	49,922	2.5	
5/31/02	3900 West 74th Street	Chicago	66,000	1.2	
6/3/02	2935 & 2945 Walkent	Grand Rapids	158,335	4.5	
6/13/02	5 Sidney Court	Long Island	29,300	1.4	
6/13/02	Quality Plaza	Long Island	174,169	8.7	
6/27/02	6635 E. 30th Street	Indianapolis	100,000	4.1	
6/27/02	7000 Highland Parkway	Atlanta	123,808	5.7	
6/27/02	1003 Sigman Road	Atlanta	123,457	4.2	
6/27/02	Capital Business Center	Harrisburg	537,720	16.3	
6/27/02	30 Troy Road	N. New Jersey	17,500	1.3	
6/27/02	20 Leslie Court	N. New Jersey	17,997	1.1	
6/27/02	25 Leslie Court	N. New Jersey	70,800	4.3	
6/27/02	130 Algonquin Parkway	N. New Jersey	29,008	1.5	
6/27/02	150 Algonquin Parkway	N. New Jersey	17,531	1.0	
6/27/02	First Arrowhead Bldg B	Phoenix	54,455	5.9	
6/27/02	Qualex	Portland	35,000	1.8	
6/28/02	280-296 Palatine Road	Chicago	90,833	4.3	
6/28/02	1405-1409 Avenue H	Dallas	36,000	0.8	
Total Second Quarter Sales			2,294,687	\$96.6	8.8%
Total 2002 Sales			4,769,240	\$192.0	9.0%



2001 PROPERTY SALES SUMMARY

(UNAUDITED)

DATE SOLD	ADDRESS/PORTFOLIO	LOCATION	SQUARE FEET	SALE PRICE (in millions)	WEIGHTED AVERAGE CAP RATE
1/12/01	556 Robbins Drive	Detroit	8,760	\$0.6	
2/2/01	28055 Wick Road	Detroit	42,060	1.9	
2/21/01	1315 Sadlier Circle East	Indianapolis	14,000	1.0	
3/19/01	4150 Varsity Drive	Detroit	26,400	1.6	
3/21/01	1821 Air Lane Drive	Nashville	25,300	1.4	
3/22/01	1150 Stephenson Highway	Detroit	18,107	2.2	
3/23/01	2890 Technology Drive	Detroit	24,410	1.7	
3/23/01	Kancro	Dallas	315,199	12.1	
3/26/01	36555 Ecorse	Detroit	268,800	11.5	
3/26/01	Stephenson Highway/Technology Dr	Detroit	66,590	5.7	
3/26/01	Hampstead/Fairway Park	Houston	38,071	1.7	
3/28/01	West Hardy Business Park	Houston	63,808	3.0	
3/29/01	2965 Technology Drive	Detroit	66,395	4.7	
3/30/01	Sivers	Portland	35,000	2.0	
3/30/01	2462-2470 Schuetz Road	St. Louis	43,868	1.5	
3/30/01	9843 & 10040 18th Street North	Tampa	124,469	7.4	
Total First Quarter Sales			1,181,237	\$59.9	9.1%
4/16/01	10 Weaver Road	Central PA	623,832	\$22.8	
5/11/01	1435 North 113th Street	Milwaukee	51,950	2.8	
5/17/01	104th & Justin	Des Moines	75,072	2.1	
6/4/01	Science Drive	Milwaukee	468,000	21.5	
6/5/01	2337 Centerline Drive	St. Louis	75,600	3.1	
6/13/01	902 Feehanville Drive	Chicago	49,853	3.0	
6/18/01	1565 First Avenue NW	Minneapolis	112,083	5.2	
6/20/01	1998 Springdale Road	S. New Jersey	14,000	0.8	
6/20/01	1749 Northwood Drive	Detroit	26,125	1.6	
6/25/01	11813 Hubbard	Detroit	33,300	1.6	
6/27/01	1640 Sands Place	Atlanta	35,425	1.4	
6/27/01	917 North Shore Dr/3645 Swenson Ave	Chicago	127,122	6.1	
6/27/01	Stephenson Highway/Meijer Drive	Detroit	63,902	5.5	
6/27/01	Louisiana Portfolio	Louisiana	1,425,622	61.2	
6/28/01	700-714 Landwehr Rd/13040 Crawford	Chicago	441,911	11.3	
6/28/01	12301-12325 S. Laramie Ave.	Chicago	204,586	5.4	
6/28/01	11217-43 W. Becher St.	Milwaukee	29,099	1.7	
6/28/01	1401 Valwood Parkway	Dallas	90,274	3.4	
Total Second Quarter Sales			3,947,756	\$160.4	9.5%
7/2/01	100 Eastgate Boulevard	Nashville	403,750	\$12.6	
7/3/01	1630 Corporate Place	Nashville	122,000	3.0	
7/19/01	Thompson Center Adamo	Tampa	304,207	13.3	
7/24/01	Punia	N. New Jersey	294,535	13.0	
8/10/01	1550-1600 Washington Ave	Des Moines	274,332	7.1	
8/10/01	305 2nd St. NW	Minneapolis	62,293	4.4	
8/10/01	2152 S. 114th Street	Milwaukee	63,716	3.0	
8/27/01	116 SE Yamhill	Portland	7,500	0.6	
8/28/01	32940 Capitol Ave.	Detroit	8,480	0.5	
9/5/01	20905-07 S. Western Ave.	Los Angeles	7,300	0.8	
9/25/01	Washington Gardens/Commerce	Denver	212,312	8.9	
9/26/01	6300 W. Howard Street	Chicago	364,000	5.4	
9/27/01	571 Independence Drive	Central PA	378,000	14.0	
9/28/01	Southeast Business	Denver	87,995	5.0	
Total Third Quarter Sales			2,590,420	\$91.6	9.5%
10/18/01	6500 North Lincoln Avenue	Chicago	61,548	3.1	
10/19/01	7 Sidney Court	Long Island	34,000	1.4	
10/29/01	Long Island	Long Island	105,617	4.3	
11/2/01	5800 Enterprise Ct.	Detroit	17,240	1.7	
11/28/01	301 Hintz	Chicago	43,636	1.5	
12/14/01	1200 Andes Boulevard	St. Louis	66,600	2.0	
12/20/01	2815 Eagandale Blvd/1150 Gateway Dr	Minneapolis	182,560	9.2	
12/28/01	7150-7198 Shady Oak	Minneapolis	67,255	3.8	
12/28/01	38200 Plymouth Rd/6340 Middlebelt	Detroit	217,873	11.9	
12/28/01	Westlake Business Ctr	Atlanta	188,800	4.9	
12/28/01	9195 6th Ave.	Denver	16,444	2.5	
12/28/01	16651 N. 84th Ave.	Phoenix	109,730	10.7	
12/31/01	Tec Street/Alpha Plaza	Long Island	156,078	8.2	
Total Fourth Quarter Sales			1,267,381	\$65.1	8.8%
Total 2001 Sales			8,986,794	\$376.9	9.3%

DEVELOPABLE AND EXPANDABLE SITE INVENTORY (w)

(UNAUDITED)
(AS OF JUNE 30, 2002)



Building Address/Land Project	Location	Land Area (Acres)	Developable/ Expandable GLA (Est.)
<u>Owned Land</u>			
Chicago			
Broadview	Chicago, IL	7.1	155,509
Tollway Park of Commerce	Chicago, IL	11.0	240,233
	Subtotal	18.2	395,743
Denver			
Jeffco	Denver, CO	11.3	246,114
	Subtotal	11.3	246,114
Dallas			
Miller Distribution Center	Garland, TX	20.0	435,600
First Arlington	Arlington, TX	42.0	914,760
Pinnacle Business Park	Dallas, TX	47.2	1,028,016
	Subtotal	109.2	2,378,376
Indianapolis			
Brookville	Indianapolis, IN	69.4	1,511,968
	Subtotal	69.4	1,511,968
Nashville			
Eastgate III	Nashville, TN	22.2	482,645
	Subtotal	22.2	482,645
Philadelphia			
Covington	Philadelphia, PA	71.0	1,546,380
	Subtotal	71.0	1,546,380
Phoenix			
Red Mountain	Phoenix, AZ	30.8	671,260
Scotsdale Airpark	Phoenix, AZ	34.6	753,370
Talavi	Phoenix, AZ	10.2	221,938
	Subtotal	75.6	1,646,568
Tampa			
Faulkenberg	Tampa, FL	20.9	455,202
Bridgewater	Lakeland, FL	57.0	1,241,460
	Subtotal	77.9	1,696,662
SUBTOTAL OF OWNED LAND		454.8	9,904,455
<u>Land Under Option</u>			
Terminus	Atlanta	122.3	2,663,694
New Jersey	New Jersey	100.7	2,193,028
TOTAL		677.7	14,761,177



FOOTNOTES

(UNAUDITED)
(IN 000'S EXCEPT PER SHARE DATA)

(a) In August 2001, the Financial Accounting Standards Board issued Statement of Financial Accounting Standard No. 144 "Accounting for the Impairment or Disposal of Long-Lives Assets" ("FAS 144"). FAS 144 requires that the operations and gain (loss) on sale of all properties sold subsequent to December 31, 2001 that were not held for sale at December 31, 2001 and properties that were classified as held for sale subsequent to December 31, 2001 be presented in discontinued operations. FAS 144 also requires that prior periods be restated.

(b) Restricted cash as of June 30, 2002 is comprised as follows:

Reserves (i)	\$	2,697
Deposits with 1031 Exchange Intermediary (ii)		37,242
		\$ 39,939

(i) Reserves are comprised of funds deposited with the 1995 Mortgage Loan lender by First Industrial to fund capital expenditures, interest, property taxes and tenant security deposits. In the event that any of the capital expenditures are not incurred by the loan repayment date, the Reserves are returned to First Industrial and become unrestricted cash.

(ii) Represents sales proceeds from property sales. The sales proceeds will be disbursed as First Industrial exchanges into properties under Section 1031 of the Internal Revenue Code.

(c) On January 1, 2001, the company adopted SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended by SFAS No. 138, "Accounting for Certain Derivative Instruments and Certain Hedging Activities" ("FAS 133"). FAS 133 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. These fair value adjustments will affect either accumulated other comprehensive income or net income depending on whether the derivative instrument qualifies as a hedge for accounting purposes. Additionally, FAS 133 requires an entity to recognize in accumulated other comprehensive income settled derivative transactions that qualify for hedge accounting. The \$10,663 of other comprehensive loss represents settlement amounts of interest rate protection agreements that were used to fix the interest rate of anticipated debt offerings as well as the market value of interest rate swaps that fix \$75,000 of the 2000 Unsecured Acquisition Facility (as defined in footnote (g)). The settlement amount of interest rate protection agreements that were used to lock the interest rate of anticipated debt offerings is being amortized into net income over the respective lives of the debt these interest rate protection agreements hedged.

(d) Other Assets and Deferred Financing Costs as of June 30, 2002 are comprised as follows:

<i>Other Assets</i>		
Mortgage Loans Receivable	\$	53,003
Investment in Joint Ventures (ak)		10,783
Furniture, Fixtures, Leasehold Improvements and Equipment, Net		3,899
Prepaid Real Estate Taxes		889
Earnest Money and Escrow Deposits		6,936
Pursuit Costs		4,328
Deferred Financing Costs, Net		12,386
Leasing Commissions, Net		33,237
Other		5,417
Total Other Assets, net		\$ 130,878

(e) Mortgage Loans Payable consists of 10 first mortgage loans: 1) a \$37.8 million mortgage loan borrowed from an institutional lender on December 29, 1995 ("1995 Mortgage Loan"); 2) one mortgage loan totaling \$32.8 million borrowed from an institutional lender that is collateralized by seven properties in Indianapolis, Indiana and three properties in Cincinnati, Ohio; 3) two assumed mortgage loans totaling \$6.3 million that are collateralized by 14 properties in Indianapolis, Indiana; 4) one assumed mortgage loan totaling \$3.0 million that is collateralized by two properties in Houston, Texas; 5) one assumed mortgage loan totaling \$2.3 million that is collateralized by one property in Baltimore, Maryland; 6) one assumed mortgage loan totaling \$2.6 million that is collateralized by one property in Tampa, Florida; 7) one assumed mortgage loan totaling \$.9 million that is collateralized by one property in Portland, Oregon; and 8) two assumed mortgage loans totaling \$11.8 million that are collateralized by 2 properties in Rancho Dominguez, CA.

(f) First Industrial has received investment grade ratings from all three rating agencies with respect to its senior unsecured notes and preferred stock. The ratings are as follows:

	Senior Unsecured Notes	Preferred Stock
Fitch	BBB+	BBB
Moody's	Baa2	Baa3
Standard & Poor's	BBB	BBB-



FOOTNOTES

(UNAUDITED)
(IN 000'S EXCEPT PER SHARE DATA)

- (g) Acquisition Facilities Payable consists of a \$300,000 unsecured revolving credit facility ("2000 Unsecured Acquisition Facility").

The 2000 Unsecured Acquisition Facility is used to provide for interim financing of property acquisitions and development, and for general corporate needs. It is the Company's intent to, from time to time, replace borrowings under the 2000 Unsecured Acquisition Facility with longer term sources of capital as the Company deems appropriate. The 2000 Unsecured Acquisition Facility bears interest at a rate based on, at the Company's election, LIBOR plus 0.8% or the prime rate. The 2000 Unsecured Acquisition Facility provides for a grid pricing of the interest rate whereby upon obtaining specific ratings from the appropriate rating agencies, the interest rate changes. The interest rate is reduced to LIBOR + .65% at a rating of A-. Under the competitive bid feature, the Company has the opportunity to decrease the interest rate lower than the stated interest rate. The 2000 Unsecured Acquisition Facility matures on June 30, 2003. At June 30, 2002, borrowings under the 2000 Unsecured Acquisition Facility totaled \$156,100.

- (h) Minority Interest represents operating partnership units owned by unit holders other than First Industrial Realty Trust, Inc.

- (i) In November, 1995, the Company issued 1,650 shares of 9.5% Series A Cumulative Preferred Stock priced at \$25.00 per share ("Series A Preferred"). The Series A Preferred was not redeemable prior to November 17, 2000. On or after November 17, 2000, the Company had the option of redeeming the Series A Preferred for cash, in whole or in part, at a redemption price of \$25.00 per share plus accrued dividends if any. The Series A Preferred did not have a stated maturity and was not subject to any sinking fund. On April 9, 2001, the Company redeemed all of its outstanding Series A Preferred stock at the price of \$25.00 per share, plus accrued and unpaid dividends.

On May 14, 1997, the Company issued 4,000 depository shares, each representing 1/100 of a share of the Company's 8.75% Series B Cumulative Preferred stock priced at \$25.00 per depository share ("Series B Preferred"). The Series B Preferred is not redeemable prior to May 14, 2002. On May 14, 2002, the Company redeemed all of its outstanding Series B Preferred at the redemption price of \$25.00 per depository share, plus accrued and unpaid dividends.

On June 4, 1997, the Company issued 2,000 depository shares, each representing 1/100 of a share of the Company's 8.625% Series C Cumulative Preferred Stock priced at \$25.00 per depository share ("Series C Preferred"). The Series C Preferred is not redeemable prior to June 6, 2007. On or after June 6, 2007, the Series C Preferred shares will be redeemable for cash at the option of the Company, in whole or in part, at a redemption price of \$25.00 per depository share plus accrued dividends, if any.

On February 4, 1998, the Company issued 5,000 depository shares, each representing 1/100 of a share of the Company's 7.95% Series D Cumulative Preferred Stock priced at \$25.00 per depository share ("Series D Preferred"). The Series D Preferred is not redeemable prior to February 4, 2003. On or after February 4, 2003, the Series D Preferred shares will be redeemable for cash at the option of the Company, in whole or in part, at a redemption price of \$25.00 per depository share plus accrued dividends, if any.

On March 18, 1998, the Company issued 3,000 depository shares, each representing 1/100 of a share of the Company's 7.9% Series E Cumulative Preferred Stock (the "Series E Preferred"). The Series E Preferred is not redeemable prior to March 18, 2003. On or after March 18, 2003, the Series E Preferred shares will be redeemable for cash at the option of the Company, in whole or in part, at a redemption price of \$25.00 per depository share plus accrued dividends, if any.

- (j) On February 2, 1996, the Company completed a public offering of 5.175 million shares (inclusive of the underwriters' over-allotment option) of common stock at a purchase price of \$22 per share (the "February 1996 Equity Offering"), resulting in \$113.8 million in gross proceeds. The net proceeds of \$106.3 million were used to repay outstanding borrowings totaling \$59.4 million and fund acquisitions closed in the first quarter of 1996.

On October 25, 1996, the Company completed a public offering of 5.75 million shares (inclusive of the underwriters' over-allotment options) of common stock at a purchase price of \$25.50 per share (the "October 1996 Equity offering"), resulting in \$146.6 million in gross proceeds. The net proceeds of \$138.9 million were used to repay outstanding borrowings totaling \$84.2 million and fund acquisitions closed in the fourth quarter 1996.

On September 16, 1997, the Company issued 637,440 shares of common stock at a purchase price of \$31.38 per share (the "September 1997 Equity Offering"), resulting in \$20,000 in gross proceeds. The net proceeds of \$18,900 were used to pay down the 1996 Unsecured Acquisition Facility.

On October 15, 1997, the Company issued 5,400,000 shares of common stock at a purchase price of \$33.40 per share (the "October 1997 Equity Offering"), resulting in \$180,360 in gross proceeds. The net proceeds of \$177,210 were used to pay down the 1997 Unsecured Acquisition Facility and fund acquisitions during the fourth quarter of 1997.

On April 23, 1998, the Company issued, in a private placement, 1,112,644 shares of common stock at a purchase price of \$32.625 per share (the "April 1998 Equity Offering"), resulting in \$36,300 in gross proceeds. The net proceeds of \$33,700 were used to pay down the 1997 Unsecured Acquisition Facility.

In 2000, the Company repurchased 394,300 shares of its stock in the open market at a weighted average stock price of \$29.63.

In 2001, the Company repurchased 1,003,300 shares of its stock in the open market at a weighted average stock price of \$28.30.



FOOTNOTES

(UNAUDITED)
(IN 000'S EXCEPT PER SHARE DATA)

(k) Weighted average expected cap rate represents the expected stabilized cash yield (cash NOI divided by the total expected investment). Straight-line rents are not included in cash NOI.

(l) The Company's IIS™ program generates income from the following: development services fees and sales of properties developed by the Company, sales of land, and properties acquired, redeveloped and/or sold pursuant to the Company's IIS™ program. Book gains attributable to the recovery of prior depreciation/amortization are not included in IIS™ income and therefore are not included in FFO. IIS™ income includes only the economic gain of sales of property under the IIS™ program. See FFO definition at footnote (aa). The breakdown of the IIS™ income is detailed as follows:

	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001	June 30, 2001
Land Sales Gains	\$ 248	\$ 223	\$ 400	\$ 256	\$ 1,257
Merchant (Re)Development Gains/Fees	8,257	8,344	7,536	4,864	1,649
IIS Existing Property Gains/Fees	1,663	1,730	1,367	5,655	6,173
	<u>\$ 10,168</u>	<u>\$ 10,297</u>	<u>\$ 9,303</u>	<u>\$ 10,775</u>	<u>\$ 9,079</u>

(m) A detailed listing of each property owned by First Industrial is available on its website at www.firstindustrial.com.

(n) Non-incremental Capital Expenditures refers to building improvements and leasing costs required to maintain current revenues. The amounts below reflect amounts recorded during the period under GAAP.

	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001	June 30, 2001
Building Improvements	\$ 2,171	\$ 948	\$ 2,676	\$ 2,039	\$ 1,353
Leasing Costs	5,902	4,553	3,966	3,858	4,272
Prorata Share of JV Costs	43	26	157	53	65
	<u>\$ 8,116</u>	<u>\$ 5,527</u>	<u>\$ 6,798</u>	<u>\$ 5,951</u>	<u>\$ 5,689</u>

(o) Partnership Units are exchangeable for common shares 1 to 1.

(p) Average Daily Volume (Dollars) is calculated by multiplying Average Daily Volume (Shares) by Average Common Share Price.

(q) Average common share price is based on the average share price weighted by volume during the respective quarter.

(r) First Industrial has reserved 1,200 shares under the 1994 Stock Incentive Plan and 6,500 shares under the 1997 Stock Incentive Plan. At June 30, 2002, options covering 3,287 shares were outstanding, 2,452 shares have been exercised or converted and options covering 1,961 shares were available under the 1994 and 1997 Stock Incentive Plan for future grants.

(s) Annualized results are based on multiplying quarterly results by 4. This understates the results to the extent it does not fully account for increasing rental income from existing properties and rental income from new acquisitions and developments made during the period. Average Gross Real Estate Investment excludes the average value of Construction in Progress.

(t) A cap rate is used to value real estate assets and is highly subjective. To determine asset value, an assumed cap rate of 9% is used. This does not imply that First Industrial would sell its assets at, above or below the assumed cap rate. Also included in asset value are construction in progress, the estimated value of the developable/ expandable land inventory, cash and certain other assets which have tangible value (valued at net book value). The annualized NOI has been adjusted for certain non recurring fees and sales, developments and acquisitions which occurred during the quarter. In addition, a separate adjustment is made to reflect NOI at 95% occupancy. This adjustment will add NOI when actual occupancy is below 95% and subtract NOI when actual occupancy is above 95%.

(u) Spread over U.S. Treasury is equal to the dividend yield less the U.S. Treasury yield.

	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001	June 30, 2001
5 Yr. U.S. Treasuries	4.06%	4.84%	4.34%	3.79%	4.94%
10 Yr. U.S. Treasuries	4.83%	5.40%	5.04%	4.58%	5.40%



FOOTNOTES

(UNAUDITED)
(IN 000'S EXCEPT PER SHARE DATA)

- (v) Weighted average maturity includes senior unsecured debt and mortgage loans payable and excludes acquisition facilities payable. Maturity date assumes no exercise of bondholders put options, if applicable. If all put options are exercised, weighted average maturity is 11.0 years as of June 30, 2002.
- (w) Developable land area represents land specifically acquired for future development. This land is 100% owned by First Industrial, except where noted. The developable GLA is based on the developable land area and a parcel by parcel estimate of the land to building ratio. Actual build out can be influenced by a number of factors including renegotiations with existing tenants, negotiations with new tenants, and in certain instances, zoning restrictions, assessments of market conditions, and physical constraints for development.
- (x) Annualized rental income per average occupied square foot is based on multiplying the quarter's result by four and dividing by the average occupied GLA. This is used as a benchmark and does not necessarily reflect increases or decreases in NOI.
- (y) Also includes properties held for sale. At June 30, 2002, the Company has 12 properties held for sale with a net book value of \$36,821.
- (z) The return of capital percentages represent actual results in 1999, 2000, 2001 and estimated amounts for 2002.
- (aa) Management considers funds from operations ("FFO") to be one financial measure of the operating performance of an equity REIT and it is presented to assist investors in analyzing the performance of the Company. The Company calculates FFO to be equal to net income, excluding gains (or losses) from debt restructuring and sales of depreciated property (other than net gains/losses from sales of properties related to the Company's Integrated Industrial Solutions (IIS™) activities, as computed below), plus depreciation and amortization, (other than amortization of deferred financing costs and interest rate protection agreements), and after adjustments for unconsolidated partnerships and joint ventures. Gains/losses from IIS™ property sales are computed by subtracting from gross sales proceeds the sum of 1) costs of sale, such as broker commissions, legal, etc., 2) the original cost basis, including all development costs or purchase price plus closing costs (the cost basis is not reduced by depreciation), 3) capital improvements subsequent to placed-in-service date or purchase date, such as tenant improvements, leasing commissions, renovation costs, etc., 4) previously recognized straight-line rent, if any, and 5) specifically allocated overhead costs. FFO does not represent cash generated from operating activities in accordance with generally accepted accounting principles and is not necessarily indicative of cash available to fund cash needs, including the payment of dividends and distributions. FFO should not be considered as a substitute for net income as a measure of results of operations or for cash flow from operating activities (calculated in accordance with generally accepted accounting principles) as a measure of liquidity. FFO as calculated by the Company may not be comparable to similarly titled, but differently calculated, measures of other REITs.
- (ab) The debt maturity schedule reflects the maturity dates and amounts with respect to principal and scheduled amortization payments. The schedule excludes debt with contingent maturity dates and balance sheet presentation adjustments, and assumes put bonds are not put to the Company on the put date.
- (ac) Pursuant to GAAP, the estimated market value of each of the Company's held for sale properties and other properties are compared to the carrying amount on a quarterly basis. Where the carrying amount exceeds the estimated market value, the Company writes down the carrying value to the estimated market value. No adjustment is made where the estimated market value exceeds the carrying amount. In the fourth quarter 2001 and 2000, the Company wrote down assets by a total of \$9,500 and \$2,900 respectively.

FOOTNOTES

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(ad) On May 13, 1997, the Company issued \$150 million (the "2007 Notes") and \$100 million (the "2027 Notes") of senior unsecured debt which matures on May 15, 2007 and May 15, 2027, respectively. The 2027 Notes are redeemable at the option of the holders thereof, on May 12, 2002. The 2007 Notes and the 2027 Notes bear interest at 7.60% and 7.15%, respectively. The Company had previously entered into interest rate protection agreements to hedge the interest rate on the 2007 Notes and the 2027 Notes. Including the impact of the offering discounts and the interest rate protection agreements, the Company's effective interest rate on the 2007 Notes and the 2027 Notes are 7.61% and 7.04%, respectively. On April 15, 2002, the Company received redemption notices from holders representing \$84,930 of the 2027 Notes outstanding. On May 15, 2002, the Company paid off and retired \$84,930 of the 2027 Notes.

On May 22, 1997, the Company issued \$100 million of senior unsecured debt which matures on May 15, 2011 (the "2011 PATS"). The 2011 PATS bear interest at 7.375%. The 2001 PATS are redeemable at the option of the holder thereof, on May 15, 2004. The Company received approximately \$1.7 million from the holder of the 2011 PATS as consideration for the put option. The Company will amortize the put option proceeds over the life of the put option as an adjustment to interest expense. The Company also entered into an interest rate protection agreement which was used to hedge the interest rate on the 2011 PATS. Including the impact of the offering discount, the proceeds from the put option and the interest rate protection agreement, the Company's effective interest rate on the 2011 PATS is 7.18%.

On November 20, 1997, the Company issued \$50 million of unsecured debt which matures on November 20, 2005 (the "2005 Notes"). The issue price of the 2005 Notes was 100%. The 2005 Notes bear interest at 6.90%.

On December 8, 1997, the Company issued \$150 million of unsecured debt which matures on December 1, 2006 (the "2006 Notes"). The issue price of the 2006 Notes was 100%. The 2006 Notes bear interest at 7.00%. The Company also entered into an interest rate protection agreement which was used to hedge the interest rate on the 2006 Notes. Including the impact of the interest rate protection agreement, the Company's effective interest rate on the 2006 Notes is 7.22%.

On December 8, 1997, the Company issued \$100 million of unsecured debt which matures on December 1, 2017 (the "2017 Notes"). The issue price of the 2017 Notes was 99.808%. The notes bear interest at 7.50%. The Company will amortize this discount over the life of the 2017 Notes. Including the impact of the offering discount, the Company's effective interest rate on the 2017 Notes is 7.52%.

On March 31, 1998, the Company issued \$100 million of its 6 1/2% Dealer remarketable securities due April 5, 2011 (the "Drs."). The Drs. bore interest at 6 1/2% from March 31, 1998 through April 5, 2001. On April 5, 2001, (the "Remarketing Date"), the Drs. were subject to mandatory tender to J.P. Morgan Securities Inc. ("J.P. Morgan"), as the remarketing dealer, had they elected to remarket the Drs. If J.P. Morgan elected to remarket Drs., following the remarketing Date, the interest rate on the Drs. would have been reset at a fixed rate until April 5, 2011. If J.P. Morgan elected not to remarket the Drs., the Company, through the Operating Partnership, would be required to repurchase the Drs. on the Remarketing Date at 100% of the principal amount thereof plus accrued and unpaid interest. The Company retired the Drs. on April 5, 2001.

On July 14, 1998, the Company issued \$200 million of unsecured debt which matures on July 15, 2028 (the "2028 Notes"). The issue price of the 2028 Notes was 99.882%. The 2028 Notes bear interest at 7.60%. The Company will amortize this discount over the life of the 2028 Notes. Including the impact of the offering discount and the interest rate protection agreement, the Company's effective interest rate on the 2028 Notes is 8.13%.

On March 19, 2001, the Company issued \$200 million of unsecured debt which matures on March 15, 2011 (the "2011 Notes"). The issue price of the 2011 Notes was 99.695%. The Company will amortize the discount over the life of the 2011 Notes. 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 will amortize the settlement amount of the interest rate protection agreement over the life of the 2011 Notes. Including the impact of the offering discount and the interest rate protection agreements, the Company's effective interest rate on the 2011 Notes is 7.39%.

On April 15, 2002, the Company issued \$200 million of senior unsecured debt which matures on April 15, 2012 (the "2012 Notes"). The issue price of the 2012 Notes was 99.310%. The Company will amortize the discount over the life of the 2012 Notes. The Company also entered into interest rate protection agreements which were used to fix the interest rate on the 2012 Notes prior to issuance. The Company will amortize the settlement amount of these interest rate protection agreements over the life of the 2012 Notes. Including the impact of the offering discount and the settlement amount of the interest rate protection agreements, the Company's effective interest rate is 6.85%.

On April 15, 2002, the Company issued \$50 million of unsecured debt which matures on April 15, 2032 (the "2032 Notes"). The issue price of the 2032 Notes was 98.660%. The Company will amortize the discount over the life of the 2032 Notes. Including the impact of the offering discount, the Company's effective interest rate is 7.87%.

(ae) Interest expense is reflected net of interest capitalized with respect to properties under development.

	June 30, 2002	March 31, 2002	December 31, 2001	September 30, 2001	June 30, 2001
Quarterly Capitalized Interest	\$ 2,349	\$ 2,855	\$ 2,972	\$ 2,681	\$ 2,324
	Year Ended 6 months ended June 30, 2002	Year Ended December 31, 2001	Year Ended December 31, 2000	Year Ended December 31, 1999	
Annual Capitalized Interest	\$ 5,204	\$ 9,950	\$ 5,203	\$ 5,568	



FOOTNOTES

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(IN 000'S EXCEPT PER SHARE DATA)

- (af) For the three months ended June 30, 2002, represents an extraordinary loss for the partial retirement of the 2027 Notes. For the three months ended June 30, 2001, represents an extraordinary loss from the retirement of the "Drs." and \$11 million of mortgage debt.
- (ag) Other income for the quarters ending June 30, 2001, September 30, 2001, December 31, 2001, March 31, 2002 and June 30, 2002 includes acquisition, property and asset management fees of \$619, \$533, \$621, \$467 and \$543, respectively, from joint ventures. Such fees represent amounts after the deduction of internal costs related to the joint venture.
- (ah) Net Asset Value detail. Also see footnote (t).

	At June 30
	<u>2002</u>
Quarterly NOI	63,694
Sales/Acq./Dev. Run Rate Adjustment	(381)
Stabilized Occupancy Adjustment (95% Occupancy)	<u>3,621</u>
Adjusted NOI	66,934
	x <u>4</u>
Annualized NOI	267,734
Cap Rate	<u>9%</u>
	2,974,823
IIS Income	10,168
	x <u>4</u>
Annualized IIS Income	40,672
Cap Rate	<u>20%</u>
	203,360
CIP	154,559
Cash and Cash Equivalents	2,630
Restricted Cash	39,939
Tenant A/R	11,132
Investment in JV	10,783
Furn. Fix. & Equip.	3,899
Prepaid Expenses	889
Earnest Money & Escrows	6,936
Land Under Construction	46,794
Developable Land Inventory	<u>51,015</u>
Asset Value	3,506,759
Total Liabilities	(1,584,447)
Preferred Stock	<u>(250,000)</u>
Net Asset Value (NAV)	<u>1,672,312</u>
Shares & Units Outstanding	<u>46,501</u>
NAV per share	<u>\$ 35.96</u>

- (ai) Under GAAP, weighted average common shares must include the dilutive impact, if any, of the in-the-money stock options. The Company has conformed with the GAAP computation of diluted common shares in computing per share amounts for items included on the Statement of Operations, including FFO and FAD.

FOOTNOTES

(UNAUDITED)
(IN 000'S EXCEPT PER SHARE DATA)

- (aj) The Company uses the following general criteria for the different property types. While some properties may have characteristics which fall under more than one property type, the Company has used what they feel is the most dominating characteristic to categorize the property.

Property Type	Property Square Feet	Ceiling Height	Office Space	Manufacturing Space	Land Use Ratio
Light Industrial	Less than 100,000 sq. ft.	16 to 21 ft.	5% to 50%	Under 50%	4 to 1
R&D/Flex	Less than 100,000 sq. ft.	Less than 16 ft.	50% or more	Under 25%	4 to 1
Bulk Warehouse	More than 100,000 sq. ft.	22 ft. or more	5% to 15%	Under 25%	2 to 1
Regional Warehouse	Less than 100,000 sq. ft.	22 ft. or more	5% to 15%	Under 25%	2 to 1
Manufacturing	Various	10 to 18 ft.	5% to 15%	Over 50%	4 to 1

- (ak) The Company recognizes income from its three joint ventures using the equity method of accounting. The following table shows the Company's share of the joint venture's combined FFO, combined net income and combined balance sheet:

Combined Income Statement

	Three Months Ended June 30, 2002	
	Joint Ventures	Company's Interest
JV Net Operating Income	\$ 6,161	\$ 717
Add: IIS Services Income	706	71
Less: Interest Expense	(2,918)	(325)
Less: Amort of Deferred Financing Fees	(322)	(45)
Funds From Operations (FFO)	3,627	418
Less: Depreciation and Amortization	\$ (1,480)	(180)
Add: Gain on Sale of Properties	2,349	235
Less: Extraordinary Loss	14	1
Net Income	\$ 4,510	474

Combined Balance Sheet

	As of June 30, 2002	
	Joint Ventures	Company's Interest
Gross Real Estate Investment	\$ 306,267	\$ 36,572
Less: Accumulated Depreciation	(15,294)	(1,586)
Net Real Estate	290,973	34,986
Other Assets	68,053	9,587
	\$ 359,026	\$ 44,573
Mortgage Loans Payable	\$ 208,915	\$ 24,428
Other Liabilities	57,285	8,370
Equity	92,826	11,775
	\$ 359,026	\$ 44,573

As of June 30, 2002, the Company has invested in three joint ventures. The first joint venture began in August 1998 and has \$137.5 million of gross real estate and \$104.3 million of secured debt. The second joint venture began in September 1999 and has \$49.9 million of gross real estate and \$33.9 million of secured debt. The Company has a 10% ownership interest in both the first and second joint venture, with combined holdings of 5.1 million square feet of real estate. The third joint venture began in December 2001 and has \$118.9 million of gross real estate and \$70.7 million of secured debt. The Company has a 15% ownership interest in this joint venture, which owns 2.5 million square feet of real estate.



FOOTNOTES

(UNAUDITED)
(IN 000'S EXCEPT PER SHARE DATA)

- (al) At June 30, 2002, Construction in Progress excludes \$46.8 million of land related to properties currently under construction (such amount is included in the Land account on the balance sheet).

- (an) Excludes straight-line rent adjustments and excludes lease termination fees.