



## Supplemental Information

### June 30, 2005

First Industrial Realty Trust, Inc. (NYSE: FR)

Phone 312.344.4300 • Fax 312.922-6320

June 30, 2005

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- (1) The statement of operations and supplemental statement of operations provided in this supplemental information package presents funds from operations, net operating income, EBITDA and funds available for distribution which are REIT industry financial measures that are not calculated in accordance with generally accepted accounting principles. Please see footnote (an) for a definition of these supplemental performance measures. Please see footnote (aa) for a reconciliation of certain captions in the supplemental statement of operations reported in this supplemental information package to the statement of operations as reported in the Company's filings with the Securities and Exchange Commission on Form 10-Q.

## BALANCE SHEETS

(UNAUDITED)  
(IN 000's)

	Quarter Ended				
	June 30, 2005	March 31, 2005	December 31, 2004	September 30, 2004	June 30, 2004
<b>ASSETS</b>					
Real Estate					
Land	\$ 474,090	\$ 465,587	\$ 472,126	\$ 435,861	\$ 441,831
Buildings and Improvements	2,395,253	2,359,844	2,361,256	2,293,416	2,208,528
Construction in Progress (al)	53,108	41,785	23,092	101,486	88,713
Furniture, Fixtures and Equipment	-	-	-	885	885
	<u>2,922,451</u>	<u>2,867,216</u>	<u>2,856,474</u>	<u>2,831,648</u>	<u>2,739,957</u>
Less: Accumulated Depreciation	(391,136)	(394,323)	(378,383)	(386,941)	(368,461)
	<u>2,531,315</u>	<u>2,472,893</u>	<u>2,478,091</u>	<u>2,444,707</u>	<u>2,371,496</u>
Real Estate Held for Sale, Net (y)	52,641	49,926	52,790	14,620	14,787
Cash and Cash Equivalents	872	751	4,924	7,356	-
Restricted Cash (b)	-	3,611	25	24,256	68,886
Tenant Accounts Receivable, Net	7,475	8,962	6,986	6,768	6,853
Deferred Rent Receivable	21,647	20,440	18,314	16,683	15,344
Other Assets and Deferred Financing Costs, Net (d)	155,408	152,923	157,105	181,960	202,362
	<u>155,408</u>	<u>152,923</u>	<u>157,105</u>	<u>181,960</u>	<u>202,362</u>
Total Assets	<u>\$ 2,769,358</u>	<u>\$ 2,709,506</u>	<u>\$ 2,718,235</u>	<u>\$ 2,696,350</u>	<u>\$ 2,679,728</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>					
<i>Liabilities</i>					
Mortgage Loans Payable (e)	\$ 58,725	\$ 62,455	\$ 59,905	\$ 58,379	\$ 44,886
Unsecured Line of Credit (g)	229,500	159,500	167,500	179,000	84,000
Senior Unsecured Debt, net (f) (ad)	1,348,197	1,347,858	1,347,524	1,347,209	1,346,905
Debt/Accrued Interest on Real Estate Held for Sale	13,732	-	-	-	-
Dividends/Distributions Payable	35,717	34,339	35,487	32,872	33,496
Other Liabilities	102,273	120,679	105,392	111,343	96,204
	<u>1,788,144</u>	<u>1,724,831</u>	<u>1,715,808</u>	<u>1,728,803</u>	<u>1,605,491</u>
Total Liabilities	1,788,144	1,724,831	1,715,808	1,728,803	1,605,491
Minority Interest (h)	153,470	156,088	156,933	160,928	160,173
<i>Stockholders' Equity</i>					
Preferred Stock (f)(i)	-	-	-	-	-
Common Stock (j)	457	455	454	440	438
Accumulated Other Comprehensive Loss (c)	(4,247)	(3,974)	(3,700)	(3,582)	(3,407)
Treasury Stock, at cost (j)	(70,588)	(70,588)	(70,588)	(70,588)	(70,588)
Unearned Value of Restricted Stock	(21,484)	(25,241)	(19,611)	(21,577)	(23,762)
Paid in Capital	1,154,035	1,147,633	1,142,356	1,093,108	1,206,899
Distributions in Excess of Net Income	(230,429)	(219,698)	(203,417)	(191,182)	(195,516)
	<u>827,744</u>	<u>828,587</u>	<u>845,494</u>	<u>806,619</u>	<u>914,064</u>
Total Stockholders' Equity	827,744	828,587	845,494	806,619	914,064
Total Liabilities and Stockholders' Equity	<u>\$ 2,769,358</u>	<u>\$ 2,709,506</u>	<u>\$ 2,718,235</u>	<u>\$ 2,696,350</u>	<u>\$ 2,679,728</u>

## STATEMENT OF OPERATIONS

**By Quarter**  
(UNAUDITED)  
(IN 000'S)

	Quarter Ended	
	June 30, 2005	Restated (ao) June 30, 2004
<b>REVENUES</b>		
Rental Income	\$ 64,852	\$ 56,344
Tenant Recoveries and Other Income (ag)	21,571	17,785
Total Revenues	86,423	74,129
<b>EXPENSES</b>		
Real Estate Taxes	13,557	11,483
Repairs and Maintenance	6,035	5,651
Property Management	4,550	3,603
Utilities	2,977	2,357
Insurance	595	801
Other	2,218	1,346
General and Administrative	11,571	9,665
Amortization of Deferred Financing Costs	510	464
Depreciation of Corporate FF&E	337	321
Depreciation and Other Amortization of Real Estate	28,332	22,578
Total Expenses	70,682	58,269
<b>OTHER INCOME/EXPENSE</b>		
Interest Income	448	866
Interest Expense (ae)	(25,890)	(23,922)
Mark-to-Market/Gain on Settlement of Interest Rate Protection Agreement (c)	(1,404)	1,450
Total Other Income/Expense	(26,846)	(21,606)
<b>LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAX BENEFIT, EQUITY IN (LOSS) INCOME OF JOINT VENTURES AND INCOME ALLOCATED TO MINORITY INTEREST</b>		
	(11,105)	(5,746)
Income Tax Benefit	1,871	1,453
Equity in (Loss) Income of Joint Ventures	(98)	301
Minority Interest Allocable to Continuing Operations	1,503	2,250
<b>LOSS FROM CONTINUING OPERATIONS</b>		
	(7,829)	(1,742)
Income from Discontinued Operations (Including Gain on Sale of Real Estate of \$33,690 and \$28,273 for the Three Months Ended June 30, 2005 and 2004, respectively)	34,581	31,924
Provision for Income Taxes Allocable to Discontinued Operations (Including \$2,611 and \$1,565 allocable to Gain on Sale of Real Estate for the Three Months Ended June 30, 2005 and 2004, respectively)	(2,527)	(2,110)
Minority Interest Allocable to Discontinued Operations	(4,193)	(4,099)
<b>INCOME BEFORE GAIN ON SALE OF REAL ESTATE</b>		
	20,032	23,973
Gain on Sale of Real Estate	3,232	3,337
Provision for Income Taxes Allocable to Gain on Sale of Real Estate	(1,252)	(710)
Minority Interest Allocable to Gain on Sale of Real Estate	(259)	(361)
<b>NET INCOME</b>		
	21,753	26,239
Preferred Dividends	(2,310)	(4,790)
Redemption of Preferred Stock (i)	-	(7,359)
<b>NET INCOME FOR COMMON STOCKHOLDERS</b>		
	\$ 19,443	\$ 14,090

## STATEMENT OF OPERATIONS

By Quarter  
(UNAUDITED)  
(IN 000'S)

	Quarter Ended	
	June 30, 2005	June 30, 2004
<b>NET INCOME FOR COMMON STOCKHOLDERS</b>	\$ 19,443	\$ 14,090
Add: Depreciation and Other Amortization of Real Estate	28,332	22,578
Add: Minority Interest Allocable to Discontinued Operations	4,193	4,099
Add: Minority Interest Allocable to Continuing Operations	(1,503)	(2,250)
Add: Minority Interest Allocable to Gain on Sale of Real Estate	259	361
Add: Depreciation and Other Amortization of Real Estate Included in Discontinued Operations	703	2,329
Add: Depreciation and Other Amortization of Real Estate- Joint Ventures	494	476
Less: Accumulated Depreciation/Amortization on Real Estate Sold	(9,766)	(10,194)
<b>FUNDS FROM OPERATIONS ("FFO") (an)</b>	\$ 42,155	\$ 31,489
Add: Restricted Stock Amortization	2,930	1,930
Add: Amortization of Deferred Financing Costs	510	464
Add: Depreciation of Corporate FF&E	337	321
Add: Redemption of Preferred Stock (i)	-	7,359
Less: Non-Incremental Capital Expenditures (n)	(11,118)	(10,969)
Less: Straight-line Rental Income Adjustment	(1,813)	(1,116)
<b>FUNDS AVAILABLE FOR DISTRIBUTION ("FAD") (an)</b>	\$ 33,001	\$ 29,478
<b>NET INCOME FOR COMMON STOCKHOLDERS</b>	\$ 19,443	\$ 14,090
Add: Interest Expense (ae)	25,890	23,922
Add: Interest Expense Included in Discontinued Operations (ae)	172	64
Add: Depreciation and Other Amortization of Real Estate	28,332	22,578
Add: Preferred Dividends	2,310	4,790
Add: Provision for Income Taxes	1,908	1,367
Add: Redemption of Preferred Stock (i)	-	7,359
Add: Minority Interest Allocable to Discontinued Operations	4,193	4,099
Add: Minority Interest Allocable to Continuing Operations	(1,503)	(2,250)
Add: Minority Interest Allocable to Gain on Sale of Real Estate	259	361
Add: Amortization of Deferred Financing Costs	510	464
Add: Depreciation of Corporate FF&E	337	321
Add: Depreciation and Other Amortization of Real Estate Included in Discontinued Operations	703	2,329
Add: Depreciation and Other Amortization of Real Estate- Joint Ventures	494	476
Less: Accumulated Depreciation/Amortization on Real Estate Sold	(9,766)	(10,194)
<b>EBITDA (an)</b>	\$ 73,282	\$ 69,776
Add: General and Administrative	11,571	9,665
Less: Net Economic Gains	(25,248)	(20,049)
Less: Provision for Income Taxes	(1,908)	(1,367)
Less: Equity in FFO of Joint Ventures (ak)	(396)	(777)
<b>NET OPERATING INCOME (an)</b>	\$ 57,301	\$ 57,248

**SUPPLEMENTAL  
STATEMENT OF OPERATIONS (aa)(an)**

**By Quarter**  
(UNAUDITED)  
(IN 000'S)

	Quarter Ended	
	June 30, 2005	June 30, 2004
<b>REVENUES</b>		
Rental Income	\$ 67,008	\$ 63,340
Tenant Recoveries and Other Income (ag)	21,346	21,671
Total Revenues	<u>88,354</u>	<u>85,011</u>
<b>EXPENSES</b>		
Real Estate Taxes	13,964	12,672
Repairs and Maintenance	6,193	6,118
Property Management	4,649	3,902
Utilities	3,065	2,696
Insurance	628	887
Other	2,554	1,488
Total Property Expenses	<u>31,053</u>	<u>27,763</u>
<b>NET OPERATING INCOME</b>	57,301	57,248
Equity in FFO of Joint Ventures (ak)	396	777
Net Economic Gains, Net of Provision for Income Taxes (l)	25,248	20,049
Provision for Income Taxes	1,908	1,367
General and Administrative Cost of Economic Gain (af)	(1,773)	(1,645)
General and Administrative	<u>(9,798)</u>	<u>(8,020)</u>
<b>EBITDA</b>	73,282	69,776
Interest Expense (ae)	(26,062)	(23,986)
Provision for Income Taxes	(1,908)	(1,367)
Preferred Dividends	(2,310)	(4,790)
Redemption of Preferred Stock (i)	-	(7,359)
Amortization of Deferred Financing Costs	(510)	(464)
Depreciation of Corporate FF&E	<u>(337)</u>	<u>(321)</u>
<b>FUNDS FROM OPERATIONS - FFO</b>	42,155	31,489
Depreciation and Other Amortization	(29,035)	(24,907)
Equity in Dep/Other Amortization of Joint Ventures (ak)	(494)	(476)
Add Preferred Dividends	2,310	4,790
Add Redemption of Preferred Stock (i)	-	7,359
Accumulated Depreciation/Amortization on Real Estate Sold	9,766	10,194
Minority Interest (h)	<u>(2,949)</u>	<u>(2,210)</u>
<b>NET INCOME</b>	\$ 21,753	\$ 26,239
Preferred Dividends	(2,310)	(4,790)
Redemption of Preferred Stock (i)	<u>-</u>	<u>(7,359)</u>
<b>NET INCOME FOR COMMON STOCKHOLDERS</b>	19,443	14,090
Gain on Sale of Property from Discontinued Operations (a)	(33,690)	(28,273)
Net Operating Income from Discontinued Operations (a)	(1,766)	(6,044)
Depreciation and Amortization from Discontinued Operations (a)	703	2,329
Interest Expense from Discontinued Operations (a)	172	64
Provision for Income Taxes from Discontinued Operations (a)	2,527	2,110
Minority Interest from Discontinued Operations (a)	<u>4,193</u>	<u>4,099</u>
<b>NET LOSS FOR COMMON STOCKHOLDERS BEFORE DISCONTINUED OPERATIONS</b>	<u>\$ (8,418)</u>	<u>\$ (11,625)</u>
<b>EBITDA</b>	\$ 73,282	\$ 69,776
Interest Expense	(26,062)	(23,986)
Preferred Dividends	(2,310)	(4,790)
Straight-line Rental Income Adjustment	(1,813)	(1,116)
Provision for Income Taxes	(1,908)	(1,367)
Restricted Stock Amortization	2,930	1,930
Non-Incremental Capital Expenditures (n)	<u>(11,118)</u>	<u>(10,969)</u>
<b>FUNDS AVAILABLE FOR DISTRIBUTION - FAD</b>	<u>\$ 33,001</u>	<u>\$ 29,478</u>
<b>COMMON DIVIDENDS/DISTRIBUTIONS</b>	<u>\$ 34,485</u>	<u>\$ 32,743</u>

**SUPPLEMENTAL  
STATEMENT OF OPERATIONS (aa)(ac)(an)**

**By Quarter**  
(UNAUDITED)  
(PER SHARE)(ai)

	Quarter Ended	
	June 30, 2005	June 30, 2004
<b>REVENUES</b>		
Rental Income	\$ 1.37	\$ 1.35
Tenant Recoveries and Other Income (ag)	0.44	0.46
Total Revenues	<u>1.81</u>	<u>1.81</u>
<b>EXPENSES</b>		
Real Estate Taxes	0.29	0.27
Repairs and Maintenance	0.13	0.13
Property Management	0.10	0.08
Utilities	0.06	0.06
Insurance	0.01	0.02
Other	0.05	0.03
Total Property Expenses	<u>0.64</u>	<u>0.59</u>
<b>NET OPERATING INCOME</b>	1.18	1.22
Equity in FFO of Joint Ventures (ak)	0.01	0.02
Net Economic Gains, Net of Provision for Income Taxes (l)	0.52	0.43
Provision for Income Taxes	0.04	0.03
General and Administrative Cost of Economic Gain (af)	(0.04)	(0.04)
General and Administrative	<u>(0.20)</u>	<u>(0.17)</u>
<b>EBITDA</b>	1.50	1.49
Interest Expense (ae)	(0.53)	(0.51)
Provision for Income Taxes	(0.04)	(0.03)
Preferred Dividends	(0.05)	(0.10)
Redemption of Preferred Stock (i)	-	(0.16)
Amortization of Deferred Financing Costs	(0.01)	(0.01)
Depreciation of Corporate FF&E	<u>(0.01)</u>	<u>(0.01)</u>
<b>FUNDS FROM OPERATIONS - FFO</b>	0.86	0.67
Depreciation and Other Amortization	(0.60)	(0.53)
Equity in Dep/Other Amortization of Joint Ventures (ak)	(0.01)	(0.01)
Add Preferred Dividends	0.05	0.10
Add Redemption of Preferred Stock (i)	-	0.16
Accumulated Depreciation/Amortization on Real Estate Sold	<u>0.20</u>	<u>0.22</u>
<b>NET INCOME</b>	\$ 0.51	\$ 0.61
Preferred Dividends	(0.05)	(0.10)
Redemption of Preferred Stock (i)	<u>-</u>	<u>(0.16)</u>
<b>NET INCOME FOR COMMON STOCKHOLDERS</b>	\$ 0.46	\$ 0.35
Gain on Sale of Property from Discontinued Operations (a)	(0.69)	(0.60)
Net Operating Income from Discontinued Operations (a)	(0.04)	(0.13)
Depreciation and Amortization from Discontinued Operations (a)	0.01	0.05
Interest Expense from Discontinued Operations (a)	0.00	0.00
Provision for Income Taxes from Discontinued Operations (a)	<u>0.05</u>	<u>0.04</u>
<b>NET LOSS FOR COMMON STOCKHOLDERS BEFORE DISCONTINUED OPERATIONS</b>	<u>\$ (0.20)</u>	<u>\$ (0.29)</u>
<b>EBITDA</b>	\$ 1.50	\$ 1.49
Interest Expense	(0.53)	(0.51)
Preferred Dividends	(0.05)	(0.10)
Straight-line Rental Income Adjustment	(0.04)	(0.02)
Provision for Income Taxes	(0.04)	(0.03)
Restricted Stock Amortization	0.06	0.04
Non-Incremental Capital Expenditures (n)	<u>(0.23)</u>	<u>(0.23)</u>
<b>FUNDS AVAILABLE FOR DISTRIBUTION - FAD</b>	<u>0.68</u>	<u>0.63</u>
<b>COMMON DIVIDENDS/DISTRIBUTIONS</b>	<u>\$ 0.6950</u>	<u>\$ 0.6850</u>

## STATEMENT OF OPERATIONS

**Year to Date**

(UNAUDITED)

(IN 000'S)

	Six Months	
	Ended	
	June 30, 2005	Restated (ao) June 30, 2004
<b>REVENUES</b>		
Rental Income	\$ 127,343	\$ 112,599
Tenant Recoveries and Other Income (ag)	44,920	38,103
Total Revenues	<u>172,263</u>	<u>150,702</u>
<b>EXPENSES</b>		
Real Estate Taxes	26,774	23,313
Repairs and Maintenance	13,712	12,141
Property Management	8,532	6,173
Utilities	6,410	5,466
Insurance	1,177	1,558
Other	3,668	3,054
General and Administrative	23,493	16,888
Amortization of Deferred Financing Costs	1,019	910
Depreciation of Corporate FF&E	657	640
Depreciation and Other Amortization of Real Estate	55,183	42,771
Total Expenses	<u>140,625</u>	<u>112,914</u>
<b>OTHER INCOME/EXPENSE</b>		
Interest Income	837	1,578
Interest Expense (ae)	(51,693)	(47,556)
Mark-to-Market/Gain on Settlement of Interest Rate Protection Agreement (c)	(463)	1,450
Total Other Income/Expense	<u>(51,319)</u>	<u>(44,528)</u>
<b>LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAX BENEFIT, EQUITY IN INCOME OF JOINT VENTURES AND INCOME ALLOCATED TO MINORITY INTEREST</b>	(19,681)	(6,740)
Income Tax Benefit	3,837	2,262
Equity in Net (Loss) Income of Joint Ventures	(220)	546
Minority Interest Allocable to Continuing Operations	<u>2,677</u>	<u>2,954</u>
<b>LOSS FROM CONTINUING OPERATIONS</b>	(13,387)	(978)
Income from Discontinued Operations (Including Gain on Sale of Real Estate of \$47,186 and \$55,484 for the Six Months Ended June 30, 2005 and 2004, respectively)	49,747	63,793
Provision for Income Taxes Allocable to Discontinued Operations (Including \$5,782 and \$3,675 allocable to Gain on Sale of Real Estate for the Six Months Ended June 30, 2005 and 2004, respectively)	(6,188)	(4,685)
Minority Interest Allocable to Discontinued Operations	<u>(5,706)</u>	<u>(8,287)</u>
<b>INCOME BEFORE GAIN ON SALE OF REAL ESTATE</b>	24,466	49,843
Gain on Sale of Real Estate	24,716	6,583
Provision for Income Taxes Allocable to Gain on Sale of Real Estate	(8,977)	(1,424)
Minority Interest Allocable to Gain on Sale of Real Estate	<u>(2,062)</u>	<u>(723)</u>
<b>NET INCOME</b>	38,143	54,279
Preferred Dividends	(4,620)	(9,834)
Redemption of Preferred Stock (i)	<u>-</u>	<u>(7,359)</u>
<b>NET INCOME FOR COMMON STOCKHOLDERS</b>	<u>\$ 33,523</u>	<u>\$ 37,086</u>

## STATEMENT OF OPERATIONS

**Year to Date**

(UNAUDITED)

(IN 000'S)

	Six Months	
	Ended	
	June 30, 2005	June 30, 2004
<b>NET INCOME FOR COMMON STOCKHOLDERS</b>	\$ 33,523	\$ 37,086
Add: Depreciation and Other Amortization of Real Estate	55,183	42,771
Add: Minority Interest Allocable to Discontinued Operations	5,706	8,287
Add: Minority Interest Allocable to Continuing Operations	(2,677)	(2,954)
Add: Minority Interest Allocable to Gain on Sale of Real Estate	2,062	723
Add: Depreciation and Other Amortization of Real Estate Included in Discontinued Operations	1,826	4,635
Add: Depreciation and Other Amortization of Real Estate- Joint Ventures	829	909
Less: Accumulated Depreciation/Amortization on Real Estate Sold	(15,190)	(22,021)
Less: Accumulated Depreciation/Amortization on Real Estate Sold- Joint Ventures	-	(5)
<b>FUNDS FROM OPERATIONS ("FFO") (an)</b>	<b>\$ 81,262</b>	<b>\$ 69,431</b>
Add: Restricted Stock Amortization	4,820	3,334
Add: Amortization of Deferred Financing Costs	1,019	910
Add: Depreciation of Corporate FF&E	657	640
Add: Redemption of Preferred Stock (i)	-	7,359
Less: Non-Incremental Capital Expenditures (n)	(21,701)	(18,187)
Less: Straight-line Rental Income Adjustment	(4,063)	(2,812)
<b>FUNDS AVAILABLE FOR DISTRIBUTION ("FAD") (an)</b>	<b>\$ 61,994</b>	<b>\$ 60,675</b>
<b>NET INCOME FOR COMMON STOCKHOLDERS</b>	<b>\$ 33,523</b>	<b>\$ 37,086</b>
Add: Interest Expense (ae)	51,693	47,556
Add: Interest Expense Included in Discontinued Operations (ae)	344	128
Add: Depreciation and Other Amortization of Real Estate	55,183	42,771
Add: Preferred Dividends	4,620	9,834
Add: Redemption of Preferred Stock (i)	-	7,359
Add: Provision for Income Taxes	11,328	3,847
Add: Minority Interest Allocable to Discontinued Operations	5,706	8,287
Add: Minority Interest Allocable to Continuing Operations	(2,677)	(2,954)
Add: Minority Interest Allocable to Gain on Sale of Real Estate	2,062	723
Add: Amortization of Deferred Financing Costs	1,019	910
Add: Depreciation of Corporate FF&E	657	640
Add: Depreciation and Other Amortization of Real Estate Included in Discontinued Operations	1,826	4,635
Add: Depreciation and Other Amortization of Real Estate- Joint Ventures	829	909
Less: Accumulated Depreciation/Amortization on Real Estate Sold	(15,190)	(22,021)
Less: Accumulated Depreciation/Amortization on Real Estate Sold- Joint Ventures	-	(5)
<b>EBITDA (an)</b>	<b>\$ 150,923</b>	<b>\$ 139,705</b>
Add: General and Administrative	23,493	16,888
Less: Net Economic Gains	(45,384)	(36,199)
Less: Provision for Income Taxes	(11,328)	(3,847)
Less: Equity in FFO of Joint Ventures (ak)	(609)	(1,450)
<b>NET OPERATING INCOME (an)</b>	<b>\$ 117,095</b>	<b>\$ 115,097</b>

**SUPPLEMENTAL  
STATEMENT OF OPERATIONS (aa)(an)**

**Year to Date**  
(UNAUDITED)  
(IN 000'S)

	Six Months Ended	
	June 30, 2005	June 30, 2004
<b>REVENUES</b>		
Rental Income	\$ 132,999	\$ 127,997
Tenant Recoveries and Other Income (ag)	46,982	44,956
Total Revenues	179,981	172,953
<b>EXPENSES</b>		
Real Estate Taxes	27,916	26,040
Repairs and Maintenance	14,193	13,463
Property Management	8,778	6,865
Utilities	6,648	6,234
Insurance	1,261	1,763
Other	4,090	3,491
Total Property Expenses	62,886	57,856
<b>NET OPERATING INCOME</b>	117,095	115,097
Equity in FFO of Joint Ventures (ak)	609	1,450
Net Economic Gains, Net of Provision for Income Taxes (l)	45,384	36,199
Provision for Income Taxes	11,328	3,847
General and Administrative Cost of Economic Gain (af)	(4,699)	(2,897)
General and Administrative	(18,794)	(13,991)
<b>EBITDA</b>	150,923	139,705
Interest Expense (ae)	(52,037)	(47,684)
Provision for Income Taxes	(11,328)	(3,847)
Preferred Dividends	(4,620)	(9,834)
Redemption of Preferred Stock (i)	-	(7,359)
Amortization of Deferred Financing Costs	(1,019)	(910)
Depreciation of Corporate FF&E	(657)	(640)
<b>FUNDS FROM OPERATIONS - FFO</b>	81,262	69,431
Depreciation and Other Amortization	(57,009)	(47,406)
Equity in Dep/Other Amortization of Joint Ventures (ak)	(829)	(904)
Add Preferred Dividends	4,620	9,834
Add Redemption of Preferred Stock (i)	-	7,359
Accumulated Depreciation/Amortization on Real Estate Sold	15,190	22,021
Minority Interest (h)	(5,091)	(6,056)
<b>NET INCOME</b>	\$ 38,143	\$ 54,279
Preferred Dividends	(4,620)	(9,834)
Redemption of Preferred Stock (i)	-	(7,359)
<b>NET INCOME FOR COMMON STOCKHOLDERS</b>	\$ 33,523	\$ 37,086
Gain on Sale of Property from Discontinued Operations (a)	(47,186)	(55,484)
Net Operating Income from Discontinued Operations (a)	(4,731)	(13,072)
Depreciation and Amortization from Discontinued Operations (a)	1,826	4,635
Interest Expense from Discontinued Operations (a)	344	128
Provision for Income Taxes from Discontinued Operations (a)	6,188	4,685
Minority Interest from Discontinued Operations (a)	5,706	8,287
<b>NET LOSS FOR COMMON STOCKHOLDERS BEFORE DISCONTINUED OPERATIONS</b>	\$ (4,330)	\$ (13,735)
<b>EBITDA</b>	\$ 150,923	\$ 139,705
Interest Expense	(52,037)	(47,684)
Preferred Dividends	(4,620)	(9,834)
Straight-line Rental Income Adjustment	(4,063)	(2,812)
Provision for Income Taxes	(11,328)	(3,847)
Restricted Stock Amortization	4,820	3,334
Non-Incremental Capital Expenditures (n)	(21,701)	(18,187)
<b>FUNDS AVAILABLE FOR DISTRIBUTION - FAD</b>	\$ 61,994	\$ 60,675
<b>COMMON DIVIDENDS/DISTRIBUTIONS</b>	\$ 68,824	\$ 65,461

**SUPPLEMENTAL  
STATEMENT OF OPERATIONS (aa)(ac)(an)**

**Year to Date**  
(UNAUDITED)  
(PER SHARE)(ai)

	Six Months Ended	
	June 30, 2005	June 30, 2004
<b>REVENUES</b>		
Rental Income	\$ 2.73	\$ 2.75
Tenant Recoveries and Other Income (ag)	0.96	0.97
Total Revenues	<u>3.70</u>	<u>3.71</u>
<b>EXPENSES</b>		
Real Estate Taxes	0.57	0.56
Repairs and Maintenance	0.29	0.29
Property Management	0.18	0.15
Utilities	0.14	0.13
Insurance	0.03	0.04
Other	0.08	0.07
Total Property Expenses	<u>1.29</u>	<u>1.24</u>
<b>NET OPERATING INCOME</b>	2.40	2.47
Equity in FFO of Joint Ventures (ak)	0.01	0.03
Net Economic Gains, Net of Provision for Income Taxes (l)	0.93	0.78
Provision for Income Taxes	0.23	0.08
General and Administrative Cost of Economic Gain (af)	(0.10)	(0.06)
General and Administrative	<u>(0.39)</u>	<u>(0.30)</u>
<b>EBITDA</b>	3.10	3.00
Interest Expense (ae)	(1.07)	(1.02)
Provision for Income Taxes	(0.23)	(0.08)
Preferred Dividends	(0.09)	(0.21)
Redemption of Preferred Stock (i)	-	(0.16)
Amortization of Deferred Financing Costs	(0.02)	(0.02)
Depreciation of Corporate FF&E	<u>(0.01)</u>	<u>(0.01)</u>
<b>FUNDS FROM OPERATIONS - FFO</b>	1.67	1.49
Depreciation and Other Amortization	(1.17)	(1.02)
Equity in Dep/Other Amortization of Joint Ventures (ak)	(0.02)	(0.02)
Add Preferred Dividends	0.09	0.21
Add Redemption of Preferred Stock (i)	-	0.16
Accumulated Depreciation/Amortization on Real Estate Sold	<u>0.31</u>	<u>0.47</u>
<b>NET INCOME</b>	0.89	1.30
Preferred Dividends	(0.09)	(0.21)
Redemption of Preferred Stock (i)	<u>-</u>	<u>(0.16)</u>
<b>NET INCOME FOR COMMON STOCKHOLDERS</b>	0.79	0.93
Gain on Sale of Property from Discontinued Operations (a)	(0.97)	(1.19)
Net Operating Income from Discontinued Operations (a)	(0.10)	(0.28)
Depreciation and Amortization from Discontinued Operations (a)	0.04	0.10
Interest Expense from Discontinued Operations (a)	0.01	0.00
Provision for Income Taxes from Discontinued Operations (a)	<u>0.13</u>	<u>0.10</u>
<b>NET LOSS FOR COMMON STOCKHOLDERS BEFORE DISCONTINUED OPERATIONS</b>	<u>(0.10)</u>	<u>(0.34)</u>
.....		
<b>EBITDA</b>	3.10	3.00
Interest Expense	(1.07)	(1.02)
Preferred Dividends	(0.09)	(0.21)
Straight-line Rental Income Adjustment	(0.08)	(0.06)
Provision for Income Taxes	(0.23)	(0.08)
Restricted Stock Amortization	0.10	0.07
Non-Incremental Capital Expenditures (n)	<u>(0.45)</u>	<u>(0.39)</u>
<b>FUNDS AVAILABLE FOR DISTRIBUTION - FAD</b>	<u>\$1.27</u>	<u>\$1.30</u>
<b>COMMON DIVIDENDS/DISTRIBUTIONS</b>	<u>\$ 1.39</u>	<u>\$ 1.37</u>

**EQUITY ANALYSIS**  
(UNAUDITED)  
(IN 000'S EXCEPT PER SHARE DATA)

	June 30, 2005	June 30, 2004
<b>COMMON STOCK</b>		
Common Shares and Partnership Units Outstanding		
Common Shares	43,171	41,245
Partnership Units (o)	6,449	6,546
Total	49,620	47,791
Basic		
Weighted Avg. Shares/Units Outstanding (ac)	48,759	46,909
Weighted Avg. Shares Outstanding (ac)	42,285	40,336
Diluted		
Weighted Avg. Shares/Units Outstanding (ac)	48,759	46,909
Weighted Avg. Shares Outstanding (ac)	42,285	40,336
Common Shares Trading Volume		
Average Daily Volume (Shares)	207	230
Average Daily Volume (Dollars) (p)	\$ 8,093	\$ 8,206
As a % of Common Shares	0.48%	0.56%
Common Share Price Range		
Quarterly High	\$ 42.160	\$ 39.500
Quarterly Low	37.350	32.690
Quarterly Average (q)	39.140	35.620
End of Quarter	39.900	36.880
Common Stock Options Outstanding (Shares) (r)	558.1	1,105.8
Weighted Average Option Exercise Price	\$ 31.27	\$ 30.77
<b>PREFERRED STOCK (i)</b>		
Series C Preferred Shares Outstanding	2,000	2,000
Series C Preferred Shares Book Value	\$ 25.00	\$ 25.00
Series F Preferred Shares Outstanding	50	50
Series F Preferred Shares Book Value	\$ 1,000.00	\$ 1,000.00
Series G Preferred Shares Outstanding	25	25
Series G Preferred Shares Book Value	\$ 1,000.00	\$ 1,000.00
Series H Preferred Shares Outstanding	-	0.5
Series H Preferred Shares Book Value	\$ -	\$ 250,000.00
<b>CAPITALIZATION</b>		
Book Value of Preferred Stock	125,000	250,000
Market Value of Common Equity	1,979,838	1,762,532
Market Capitalization	\$ 2,104,838	\$ 2,012,532
Total Debt	1,650,112	1,475,791
Total Market Capitalization	\$ 3,754,950	\$ 3,488,323
(Market Capitalization + Total Debt)		

## EQUITY ANALYSIS

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

### RESEARCH

#### Current Analysts Coverage

BB&T Capital  
Banc of America  
Davenport & Company  
Deutsche Banc AB  
Prudential Securities  
RBC Capital Markets  
Raymond James & Associates  
Smith Barney

#### Contact

Stephanie Krewson  
Ross Nussbaum  
Robert Norfleet  
Louis Taylor  
James Sullivan  
Jay Leupp  
Paul Puryear  
Jonathan Litt

### INSTITUTIONAL OWNERSHIP

	Shares Owned	% of Common Shares
Top Ten Institutional Holders 13F, UK UT, CAN MF and Offsh Fd	16,774,798	36.4%
Top Twenty Institutional Holders 13F, UK UT, CAN MF and Offsh Fd	21,161,052	46.0%
Total Shares Held by Institutions 13F, UK UT, CAN MF and Offsh Fd	30,069,839	65.3%
Total Number of Institutional Shareholders 13F, UK UT, CAN MF, and Offsh Fd	200	

Source: Based on information compiled by Thomson Financial and using total outstanding shares and units of 49,620,069. This information may reflect filing and/or reporting lags.

## DEBT ANALYSIS

**By Quarter**  
(UNAUDITED)  
(IN 000'S)

	Quarter Ended	
	June 30, 2005	June 30, 2004
<b>DEBT OUTSTANDING</b>		
Outstanding Balance		
Mortgage Loans Payable (e)	\$ 72,415	\$ 44,886
Unsecured Line of Credit (g)	229,500	84,000
Senior Unsecured Debt, net (f)(ad)	1,348,197	1,346,905
	\$ 1,650,112	\$ 1,475,791
Average Outstanding Balance		
Mortgage Loans Payable (e)	\$ 62,347	\$ 45,111
Unsecured Line of Credit (g)	208,346	140,709
Senior Unsecured Debt, net (f)(ad)	1,347,974	1,239,327
	\$ 1,618,667	\$ 1,425,147
Interest Rate Structure		
Fixed (e)(ad)(c)	\$ 1,420,612	\$ 1,391,791
Floating (g)(c)	229,500	84,000
	\$ 1,650,112	\$ 1,475,791
Average Interest Rates		
Mortgage Loans Payable (e)	5.96%	6.61%
Unsecured Line of Credit (g)	3.83%	2.17%
Senior Unsecured Debt, net (f) (ad)	7.17%	7.38%
Total Weighted Average	6.69%	6.84%
<b>DEBT RATIOS</b>		
Debt to Total Market Capitalization (Total Debt/(Market Value Common Stock + Preferred Stock + Total Debt))	43.9%	42.3%
Debt to Asset Value (Avg. Debt/ (Ann. NOI / Assumed Cap Rate)) (t)	36.4%	34.5%
Unencumbered Real Estate / Total Real Estate	95.8%	97.1%
<b>COVERAGE RATIOS</b>		
Interest Coverage - NOI (NOI / GAAP Interest Expense)	2.2x	2.4x
Interest Coverage - EBITDA (EBITDA / GAAP Interest Expense)	2.8x	2.9x
Fixed Charge Coverage - NOI (NOI / (GAAP Interest Expense + Principal Amort. + Preferred Dividends))	2.0x	2.0x
Fixed Charge Coverage - EBITDA (EBITDA / (GAAP Interest Expense + Principal Amort. + Preferred Dividends))	2.5x	2.4x
<b>PRINCIPAL AMORTIZATION</b>	454	300

## DIVIDEND ANALYSIS

**By Quarter**  
(UNAUDITED)

	Quarter Ended	
	June 30, 2005	June 30, 2004
<b>COMMON STOCK DIVIDENDS</b>		
Dividends per Share/Unit	\$ 0.6950	\$ 0.6850
Percentage of Dividend - Ordinary Income (z)	15.00%	13.17%
Percentage of Dividend - Return of Capital (z)	50.00%	44.72%
Percentage of Dividend - Capital Gain (z)	35.00%	42.11%
Common Shareholders' Record Date	6/30/2005	6/30/2004
Common Dividends Payment Date	7/18/2005	7/19/2004
<b>COMMON DIVIDEND/UNIT DISTRIBUTIONS</b>		
<b>PAYOUT RATIOS PER SHARE/UNIT</b>		
Payout - FFO (Common Dividends / Unit Distributions / FFO)	80.4%	102.0%
Payout - FAD (Common Dividends / Unit Distributions / FAD)	102.7%	109.0%
Dividend Coverage - FFO (FFO / Common Dividends / Unit Distributions)	1.24x	0.98x
Dividend Coverage - FAD (FAD / Common Dividends / Unit Distributions)	0.97x	0.92x
<b>COMMON DIVIDEND YIELDS</b>		
Dividend Yield	6.97%	7.43%
Spread Over 5 Year U.S. Treasury (u)	3.25%	3.62%
Spread Over 10 Year U.S. Treasury (u)	3.03%	2.81%
<b>PREFERRED STOCK DIVIDENDS (i)</b>		
Series C Preferred Stock Dividends Per Share	\$ 0.5391	\$ 0.5391
Series C Preferred Stock Dividend Yield	8.01%	7.99%
Series C Quarter End Price	26.910	27.000
Series D Preferred Stock Dividends Per Share	\$ -	\$ 0.3699
Series D Preferred Stock Dividend Yield	-	N/A
Series D Quarter End Price	-	N/A
Series E Preferred Stock Dividends Per Share	\$ -	\$ 0.3676
Series E Preferred Stock Dividend Yield	-	N/A
Series E Quarter End Price	-	N/A
Series F Preferred Stock Dividends Per Share	\$ 15.5900	\$ 6.0628
Series F Preferred Stock Dividend Yield	N/A	N/A
Series F Quarter End Price	N/A	N/A
Series G Preferred Stock Dividends Per Share	\$ 18.0900	\$ 7.0350
Series G Preferred Stock Dividend Yield	N/A	N/A
Series G Quarter End Price	N/A	N/A
Series H Preferred Stock Dividends Per Share	\$ -	\$ 588.9380
Series H Preferred Stock Dividend Yield	-	N/A
Series H Quarter End Price	-	N/A

## VALUATION ANALYSIS

**By Quarter**  
(UNAUDITED)

	Quarter Ended	
	June 30, 2005	June 30, 2004
<b>PRICING MULTIPLES /YIELDS</b>		
NOI Multiple (Mkt. Value of Common Equity+Avg. Preferred Stock+ Avg. Total Debt)/Ann. NOI (s)	16.2x	15.0x
EBITDA Multiple (Mkt. Value of Common Equity+Avg. Preferred Stock+ Avg. Total Debt)/Ann. EBITDA (s)	12.7x	12.3x
FFO Multiple (Common Share Price / Ann. FFO) (s)	11.7x	14.0x
FAD Multiple (Common Share Price / Ann. FAD) (s)	15.0x	14.9x
NOI Yield (Ann. NOI / (Mkt. Value of Common Equity + Avg. Preferred Stock+ Avg. Total Debt)) (s)	6.2%	6.7%
EBITDA Yield (Ann. EBITDA / (Mkt. Value of Common Equity + Avg. Preferred Stock+ Avg. Total Debt)) (s)	7.9%	8.1%
FFO Yield (Ann. FFO / Common Share Price) (s)	8.5%	7.1%
FAD Yield (Ann. FAD / Common Share Price) (s)	6.7%	6.7%
<b>RETURNS</b>		
Unleveraged Yield on Real Estate Owned - NOI (Ann. NOI / Avg. Gross Real Estate Investment) (s)	8.0%	8.7%
Unleveraged Yield on Real Estate Owned - EBITDA (Ann. EBITDA / Avg. Gross Real Estate Investment)) (s)	10.3%	10.6%
Return on Book Value of Common Stockholders' Equity (Ann. EBITDA / Avg. Common Stockholders' Equity) (s)	25.5%	24.7%
<b>VALUATION</b>		
Asset Value (Ann. NOI / Assumed Cap Rate) (t)	\$ 4,450,462	\$ 4,135,927
Net Asset Value (NAV) (ah) (Asset Value-Total Liab.- Preferred Stock)	\$ 2,537,318	\$ 2,280,436
NAV per Share (ah) (NAV / Total Shares and Units Outstanding)	\$ 51.13	\$ 47.72
Total Market Capitalization per Square Foot (Market Value of Common Stock + Preferred Stock + Total Debt)/GLA)	\$ 58.23	\$ 58.95

## DEBT ANALYSIS

Year to Date

(UNAUDITED)

(IN 000'S)

	Six Months Ended	
	June 30, 2005	June 30, 2004
<b>DEBT OUTSTANDING</b>		
Average Outstanding Balance		
Mortgage Loans Payable (e)	\$ 61,483	\$ 45,329
Unsecured Line of Credit (g)	196,768	180,755
Senior Unsecured Debt, net (f)(ad)	1,347,807	1,225,752
	\$ 1,606,058	\$ 1,451,836
Average Interest Rate		
Mortgage Loans Payable (e)	6.00%	6.61%
Unsecured Line of Credit (g)	3.61%	2.02%
Senior Unsecured Debt, net (f)(ad)	7.21%	7.39%
Total Weighted Average	6.72%	6.69%
 <b>COVERAGE RATIOS</b>		
Interest Coverage - NOI (NOI / GAAP Interest Expense)	2.3x	2.4x
Interest Coverage - EBITDA (EBITDA / GAAP Interest Expense)	2.9x	2.9x
Fixed Charge Coverage - NOI (NOI / (GAAP Interest Expense + Principal Amort. + Preferred Dividends))	2.0x	2.0x
Fixed Charge Coverage - EBITDA (EBITDA / (GAAP Interest Expense + Principal Amort. + Preferred Dividends))	2.6x	2.4x
 <b>DEBT MATURITY</b>		
Weighted Average Maturity in Years as of 6/30/05 (v)	8.9	9.9
Debt Maturity By Year as of 6/30/05 (ab)		
2005	51,198	
2006	157,758	
2007	381,992	
2008	2,692	
2009	132,510	
2010	15,611	
2011	206,394	
2012	214,021	
2013	1,021	
2014	126,103	
2015	1,192	
Thereafter	372,147	
Total Debt	\$ 1,662,639	

## DIVIDEND ANALYSIS

**Year to Date**

(UNAUDITED)

	Six Months Ended	
	June 30, 2005	June 30, 2004
<b>COMMON STOCK DIVIDENDS</b>		
Dividends per Share/Unit	\$ 1.3900	\$ 1.3700
Percentage of Dividend - Ordinary Income (z)	15.00%	13.17%
Percentage of Dividend - Return of Capital (z)	50.00%	44.72%
Percentage of Dividend - Capital Gain (z)	35.00%	42.11%
<b>COMMON DIVIDEND/UNIT DISTRIBUTION PAYOUT RATIOS PER SHARE/UNIT</b>		
Payout - FFO (Common Dividends / Unit Distributions / FFO)	83.3%	91.9%
Payout - FAD (Common Dividends / Unit Distributions / FAD)	109.2%	105.1%
Dividend Coverage - FFO (FFO / Common Dividends / Unit Distributions)	1.20x	1.09x
Dividend Coverage - FAD (FAD / Common Dividends / Unit Distributions)	0.92x	0.95x
<b>PREFERRED STOCK DIVIDENDS (i)</b>		
Series C Preferred Stock Dividends Per Share	\$ 1.0782	\$ 1.0782
Series D Preferred Stock Dividends Per Share	\$ -	\$ 0.8668
Series E Preferred Stock Dividends Per Share	\$ -	\$ 0.8614
Series F Preferred Stock Dividends Per Share	\$ 31.1800	\$ 6.0628
Series G Preferred Stock Dividends Per Share	\$ 36.1800	\$ 7.0350
Series H Preferred Stock Dividends Per Share	\$ -	\$ 588.9380
<b>SHARES/UNITS OUTSTANDING</b>		
Basic		
Weighted Avg. Shares / Units Outstanding (ac)	48,693	46,569
Diluted		
Weighted Avg. Shares / Units Outstanding (ac)	48,693	46,569

## PROPERTY INFORMATION

(UNAUDITED)

	As Of	
	June 30, 2005	June 30, 2004
<b>TOTAL PORTFOLIO</b>		
Number of Properties - In Service	848	814
Number of Properties - Under Development	20	24
Total Number of Properties	868	838
Land Area - Developed (Acres)	4,867.65	4,400.37
Land Area - Developable (Acres) (w)	778.91	731.56
Gross Leasable Area s.f.-In Service	64,482,336	59,178,370
Gross Leasable Area s.f.-Under Development	3,051,626	2,759,752
Total Gross Leasable Area s.f. (m)	67,533,962	61,938,122
Occupied (Square Feet)	58,728,755	52,453,274
Vacant (Square Feet)	5,753,581	6,725,096
Number of Tenants	2,593	2,381
Average Tenant Size per Occupied s.f.	22,649	22,030
Occupancy Rates - Based on In Service GLA	91.1%	88.6%
<b>PORTFOLIO LEASING AND OPERATING STATISTICS</b>		
Leasing		
Lease Costs Per Square Foot (includes tenant improvements and lease commissions)	\$ 2.11	\$ 2.32
Tenant Retention (by square feet)	72.8%	66.6%
Tenant Retention (by number of leases)	67.5%	69.2%
Weighted Average Lease Term (years)	5.4	5.0
Capital Expenditures		
Non-Leasing Capital Expenditures Per Sq. Ft. (i.e., roofs, parking lot, etc.)	0.03	0.06
Same Property Detail (am)		
Change in Revenues	0.8%	(2.8%)
Change in Expenses	7.9%	(5.1%)
Change in NOI	(2.3%)	(1.7%)
Change in Occupancy	1.2%	0.4%
Square Feet in Same Property Pool	50,216,069	50,181,178
% of Total Square Feet	77.9%	84.8%

# PROPERTY INFORMATION

(UNAUDITED)

NUMBER OF PROPERTIES	June 30, 2005	June 30, 2004
Atlanta	38	37
Baltimore	17	14
Central Pennsylvania	15	14
Chicago	40	41
Cincinnati	11	9
Columbus	8	6
Dallas/Fort Worth	104	90
Denver	81	77
Des Moines	5	1
Detroit	121	125
Grand Rapids	1	2
Houston	28	28
Indianapolis	47	42
Los Angeles	22	23
Louisville	2	3
Milwaukee	14	8
Minneapolis/St. Paul	47	44
Nashville	13	12
Northern New Jersey	37	36
Philadelphia	33	36
Phoenix	16	13
Salt Lake City	44	46
San Diego	8	7
Southern New Jersey	27	26
St. Louis	16	20
Tampa	45	40
Other	8	14
Total In Service Properties	848	814

Atlanta	4.5%	4.5%
Baltimore	2.0%	1.7%
Central Pennsylvania	1.8%	1.7%
Chicago	4.7%	5.0%
Cincinnati	1.3%	1.1%
Columbus	0.9%	0.7%
Dallas/Fort Worth	12.3%	11.1%
Denver	9.6%	9.5%
Des Moines	0.6%	0.1%
Detroit	14.3%	15.4%
Grand Rapids	0.1%	0.2%
Houston	3.3%	3.4%
Indianapolis	5.5%	5.2%
Los Angeles	2.6%	2.8%
Louisville	0.2%	0.4%
Milwaukee	1.7%	1.0%
Minneapolis/St. Paul	5.5%	5.4%
Nashville	1.5%	1.5%
Northern New Jersey	4.4%	4.4%
Philadelphia	3.9%	4.4%
Phoenix	1.9%	1.6%
Salt Lake City	5.2%	5.7%
San Diego	0.9%	0.9%
Southern New Jersey	3.2%	3.2%
St. Louis	1.9%	2.5%
Tampa	5.3%	4.9%
Other	0.9%	1.7%
Total In Service Properties	100.0%	100.0%

## PROPERTY INFORMATION

(UNAUDITED)

	June 30, 2005	June 30, 2004
<b>GLA</b>		
In Service Gross Leasable Area by Region		
Atlanta	5,285,102	5,897,848
Baltimore	2,042,762	1,048,665
Central Pennsylvania	2,352,035	2,054,535
Chicago	4,168,069	4,532,830
Cincinnati	1,963,100	1,733,100
Columbus	2,452,752	1,872,124
Dallas/Fort Worth	6,314,268	4,877,170
Denver	4,714,620	4,419,944
Des Moines	909,169	88,000
Detroit	3,930,026	4,111,238
Grand Rapids	61,250	474,750
Houston	3,392,958	3,234,298
Indianapolis	4,836,446	4,064,118
Los Angeles	1,322,492	969,129
Louisville	443,500	664,500
Milwaukee	1,242,385	482,258
Minneapolis/St. Paul	4,546,606	4,312,728
Nashville	1,590,827	1,737,770
Northern New Jersey	2,831,500	2,600,989
Philadelphia	1,616,633	1,860,382
Phoenix	1,143,543	655,344
Salt Lake City	1,044,199	1,043,187
San Diego	612,858	577,301
Southern New Jersey	1,567,288	1,110,588
St. Louis	1,881,199	2,319,104
Tampa	1,399,594	1,273,212
Other	817,155	1,163,258
Total In Service GLA	64,482,336	59,178,370
In Service GLA as a % of Total Portfolio by Region		
Atlanta	8.2%	10.0%
Baltimore	3.2%	1.8%
Central Pennsylvania	3.6%	3.5%
Chicago	6.5%	7.7%
Cincinnati	3.0%	2.9%
Columbus	3.8%	3.2%
Dallas/Fort Worth	9.8%	8.2%
Denver	7.3%	7.5%
Des Moines	1.4%	0.1%
Detroit	6.1%	6.9%
Grand Rapids	0.1%	0.8%
Houston	5.3%	5.5%
Indianapolis	7.5%	6.9%
Los Angeles	2.1%	1.6%
Louisville	0.7%	1.1%
Milwaukee	1.9%	0.8%
Minneapolis/St. Paul	7.1%	7.3%
Nashville	2.5%	2.9%
Northern New Jersey	4.4%	4.4%
Philadelphia	2.5%	3.1%
Phoenix	1.8%	1.1%
Salt Lake City	1.6%	1.8%
San Diego	1.0%	1.0%
Southern New Jersey	2.4%	1.9%
St. Louis	2.9%	3.9%
Tampa	2.2%	2.2%
Other	1.3%	2.0%
Total	100.0%	100.0%

## PROPERTY INFORMATION

(UNAUDITED)

	June 30, 2005	June 30, 2004
<b>NUMBER OF PROPERTIES</b>		
Number of In Service Properties by Property Type (aj)		
Bulk Warehouse	167	136
Light Industrial	407	406
R&D/Flex	157	151
Regional Warehouse	90	89
Manufacturing	27	32
Total In Service Properties	848	814

### BASE RENT

Base Rent Rate by Property Type		
Bulk Warehouse	39.1%	34.1%
Light Industrial	34.6%	37.2%
R&D/Flex	13.9%	15.2%
Regional Warehouse	8.3%	9.1%
Manufacturing	4.1%	4.3%
Total	100.0%	100.0%

### GLA

In Service Gross Leasable Area by Property Type		
Bulk Warehouse	32,889,485	28,083,010
Light Industrial	17,981,002	17,298,710
R&D/Flex	5,507,773	5,216,496
Regional Warehouse	5,297,616	5,214,537
Manufacturing	2,806,460	3,365,617
Total In Service GLA	64,482,336	59,178,370

In Service Gross Leasable Area by Property Type		
Bulk Warehouse	51.0%	47.5%
Light Industrial	27.9%	29.2%
R&D/Flex	8.5%	8.8%
Regional Warehouse	8.2%	8.8%
Manufacturing	4.4%	5.7%
Total	100.0%	100.0%

Average In Service Property Size (GLA)		
Bulk Warehouse	196,943	206,493
Light Industrial	44,179	42,608
R&D/Flex	35,081	34,546
Regional Warehouse	58,862	58,590
Manufacturing	103,943	105,176

## PROPERTY INFORMATION

(UNAUDITED)

OCCUPANCY RATES	June 30, 2005	June 30, 2004
Occupancy Rates by Metropolitan Area		
Atlanta	85%	88%
Baltimore	94%	89%
Central Pennsylvania	98%	81%
Chicago	89%	85%
Cincinnati	84%	86%
Columbus	95%	89%
Dallas/Fort Worth	91%	94%
Denver	89%	87%
Des Moines	96%	46%
Detroit	89%	90%
Grand Rapids	100%	87%
Houston	96%	89%
Indianapolis	90%	89%
Los Angeles	99%	99%
Louisville	100%	100%
Milwaukee	97%	92%
Minneapolis/St. Paul	91%	85%
Nashville	97%	88%
Northern New Jersey	89%	82%
Philadelphia	93%	92%
Phoenix	96%	84%
Salt Lake City	82%	91%
San Diego	90%	95%
Southern New Jersey	92%	97%
St. Louis	90%	99%
Tampa	85%	83%
Other	100%	84%
	<u>91%</u>	<u>89%</u>

### RENTAL INCOME

Rental Income as a % of Total Portfolio by Metropolitan Area

Atlanta	5.9%	6.5%
Baltimore	4.4%	3.7%
Central Pennsylvania	3.4%	2.6%
Chicago	7.1%	6.4%
Cincinnati	2.4%	2.8%
Columbus	1.3%	1.1%
Dallas/Fort Worth	7.8%	7.6%
Denver	8.7%	8.9%
Des Moines	0.7%	0.0%
Detroit	7.5%	8.5%
Grand Rapids	0.1%	0.8%
Houston	3.9%	3.7%
Indianapolis	5.7%	5.9%
Los Angeles	3.4%	2.6%
Louisville	0.4%	0.8%
Milwaukee	2.0%	0.8%
Minneapolis/St. Paul	7.7%	7.6%
Nashville	2.0%	2.0%
Northern New Jersey	7.2%	7.2%
Philadelphia	3.4%	3.9%
Phoenix	1.6%	1.4%
Salt Lake City	1.6%	2.0%
San Diego	1.3%	1.2%
Southern New Jersey	2.5%	2.3%
St. Louis	3.3%	4.1%
Tampa	3.7%	3.6%
Other	1.1%	1.5%
	<u>100.0%</u>	<u>100.0%</u>

## PROPERTY INFORMATION

(UNAUDITED)

<b>SAME PROPERTY OCCUPANCY RATES</b>	June 30, 2005	June 30, 2004
Property Occupancy Rates by Metropolitan Area		
Atlanta	89%	87%
Baltimore	99%	97%
Central Pennsylvania	98%	77%
Chicago	88%	81%
Cincinnati	82%	86%
Columbus	94%	89%
Dallas/Fort Worth	90%	94%
Denver	87%	85%
Des Moines	57%	46%
Detroit	89%	90%
Grand Rapids	100%	0%
Houston	95%	91%
Indianapolis	90%	88%
Los Angeles	99%	99%
Louisville	100%	100%
Milwaukee	100%	90%
Minneapolis/St. Paul	90%	84%
Nashville	97%	82%
Northern New Jersey	88%	81%
Philadelphia	92%	90%
Phoenix	93%	78%
Salt Lake City	82%	90%
San Diego	91%	95%
Southern New Jersey	92%	97%
St. Louis	89%	99%
Tampa	84%	82%
Other	100%	92%
Weighted Average Occupancy	<u>90%</u>	<u>88%</u>

### SAME PROPERTY RENTAL INCOME

Annual Rental Income per Average Occupied Square Foot by Metropolitan Area (x)		
Atlanta	3.07	3.29
Baltimore	5.33	5.02
Central Pennsylvania	3.74	4.09
Chicago	4.14	4.47
Cincinnati	3.28	3.05
Columbus	1.85	1.50
Dallas/Fort Worth	3.79	4.04
Denver	5.33	5.54
Des Moines	3.27	3.23
Detroit	5.69	5.80
Grand Rapids	2.06	-
Houston	2.89	3.04
Indianapolis	3.25	3.24
Los Angeles	5.99	5.86
Louisville	2.74	2.74
Milwaukee	5.30	5.87
Minneapolis/St. Paul	4.54	4.94
Nashville	2.84	3.45
Northern New Jersey	7.80	7.47
Philadelphia	6.39	6.47
Phoenix	2.89	3.18
Salt Lake City	4.84	5.17
San Diego	5.26	5.23
Southern New Jersey	4.84	4.68
St. Louis	4.31	4.16
Tampa	7.97	8.73
Other	2.62	3.70
Weighted Average Rental Income / Sq.Ft.	<u>4.32</u>	<u>4.48</u>

## PROPERTY INFORMATION

(UNAUDITED)

(AS OF JUNE 30, 2005 AND DOLLARS IN 000'S)

### LARGEST TENANTS

#### Twenty Largest Tenants By Annualized Lease Net Rent

	Annualized Lease Net Rent	
	Amount	% of Total
1. Jacobson Warehouse Company	\$ 4,416	1.8%
2. General Services Administration	2,332	0.9%
3. Processing & Distribution Services	2,182	0.9%
4. General Electric	1,849	0.8%
5. DMI, Inc.	1,848	0.8%
6. Whirlpool	1,630	0.7%
7. J & J Nevada, LLC	1,619	0.7%
8. Best Buy	1,608	0.7%
9. Unisource Worldwide	1,485	0.6%
10. Kuehne & Nagel	1,436	0.6%
11. Tyco Healthcare Retail Group	1,384	0.6%
12. IKEA Wholesale	1,367	0.6%
13. AHL Services	1,207	0.5%
14. MW Manufacturing	1,168	0.5%
15. Supervalu	1,126	0.5%
16. Bergen Brunswig	1,119	0.5%
17. Ford Motor Company	1,116	0.5%
18. Franklin Brass Manufacturing	1,092	0.4%
19. Caterpillar Logistics	1,087	0.4%
20. Federal Express	1,017	0.4%
	<u>\$ 32,087</u>	<u>13.0%</u>

#### Twenty Largest Tenants by Gross Leasable Area

	Gross Leasable Area	
	Occupied	% of Total
1. Jacobson Warehouse	1,652,569	2.6%
2. Tyco Healthcare Retail Group	800,000	1.2%
3. DMI	720,953	1.1%
4. Masterfoods	705,600	1.1%
5. Whirlpool	657,451	1.0%
6. Caterpillar Logistics	640,593	1.0%
7. Kuehne and Nagel	504,000	0.8%
8. J & J Nevada	490,500	0.8%
9. Best Buy	475,129	0.7%
10. General Electric	461,689	0.7%
11. DSA Warehouse	416,531	0.6%
12. Sears Roebuck	416,474	0.6%
13. Unisource Worldwide	396,060	0.6%
14. Square D	395,970	0.6%
15. Processing & Distribution Services	395,204	0.6%
16. MW Manufacturing	355,000	0.6%
17. IKEA Wholesale	345,975	0.5%
18. Katoen Natie	335,006	0.5%
19. General Services Administration	312,251	0.5%
20. Emser Tile	304,630	0.5%
	<u>10,781,585</u>	<u>16.7%</u>

## PROPERTY INFORMATION

(UNAUDITED)

### LEASE EXPIRATION SCHEDULE

By Net Rent	Amount	Average Net Rent	% of Total
2005	32,226	3.93	13.1%
2006	51,083	4.49	20.7%
2007	40,269	4.48	16.3%
2008	37,602	4.32	15.3%
2009	27,872	4.74	11.3%
2010	19,794	4.11	8.0%
2011	7,825	4.36	3.2%
2012	2,855	4.10	1.2%
2013	7,706	3.00	3.1%
2014	4,113	4.02	1.7%
Thereafter	15,065	3.23	6.1%
	<u>\$246,409</u>	<u>\$4.20</u>	<u>100.0%</u>

By GLA	GLA	Average Lease (GLA)	% of Total
2005	8,210,377	16,964	14.0%
2006	11,386,113	19,266	19.4%
2007	8,992,279	18,093	15.3%
2008	8,700,901	20,916	14.8%
2009	5,883,464	19,944	10.0%
2010	4,813,117	23,479	8.2%
2011	1,795,108	35,902	3.1%
2012	696,397	24,871	1.2%
2013	2,564,516	134,975	4.4%
2014	1,021,877	56,771	1.7%
Thereafter	4,664,606	119,605	7.9%
	<u>58,728,755</u>	<u>22,229</u>	<u>100.0%</u>

By Number of Leases	Number	% of Total
2005	484	18.3%
2006	591	22.4%
2007	497	18.8%
2008	416	15.7%
2009	295	11.2%
2010	205	7.8%
2011	50	1.9%
2012	28	1.1%
2013	19	0.7%
2014	18	0.7%
Thereafter	39	1.5%
	<u>2,642</u>	<u>100.0%</u>

## 2005 PROPERTY ACQUISITION SUMMARY

(UNAUDITED)

<u>PORTFOLIO</u>	<u>MARKET</u>	<u>SQUARE FEET</u>	<u>PURCHASE PRICE</u> (in millions)	<u>WEIGHTED AVERAGE EXPECTED CAP RATE (k)</u>
751 International Drive	Indianapolis	286,555	\$2.0	
1725 Dornoch Court	San Diego	111,920	7.3	
2801 Red Lion Road	Philadelphia	178,537	7.1	
1740 River Hills Drive	Nashville	177,004	5.5	
Florence Commerce Center	Cincinnati	176,000	4.5	
2900 Avenue E	Dallas	99,831	1.9	
1001 Sathers Drive	Central PA	249,600	7.0	
1900-1960 E. Devon Ave.	Chicago	97,450	4.1	
1207 W. Crosby	Dallas	73,986	1.7	
7710-7730 Blankenship	Houston	74,716	1.7	
4959 South 2nd Street	Milwaukee	368,462	10.1	
5017 Boone Avenue North	Minneapolis	83,285	3.1	
3400 Fraser Street	Denver	110,400	4.6	
Jacobson Portfolio	Various	881,569	25.7	
<b>Total First Quarter Acquisitions</b>		<b>2,969,315</b>	<b>\$86.4</b>	<b>9.9%</b>
50 Triangle Blvd.	N. New Jersey	49,707	\$2.9	
Jacobson Portfolio II	Various	771,000	20.8	
3710 E. University	Phoenix	56,801	3.9	
2845 Wingate Street	Milwaukee	160,000	6.2	
301 Railroad Avenue	Central PA	243,380	7.1	
1651 Enterprise Street	Dallas/Ft. Worth	395,970	6.2	
7005 East 45th Avenue	Denver	36,828	2.7	
4201 Kellway	Dallas/Ft. Worth	41,019	1.8	
Forbes Center Industrial	Baltimore/DC	115,985	9.4	
2300 W. Highway 13	Minneapolis	413,239	9.4	
Mack Portfolio II	Phoenix	384,683	13.5	
12163 Globe Street	Detroit	55,000	1.6	
DMI Portfolio	Various	720,953	21.5	
100 Dorris Williams Drive	Atlanta	90,000	4.5	
101 Kendall Point Drive	Chicago	74,960	4.2	
100 Kay Industrial Drive	Detroit	53,550	3.2	
1711 Paramount Court	Milwaukee	44,342	2.3	
999 Grand Avenue	S. New Jersey	355,000	10.5	
<b>Total Second Quarter Acquisitions</b>		<b>4,062,417</b>	<b>\$131.6</b>	<b>9.8%</b>
<b>Total 2005 Acquisitions</b>		<b>7,031,732</b>	<b>\$217.9</b>	<b>9.8%</b>

## 2004 PROPERTY ACQUISITION SUMMARY

(UNAUDITED)

<u>PORTFOLIO</u>	<u>MARKET</u>	<u>SQUARE FEET</u>	<u>PURCHASE PRICE</u> (in millions)	<u>WEIGHTED AVERAGE EXPECTED CAP RATE (k)</u>
St. Louis Portfolio	St. Louis	812,685	\$30.7	
375 YKK Drive	Nashville	98,150	2.8	
1706 Heil Quaker Road	Nashville	522,483	11.3	
1100 Burlington Pike	Cincinnati	482,772	10.5	
<b>Total First Quarter Acquisitions</b>		<b>1,916,090</b>	<b>\$55.2</b>	<b>10.5%</b>
14755 27th Avenue North	Minneapolis/St. Paul	81,927	\$2.9	
Seppi Portfolio	Salt Lake City	93,600	4.7	
Dartmouth Industrial Park	Denver	663,411	31.0	
1075 Northfield Court	Atlanta	151,743	6.0	
Phoenix Tech Center	Phoenix	22,978	2.2	
2250 Arthur Avenue	Chicago	76,430	2.4	
1850 Touhy Avenue	Chicago	169,000	7.2	
7600 69th Avenue	Minneapolis/St. Paul	216,700	12.3	
N120W18485 Freistadt Road	Milwaukee	103,024	4.5	
<b>Total Second Quarter Acquisitions</b>		<b>1,578,813</b>	<b>\$73.2</b>	<b>9.5%</b>
Harcourt Street Properties	Los Angeles	73,000	\$4.4	
1500 East Broad Street	Dallas/Ft. Worth	85,200	1.9	
8155 N. 76th Street	Milwaukee	60,000	0.5	
12 Thornton Road	N New Jersey	92,400	5.0	
147 Clinton Road	N New Jersey	194,258	11.7	
Milwaukee Portfolio	Milwaukee	321,870	13.5	
1280 Energy Park Drive	Minneapolis/St. Paul	71,905	4.0	
GSW Portfolio	Dallas/Ft. Worth	853,857	27.7	
18212 Shawley Drive	Baltimore/Washington	300,000	6.8	
200 Maltese Drive	N New Jersey	208,000	15.1	
309-313 Pierce Street	N New Jersey	115,536	6.3	
Mack Ent Ctr - Phase I	Phoenix	407,205	20.1	
<b>Total Third Quarter Acquisitions</b>		<b>2,783,231</b>	<b>\$116.9</b>	<b>9.6%</b>
The Dulles Portfolio	Baltimore/Washington	411,942	\$32.8	
14 McFadden Road	Philadelphia	48,000	2.5	
350 W. Manville St.	Los Angeles	100,000	6.5	
Technology Park	Minneapolis/St. Paul	162,408	8.9	
9400 NW 104th Street	Miami	268,539	13.3	
4501 Hollins Ferry Road	Baltimore/Washington	376,295	16.0	
Executive Industrial Park	Tampa	201,620	10.4	
1122 Milledge Street	Atlanta	239,435	1.4	
3111 W. Commerce Street	Dallas/Ft. Worth	261,102	5.6	
Central Park North	Houston	155,131	3.3	
2041 Wooddale Drive	Minneapolis/St. Paul	47,243	2.2	
7625 Empire Drive	Cincinnati	345,000	6.4	
200 W. Artesia	Los Angeles	68,446	4.5	
375 Belvedere	Nashville	194,113	4.0	
50 South 56th Street	Phoenix	78,150	5.0	
<b>Total Fourth Quarter Acquisitions</b>		<b>2,957,424</b>	<b>\$122.8</b>	<b>9.8%</b>
<b>Total 2004 Acquisitions</b>		<b>9,235,558</b>	<b>\$368.0</b>	<b>9.8%</b>

## 2005 PROPERTY DEVELOPMENT SUMMARY

(UNAUDITED)

### DEVELOPMENTS PLACED IN SERVICE

DEVELOPMENT	MARKET	SQUARE FEET	ESTIMATED INVESTMENT (in millions)	AVERAGE EXPECTED CAP RATE (k)
Maytag BTS	Des Moines	750,000	\$21.1	
First Park @ Brandon	Tampa	27,980	2.2	
<b>First Quarter Total</b>		<b>777,980</b>	<b>\$23.3</b>	<b>8.7%</b>
Park 370 - Bldg. A	St. Louis	144,400	\$7.4	
Warm V	Cincinnati	180,000	6.6	
<b>Second Quarter Total</b>		<b>324,400</b>	<b>\$14.0</b>	<b>9.1%</b>
<b>2005 Total</b>		<b>1,102,380</b>	<b>\$37.3</b>	<b>8.8%</b>

### DEVELOPMENTS IN PROCESS AT JUNE 30, 2005

DEVELOPMENT	MARKET	SQUARE FEET	ESTIMATED INVESTMENT (in millions)	
Hilltop Business Center I	Denver	37,043	4.5	
Park Centre	Denver	145,706	17.6	
Warm IV	Cincinnati	236,250	8.2	
Ridge Tools	Columbus	128,537	6.5	
Le Natures, Inc	Phoenix	500,000	65.0	
Jeffco Business Center I	Denver	36,440	5.0	
First Park @ Brandon	Tampa	38,780	3.1	
Park 2000 SW Phase III	Minneapolis/St. Paul	133,116	6.4	
PACTIV	Arkansas	140,000	6.5	
Mary Kay	Chicago	134,905	13.3	
Staples	Atlanta	399,695	16.8	
Mohawk Carpet Building	Detroit	63,000	4.6	
Pier 1 Imports, Inc.	Seattle	451,151	25.8	
Rockdale Distribution Center	Nashville	325,000	9.4	
Tollway Park of Commerce I	Chicago	282,003	14.7	
<b>Total Under Construction</b>		<b>3,051,626</b>	<b>\$207.5</b>	<b>8.8%</b>
% Leased			<b>77%</b>	
% Funded			<b>64%</b>	

## 2004 PROPERTY DEVELOPMENT SUMMARY

(UNAUDITED)

### DEVELOPMENTS PLACED IN SERVICE

<u>DEVELOPMENT</u>	<u>MARKET</u>	<u>SQUARE FEET</u>	<u>ESTIMATED INVESTMENT</u> (in millions)	<u>AVERAGE EXPECTED CAP RATE (k)</u>
First Commons Phase II	Phoenix	54,890	\$3.4	
Hampden North	Harrisburg	103,200	4.0	
Hazelwood	St. Louis	180,658	8.0	
<b>First Quarter Total</b>		<b>338,748</b>	<b>\$15.4</b>	<b>8.5%</b>
Mary Kay	Harrisburg	87,500	\$8.1	
Ford Motor Company	Atlanta	231,000	9.0	
DS Container	Chicago	236,213	13.0	
Baseline Road	Phoenix	73,415	7.5	
Caterpillar	Harrisburg	252,000	10.0	
<b>Second Quarter Total</b>		<b>880,128</b>	<b>\$47.6</b>	<b>8.2%</b>
First Commons Phase II	Phoenix	44,545	\$3.1	
Electronics Boutique	Harrisburg	314,591	13.2	
DBL Logistics	Phoenix	144,020	13.3	
<b>Third Quarter Total</b>		<b>503,156</b>	<b>\$29.5</b>	<b>9.9%</b>
Tucker Rocky	Harrisburg	110,000	\$4.1	
Jeffco Business Ctr I	Denver	67,280	8.7	
Baseline Road	Phoenix	74,245	6.9	
Addison Tech	Dallas	34,800	3.1	
<b>Fourth Quarter Total</b>		<b>286,325</b>	<b>\$22.8</b>	<b>9.4%</b>
<b>2004 Total</b>		<b>2,008,357</b>	<b>\$115.3</b>	<b>8.9%</b>

## 2005 PROPERTY SALES SUMMARY

(UNAUDITED)

ADDRESS/PORTFOLIO	MARKET	SQUARE FEET	SALE PRICE (in millions)	WEIGHTED AVERAGE CAP RATE
1010 Turner	St. Louis	248,635	\$8.0	
Maytag	Des Moines	750,000	23.2	
751 International Drive	Indianapolis	286,555	7.4	
38300 Plymouth	Detroit	127,800	6.0	
140 N. 9000 Lilly Road	Milwaukee	104,190	4.2	
10901 Kenwood Road	Cincinnati	143,438	4.4	
9400 NW 104th Street	Miami	268,539	15.1	
6900 Shady Oak Rd.	Minneapolis	49,190	2.9	
14755 27th Avenue	Minneapolis	81,927	4.4	
1706 Heil Quaker	Nashville	518,400	13.5	
147 Clinton Road	N. New Jersey	194,258	12.6	
3380 Susquehanna	Central PA	112,500	3.6	
7901 Blankenship	Houston	48,000	1.7	
18-23 World's Fair	N. New Jersey	29,000	3.6	
First Park @ Brandon-Bldg F	Tampa	27,980	3.9	
7072 Snow Drift	Philadelphia	61,157	3.1	
7346 Penn Drive	Philadelphia	72,000	3.6	
First Commons Phase 2	Phoenix	99,436	8.1	
<b>Total First Quarter Sales</b>		<b>3,223,005</b>	<b>\$129.2</b>	<b>8.1%</b>
7625 Empire Drive	Cincinnati	345,000	8.9	
200 Maltese Drive	N. New Jersey	208,000	16.4	
6407-6431 Alondra Blvd.	Los Angeles	30,157	3.1	
7710-7730 Blankenship	Houston	74,716	2.3	
2041 Wooddale Drive	Minneapolis	47,263	2.7	
4845 Governors Way	Baltimore/DC	83,934	7.4	
Portal and Tributary	Baltimore/DC	172,382	10.1	
1001 Sathers Drive	Central PA	249,640	7.1	
6614 Adamo Drive	Tampa	41,377	2.1	
335 Crossroads	Chicago	288,000	13.9	
LA South Bay Portfolio	Los Angeles	245,302	28.5	
Parkway Center	Baltimore/DC	125,000	12.5	
9910 North By Northwest Blvd.	Indianapolis	192,000	6.6	
3400 Corporate Way	Atlanta	59,959	4.1	
<b>Total Second Quarter Sales</b>		<b>2,162,730</b>	<b>\$125.7</b>	<b>7.7%</b>
<b>Total 2005 Sales</b>		<b>5,385,735</b>	<b>\$254.9</b>	<b>7.9%</b>

## 2004 PROPERTY SALES SUMMARY

(UNAUDITED)

ADDRESS/PORTFOLIO	MARKET	SQUARE FEET	SALE PRICE (in millions)	WEIGHTED AVERAGE CAP RATE
Minneapolis Portfolio	Minneapolis/St. Paul	435,032	\$25.0	
7600 Eastgate Boulevard	Nashville	423,500	14.3	
5903 Johns Road	Tampa	11,600	0.8	
2255 South 300 West Building G	Salt Lake City	10,500	0.8	
1102 Appleton Drive	Nashville	28,022	1.5	
Tile America Buildings	Dallas/Ft. Worth	41,000	1.1	
12050-12300 Hubbard	Detroit	85,086	4.8	
202 Philips Road	Philadelphia	46,750	1.8	
3575 Stern Avenue	Chicago	68,728	3.5	
5100 W. 70th Place	Chicago	407,012	13.2	
10311 W. Hampden	Denver	52,227	4.9	
6400 North Broadway	Denver	69,430	3.1	
10205 51st Avenue	Minneapolis/St. Paul	30,476	1.7	
375 YKK Drive	Nashville	98,150	5.9	
60 Chapin Road	N. New Jersey	259,230	19.6	
7 Carnegie Plaza	S. New Jersey	90,804	5.5	
5471 W. Waters Avenue	Tampa	23,778	2.8	
<b>Total First Quarter Sales</b>		<b>2,181,325</b>	<b>\$110.2</b>	<b>8.5%</b>
49 Napoleon Court	N. New Jersey	32,500	\$2.3	
5555 West 70th Place	Chicago	41,531	1.5	
1821 Portal	Baltimore/Washington	86,234	5.8	
1350-1370 Blair Drive	Baltimore/Washington	125,421	11.2	
Dayton Portfolio	Dayton	342,746	12.6	
7020-7024 Kaighn	S. New Jersey	12,000	1.1	
6 Esterbrook	S. New Jersey	32,914	1.6	
1801 Portal	Baltimore/Washington	57,600	2.4	
25 World's Fair Drive	N. New Jersey	20,000	3.1	
Princeton South	N. New Jersey	118,750	13.9	
15402, 15431 & 15340 Vantage Pkwy	Houston	164,387	4.1	
2035 E. Vista Bella	Los Angeles	230,000	13.2	
7340 Executive Way	Baltimore/Washington	78,418	7.1	
4500 Westport	Central PA	178,600	6.5	
1100 Burlington Pike	Cincinnati	482,772	13.6	
1111 West Evans	Denver	41,619	2.9	
20 South 48th Avenue	Phoenix	26,680	1.4	
<b>Total Second Quarter Sales</b>		<b>2,072,172</b>	<b>\$104.5</b>	<b>8.3%</b>
17919 Waterview	Dallas/Fort Worth	70,936	\$6.8	
775 James L. Hart Parkway	Detroit	55,535	2.9	
94th Street and Aire Libre	Phoenix	144,020	15.5	
4700 Boston Way	Baltimore/Washington	40,800	3.0	
Tradepointe - III	Louisville	221,000	8.0	
Rose Garden Sale	Phoenix	73,246	7.0	
Crossroads Square	Salt Lake City	92,518	5.5	
1075 Northfield Court	Atlanta	151,743	7.1	
5483 W. Waters Avenue	Tampa	33,861	4.3	
19W751 101st Street	Chicago	147,400	7.2	
230 N. 48th Avenue	Phoenix	24,192	1.4	
<b>Total Third Quarter Sales</b>		<b>1,055,251</b>	<b>\$68.6</b>	<b>8.3%</b>
Bellaire Business Center	Philadelphia	314,590	\$13.2	
47522 Galleon	Detroit	13,507	1.0	
8155 N. 76th Street	Milwaukee	60,000	0.8	
3810 Stern	Chicago	100,074	4.3	
Thermadyne Denton	Dallas/Ft. Worth	222,403	6.6	
11862 Brookfield	Detroit	14,600	0.8	
212 Welsh Pool Road	Philadelphia	25,361	1.7	
1035 Crooks Road	Detroit	23,320	1.6	
1400-1436 Brook	Chicago	137,678	8.6	
8779 Greenwood Place	Baltimore/Washington	142,189	6.8	
Baseline Portfolio	Phoenix	147,660	17.5	
6041 Guion Road	Indianapolis	40,000	1.2	
9020 Mendenhall	Baltimore/Washington	49,259	4.8	
20816-18 Higgins	Los Angeles	7,300	1.0	
7100 Airport Highway	S. New Jersey	10,300	0.5	
Addison Tech B & C	Dallas/Ft. Worth	137,200	14.1	

## 2004 PROPERTY SALES SUMMARY

(UNAUDITED)

<u>ADDRESS/PORTFOLIO</u>	<u>MARKET</u>	<u>SQUARE FEET</u>	<u>SALE PRICE</u> (in millions)	<u>WEIGHTED AVERAGE CAP RATE</u>
1789 Hubbard Avenue	Chicago	236,213	15.5	
1905 110th Street	Dallas/Ft. Worth	101,839	2.6	
2994-96 Samuel Drive	Philadelphia	214,320	8.3	
90 Southland	Philadelphia	97,448	5.5	
<b>Total Fourth Quarter Sales</b>		<b>2,095,261</b>	<b>\$116.3</b>	<b>8.1%</b>
<b>Total 2004 Sales</b>		<b>7,404,009</b>	<b>\$399.6</b>	<b>8.3%</b>

## DEVELOPABLE AND EXPANDABLE SITE INVENTORY (w)

(UNAUDITED)  
(AS OF JUNE 30, 2005)

Building Address/Land Project	Market	Useable Land Area (Acres)	Developable/ Expandable GLA (Est.)
<b><u>Owned Land</u></b>			
<b>Atlanta</b>			
Terminus	Douglas County, GA	31.9	625,696
	<b>Subtotal</b>	<u>31.9</u>	<u>625,696</u>
<b>Baltimore</b>			
Advantage Way	Aberdeen, MD	22.0	431,244
	<b>Subtotal</b>	<u>22.0</u>	<u>431,244</u>
<b>Central PA</b>			
Southpoint II	Carlisle, PA	26.0	509,652
	<b>Subtotal</b>	<u>26.0</u>	<u>509,652</u>
<b>Chicago</b>			
Tollway Park of Commerce	Chicago, IL	11.0	216,210
	<b>Subtotal</b>	<u>11.0</u>	<u>216,210</u>
<b>Denver</b>			
Skyway Business Center	Denver, CO	11.3	221,503
	<b>Subtotal</b>	<u>11.3</u>	<u>221,503</u>
<b>Dallas</b>			
Miller Distribution Center	Garland, TX	20.2	395,960
Jacobson Land	LaPorte, TX	20.6	403,409
Pinnacle Business Park	Dallas, TX	41.7	817,403
	<b>Subtotal</b>	<u>82.5</u>	<u>1,616,773</u>
<b>Indianapolis</b>			
Brookville	Indianapolis, IN	31.0	607,270
	<b>Subtotal</b>	<u>31.0</u>	<u>607,270</u>
<b>Nashville</b>			
Rockdale Distribution Center	Wilson County, TN	34.9	684,306
	<b>Subtotal</b>	<u>34.9</u>	<u>684,306</u>
<b>Philadelphia</b>			
Covington	Philadelphia, PA	367.1	7,195,110
	<b>Subtotal</b>	<u>367.1</u>	<u>7,195,110</u>
<b>Phoenix</b>			
Vanderway	Phoenix, AZ	39.2	768,006
Chandler	Chandler, AZ	49.5	970,495
	<b>Subtotal</b>	<u>88.7</u>	<u>1,738,501</u>
<b>San Diego</b>			
Otay Mesa	Otay Mesa, CA	10.1	197,588
	<b>Subtotal</b>	<u>10.1</u>	<u>197,588</u>
<b>Tampa</b>			
First Park at Brandon	Brandon, FL	2.7	53,709
Crescent Business Center	Brandon, FL	9.4	183,475
Bridgewater	Lakeland, FL	9.7	189,355
	<b>Subtotal</b>	<u>21.8</u>	<u>426,540</u>
<b>SUBTOTAL OF OWNED LAND</b>		<b>738.2</b>	<b>14,470,392</b>
<b><u>Land Under Option</u></b>			
New Jersey	New Jersey	40.7	797,801
<b>TOTAL</b>		<b><u>778.9</u></b>	<b><u>15,268,194</u></b>

## FOOTNOTES

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

- (a) In August 2001, the Financial Accounting Standards Board issued Statement of Financial Accounting Standard ("FAS") No. 144 "Accounting for the Impairment or Disposal of Long-Lived Assets" ("FAS 144"). On January 1, 2002, the Company adopted FAS 144. FAS 144 requires that the operations and gain (loss) on sale of all properties sold and properties that were classified as held for sale be presented in discontinued operations if both of the following criteria are met: (i) the operations and cash flows of the property have been (or will be) eliminated from the ongoing operations of the company as a result of the disposal transaction and (ii) the company will not have significant involvement in the operations of the property after the disposal transaction. FAS 144 also requires that prior periods be restated.
- (b) Restricted cash as of June 30, 2005 is comprised of deposits with a 1031 Exchange Intermediary. 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 FAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended by FAS 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. At June 30, 2005, the other comprehensive loss represents settlement amounts of interest rate protection agreements that were used to fix the interest rate of anticipated debt offerings. 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. On January 13, 2005, the Company, through First Industrial Development Services, Inc., entered into an interest rate protection agreement which hedged the interest rate which could impact the change in value of a build to suit development project the Company is in the process of constructing. This interest rate protection agreement has a notional value of \$50,000, is based on the five year treasury, has a strike rate of 3.936% and settles on October 4, 2005. Per Statement of Financial Accounting Standard No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("FAS 133"), fair value and cash flow hedge accounting for hedges of nonfinancial assets and liabilities is limited to hedges of the risk of changes in the market price of the entire hedged item because changes in the price of an ingredient or component of a nonfinancial item generally do not have a predictable, separately measurable effect on the price of the item. Since the interest rate protection agreement is hedging a component of the change in value of the build to suit development, the interest rate protection agreement doesn't qualify for hedge accounting and the change in value of the interest rate protection agreement will be recognized immediately in net income as opposed to other comprehensive income.
- (d) Other Assets and Deferred Financing Costs as of June 30, 2005 are comprised as follows:

<i>Other Assets</i>		
Mortgage Loans Receivable	\$	16,620
Investment in Joint Ventures (ak)		13,555
Furniture, Fixtures, Leasehold Improvements and Equipment, Net		2,925
Prepaid Real Estate Taxes		753
Earnest Money and Escrow Deposits		6,266
Pursuit Costs		4,118
Deferred Financing Costs, Net		10,671
Leasing Commissions and In-Place Leases (FAS 141), Net		86,096
Other		14,404
Total Other Assets, net	\$	155,408

- (e) Mortgage Loans Payable consists of 16 first mortgage loans: 1) two assumed mortgage loans totaling \$4.5 million that are collateralized by 13 properties in Indianapolis, Indiana; 2) one assumed mortgage loan totaling \$2.0 million that is collateralized by one property in Baltimore, MD; 3) one assumed mortgage loan totaling \$2.4 million that is collateralized by one property in Tampa, FL; 4) one assumed mortgage loans totaling \$5.4 million that is collateralized by one property in Rancho Dominguez, CA; 5) one assumed mortgage totaling \$5.6 million that is collateralized by one property in Bloomington, MN; 6) one assumed mortgage loan totaling \$16.0 million that is collateralized by one property in Hagerstown, MD; 7) one assumed mortgage loan totaling \$2.5 million that is collateralized by one property in Indianapolis, IN; 8) one assumed mortgage loan totaling \$13.7 million that is collateralized by three properties in Phoenix, AZ; 9) three assumed mortgage loans totaling \$6.6 million that are collateralized by 6 properties in Tampa, FL; 10) one assumed mortgage loan totaling \$1.2 million that is collateralized by one property in Lebanon, TN; 11) one assumed mortgage loan totaling \$2.0 million that is collateralized by one property in New Hope, MN; 12) one assumed mortgage loan totaling \$3.3 million that is collateralized by one property in Villa Rica, GA and 13) one assumed mortgage loan totaling \$7.2 million that is collateralized by one property in Hammonton, NJ.
- (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) Unsecured Line of Credit consists of a \$300,000 unsecured revolving credit facility ("Unsecured Line of Credit").

The Unsecured Line of Credit is used to provide for interim financing of property acquisitions and development, and for general corporate needs. It is the Company's intent, from time to time, to replace borrowings under the Unsecured Line of Credit with longer term sources of capital as the Company deems appropriate. The Unsecured Line of Credit bears interest at a rate based on, at the Company's election, LIBOR plus 0.7% or the prime rate. The Unsecured Line of Credit 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 + .55% 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 Unsecured Line of Credit matures on September 28, 2007.

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

- (i) On June 4, 1997, the Company issued 2,000 Depositary Shares, each representing 1/100 of a share of the Company's 8.625% Series C Cumulative Preferred Stock priced at \$25.00 per depositary 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 depositary share plus accrued dividends, if any.

On February 4, 1998, the Company issued 5,000 Depositary Shares, each representing 1/100th of a share of the Company's 7.95%, \$.01 par value, Series D Cumulative Preferred Stock (the "Series D Preferred Stock"), at an initial offering price of \$25.00 per Depositary Share. On or after February 4, 2003, the Series D Preferred Stock became redeemable for cash at the option of the Company, in whole or in part, at a redemption price equivalent to \$25.00 per Depositary Share, or \$125,000 in the aggregate, plus dividends accrued and unpaid to the redemption date. On May 8, 2004, the Company called for the redemption of all its outstanding Series D Preferred Stock at the price of \$25.00 per Depositary Share, plus accrued and unpaid dividends. The Company redeemed the Series D Preferred Stock on June 7, 2004 and paid a prorated second quarter dividend of \$.36990 per Depositary Share, totaling approximately \$1,850. In accordance with the Securities and Exchange Commission's July 31, 2003 clarification on Emerging Issues Task Force Abstract, Topic No. D 42, "The Effect on the Calculation of Earnings per Share for the Redemption or Induced Conversion of Preferred Stock" ("EITF D 42"), the Company recognized a charge from the redemption of the Series D Preferred Stock of \$4,467 for the three months ended June 30, 2004, which represents the write off of the initial offering costs associated with the issuance of the Series D Preferred Stock.

On March 18, 1998, the Company issued 3,000 Depositary Shares, each representing 1/100th of a share of the Company's 7.90%, \$.01 par value, Series E Cumulative Preferred Stock (the "Series E Preferred Stock"), at an initial offering price of \$25.00 per Depositary Share. On or after March 18, 2003, the Series E Preferred Stock became redeemable for cash at the option of the Company, in whole or in part, at a redemption price equivalent to \$25.00 per Depositary Share, or \$75,000 in the aggregate, plus dividends accrued and unpaid to the redemption date. On May 8, 2004, the Company called for the redemption of all its outstanding Series E Preferred Stock at the price of \$25.00 per Depositary Share, plus accrued and unpaid dividends. The Company redeemed the Series E Preferred Stock on June 7, 2004 and paid a prorated second quarter dividend of \$.36757 per Depositary Share, totaling approximately \$1,103. In accordance with EITF D 42, the Company recognized a charge from the redemption of the Series E Preferred Stock of \$2,892 for the three months ended June 30, 2004, which represents the write off of the initial offering costs associated with the issuance of the Series E Preferred Stock.

On May 27, 2004, the Company issued 50,000 Depositary Shares, each representing 1/100th of a share of the Company's 6.236%, \$.01 par value, Series F Flexible Cumulative Redeemable Preferred Stock (the "Series F Preferred Stock"), at an initial offering price of \$1,000 per Depositary Share. Dividends on the Series F Preferred Stock are cumulative from the date of initial issuance and are payable semi-annually in arrears for the period from the date of original issuance through March 31, 2009, commencing on September 30, 2004, at a rate of 6.236% per annum of the liquidation preference (the "Series F Initial Distribution Rate") (equivalent to \$62.36 per Depositary Share). On or after March 31, 2009, the Series F Initial Distribution Rate is subject to reset, at the Company's option, subject to certain conditions and parameters, at fixed or floating rates and periods. On or after March 31, 2009, the Series F Preferred Stock is redeemable for cash at the option of the Company, in whole or in part, at a redemption price equivalent to \$1,000 per Depositary Share, or \$50,000 in the aggregate, plus dividends accrued and unpaid to the redemption date. The Series F Preferred Stock has no stated maturity and is not convertible into any other securities of the Company.

On May 27, 2004, the Company issued 25,000 Depositary Shares, each representing 1/100th of a share of the Company's 7.236%, \$.01 par value, Series G Flexible Cumulative Redeemable Preferred Stock (the "Series G Preferred Stock"), at an initial offering price of \$1,000 per Depositary Share. Dividends on the Series G Preferred Stock are cumulative from the date of initial issuance and are payable semi-annually in arrears for the period from the date of original issuance of the Series G Preferred Stock through March 31, 2014, commencing on September 30, 2004, at a rate of 7.236% per annum of the liquidation preference (the "Series G Initial Distribution Rate") (equivalent to \$72.36 per Depositary Share). On or after March 31, 2014, the Series G Initial Distribution Rate is subject to reset, at the Company's option, subject to certain conditions and parameters, at fixed or floating rates and periods. On or after March 31, 2014, the Series G Preferred Stock is redeemable for cash at the option of the Company, in whole or in part, at a redemption price equivalent to \$1,000 per Depositary Share, or \$25,000 in the aggregate, plus dividends accrued and unpaid to the redemption date. The Series G Preferred Stock has no stated maturity and is not convertible into any other securities of the Company.

On June 2, 2004, the Company issued 500 Shares of 2.965% \$.01 par value, Series H Flexible Cumulative Redeemable Preferred Stock (the "Series H Preferred Stock"), at an initial offering price of \$250,000 per Share. On June 25, 2004 the Company called for the redemption of all its outstanding Series H Preferred Stock at the price of \$242,875 per Share, plus accrued and unpaid dividends. The Company redeemed the Series H Preferred Stock on July 2, 2004 and paid a prorated second and third quarter dividend of \$629.5548 per Share, totaling approximately \$315. In accordance with EITF D 42, the Company will recognize a charge from the redemption of the Series H Preferred Stock of approximately \$600 for the three months ending September 30, 2004, which represents the write off of the initial offering costs associated with the issuance of the Series H Preferred Stock.

## FOOTNOTES

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

- (j) In 2000, the Company repurchased 394,300 shares of its stock in the open market at a weighted average stock price of \$29.67.  
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.  
In 2002, the Company repurchased 1,091,500 shares of its stock in the open market at a weighted average stock price of \$27.02.  
In 2003, the Company repurchased 37,300 shares of its stock in the open market at a weighted average stock price of \$26.73.
- (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) FFO includes Net Economic Gains resulting from all property sales. Net Economic Gains are calculated by subtracting from gain on sale of real estate (calculated in accordance with GAAP, including gains on sale of real estate classified as discontinued operations) the recapture of accumulated depreciation and amortization on real estate sold (excluding the recapture of accumulated amortization related to above/below market leases as this amortization is included in revenues and FFO) and the provision for income taxes. Land sales are sales of any unimproved property. Merchant sales are sales of a property developed or redeveloped by the company or its management or short-term property resales. Redeveloped property is property in which the Company has invested an amount equal to or greater than 20% of its original cost. A short term property resale is defined as a property sold within one year of original purchase. Existing portfolio sales are sales of a property that were not developed or redeveloped by the Company or its management or a sale of a property that was owned for more than one year.

The breakdown of Net Economic Gains, Net of Provision for Income Taxes as reported in the supplemental statement of operations is as follows:

	June 30, 2005	March 31, 2005	June 30, 2004	March 31, 2004
Land Sales	\$ 2,457	\$ 7,114	\$ 1,470	\$ 399
Merchant Sales	5,494	9,074	7,745	7,806
Existing Portfolio Sales	17,297	3,948	10,834	7,945
	<u>\$ 25,248</u>	<u>\$ 20,136</u>	<u>\$ 20,049</u>	<u>\$ 16,150</u>

- (m) At June 30, 2005 and 2004, the Company also had 4,983,127 square feet and 4,083,984 square feet, respectively, of properties not placed in service.
- (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.

	June 30, 2005	March 31, 2005	June 30, 2004	March 31, 2004
Building Improvements	\$ 2,130	\$ 605	\$ 3,548	\$ 663
Leasing Costs	8,951	9,950	7,418	6,551
Prorata Share of JV Costs	37	29	3	3
	<u>\$ 11,118</u>	<u>\$ 10,583</u>	<u>\$ 10,969</u>	<u>\$ 7,218</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 closing share price weighted by volume during the respective quarter.
- (r) First Industrial has reserved 1,200 shares under the 1994 Stock Incentive Plan, 6,500 shares under the 1997 Stock Incentive Plan and 2,300 shares under the 2001 Stock Incentive Plan. At June 30, 2005, 1,941 restricted shares were issued in connection with the Company's compensation plans, options covering 558 shares were outstanding, 4,818 options have been exercised or converted and options covering 2,613 shares were available under the 1994, 1997 and 2001 Stock Incentive Plan for future grants.

## FOOTNOTES

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

(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 8.1% is used which represents the weighted average cap rate for properties sold by the Company the last four quarters. 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%. See footnote (ah).

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

	June 30, 2005	June 30, 2004
5 Yr. U.S. Treasuries	3.72%	3.81%
10 Yr. U.S. Treasuries	3.94%	4.62%

(v) Weighted average maturity includes senior unsecured debt and mortgage loans payable and excludes the unsecured line of credit.

(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) Detail for properties held for sale.

	June 30, 2005	March 31, 2005	December 31, 2004	September 30, 2004	June 30, 2004
Number of Properties	10	10	9	3	2
Square Feet (in Millions)	1.3	1.3	1.7	0.4	0.2
Accumulated Amortization	1,142	4,097	3,374	479	849

(z) The return of capital percentages represent estimates for 2005 and actual results for 2004. Of the 42.11% capital gain percentage for the year ended December 31, 2004, 1.54% qualify as short-term capital gain, 9.10% qualify as 25 percent rate capital gain and 31.47% qualify as 15 percent rate capital gain.

## FOOTNOTES

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

(aa) The following table reconciles certain captions in the supplemental statement of operations reported in this supplemental information package to the statement of operations as reported in the Company's filings with the SEC on Form 10-Q and to the statement of operations and other data as reported in the Company's quarterly earnings press release under Selected Financial Data:

	Three Months Ended June 30, 2005	Three Months Ended June 30, 2004	Six Months Ended June 30, 2005	Six Months Ended June 30, 2004
Total Revenues per the Form 10-Q/Press Release	\$ 86,423	\$ 74,129	\$ 172,263	\$ 150,702
Interest Income	448	866	837	1,578
Mark-to-Market/Gain on Settlement of of Interest Rate Protection Agreement	(1,404)	1,450	(463)	1,450
Revenues from Discontinued Operations	2,887	8,566	7,344	19,223
Total Revenues per the Supplemental	<u>\$ 88,354</u>	<u>\$ 85,011</u>	<u>\$ 179,981</u>	<u>\$ 172,953</u>
Property Expenses per the Form 10-Q/Press Release	\$ 29,932	\$ 25,241	\$ 60,273	\$ 51,705
Property Expenses from Discontinued Operations	1,121	2,522	2,613	6,151
Property Expenses per the Supplemental	<u>\$ 31,053</u>	<u>\$ 27,763</u>	<u>\$ 62,886</u>	<u>\$ 57,856</u>
	Three Months Ended June 30, 2005	Three Months Ended June 30, 2004	Six Months Ended June 30, 2005	Six Months Ended June 30, 2004
Gain on Sale of Real Estate per Form 10-Q/Press Release	\$ 3,232	\$ 3,337	\$ 24,716	\$ 6,583
Gain on Sale of Property from Discontinued Operations	33,690	28,273	47,186	55,484
Income Tax Benefit	1,871	1,453	3,837	2,262
Accumulated Depreciation/Amortization on Real Estate Sold	(9,766)	(10,194)	(15,190)	(22,021)
Provision for Income Taxes Allocable to Discontinued Operations	(2,527)	(2,110)	(6,188)	(4,685)
Provision for Income Taxes Allocable to Gain on Sale of Real Estate	(1,252)	(710)	(8,977)	(1,424)
Net Economic Gains per the Supplemental	<u>\$ 25,248</u>	<u>\$ 20,049</u>	<u>\$ 45,384</u>	<u>\$ 36,199</u>
	Three Months Ended June 30, 2005	Three Months Ended June 30, 2004	Six Months Ended June 30, 2005	Six Months Ended June 30, 2004
Depreciation and Other Amortization per the Form 10-Q/Press Release	\$ 28,669	\$ 22,899	\$ 55,840	\$ 43,411
Depreciation and Other Amortization from Discontinued Operations	703	2,329	1,826	4,635
Less: Depreciation of Corporate FF&E	(337)	(321)	(657)	(640)
Depreciation and Other Amortization per the Supplemental	<u>\$ 29,035</u>	<u>\$ 24,907</u>	<u>\$ 57,009</u>	<u>\$ 47,406</u>
	Three Months Ended June 30, 2005	Three Months Ended June 30, 2004	Six Months Ended June 30, 2005	Six Months Ended June 30, 2004
General and Administrative Expense per the Form 10-Q/Press Release	\$ 11,571	\$ 9,665	\$ 23,493	\$ 16,888
General and Administrative Cost of Economic Gain	(1,773)	(1,645)	(4,699)	(2,897)
General and Administrative Expense per the Supplemental	<u>\$ 9,798</u>	<u>\$ 8,020</u>	<u>\$ 18,794</u>	<u>\$ 13,991</u>
	Three Months Ended June 30, 2005	Three Months Ended June 30, 2004	Six Months Ended June 30, 2005	Six Months Ended June 30, 2004
Interest Expense per the Form 10-Q/Press Release	\$ 25,890	\$ 23,922	\$ 51,693	\$ 47,556
Interest Expense from Discontinued Operations	172	64	344	128
Interest Expense per the Supplemental	<u>\$ 26,062</u>	<u>\$ 23,986</u>	<u>\$ 52,037</u>	<u>\$ 47,684</u>

## FOOTNOTES

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

(ab) The debt maturity schedule reflects the maturity dates and amounts with respect to principal and scheduled amortization payments. The schedule excludes premiums and discounts.

(ac) In accordance with Generally Accepted Accounting Principles, the basic and diluted weighted average shares/units and shares outstanding exclude restricted stock issued that has not vested. The diluted weighted average shares/units and shares outstanding is the same as basic weighted average shares/units and shares outstanding as the dilutive effect of stock options and restricted stock were excluded because their inclusion would have been antidilutive to the loss from continuing operations per share.

(ad) On May 13, 1997, the Company issued \$150 million of senior unsecured debt which matures on May 15, 2007 (the "2007 Notes"). The issue price of the 2007 Notes was 99.965%. The 2007 Notes bear interest at 7.60%. The Company will amortize the discount over the life of the 2007 Notes. The Company also entered into an interest rate protection agreement which was used to fix the interest rate on the 2007 Notes prior to issuance. The Company will amortize the settlement amount of the interest rate protection agreement over the life of the 2007 Notes. Including the impact of the offering discount and the settlement amount of the interest rate protection agreement, the Company's effective interest rate on the 2007 Notes is 7.61%.

On May 13, 1997, the Company issued \$100 million of senior unsecured debt which matures on May 15, 2027 (the "2027 Notes"). The issue price of the 2027 Notes was 99.854%. The 2027 Notes bear interest at 7.15%. The Company will amortize the discount over the life of the 2027 Notes. The Company also entered into an interest rate protection agreement which was used to fix the interest rate on the 2027 Notes prior to issuance. The Company will amortize the settlement amount of the interest rate protection agreement over the life of the 2027 Notes. Including the impact of the offering discounts and the interest rate protection agreement, the Company's effective interest rate on the 2027 Notes is 7.11%. The 2027 Notes were redeemable at the option of the holders thereof, on May 12, 2002. 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 issue price of the 2011 PATS was 99.348%. The 2011 PATS bear interest at 7.375%. The 2011 PATS were 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 amortized 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 fix the interest rate on the 2011 PATS. The Company amortized the settlement amount of the interest rate protection agreement over the life of 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 was 7.26%. On May 17, 2004, the Company retired the 2011 PATS.

On November 20, 1997, the Company issued \$50 million of senior 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% which is the effective interest rate.

On December 8, 1997, the Company issued \$150 million of senior 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 fix the interest rate on the 2006 Notes prior to issuance. The Company will amortize the settlement amount of the interest rate protection agreement over the life of the 2006 Notes. Including the impact of the settlement amount 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 senior unsecured debt which matures on December 1, 2017 (the "2017 Notes"). The issue price of the 2017 Notes was 99.808%. The 2017 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 July 14, 1998, the Company issued \$200 million of senior 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. The Company also entered into an interest rate protection agreement which was used to fix the interest rate on the 2028 Notes prior to issuance. The Company will amortize the settlement amount of the interest rate protection agreement over the life of the 2028 Notes. Including the impact of the offering discount and the settlement amount of 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 senior unsecured debt which matures on March 15, 2011 (the "2011 Notes"). The issue price of the 2011 Notes was 99.695%. The 2011 Notes bear interest at 7.375%. 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 settlement amount of 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 2012 Notes bear interest at 6.875%. 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 senior unsecured debt which matures on April 15, 2032 (the "2032 Notes"). The issue price of the 2032 Notes was 98.660%. The 2032 Notes bear interest at 7.75%. 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%.

## FOOTNOTES

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On May 17, 2004, the Company issued \$125 million of senior unsecured debt which matures on June 1, 2014 and bears a coupon interest rate of 6.42% (the "2014 Notes"). The issue price of the 2014 Notes was 99.1226%. The debt issue discount of the 2014 Notes is being amortized over the life of the 2014 Notes as an adjustment to interest expense. Including the impact of the offering discount, the Company's effective interest rate is 6.54%.

On June 14, 2004, the Company issued \$125 million of senior unsecured debt which matures on June 15, 2009 and bears a coupon interest rate of 5.25% (the "2009 Notes"). The issue price of the 2009 Notes was 99.826%. The Company also entered into interest rate protection agreements which were used to fix the interest rate on the 2009 Notes prior to issuance. The debt issue discount and the settlement amount of the interest rate protection agreements are being amortized over the life of the 2009 Notes as an adjustment to interest expense. Including the impact of the offering discount and the settlement amount of the interest rate protection agreements, the Company's effective interest rate is 4.10%.

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

	June 30, 2005	March 31, 2005	June 30, 2004	March 31, 2004
Quarterly Capitalized Interest	\$ 943	\$ 539	\$ 258	\$ 391

(af) General and administrative cost of economic gain primarily represents compensation costs of personnel incurred in producing economic gain.

(ag) Other income includes acquisition, disposition, property, development and asset management fees from joint ventures the Company manages. These fees amounted to \$983 and \$1,124 for the quarters ending June 30, 2005 and 2004, respectively, and \$2,661 and \$1,811 for the six month period ended June 30, 2005 and 2004, respectively.

(ah) Net Asset Value detail. Also see footnote (t). The Company considers Net Asset Value to be a useful tool for investors and analysts to estimate the value of common shareholder equity. The assessment of the value of the Company is subjective in that it will involve estimates and assumptions and can be performed using various methods. The methodology used below is the Company's and may not be comparable to methodologies used by investors, analysts or other REITs.

	At June 30, 2005
Quarterly NOI	57,301
Sales/Acq./Dev. Run Rate Adjustment	1,307
Stabilized Occupancy Adjustment (95% Occupancy)	7,451
Adjusted NOI	66,059
	4 x
Annualized NOI	264,235
Cap Rate	8.1%
	3,262,161
Net economic gains, net of provision for income taxes	25,248
	4 x
Annualized net economic gains (losses)	100,992
Cap Rate	10.0%
	1,009,920
CIP	53,108
Cash and Cash Equivalents	872
Restricted Cash	-
Tenant A/R	7,475
Investment in JV	13,555
Furn. Fix. & Equip.	2,925
Prepaid Expenses	753
Earnest Money & Escrows	6,266
Land Under Construction	33,183
Developable Land Inventory	60,244
<b>Asset Value</b>	4,450,462
Total Liabilities	(1,788,144)
Preferred Stock	(125,000)
<b>Net Asset Value (NAV)</b>	2,537,318
Shares & Units Outstanding	49,620

## FOOTNOTES

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- (ai) Under GAAP, weighted average common shares must include the dilutive impact, if any, of the in-the-money stock options and restricted stock. 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.
- (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 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

	Six Months Ended June 30, 2005		Three Months Ended June 30, 2005	
	Joint Ventures	Company's Interest	Joint Ventures	Company's Interest
JV Net Operating Income	\$ 8,898	\$ 1,197	\$ 5,629	\$ 747
Less: Interest Expense	(4,212)	(553)	(2,574)	(332)
Less: Amort of Deferred Financing Fees	(273)	(35)	(150)	(19)
Funds From Operations (FFO)	4,413	609	2,905	396
Less: Depreciation and Amortization	\$ (4,878)	\$ (829)	\$ (3,102)	\$ (494)
Net Income	\$ (465)	\$ (220)	\$ (197)	\$ (98)

### Combined Balance Sheet

	As of June 30, 2005	
	Joint Ventures	Company's Interest
Gross Real Estate Investment	\$ 367,677	\$ 46,276
Less: Accumulated Depreciation	(13,095)	(1,454)
Net Real Estate	354,582	44,822
Other Assets	40,298	5,648
	\$ 394,880	\$ 50,470
Debt	\$ 261,439	\$ 33,280
Other Liabilities	18,383	2,610
Equity	115,058	14,580
	\$ 394,880	\$ 50,470

As of June 30, 2005, the Company holds investments in three joint ventures. The first joint venture began in August 1998 and has \$49.8 million of gross real estate and \$31.9 million of secured debt. The Company has a 10% ownership interest in this joint venture, which owns 1.3 million square feet of real estate. The second joint venture began in May 2003 and has \$190.2 million of gross real estate and \$142.7 million of secured debt. The Company has a 15% ownership interest in this joint venture, which owns 4.3 million square feet of real estate. The third joint venture began in March 2005 and has \$127.7 million of gross real estate and \$86.8 million of debt. The Company has a 10% ownership interest in this joint venture, which owns 2.1 million square feet of real estate and several land parcels.

- (al) At June 30, 2005, Construction in Progress excludes \$33.2 million of land related to properties currently under construction (such amount is included in the Land account on the balance sheet).
- (am) For properties placed in-service.

## FOOTNOTES

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- (an) Investors in and analysts following the real estate industry utilize funds from operations ("FFO"), net operating income ("NOI"), EBITDA and funds available for distribution ("FAD"), variously defined, as supplemental performance measures. While the Company believes net income available to common stockholders, as defined by GAAP, is the most appropriate measure, it considers FFO, NOI, EBITDA and FAD, given their wide use by and relevance to investors and analysts, appropriate supplemental performance measures. FFO, reflecting the assumption that real estate asset values rise or fall with market conditions, principally adjusts for the effects of GAAP depreciation/amortization of real estate assets. NOI provides a measure of rental operations, and does not factor in depreciation/amortization and non-property specific expenses such as general and administrative expenses. EBITDA provides a tool to further evaluate ability to incur and service debt and to fund dividends and other cash needs. FAD provides a tool to further evaluate ability to fund dividends. In addition, FFO, NOI, EBITDA and FAD are commonly used in various ratios, pricing multiples/yields and returns and valuation calculations used to measure financial position, performance and value.

The Company calculates FFO to be equal to net income available to common stockholders plus depreciation and amortization of real estate minus accumulated depreciation and amortization on real estate sold. Accordingly, as calculated by the Company, FFO includes net economic gains (losses). See footnote (l).

NOI is defined as revenues of the Company, minus property expenses such as real estate taxes, repairs and maintenance, property management, utilities, insurance and other expenses. NOI includes NOI from discontinued operations.

EBITDA is defined as NOI plus the equity in FFO of the Company's joint ventures, which are accounted for under the equity method of accounting, plus Net Economic Gains (see footnote (l)) minus general and administrative expenses. EBITDA includes EBITDA from discontinued operations.

FAD is defined as EBITDA minus GAAP interest expense, minus preferred stock dividends, minus preferred stock redemption costs, minus straight-line rental income, minus provision for income taxes, plus restricted stock amortization, minus non-incremental capital expenditures. Non-incremental capital expenditures are building improvements and leasing costs required to maintain current revenues.

FFO, NOI, EBITDA and FAD do not represent cash generated from operating activities in accordance with GAAP and are not necessarily indicative of cash available to fund cash needs, including the repayment of principal on debt and payment of dividends and distributions. FFO, NOI, EBITDA and FAD should not be considered as substitutes for net income available to common stockholders (calculated in accordance with GAAP) as a measure of results of operations or cash flows (calculated in accordance with GAAP) as a measure of liquidity. FFO, NOI, EBITDA and FAD as calculated by the Company may not be comparable to similarly titled, but differently calculated, measures of other REITs or to the definition of FFO published by NAREIT.

- (ao) In 2004, the Company classified its entire tax provision to income from discontinued operations. Based on a review of its presentation of income taxes under FAS 109, the Company has reconsidered such presentation and determined that the Company's income tax provision should be allocated between income from continuing operations, income from discontinued operations and gain on sale of real estate. This reclassification does not impact net income available to common stockholders or FFO.