



Supplemental Information

September 30, 2003

**First Industrial Realty Trust, Inc. (NYSE: FR)
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September 30, 2003

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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				
	September 30, 2003	June 30, 2003	March 31, 2003	December 31, 2002	September 30, 2002
ASSETS					
Real Estate					
Land	\$ 426,898	\$ 428,851	\$ 415,507	\$ 415,598	\$ 421,804
Buildings and Improvements	2,184,357	2,233,354	2,154,932	2,158,082	2,158,959
Construction in Progress (al)	113,894	107,714	121,244	122,331	128,925
Furniture, Fixtures and Equipment	1,202	1,202	1,258	1,258	1,258
	<u>2,726,351</u>	<u>2,771,121</u>	<u>2,692,941</u>	<u>2,697,269</u>	<u>2,710,946</u>
Less: Accumulated Depreciation	(337,342)	(328,327)	(319,618)	(308,488)	(307,929)
Net Real Estate Investment	2,389,009	2,442,794	2,373,323	2,388,781	2,403,017
Real Estate Held for Sale, Net (y)	7,157	11,244	5,339	7,040	21,365
Cash and Cash Equivalents	7,130	5,002	3,189	-	1,419
Restricted Cash (b)	66,640	18,689	63,870	31,118	26,609
Tenant Accounts Receivable, Net	10,934	11,190	12,130	10,578	11,993
Deferred Rent Receivable	13,276	13,777	14,407	14,277	15,187
Other Assets and Deferred Financing Costs, Net (d)	147,069	131,118	126,317	178,179	153,700
	<u>\$ 2,641,215</u>	<u>\$ 2,633,814</u>	<u>\$ 2,598,575</u>	<u>\$ 2,629,973</u>	<u>\$ 2,633,290</u>
LIABILITIES AND STOCKHOLDERS' EQUITY					
<i>Liabilities</i>					
Mortgage Loans Payable (e)	\$ 46,175	\$ 39,024	\$ 22,268	\$ 59,989	\$ 95,956
Unsecured Line of Credit (g)	188,600	202,600	173,600	170,300	110,400
Senior Unsecured Debt, net (f) (ad)	1,212,079	1,212,006	1,211,933	1,211,860	1,211,788
Dividends/Distributions Payable	31,661	31,607	31,543	31,106	31,620
Other Liabilities	114,036	101,824	106,456	102,331	99,415
	<u>1,592,551</u>	<u>1,587,061</u>	<u>1,545,800</u>	<u>1,575,586</u>	<u>1,549,179</u>
Minority Interest (h)	168,943	169,431	171,838	172,061	173,597
<i>Stockholders' Equity</i>					
Preferred Stock (f)(i)	1	1	1	1	1
Common Stock (j)	420	419	418	411	410
Accumulated Other Comprehensive Loss (c)	(10,056)	(10,152)	(10,358)	(10,559)	(10,738)
Treasury Stock, at cost (j)	(70,588)	(70,588)	(70,588)	(69,591)	(40,098)
Unearned Value of Restricted Stock	(20,563)	(21,935)	(23,411)	(4,307)	(5,572)
Paid in Capital	1,150,190	1,147,879	1,144,560	1,124,622	1,123,212
Distributions in Excess of Net Income	(169,683)	(168,302)	(159,685)	(158,251)	(156,701)
	<u>879,721</u>	<u>877,322</u>	<u>880,937</u>	<u>882,326</u>	<u>910,514</u>
Total Liabilities and Stockholders' Equity	<u>\$ 2,641,215</u>	<u>\$ 2,633,814</u>	<u>\$ 2,598,575</u>	<u>\$ 2,629,973</u>	<u>\$ 2,633,290</u>



STATEMENT OF OPERATIONS

By Quarter

(UNAUDITED)

(IN 000'S)

	Quarter Ended	
	September 30, 2003	September 30, 2002
REVENUES		
Rental Income	\$ 64,663	\$ 60,679
Tenant Recoveries and Other Income (ag)	21,897	20,825
Total Revenues	<u>86,560</u>	<u>81,504</u>
EXPENSES		
Real Estate Taxes	13,416	12,169
Repairs and Maintenance	5,853	5,416
Property Management	2,972	2,649
Utilities	2,458	2,164
Insurance	1,040	633
Other	2,193	2,238
General and Administrative	6,525	3,759
Interest Expense (ae)	23,925	23,810
Amortization of Deferred Financing Costs	444	505
Depreciation of Corporate FF&E	328	266
Depreciation and Other Amortization of Real Estate	20,392	17,053
Total Expenses	<u>79,546</u>	<u>70,662</u>
INCOME FROM CONTINUING OPERATIONS BEFORE EQUITY IN INCOME OF JOINT VENTURES, INCOME ALLOCATED TO MINORITY INTEREST AND GAIN ON SALE OF REAL ESTATE	7,014	10,842
Equity in Net Income of Joint Ventures	262	559
Gain on Sales of Properties	4,641	8,176
Minority Interest Allocable to Continuing Operations	<u>(999)</u>	<u>(2,156)</u>
INCOME FROM CONTINUING OPERATIONS	10,918	17,421
Income from Discontinued Operations (Including Gain on Sale of Real Estate of \$21,837 and \$6,895 for the Three Months Ended September 30, 2003 and 2002, respectively)	23,178	12,679
Minority Interest Allocable to Discontinued Operations	<u>(3,402)</u>	<u>(1,870)</u>
NET INCOME	30,694	28,230
Preferred Dividends	<u>(5,044)</u>	<u>(5,044)</u>
NET INCOME FOR COMMON STOCKHOLDERS	<u>\$ 25,650</u>	<u>\$ 23,186</u>



STATEMENT OF OPERATIONS

By Quarter

(UNAUDITED)

(IN 000'S)

	Quarter Ended	
	September 30, 2003	September 30, 2002
NET INCOME FOR COMMON STOCKHOLDERS	\$ 25,650	\$ 23,186
Add: Depreciation and Other Amortization of Real Estate	20,392	17,053
Add: Minority Interest Allocable to Discontinued Operations	3,402	1,870
Add: Minority Interest Allocable to Continuing Operations	999	2,156
Add: Depreciation and Other Amortization of Real Estate Included in Discontinued Operations	460	2,003
Add: Depreciation and Other Amortization of Real Estate- Joint Ventures	337	512
Less: Accumulated Depreciation/Amortization on Real Estate Sold	(10,485)	-
Less: Accumulated Depreciation/Amortization on Real Estate Sold and Non-IIS Gains(Losses)	-	(2,303)
Less: Accumulated Depreciation/Amortization on Real Estate Sold- Joint Ventures	(31)	(705)
FUNDS FROM OPERATIONS ("FFO") (an)	\$ 40,724	\$ 43,772
Add: Restricted Stock Amortization	1,632	1,320
Add: Amortization of Deferred Financing Costs	444	505
Add: Depreciation of Corporate FF&E	328	266
Less: Non-Incremental Capital Expenditures (n)	(9,407)	(8,815)
Less: Straight-line Rental Income Adjustment	(528)	(859)
FUNDS AVAILABLE FOR DISTRIBUTION ("FAD") (an)	\$ 33,193	\$ 36,189
NET INCOME FOR COMMON STOCKHOLDERS	\$ 25,650	\$ 23,186
Add: Interest Expense (ae)	23,925	23,810
Add: Depreciation and Other Amortization of Real Estate	20,392	17,053
Add: Preferred Dividends	5,044	5,044
Add: Minority Interest Allocable to Discontinued Operations	3,402	1,870
Add: Minority Interest Allocable to Continuing Operations	999	2,156
Add: Amortization of Deferred Financing Costs	444	505
Add: Depreciation of Corporate FF&E	328	266
Add: Depreciation and Other Amortization of Real Estate Included in Discontinued Operations	460	2,003
Add: Depreciation and Other Amortization of Real Estate- Joint Ventures	337	512
Less: Accumulated Depreciation/Amortization on Real Estate Sold	(10,485)	-
Less: Accumulated Depreciation/Amortization on Real Estate Sold and Non-IIS Gains(Losses)	-	(2,303)
Less: Accumulated Depreciation/Amortization on Real Estate Sold- Joint Ventures	(31)	(705)
EBITDA (an)	\$ 70,465	\$ 73,397
Add: General and Administrative	6,525	3,759
Less: Net Economic Gains (Losses)	(15,993)	(12,768)
Less: Equity in FFO of Joint Ventures	(568)	(366)
NET OPERATING INCOME (an)	\$ 60,429	\$ 64,022



**SUPPLEMENTAL
STATEMENT OF OPERATIONS (aa)**

By Quarter
(UNAUDITED)
(IN 000'S)

	Quarter Ended	
	September 30, 2003	September 30, 2002
REVENUES		
Rental Income	\$ 66,916	\$ 69,510
Tenant Recoveries and Other Income (ag)	22,560	23,136
Total Revenues	89,476	92,646
EXPENSES		
Real Estate Taxes	13,921	14,052
Repairs and Maintenance	6,018	5,895
Property Management	3,099	3,022
Utilities	2,551	2,475
Insurance	1,078	707
Other	2,380	2,473
Total Property Expenses	29,047	28,624
NET OPERATING INCOME	60,429	64,022
Equity in FFO of Joint Ventures (ak)	568	366
Net Economic Gains (Losses) (l)	15,993	12,768
General and Administrative	(6,525)	(3,759)
EBITDA	70,465	73,397
Interest Expense (ae)	(23,925)	(23,810)
Preferred Dividends	(5,044)	(5,044)
Amortization of Deferred Financing Costs	(444)	(505)
Depreciation of Corporate FF&E	(328)	(266)
FUNDS FROM OPERATIONS - FFO (aa)	40,724	43,772
Depreciation and Other Amortization	(20,852)	(19,056)
Equity in Dep/Other Amortization of Joint Ventures (ak)	(306)	193
Add Preferred Dividends	5,044	5,044
Gain on Sales of Properties	10,485	2,303
Minority Interest (h)	(4,401)	(4,026)
NET INCOME	\$ 30,694	\$ 28,230
Preferred Dividends	(5,044)	(5,044)
NET INCOME FOR COMMON STOCKHOLDERS	25,650	23,186
Gain on Sale of Property from Discontinued Operations (a)	(21,837)	(6,895)
Net Operating Income from Discontinued Operations (a)	(1,801)	(7,787)
Depreciation and Amortization from Discontinued Operations (a)	460	2,003
Minority Interest from Discontinued Operations (a)	3,402	1,870
NET INCOME FOR COMMON STOCKHOLDERS BEFORE DISCONTINUED OPERATIONS	\$ 5,874	\$ 12,377
<hr style="border-top: 1px dashed black;"/>		
EBITDA	\$ 70,465	\$ 73,397
Interest Expense	(23,925)	(23,810)
Preferred Dividends	(5,044)	(5,044)
Straight-line Rental Income Adjustment	(528)	(859)
Restricted Stock Amortization	1,632	1,320
Non-Incremental Capital Expenditures (n)	(9,407)	(8,815)
FUNDS AVAILABLE FOR DISTRIBUTION - FAD	\$ 33,193	\$ 36,189
COMMON DIVIDENDS/DISTRIBUTIONS	\$ 31,661	\$ 31,620



**SUPPLEMENTAL
STATEMENT OF OPERATIONS (aa)**

By Quarter
(UNAUDITED)
(AS A % OF TOTAL REVENUES)

	Quarter Ended	
	September 30, 2003	September 30, 2002
REVENUES		
Rental Income	74.8%	75.0%
Tenant Recoveries and Other Income (ag)	25.2%	25.0%
Total Revenues	100.0%	100.0%
EXPENSES		
Real Estate Taxes	15.6%	15.2%
Repairs and Maintenance	6.7%	6.4%
Property Management	3.5%	3.3%
Utilities	2.9%	2.7%
Insurance	1.2%	0.8%
Other	2.7%	2.7%
Total Property Expenses	32.5%	30.9%
NET OPERATING INCOME		
Equity in FFO of Joint Ventures (ak)	0.6%	0.4%
Net Economic Gains (Losses) (l)	17.9%	13.8%
General and Administrative	(7.3%)	(4.1%)
EBITDA		
Interest Expense (ae)	(26.7%)	(25.7%)
Preferred Dividends	(5.6%)	(5.4%)
Amortization of Deferred Financing Costs	(0.5%)	(0.5%)
Depreciation of Corporate FF&E	(0.4%)	(0.3%)
FUNDS FROM OPERATIONS - FFO (aa)		
Depreciation and Other Amortization	(23.3%)	(20.6%)
Equity in Dep/Other Amortization of Joint Ventures (ak)	(0.3%)	0.2%
Add Preferred Dividends	5.6%	5.4%
Gain on Sales of Properties	11.7%	2.5%
Minority Interest (h)	(4.9%)	(4.3%)
NET INCOME		
Preferred Dividends	(5.6%)	(5.4%)
NET INCOME FOR COMMON STOCKHOLDERS		
Gain on Sale of Property from Discontinued Operations (a)	(24.4%)	(7.4%)
Net Operating Income from Discontinued Operations (a)	(2.0%)	(8.4%)
Depreciation and Amortization from Discontinued Operations (a)	0.5%	2.2%
Minority Interest from Discontinued Operations (a)	3.8%	2.0%
NET INCOME FOR COMMON STOCKHOLDERS BEFORE DISCONTINUED OPERATIONS		
	6.6%	13.4%
EBITDA		
Interest Expense	(26.7%)	(25.7%)
Preferred Dividends	(5.6%)	(5.4%)
Straight-line Rental Income Adjustment	(0.6%)	(0.9%)
Restricted Stock Amortization	1.8%	1.4%
Non-Incremental Capital Expenditures (n)	(10.5%)	(9.5%)
FUNDS AVAILABLE FOR DISTRIBUTION - FAD		
	37.1%	39.1%
COMMON DIVIDENDS/DISTRIBUTIONS		
	35.4%	34.1%



**SUPPLEMENTAL
STATEMENT OF OPERATIONS (aa)**

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

	Quarter Ended	
	September 30, 2003	September 30, 2002
REVENUES		
Rental Income	\$1.45	\$ 1.49
Tenant Recoveries and Other Income (ag)	0.49	0.50
Total Revenues	1.93	1.98
EXPENSES		
Real Estate Taxes	0.30	0.30
Repairs and Maintenance	0.13	0.13
Property Management	0.07	0.06
Utilities	0.06	0.05
Insurance	0.02	0.02
Other	0.05	0.05
Total Property Expenses	0.63	0.61
NET OPERATING INCOME	1.31	1.37
Equity in FFO of Joint Ventures (ak)	0.01	0.01
Net Economic Gains (Losses) (l)	0.35	0.27
General and Administrative	(0.14)	(0.08)
EBITDA	1.52	1.57
Interest Expense (ae)	(0.52)	(0.51)
Preferred Dividends	(0.11)	(0.11)
Amortization of Deferred Financing Costs	(0.01)	(0.01)
Depreciation of Corporate FF&E	(0.01)	(0.01)
FUNDS FROM OPERATIONS - FFO (aa)	0.88	0.94
Depreciation and Other Amortization	(0.45)	(0.41)
Equity in Dep/Other Amortization of Joint Ventures (ak)	(0.01)	0.00
Add Preferred Dividends	0.11	0.11
Gain on Sales of Properties	0.23	0.05
NET INCOME	\$ 0.76	\$ 0.69
Preferred Dividends	(0.11)	(0.11)
NET INCOME FOR COMMON STOCKHOLDERS	\$ 0.65	\$ 0.58
Gain on Sale of Property from Discontinued Operations (a)	(0.47)	(0.15)
Net Operating Income from Discontinued Operations (a)	(0.04)	(0.17)
Depreciation and Amortization from Discontinued Operations (a)	0.01	0.04
NET INCOME FOR COMMON STOCKHOLDERS BEFORE DISCONTINUED OPERATIONS	\$ 0.15	\$ 0.31
<hr style="border-top: 1px dashed black;"/>		
EBITDA	\$ 1.52	\$ 1.57
Interest Expense	(0.52)	(0.51)
Preferred Dividends	(0.11)	(0.11)
Straight-line Rental Income Adjustment	(0.01)	(0.02)
Restricted Stock Amortization	0.04	0.03
Non-Incremental Capital Expenditures (n)	(0.20)	(0.19)
FUNDS AVAILABLE FOR DISTRIBUTION - FAD	0.72	0.77
COMMON DIVIDENDS/DISTRIBUTIONS	\$ 0.6850	\$ 0.680



STATEMENT OF OPERATIONS

Year to Date

(UNAUDITED)

(IN 000'S)

	Nine Months	
	Ended	
	September 30, 2003	September 30, 2002
REVENUES		
Rental Income	\$ 198,966	\$ 180,391
Tenant Recoveries and Other Income (ag)	63,552	58,642
Total Revenues	262,518	239,033
EXPENSES		
Real Estate Taxes	39,216	37,028
Repairs and Maintenance	19,015	14,835
Property Management	9,529	8,676
Utilities	7,756	6,136
Insurance	2,992	1,771
Other	6,276	6,248
General and Administrative	20,512	13,782
Interest Expense (ae)	71,717	66,514
Amortization of Deferred Financing Costs	1,319	1,464
Depreciation of Corporate FF&E	955	1,090
Depreciation and Other Amortization of Real Estate	57,091	49,237
Loss from Early Retirement of Debt (af)	1,466	888
Total Expenses	237,844	207,669
INCOME FROM CONTINUING OPERATIONS BEFORE EQUITY		
IN INCOME OF JOINT VENTURES, INCOME ALLOCATED TO		
MINORITY INTEREST AND GAIN ON SALE OF REAL ESTATE		
	24,674	31,364
Equity in Net Income of Joint Ventures	705	1,135
Gain on Sales of Real Estate	11,259	18,360
Minority Interest Allocable to Continuing Operations	(3,187)	(4,249)
INCOME FROM CONTINUING OPERATIONS	33,451	46,610
Income from Discontinued Operations (Including Gain on Sale of Real Estate of \$54,686 and \$32,206 for the Nine Months Ended September 30, 2003 and 2002, respectively)	60,164	51,334
Minority Interest Allocable to Discontinued Operations	(8,898)	(7,695)
NET INCOME	84,717	90,249
Preferred Dividends	(15,132)	(18,388)
Redemption of Preferred Stock (m)	-	(3,707)
NET INCOME FOR COMMON STOCKHOLDERS	\$ 69,585	\$ 68,154



STATEMENT OF OPERATIONS

Year to Date

(UNAUDITED)

(IN 000'S)

	Nine Months Ended	
	September 30, 2003	September 30, 2002
NET INCOME FOR COMMON STOCKHOLDERS	\$ 69,585	\$ 68,154
Add: Depreciation and Other Amortization of Real Estate	57,091	49,237
Add: Minority Interest Allocable to Discontinued Operations	8,898	7,695
Add: Minority Interest Allocable to Continuing Operations	3,187	4,249
Add: Depreciation and Other Amortization of Real Estate Included in Discontinued Operations	2,436	7,115
Add: Depreciation and Other Amortization of Real Estate- Joint Ventures	1,022	981
Less: Accumulated Depreciation/Amortization on Real Estate Sold	(26,569)	-
Less: Accumulated Depreciation/Amortization on Real Estate Sold and Non-IIS Gains(Losses)	-	(14,528)
Less: Accumulated Depreciation/Amortization on Real Estate Sold- Joint Ventures	(253)	(976)
FUNDS FROM OPERATIONS ("FFO") (an)	\$ 115,397	\$ 121,927
Add: Loss from Early Retirement of Debt (af)	1,466	888
Add: Restricted Stock Amortization	4,339	3,845
Add: Amortization of Deferred Financing Costs	1,319	1,464
Add: Depreciation of Corporate FF&E	955	1,090
Less: Non-Incremental Capital Expenditures (n)	(29,565)	(22,458)
Less: Straight-line Rental Income Adjustment	(1,214)	(1,543)
FUNDS AVAILABLE FOR DISTRIBUTION ("FAD") (an)	\$ 92,697	\$ 105,213
NET INCOME FOR COMMON STOCKHOLDERS	\$ 69,585	\$ 68,154
Add: Interest Expense (ae)	71,717	66,514
Add: Depreciation and Other Amortization of Real Estate	57,091	49,237
Add: Preferred Dividends	15,132	18,388
Add: Redemption of Preferred Stock (m)	-	3,707
Add: Minority Interest Allocable to Discontinued Operations	8,898	7,695
Add: Minority Interest Allocable to Continuing Operations	3,187	4,249
Add: Loss from Early Retirement of Debt (af)	1,466	888
Add: Amortization of Deferred Financing Costs	1,319	1,464
Add: Depreciation of Corporate FF&E	955	1,090
Add: Depreciation and Other Amortization of Real Estate Included in Discontinued Operations	2,436	7,115
Add: Depreciation and Other Amortization of Real Estate- Joint Ventures	1,022	981
Less: Accumulated Depreciation/Amortization on Real Estate Sold	(26,569)	-
Less: Accumulated Depreciation/Amortization on Real Estate Sold and Non-IIS Gains(Losses)	-	(14,528)
Less: Accumulated Depreciation/Amortization on Real Estate Sold- Joint Ventures	(253)	(976)
EBITDA (an)	\$ 205,986	\$ 213,978
Add: General and Administrative	20,512	13,782
Less: Net Economic Gains (Losses)	(39,376)	(36,038)
Less: Equity in FFO of Joint Ventures	(1,474)	(1,140)
NET OPERATING INCOME (an)	\$ 185,648	\$ 190,582



**SUPPLEMENTAL
STATEMENT OF OPERATIONS (aa)**

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

	Nine Months Ended	
	September 30, 2003	September 30, 2002
REVENUES		
Rental Income	\$ 208,419	\$ 209,902
Tenant Recoveries and Other Income (ag)	66,098	\$ 67,148
Total Revenues	<u>274,517</u>	<u>277,050</u>
EXPENSES		
Real Estate Taxes	40,997	43,218
Repairs and Maintenance	19,800	16,856
Property Management	10,000	10,030
Utilities	8,166	7,293
Insurance	3,160	2,038
Other	6,746	7,033
Total Property Expenses	<u>88,869</u>	<u>86,468</u>
NET OPERATING INCOME	185,648	190,582
Equity in FFO of Joint Ventures (ak)	1,474	1,140
Net Economic Gains (Losses) (l)	39,376	36,038
General and Administrative	<u>(20,512)</u>	<u>(13,782)</u>
EBITDA	205,986	213,978
Interest Expense (ae)	(71,717)	(66,514)
Loss from Early Retirement of Debt (af)	(1,466)	(888)
Preferred Dividends	(15,132)	(18,388)
Redemption of Preferred Stock (m)	-	(3,707)
Amortization of Deferred Financing Costs	(1,319)	(1,464)
Depreciation of Corporate FF&E	<u>(955)</u>	<u>(1,090)</u>
FUNDS FROM OPERATIONS - FFO (aa)	115,397	121,927
Depreciation and Other Amortization	(59,527)	(56,352)
Equity in Dep/Other Amortization of Joint Ventures (ak)	(769)	(5)
Add Preferred Dividends	15,132	18,388
Add Redemption of Preferred Stock (m)	-	3,707
Gain/(Loss) on Sales of Properties	26,569	14,528
Minority Interest (h)	<u>(12,085)</u>	<u>(11,944)</u>
NET INCOME	\$ 84,717	\$ 90,249
Preferred Dividends	(15,132)	(18,388)
Redemption of Preferred Stock (m)	<u>-</u>	<u>(3,707)</u>
NET INCOME FOR COMMON STOCKHOLDERS	\$ 69,585	\$ 68,154
Gain on Sale of Property from Discontinued Operations (a)	(54,686)	(32,206)
Net Operating Income from Discontinued Operations (a)	(7,914)	(26,243)
Depreciation and Amortization from Discontinued Operations (a)	2,436	7,115
Minority Interest from Discontinued Operations (a)	<u>8,898</u>	<u>7,695</u>
NET INCOME FOR COMMON STOCKHOLDERS BEFORE DISCONTINUED OPERATIONS	<u>\$ 18,319</u>	<u>\$ 24,515</u>
EBITDA	\$ 205,986	\$ 213,978
Interest Expense	(71,717)	(66,514)
Preferred Dividends	(15,132)	(18,388)
Redemption of Preferred Stock (m)	-	(3,707)
Straight-line Rental Income Adjustment	(1,214)	(1,543)
Restricted Stock Amortization	4,339	3,845
Non-Incremental Capital Expenditures (n)	<u>(29,565)</u>	<u>(22,458)</u>
FUNDS AVAILABLE FOR DISTRIBUTION - FAD	<u>\$ 92,697</u>	<u>\$ 105,213</u>
COMMON DIVIDENDS/DISTRIBUTIONS	<u>\$ 94,811</u>	<u>\$ 94,680</u>



**SUPPLEMENTAL
STATEMENT OF OPERATIONS (aa)**

Year to Date
(UNAUDITED)
(AS A % OF TOTAL REVENUES)

	Nine Months Ended	
	September 30, 2003	September 30, 2002
REVENUES		
Rental Income	75.9%	75.8%
Tenant Recoveries and Other Income (ag)	24.1%	24.2%
Total Revenues	100.0%	100.0%
EXPENSES		
Real Estate Taxes	14.9%	15.6%
Repairs and Maintenance	7.2%	6.1%
Property Management	3.6%	3.6%
Utilities	3.0%	2.6%
Insurance	1.2%	0.7%
Other	2.5%	2.5%
Total Property Expenses	32.4%	31.2%
NET OPERATING INCOME		
Equity in FFO of Joint Ventures (ak)	67.6%	68.8%
Net Economic Gains (Losses) (l)	0.5%	0.4%
General and Administrative	14.3%	13.0%
	(7.5%)	(5.0%)
EBITDA		
Interest Expense (ae)	75.0%	77.2%
Loss from Retirement of Debt (af)	(26.1%)	(24.0%)
Preferred Dividends	(0.5%)	(0.3%)
Redemption of Preferred Stock (m)	(5.5%)	(6.6%)
Amortization of Deferred Financing Costs	-	(1.3%)
Depreciation of Corporate FF&E	(0.5%)	(0.5%)
	(0.3%)	(0.4%)
FUNDS FROM OPERATIONS - FFO (aa)		
Depreciation and Other Amortization	42.0%	44.0%
Equity in Dep/Other Amortization of Joint Ventures (ak)	(21.7%)	(20.3%)
Add Preferred Dividends	(0.3%)	(0.0%)
Redemption of Preferred Stock (m)	5.5%	6.6%
Gain/(Loss) on Sales of Properties	-	1.3%
Minority Interest	9.7%	5.2%
	(4.4%)	(4.3%)
NET INCOME		
Preferred Dividends	30.9%	32.6%
Redemption of Preferred Stock (m)	(5.5%)	(6.6%)
	-	(1.3%)
NET INCOME FOR COMMON STOCKHOLDERS		
Gain on Sale of Property from Discontinued Operations (a)	25.3%	24.6%
Net Operating Income from Discontinued Operations (a)	(19.9%)	(11.6%)
Depreciation and Amortization from Discontinued Operations (a)	(2.9%)	(9.5%)
Minority Interest from Discontinued Operations (a)	0.9%	2.6%
	3.2%	2.8%
NET INCOME FOR COMMON STOCKHOLDERS BEFORE DISCONTINUED OPERATIONS		
	6.7%	8.8%
EBITDA		
Interest Expense	75.0%	77.2%
Preferred Dividends	(26.1%)	(24.0%)
Redemption of Preferred Stock (m)	(5.5%)	(6.6%)
Straight-line Rental Income Adjustment	-	(1.3%)
Restricted Stock Amortization	(0.4%)	(0.6%)
Non-Incremental Capital Expenditures (n)	1.6%	1.4%
	(10.8%)	(8.1%)
FUNDS AVAILABLE FOR DISTRIBUTION - FAD		
	33.8%	38.0%
COMMON DIVIDENDS/DISTRIBUTIONS		
	34.5%	34.2%



**SUPPLEMENTAL
STATEMENT OF OPERATIONS (aa)**

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

	Nine Months Ended	
	September 30, 2003	September 30, 2002
REVENUES		
Rental Income	\$ 4.53	\$ 4.51
Tenant Recoveries and Other Income (ag)	1.44	1.44
Total Revenues	<u>5.97</u>	<u>5.95</u>
EXPENSES		
Real Estate Taxes	0.89	0.93
Repairs and Maintenance	0.43	0.36
Property Management	0.22	0.22
Utilities	0.18	0.16
Insurance	0.07	0.04
Other	0.15	0.15
Total Property Expenses	<u>1.93</u>	<u>1.86</u>
NET OPERATING INCOME	4.04	4.09
Equity in FFO of Joint Ventures (ak)	0.03	0.02
Net Economic Gains (Losses) (l)	0.86	0.77
General and Administrative	<u>(0.45)</u>	<u>(0.30)</u>
EBITDA	4.48	4.60
Interest Expense (ae)	(1.56)	(1.43)
Loss from Retirement of Debt (af)	(0.03)	(0.02)
Preferred Dividends	(0.33)	(0.39)
Redemption of Preferred Stock (m)	-	(0.08)
Amortization of Deferred Financing Costs	(0.03)	(0.03)
Depreciation of Corporate FF&E	<u>(0.02)</u>	<u>(0.02)</u>
FUNDS FROM OPERATIONS - FFO (aa)	2.51	2.62
Depreciation and Other Amortization	(1.29)	(1.21)
Equity in Dep/Other Amortization of Joint Ventures (ak)	(0.02)	(0.00)
Add Preferred Dividends	0.33	0.39
Redemption of Preferred Stock (m)	-	0.08
Gain/(Loss) on Sales of Properties	<u>0.58</u>	<u>0.31</u>
NET INCOME	2.10	2.19
Preferred Dividends	(0.33)	(0.39)
Redemption of Preferred Stock (m)	<u>-</u>	<u>(0.08)</u>
NET INCOME FOR COMMON STOCKHOLDERS	1.78	1.72
Gain on Sale of Property from Discontinued Operations (a)	(1.19)	(0.69)
Net Operating Income from Discontinued Operations (a)	(0.17)	(0.56)
Depreciation and Amortization from Discontinued Operations (a)	<u>0.05</u>	<u>0.15</u>
NET INCOME FOR COMMON STOCKHOLDERS BEFORE DISCONTINUED OPERATIONS	<u>0.47</u>	<u>0.62</u>
.....		
EBITDA	4.48	4.60
Interest Expense	(1.56)	(1.43)
Preferred Dividends	(0.33)	(0.39)
Redemption of Preferred Stock	-	(0.08)
Straight-line Rental Income Adjustment	(0.03)	(0.03)
Restricted Stock Amortization	0.09	0.08
Non-Incremental Capital Expenditures (n)	<u>(0.64)</u>	<u>(0.48)</u>
FUNDS AVAILABLE FOR DISTRIBUTION - FAD	<u>\$2.02</u>	<u>\$2.26</u>
COMMON DIVIDENDS/DISTRIBUTIONS	<u>\$ 2.06</u>	<u>\$ 2.04</u>



EQUITY ANALYSIS

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

	September 30, 2003	September 30, 2002
COMMON STOCK		
Common Shares and Partnership Units Outstanding		
Common Shares	39,459	39,642
Partnership Units (o)	6,762	6,862
Total	<u>46,221</u>	<u>46,504</u>
Basic		
Weighted Avg. Shares/Units Outstanding	46,183	46,504
Weighted Avg. Shares Outstanding	39,412	39,609
Diluted		
Weighted Avg. Shares/Units Outstanding	46,292	46,709
Weighted Avg. Shares Outstanding	39,521	39,814
Common Shares Trading Volume		
Average Daily Volume (Shares)	260	189
Average Daily Volume (Dollars) (p)	\$ 7,943	\$ 5,954
As a % of Common Shares	0.66%	0.48%
Common Share Price Range		
Quarterly High	\$ 32.650	\$ 33.380
Quarterly Low	29.330	28.900
Quarterly Average (q)	30.550	31.450
End of Quarter	32.070	30.990
Common Stock Options Outstanding (Shares) (r)	2,856.5	3,210.0
Weighted Average Option Exercise Price	\$ 30.32	\$ 30.06
PREFERRED STOCK (i)		
Series C Preferred Shares Outstanding	2,000	2,000
Series C Preferred Shares Book Value	\$ 25.00	\$ 25.00
Series D Preferred Shares Outstanding	5,000	5,000
Series D Preferred Shares Book Value	\$ 25.00	\$ 25.00
Series E Preferred Shares Outstanding	3,000	3,000
Series E Preferred Shares Book Value	\$ 25.00	\$ 25.00
CAPITALIZATION		
Book Value of Preferred Stock	250,000	250,000
Market Value of Common Equity	1,482,307	1,441,159
Market Capitalization	<u>\$ 1,732,307</u>	<u>\$ 1,691,159</u>
Total Debt	1,446,854	1,418,144
Total Market Capitalization	<u>\$ 3,179,161</u>	<u>\$ 3,109,303</u>
(Market Capitalization + Total Debt)		



EQUITY ANALYSIS

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

RESEARCH

Current Analysts Coverage

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

Contact

Stephanie Krewson
Lee Schalop
Jay Habermann
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	12,234,168	26.6%
Top Twenty Institutional Holders 13F, UK UT, CAN MF and Offsh Fd	15,552,580	33.8%
Total Shares Held by Institutions 13F, UK UT, CAN MF and Offsh Fd	22,650,450	49.2%
Total Number of Institutional Shareholders 13F, UK UT, CAN MF, and Offsh Fd	185	

Source: Based on information compiled by Thomson Financial and using total outstanding shares and units of 46,221,418 This information may reflect filing and/or reporting lags.



DEBT ANALYSIS

By Quarter
(UNAUDITED)
(IN 000'S)

	Quarter Ended	
	September 30, 2003	September 30, 2002
DEBT OUTSTANDING		
Outstanding Balance		
Mortgage Loans Payable (e)	\$ 46,175	\$ 95,956
Unsecured Line of Credit (g)	188,600	110,400
Senior Unsecured Debt, net (f)(ad)	1,212,079	1,211,788
	\$ 1,446,854	\$ 1,418,144
Average Outstanding Balance		
Mortgage Loans Payable (e)	\$ 40,397	\$ 96,221
Unsecured Line of Credit (g)	216,812	166,591
Senior Unsecured Debt, net (f)(ad)	1,212,031	1,211,740
	\$ 1,469,240	\$ 1,474,552
Interest Rate Structure		
Fixed (e)(ad)(c)	\$ 1,258,254	\$ 1,407,744
Floating (g)(c)	188,600	10,400
	\$ 1,446,854	\$ 1,418,144
Average Interest Rates		
Mortgage Loans Payable (e)	6.70%	7.71%
Unsecured Line of Credit (g)	1.97%	3.07%
Senior Unsecured Debt, net (f) (ad)	7.29%	7.31%
Total Weighted Average	6.49%	6.86%
DEBT RATIOS		
Debt to Total Market Capitalization	45.5%	45.6%
(Total Debt/(Market Value Common Stock + Preferred Stock + Total Debt))		
Debt to Asset Value	41.1%	41.9%
(Avg. Debt/ (Ann. NOI / Assumed Cap Rate)) (t)		
Unencumbered Real Estate / Total Real Estate	97.2%	91.5%
COVERAGE RATIOS		
Interest Coverage - NOI	2.5x	2.7x
(NOI / GAAP Interest Expense)		
Interest Coverage - EBITDA	2.9x	3.1x
(EBITDA / GAAP Interest Expense)		
Fixed Charge Coverage - NOI	2.1x	2.2x
(NOI / (GAAP Interest Expense + Principal Amort. + Preferred Dividends))		
Fixed Charge Coverage - EBITDA	2.4x	2.5x
(EBITDA / (GAAP Interest Expense + Principal Amort. + Preferred Dividends))		



DIVIDEND ANALYSIS

By Quarter
(UNAUDITED)

	September 30, 2003	September 30, 2002
COMMON STOCK DIVIDENDS		
Dividends per Share/Unit	\$ 0.6850	\$ 0.6800
Percentage of Dividend - Ordinary Income (z)	40.00%	42.16%
Percentage of Dividend - Return of Capital (z)	20.00%	30.03%
Percentage of Dividend - Capital Gain (z)	40.00%	27.81%
Common Shareholders' Record Date	9/30/2003	9/30/2002
Common Dividends Payment Date	10/20/2003	10/21/2002
COMMON DIVIDEND/UNIT DISTRIBUTIONS		
PAYOUT RATIOS PER SHARE/UNIT		
Payout - FFO (Common Dividends / Unit Distributions / FFO)	77.7%	72.2%
Payout - FAD (Common Dividends / Unit Distributions / FAD)	95.3%	87.4%
Dividend Coverage - FFO (FFO / Common Dividends / Unit Distributions)	1.29x	1.38x
Dividend Coverage - FAD (FAD / Common Dividends / Unit Distributions)	1.05x	1.14x
COMMON DIVIDEND YIELDS		
Dividend Yield	8.54%	8.78%
Spread Over 5 Year U.S. Treasury (u)	5.72%	6.20%
Spread Over 10 Year U.S. Treasury (u)	4.60%	5.17%
PREFERRED STOCK DIVIDENDS (i)		
Series C Preferred Stock Dividends Per Share	\$ 0.5391	\$ 0.5391
Series C Preferred Stock Dividend Yield	7.81%	8.41%
Series C Quarter End Price	27.620	25.650
Series D Preferred Stock Dividends Per Share	\$ 0.4969	\$ 0.4969
Series D Preferred Stock Dividend Yield	7.95%	8.08%
Series D Quarter End Price	25.010	24.610
Series E Preferred Stock Dividends Per Share	\$ 0.4938	\$ 0.4938
Series E Preferred Stock Dividend Yield	7.90%	8.00%
Series E Quarter End Price	25.000	24.700



VALUATION ANALYSIS

By Quarter

(UNAUDITED)

	September 30, 2003	September 30, 2002
PRICING MULTIPLES /YIELDS		
NOI Multiple (Mkt. Value of Common Equity+Avg. Preferred Stock+ Avg. Total Debt)/Ann. NOI (s)	13.2x	12.4x
EBITDA Multiple (Mkt. Value of Common Equity+Avg. Preferred Stock+ Avg. Total Debt)/Ann. EBITDA (s)	11.4x	10.8x
FFO Multiple (Common Share Price / Ann. FFO) (s)	9.1x	8.2x
FAD Multiple (Common Share Price / Ann. FAD) (s)	11.2x	10.0x
NOI Yield (Ann. NOI / (Mkt. Value of Common Equity + Avg. Preferred Stock+ Avg. Total Debt)) (s)	7.5%	8.1%
EBITDA Yield (Ann. EBITDA / (Mkt. Value of Common Equity + Avg. Preferred Stock+ Avg. Total Debt)) (s)	8.8%	9.3%
FFO Yield (Ann. FFO / Common Share Price) (s)	11.0%	12.1%
FAD Yield (Ann. FAD / Common Share Price) (s)	9.0%	10.0%
RETURNS		
Unleveraged Yield on Real Estate Owned - NOI (Ann. NOI / Avg. Gross Real Estate Investment) (s)	9.2%	9.9%
Unleveraged Yield on Real Estate Owned - EBITDA (Ann. EBITDA / Avg. Gross Real Estate Investment)) (s)	10.7%	11.4%
Return on Book Value of Common Stockholders' Equity (Ann. EBITDA / Avg. Common Stockholders' Equity) (s)	26.4%	27.0%
VALUATION		
Asset Value (Ann. NOI / Assumed Cap Rate) (t)	\$ 3,574,901	\$ 3,519,634
Net Asset Value (NAV) (ah) (Asset Value-Total Liab.- Preferred Stock)	\$ 1,732,350	\$ 1,720,455
NAV per Share (ah) (NAV / Total Shares and Units Outstanding)	\$ 37.48	\$ 37.00
NAV as a Percent of Common Share Price (NAV per Share / Common Share Price)	116.9%	119.4%
Market Premium (Discount) to NAV (ah) ((Market Value of Common Equity - NAV) / NAV)	(14.4%)	(16.2%)
Total Market Capitalization per Square Foot (Market Value of Common Stock + Preferred Stock + Total Debt)/GLA)	\$ 54.09	\$ 50.48



DEBT ANALYSIS

Year to Date

(UNAUDITED)

(IN 000'S)

	Nine Months Ended	
	September 30, 2003	September 30, 2002
DEBT OUTSTANDING		
Average Outstanding Balance		
Mortgage Loans Payable (e)	\$ 33,833	\$ 93,932
Unsecured Line of Credit (g)	208,784	168,535
Senior Unsecured Debt, net (f)(ad)	1,211,959	1,157,950
	\$ 1,454,576	\$ 1,420,417
Average Interest Rate		
Mortgage Loans Payable (e)	7.24%	7.67%
Unsecured Line of Credit (g)	2.26%	3.17%
Senior Unsecured Debt, net (f)(ad)	7.37%	7.38%
Total Weighted Average	6.64%	6.90%
COVERAGE RATIOS		
Interest Coverage - NOI (NOI / GAAP Interest Expense)	2.6x	2.9x
Interest Coverage - EBITDA (EBITDA / GAAP Interest Expense)	2.9x	3.2x
Fixed Charge Coverage - NOI (NOI / (GAAP Interest Expense + Principal Amort. + Preferred Dividends))	2.1x	2.2x
Fixed Charge Coverage - EBITDA (EBITDA / (GAAP Interest Expense + Principal Amort. + Preferred Dividends))	2.4x	2.5x
DEBT MATURITY		
Weighted Average Maturity in Years as of 9/30/03 (v)	10.9	12.0
Debt Maturity By Year as of 9/30/03 (ab)		
2003	303	
2004	1,233	
2005	239,950	
2006	155,601	
2007	151,442	
2008	1,571	
2009	1,719	
2010	14,373	
2011	300,628	
2012	206,416	
2013	604	
Thereafter	372,195	
Total Debt	\$ 1,446,035	



DIVIDEND ANALYSIS

Year to Date
(UNAUDITED)

	Nine Months Ended	
	September 30, 2003	September 30, 2002
COMMON STOCK DIVIDENDS		
Dividends per Share/Unit	\$ 2.0550	\$ 2.0400
Percentage of Dividend - Ordinary Income (z)	40.00%	42.16%
Percentage of Dividend - Return of Capital (z)	20.00%	30.03%
Percentage of Dividend - Capital Gain (z)	40.00%	27.81%
COMMON DIVIDEND/UNIT DISTRIBUTION PAYOUT RATIOS PER SHARE/UNIT		
Payout - FFO (Common Dividends / Unit Distributions / FFO)	81.8%	77.4%
Payout - FAD (Common Dividends / Unit Distributions / FAD)	101.8%	89.7%
Dividend Coverage - FFO (FFO / Common Dividends / Unit Distributions)	1.22x	1.29x
Dividend Coverage - FAD (FAD / Common Dividends / Unit Distributions)	0.98x	1.11x
PREFERRED STOCK DIVIDENDS (i)		
Series B Preferred Stock Dividends Per Share	\$ -	\$ 0.8143
Series C Preferred Stock Dividends Per Share	\$ 1.6173	\$ 1.6173
Series D Preferred Stock Dividends Per Share	\$ 1.4906	\$ 1.4906
Series E Preferred Stock Dividends Per Share	\$ 1.4813	\$ 1.4813
SHARES/UNITS OUTSTANDING		
Basic		
Weighted Avg. Shares / Units Outstanding	45,910	46,268
Diluted		
Weighted Avg. Shares / Units Outstanding	46,003	46,565



PROPERTY INFORMATION

(UNAUDITED)

	September 30, 2003	September 30, 2002
TOTAL PORTFOLIO		
Number of Properties - In Service	847	909
Number of Properties - Under Development	30	35
Total Number of Properties	877	944
Land Area - Developed (Acres)	4,432.74	4,663.50
Land Area - Developable (Acres) (w)	906.99	614.62
Gross Leasable Area s.f.-In Service	58,780,535	61,595,043
Gross Leasable Area s.f.-Under Development	2,941,291	3,489,648
Total Gross Leasable Area s.f.	61,721,826	65,084,691
Occupied (Square Feet)	51,522,202	55,608,976
Vacant (Square Feet)	7,258,333	5,986,067
Number of Tenants	2,405	2,569
Average Tenant Size per Occupied s.f.	21,423	21,646
Occupancy Rates - Based on In Service GLA	87.7%	90.3%
Weighted Average Lease Term (years)	5.2	5.5
 PORTFOLIO LEASING AND OPERATING STATISTICS		
Leasing (Based on leasing activity during the period)		
Rental Rate Increases (previous cash rent vs. new cash rent)	(6.4%)	2.3%
Lease Costs Per Square Foot (includes tenant improvements and lease commissions)	\$ 1.77	\$ 1.84
Tenant Retention (by square feet)	79.8%	65.4%
Tenant Retention (by number of leases)	65.0%	63.5%
Capital Expenditures		
Non-Leasing Capital Expenditures Per Sq. Ft. (i.e., roofs, parking lot, etc.)	0.04	0.03
Same Property Detail (am)		
Change in Revenues	(4.4%)	1.3%
Change in Expenses	(4.3%)	11.7%
Change in NOI	(4.5%)	(2.5%)
Occupancy	86.1%	89.7%
Square Feet in Same Property Pool	53,156,163	55,617,294
% of Total Square Feet	90.4%	90.3%



PROPERTY INFORMATION

(UNAUDITED)

NUMBER OF PROPERTIES	September 30, 2003	September 30, 2002
Atlanta	35	35
Baltimore	16	17
Central Pennsylvania	13	14
Chicago	46	54
Cincinnati	8	8
Cleveland	n/a	1
Columbus	6	6
Dallas/Fort Worth	91	76
Dayton	7	7
Denver	81	92
Des Moines	1	1
Detroit	130	137
Grand Rapids	2	18
Houston	28	28
Indianapolis	42	41
Los Angeles	27	35
Louisville	2	2
Milwaukee	7	8
Minneapolis/St. Paul	49	54
Nashville	16	16
Northern New Jersey	42	41
Philadelphia	40	41
Phoenix	9	1
Portland	1	27
Salt Lake City	46	46
San Diego	7	n/a
Southern New Jersey	27	26
St. Louis	12	13
Tampa	41	49
Other	15	15
Total In Service Properties	847	909
Atlanta	4.1%	3.9%
Baltimore	1.9%	1.9%
Central Pennsylvania	1.5%	1.5%
Chicago	5.4%	5.9%
Cincinnati	0.9%	0.9%
Cleveland	n/a	0.1%
Columbus	0.7%	0.7%
Dallas/Fort Worth	10.7%	8.4%
Dayton	0.8%	0.8%
Denver	9.6%	10.1%
Des Moines	0.1%	0.1%
Detroit	15.3%	15.1%
Grand Rapids	0.2%	2.0%
Houston	3.3%	3.1%
Indianapolis	5.0%	4.5%
Los Angeles	3.2%	3.9%
Louisville	0.2%	0.2%
Milwaukee	0.8%	0.9%
Minneapolis/St. Paul	5.8%	5.9%
Nashville	1.9%	1.8%
Northern New Jersey	5.0%	4.5%
Philadelphia	4.7%	4.5%
Phoenix	1.1%	0.1%
Portland	0.1%	3.0%
Salt Lake City	5.4%	5.1%
San Diego	0.8%	n/a
Southern New Jersey	3.2%	2.9%
St. Louis	1.4%	1.4%
Tampa	4.8%	5.4%
Other	1.8%	1.7%
Total In Service Properties	100.0%	100.0%

PROPERTY INFORMATION

(UNAUDITED)



GLA	September 30, 2003	September 30, 2002
In Service Gross Leasable Area by Region		
Atlanta	5,514,750	5,006,964
Baltimore	1,158,530	1,308,130
Central Pennsylvania	1,877,135	1,660,135
Chicago	4,505,892	5,539,388
Cincinnati	1,683,100	1,683,100
Cleveland	n/a	102,500
Columbus	1,421,016	1,421,016
Dallas/Fort Worth	4,815,331	4,479,230
Dayton	342,746	342,746
Denver	4,092,099	4,485,014
Des Moines	88,000	88,000
Detroit	4,275,054	4,582,654
Grand Rapids	474,750	2,432,726
Houston	3,234,298	3,108,075
Indianapolis	4,346,512	4,306,512
Los Angeles	1,548,288	1,573,186
Louisville	433,500	443,500
Milwaukee	379,234	417,464
Minneapolis/St. Paul	4,715,378	4,934,069
Nashville	2,009,942	1,793,882
Northern New Jersey	2,942,887	2,809,436
Philadelphia	1,886,042	1,996,042
Phoenix	420,861	38,560
Portland	29,040	685,050
Salt Lake City	865,119	738,947
San Diego	577,301	n/a
Southern New Jersey	1,393,866	1,439,786
St. Louis	1,151,961	1,301,488
Tampa	1,278,445	1,557,985
Other	1,319,458	1,319,458
Total In Service GLA	<u>58,780,535</u>	<u>61,595,043</u>

In Service GLA as a % of Total Portfolio by Region		
Atlanta	9.4%	8.1%
Baltimore	2.0%	2.1%
Central Pennsylvania	3.2%	2.7%
Chicago	7.7%	9.0%
Cincinnati	2.9%	2.7%
Cleveland	n/a	0.2%
Columbus	2.4%	2.3%
Dallas/Fort Worth	8.2%	7.3%
Dayton	0.6%	0.6%
Denver	7.0%	7.3%
Des Moines	0.1%	0.1%
Detroit	7.3%	7.4%
Grand Rapids	0.8%	3.9%
Houston	5.5%	5.0%
Indianapolis	7.4%	7.0%
Los Angeles	2.6%	2.6%
Louisville	0.7%	0.7%
Milwaukee	0.6%	0.7%
Minneapolis/St. Paul	8.0%	8.0%
Nashville	3.4%	2.9%
Northern New Jersey	5.0%	4.6%
Philadelphia	3.2%	3.2%
Phoenix	0.7%	0.1%
Portland	0.0%	1.1%
Salt Lake City	1.5%	1.2%
San Diego	1.0%	n/a
Southern New Jersey	2.4%	2.3%
St. Louis	2.0%	2.1%
Tampa	2.2%	2.5%
Other	2.2%	2.1%
Total	<u>100.0%</u>	<u>100.0%</u>

PROPERTY INFORMATION

(UNAUDITED)



	September 30, 2003	September 30, 2002
NUMBER OF PROPERTIES		
Number of In Service Properties by Property Type (aj)		
Bulk Warehouse	126	138
Light Industrial	436	482
R&D/Flex	160	169
Regional Warehouse	92	83
Manufacturing	33	37
Total In Service Properties	847	909
 BASE RENT		
Base Rent Rate by Property Type		
Bulk Warehouse	32.6%	33.3%
Light Industrial	37.4%	36.7%
R&D/Flex	14.5%	16.1%
Regional Warehouse	10.4%	8.8%
Manufacturing	5.1%	5.1%
Total	100.0%	100.0%
 GLA		
In Service Gross Leasable Area by Property Type		
Bulk Warehouse	26,171,105	27,316,204
Light Industrial	18,037,683	19,450,565
R&D/Flex	5,628,832	5,976,572
Regional Warehouse	5,437,838	5,018,562
Manufacturing	3,505,077	3,833,140
Total In Service GLA	58,780,535	61,595,043
 In Service Gross Leasable Area by Property Type		
Bulk Warehouse	44.5%	44.3%
Light Industrial	30.7%	31.6%
R&D/Flex	9.6%	9.7%
Regional Warehouse	9.3%	8.1%
Manufacturing	6.0%	6.2%
Total	100.0%	100.0%
 Average In Service Property Size (GLA)		
Bulk Warehouse	207,707	197,944
Light Industrial	41,371	40,354
R&D/Flex	35,180	35,364
Regional Warehouse	59,107	60,465
Manufacturing	106,214	103,598

PROPERTY INFORMATION
(UNAUDITED)



OCCUPANCY RATES	September 30, 2003	September 30, 2002
Occupancy Rates by Metropolitan Area		
Atlanta	90%	96%
Baltimore	91%	86%
Central Pennsylvania	70%	85%
Chicago	88%	88%
Cincinnati	86%	91%
Cleveland	n/a	100%
Columbus	85%	95%
Dallas/Fort Worth	94%	89%
Dayton	89%	94%
Denver	90%	91%
Des Moines	32%	90%
Detroit	88%	89%
Grand Rapids	100%	83%
Houston	77%	90%
Indianapolis	82%	89%
Los Angeles	95%	95%
Louisville	100%	89%
Milwaukee	90%	91%
Minneapolis/St. Paul	89%	91%
Nashville	86%	82%
Northern New Jersey	88%	91%
Philadelphia	92%	97%
Phoenix	70%	n/a
Portland	100%	95%
Salt Lake City	89%	86%
San Diego	89%	n/a
Southern New Jersey	88%	91%
St. Louis	99%	89%
Tampa	84%	88%
Other	88%	99%
	<u>88%</u>	<u>90%</u>

RENTAL INCOME

Rental Income as a % of Total Portfolio by Metropolitan Area

Atlanta	5.8%	6.8%
Baltimore	2.6%	2.3%
Central Pennsylvania	2.2%	2.2%
Chicago	7.7%	8.2%
Cincinnati	2.3%	1.5%
Cleveland	n/a	0.2%
Columbus	1.4%	2.1%
Dallas/Fort Worth	7.8%	6.0%
Dayton	0.5%	0.5%
Denver	9.4%	9.2%
Des Moines	0.0%	0.6%
Detroit	8.3%	9.3%
Grand Rapids	0.9%	2.6%
Houston	3.3%	3.7%
Indianapolis	5.0%	4.4%
Long Island	n/a	n/a
Los Angeles	3.2%	2.7%
Louisville	0.6%	0.4%
Milwaukee	0.8%	0.9%
Minneapolis/St. Paul	9.1%	9.3%
Nashville	2.5%	1.9%
Northern New Jersey	7.8%	7.7%
Philadelphia	3.9%	4.6%
Phoenix	0.9%	0.1%
Portland	0.8%	1.4%
Salt Lake City	1.6%	1.5%
San Diego	1.4%	n/a
Southern New Jersey	2.1%	2.3%
St. Louis	2.0%	1.7%
Tampa	3.9%	4.4%
Other	2.1%	1.8%
	<u>100.0%</u>	<u>100.0%</u>

PROPERTY INFORMATION

(UNAUDITED)



SAME PROPERTY OCCUPANCY RATES	September 30, 2003	September 30, 2002
Property Occupancy Rates by Metropolitan Area		
Atlanta	87%	96%
Baltimore	91%	85%
Central Pennsylvania	59%	82%
Chicago	84%	89%
Cincinnati	86%	91%
Columbus	85%	96%
Dallas/Fort Worth	94%	89%
Dayton	89%	94%
Denver	87%	91%
Des Moines	32%	90%
Detroit	88%	90%
Grand Rapids	100%	100%
Houston	75%	90%
Indianapolis	81%	89%
Los Angeles	94%	95%
Louisville	100%	77%
Milwaukee	90%	90%
Minneapolis/St. Paul	89%	91%
Nashville	82%	80%
Northern New Jersey	86%	91%
Philadelphia	92%	98%
Phoenix	100%	0%
Portland	100%	100%
Salt Lake City	87%	87%
Southern New Jersey	87%	90%
St. Louis	99%	87%
Tampa	83%	87%
Other	88%	99%
Weighted Average Occupancy	<u>86%</u>	<u>90%</u>

SAME PROPERTY RENTAL INCOME		
Annual Rental Income per Average Occupied Square Foot by Metropolitan Area (x)		
Atlanta	3.36	3.76
Baltimore	5.57	5.60
Central Pennsylvania	4.66	4.18
Chicago	4.70	4.41
Cincinnati	3.06	2.92
Columbus	2.80	2.93
Dallas/Fort Worth	4.25	4.38
Dayton	4.32	4.20
Denver	5.69	5.85
Des Moines	3.52	2.86
Detroit	5.81	5.88
Grand Rapids	5.08	5.08
Houston	3.29	3.49
Indianapolis	3.50	3.36
Los Angeles	5.66	5.59
Louisville	3.65	3.30
Milwaukee	6.19	6.51
Minneapolis/St. Paul	4.90	5.05
Nashville	3.28	3.76
Northern New Jersey	7.50	7.43
Philadelphia	6.02	5.92
Phoenix	1.72	-
Portland	5.22	5.17
Salt Lake City	5.97	6.37
Southern New Jersey	4.21	4.42
St. Louis	3.52	3.73
Tampa	8.61	9.00
Other	4.89	4.22
Weighted Average Rental Income / Sq.Ft.	<u>4.71</u>	<u>4.76</u>



PROPERTY INFORMATION

(UNAUDITED)

(AS OF SEPTEMBER 30, 2003 AND DOLLARS IN 000'S)

LARGEST TENANTS

Twenty Largest Tenants By Annualized Lease Net Rent

	Annualized Lease Net Rent	
	Amount	% of Total
1. General Motors	\$ 3,861	1.7%
2. Venture Industries	2,410	1.0%
3. General Services Administration	1,746	0.8%
4. Whirlpool	1,584	0.7%
5. Best Buy	1,557	0.7%
6. Southland Bonded Warehouse	1,426	0.6%
7. USCO Contract Logistics	1,406	0.6%
8. Tyco Healthcare Retail Group	1,380	0.6%
9. C & D Warehouse	1,346	0.6%
10. Osteonics	1,326	0.6%
11. Thermal Dynamics	1,272	0.6%
12. Prime Distribution Services	1,200	0.5%
13. Dana	1,170	0.5%
14. Lucent Technologies	1,106	0.5%
15. St. George Warehousing	1,098	0.5%
16. Heritage Communications	1,094	0.5%
17. Bergen Brunswick	1,059	0.5%
18. Anixter	1,039	0.5%
19. Franklin Brass Manufacturing	1,015	0.4%
20. Contico International	998	0.4%
	<u>\$ 29,092</u>	<u>12.6%</u>

Twenty Largest Tenants by Gross Leasable Area

	Gross Leasable Area	
	Occupied	% of Total
1. General Motors	886,595	1.5%
2. Southland Bonded Warehouse	689,533	1.2%
3. Whirlpool	657,451	1.1%
4. Tyco Healthcare Retail Group	608,000	1.0%
5. USCO Contract Logistics	504,000	0.9%
6. Prime Distribution Services	486,394	0.8%
7. Best Buy	475,129	0.8%
8. Venture Industries	474,750	0.8%
9. Caterpillar Logistics	427,903	0.7%
10. American Standard	404,734	0.7%
11. C & D Warehouse	360,374	0.6%
12. Dana	336,470	0.6%
13. Contico International	332,630	0.6%
14. Anixter	320,171	0.5%
15. HPI North America	312,265	0.5%
16. Vantage Products	298,000	0.5%
17. Lucent Technologies	291,618	0.5%
18. Midwest Air Technologies	288,000	0.5%
19. Hydra Warehouse	271,000	0.5%
20. Houston Harvest Gift Products	252,000	0.4%
	<u>8,677,017</u>	<u>14.8%</u>

PROPERTY INFORMATION

(UNAUDITED)



LEASE EXPIRATION SCHEDULE

By Net Rent	Amount	Average Net Rent	% of Total
2003 (As of September 30, 2003)	15,071	3.82	6.5%
2004	55,822	4.52	24.2%
2005	48,984	4.93	21.2%
2006	40,233	4.89	17.4%
2007	24,283	4.56	10.5%
2008	19,845	4.47	8.6%
2009	11,134	4.01	4.8%
2010	7,041	3.29	3.1%
2011	2,757	5.26	1.2%
2012	1,250	5.04	0.5%
Thereafter	4,418	2.75	1.9%
	<u>\$230,839</u>	<u>\$4.48</u>	<u>100.0%</u>

By GLA	GLA	Average Lease (GLA)	% of Total
2003 (As of September 30, 2003)	3,948,822	15,306	7.7%
2004	12,340,174	20,740	24.0%
2005	9,932,880	17,185	19.3%
2006	8,224,889	18,693	16.0%
2007	5,330,706	23,692	10.3%
2008	4,443,856	21,572	8.6%
2009	2,778,929	42,753	5.4%
2010	2,141,441	47,588	4.2%
2011	524,004	29,111	1.0%
2012	247,901	27,545	0.5%
Thereafter	1,608,600	89,367	3.1%
	<u>51,522,202</u>	<u>20,970</u>	<u>100.0%</u>

By Number of Leases	Number	% of Total
2003 (As of September 30, 2003)	258	10.5%
2004	595	24.2%
2005	578	23.5%
2006	440	17.9%
2007	225	9.2%
2008	206	8.4%
2009	65	2.6%
2010	45	1.8%
2011	18	0.7%
2012	9	0.4%
Thereafter	18	0.7%
	<u>2,457</u>	<u>100.0%</u>

2003 PROPERTY ACQUISITION SUMMARY

(UNAUDITED)



PORTFOLIO	LOCATION	SQUARE FEET	PURCHASE PRICE (in millions)	WEIGHTED AVERAGE EXPECTED CAP RATE (k)
504 Advantage Way	Baltimore	527,600	20.4	
Total First Quarter Acquisitions		527,600	\$20.4	9.4%
First International Business Center	San Diego	724,502	41.8	
16522 Hunters Green Parkway	Baltimore	487,000	16.5	
16608 Hunters Green Parkway	Baltimore	32,680	1.9	
5100 West 70th Place	Chicago	407,012	7.9	
7800 The Bluffs	Atlanta	154,936	3.4	
8705 City Park Loop	Houston	191,537	4.3	
369 Orange Street	Salt Lake City	136,000	3.8	
Watkins/Van Buren Portfolio	Phoenix	434,234	15.2	
Whirlpool	Atlanta	657,451	15.8	
Total Second Quarter Acquisitions		3,225,352	\$110.6	10.2%
Jackson	Indianapolis	320,000	4.0	
13701 Rider Trail N.	St. Louis	64,387	3.7	
Northcreek	Cincinnati	92,282	5.6	
Northeast Commerce	Cincinnati	100,000	4.8	
1905 110th Street	Dallas	101,839	1.7	
Oak Grove Commons	Chicago	137,678	5.9	
Park Plaza	Indianapolis	95,080	3.2	
6101 Guion Road	Indianapolis	69,600	1.2	
Total Third Quarter Acquisitions		980,866	\$30.1	11.9%
Total 2003 Acquisitions		4,733,818	\$161.1	10.5%

2002 PROPERTY ACQUISITION SUMMARY

(UNAUDITED)



PORTFOLIO	LOCATION	SQUARE FEET	PURCHASE PRICE (in millions)	WEIGHTED AVERAGE EXPECTED CAP RATE (k)
Metropolitan Drive	Philadelphia	765,489	\$38.9	
175 Wall Street	Chicago	50,050	2.8	
Total First Quarter Acquisitions		815,539	\$41.7	10.6%
OMA Rancho Dominguez	Los Angeles	464,800	19.8	
New Jersey Flex Portfolio	N. New Jersey	281,926	13.2	
1067 Warson Road	St. Louis	332,630	8.4	
Gateway #11	Denver	81,564	3.8	
Shoemaker Industrial Park	Los Angeles	105,005	5.7	
GM Portfolio	Various	1,275,750	36.8	
Total Second Quarter Acquisitions		2,541,675	\$87.6	11.4%
Southwest Business Park	Houston	131,000	4.6	
Century 105 Business Center	Los Angeles	195,701	13.0	
835 Wheeler Way	Philadelphia	64,402	2.0	
Avenue S and Plano Crossing	Dallas	422,026	20.8	
Total Third Quarter Acquisitions		813,129	\$40.3	9.5%
3200 Avenue E East	Dallas	49,177	0.7	
6070 LaGrange Blvd	Atlanta	75,600	1.5	
Midway Ft. Worth	Dallas	450,360	14.7	
Allendale Industrial Park	N. New Jersey	409,240	29.8	
1931 Olney Avenue	N. New Jersey	45,770	1.8	
46 North 49th Avenue	Phoenix	82,288	2.0	
6041-6045 Guion Road	Indianapolis	121,600	2.9	
Bensenville Portfolio	Chicago	158,791	9.3	
Temecula	Los Angeles	103,008	5.3	
Total Fourth Quarter Acquisitions		1,495,834	\$67.8	9.9%
Total 2002 Acquisitions		5,666,177	\$237.4	10.5%



2003 PROPERTY DEVELOPMENT SUMMARY
(UNAUDITED)

DEVELOPMENTS PLACED IN SERVICE

<u>DEVELOPMENT</u>	<u>LOCATION</u>	<u>SQUARE FEET</u>	<u>ESTIMATED INVESTMENT</u> (in millions)	<u>AVERAGE EXPECTED CAP RATE (k)</u>
Tradepointe III	Louisville	221,000	6.5	
Sayreville Business Center - Lot #3	N. New Jersey	62,400	6.1	
First Quarter Total		283,400	12.6	9.7%
Ford BTS	Greensboro	252,000	8.7	
Second Quarter Total		252,000	\$8.7	9.5%
Tractor Supply Companies	Dallas	318,924	12.5	
First Park @ Brandon - Bldg 2	Tampa	63,080	4.3	
Garden of the Gods Phase II	Denver	50,470	3.2	
First Park @ Brandon - Bldg 1	Tampa	71,180	5.1	
Third Quarter Total		503,654	\$25.1	9.5%
2003 Total		1,039,054	46.4	9.5%

DEVELOPMENTS IN PROCESS AT SEPTEMBER 30, 2003

<u>DEVELOPMENT</u>	<u>LOCATION</u>	<u>SQUARE FEET</u>	<u>ESTIMATED INVESTMENT</u> (in millions)	
Addison Tech	Dallas	90,000	8.5	
Asset Acceptance	Tampa	52,280	4.8	
First Arrowhead	Phoenix	19,960	2.1	
Hampden North	Harrisburg	103,200	4.0	
Hazelwood	St. Louis	180,658	7.9	
Park 370	St. Louis	318,200	14.9	
Park Centre	Denver	145,706	17.7	
Tollway Park of Commerce I	Chicago	287,556	14.4	
Ford Motor Company (Greenwood Ind)	Atlanta	231,000	8.8	
Baseline Road	Phoenix	147,454	14.6	
Caterpillar	Harrisburg	252,000	10.0	
Jeffco Business Center I	Denver	103,720	13.6	
Mary Kay	Harrisburg	87,500	7.2	
Warm IV & V	Cincinnati	416,250	15.6	
First Commons Phase II	Phoenix	99,435	6.7	
Hilltop Business Center I	Denver	37,043	4.9	
Park 2000 SW Phase III	Minneapolis	133,116	6.7	
DS Container	Chicago	236,213	11.2	
Total Under Construction		2,941,291	\$173.5	9.0%
% Leased			67%	
% Funded			71%	



2002 PROPERTY DEVELOPMENT SUMMARY
(UNAUDITED)

<u>DEVELOPMENT</u>	<u>LOCATION</u>	<u>SQUARE FEET</u>	<u>ESTIMATED INVESTMENT</u> (in millions)	<u>AVERAGE EXPECTED CAP RATE (k)</u>
4645 West McDowell	Phoenix	73,802	\$3.5	
700 Allen Road	Harrisburg	181,990	6.5	
Terminus/West Business Park-Bldg 1	Atlanta	527,000	14.1	
First Quarter Total		782,792	\$24.2	10.5%
Addison Tech - Bldg B	Dallas	102,232	\$9.1	
First Arrowhead - Bldg B	Phoenix	54,455	4.6	
Second Quarter Total		156,687	\$13.7	11.2%
Verizon Wireless	Baltimore	67,200	4.0	
Tollway Park of Commerce I	Chicago	53,330	2.9	
Addison Tech - Bldg A	Dallas	36,000	3.1	
Bridgewater Dunes - Bldg 1A	Tampa	360,000	11.3	
First Garland - Bldg A	Dallas	472,200	12.2	
Hilltop Business Ctr. I - Bldg A	Denver	42,380	5.4	
Omega Lot #2	Baltimore	43,978	3.4	
Greenwood Phase III	Atlanta	455,000	12.0	
Third Quarter Total		1,530,088	\$54.3	10.7%
Eastgate III	Nashville	423,500	10.6	
Sayreville Business Center-Lot #4	N. New Jersey	62,400	5.3	
First Arrowhead - Bldg C	Phoenix	18,881	1.6	
Terminus/West Business Park-Bldg 2	Atlanta	202,400	7.2	
Fourth Quarter Total		707,181	\$24.7	11.9%
2002 Total		3,176,748	116.8	10.9%

2003 PROPERTY SALES SUMMARY
(UNAUDITED)



<u>ADDRESS/PORTFOLIO</u>	<u>LOCATION</u>	<u>SQUARE FEET</u>	<u>SALE PRICE</u> (in millions)	<u>WEIGHTED AVERAGE CAP RATE</u>
953 Westgate Drive	Minneapolis	51,906	\$3.3	
6464 Sycamore Court	Minneapolis	79,702	4.2	
11201 Hampshire Avenue	Minneapolis	60,480	2.5	
2070 Springdale Road	S. New Jersey	23,037	1.1	
20th Street Industrial	Portland	11,810	0.7	
301 Alice	Chicago	65,450	2.3	
244 Sheffield Street	N. New Jersey	23,430	2.7	
1275 Corporate Center Drive	Minneapolis	19,675	1.0	
1279 Corporate Center Drive	Minneapolis	19,792	1.0	
3632 Stern	Chicago	50,400	2.1	
2084 Lake Industrial Ct	Atlanta	180,000	6.1	
736-776 Industrial Drive	Chicago	80,180	4.5	
321 Lawndale	Salt Lake City	9,828	0.6	
Park 2000 Phase II	Minneapolis	128,872	7.5	
Blackmore Package	Los Angeles	20,700	2.8	
60 & 70 Ethel Road	N. New Jersey	104,820	6.6	
601-629 Montrose Avenue	N. New Jersey	75,000	5.3	
Smith Street & West Forest	N. New Jersey	110,000	10.2	
Total First Quarter Sales		1,115,082	\$64.4	8.8%
125 East Kensinger Drive	Central PA	70,000	\$4.1	
560 Anglum Road	St. Louis	35,114	2.1	
2300 Hammond Drive	Chicago	77,000	3.2	
5 Carnegie Plaza	S. New Jersey	142,750	6.3	
Ainsworth	Portland	20,812	1.4	
Neighborcare	Portland	10,000	1.3	
1921 Northwood Drive	Detroit	42,000	2.9	
16 World's Fair Drive	N. New Jersey	43,400	2.9	
1830 W. 208th Street	Los Angeles	7,800	1.0	
20801-03 Higgins Court	Los Angeles	8,086	1.0	
20817-19 S. Western Ave.	Los Angeles	7,300	0.9	
20807-09 Higgs Court	Los Angeles	8,048	1.0	
3200 Avenue E East	Dallas	49,330	1.2	
Parkwest Portfolio	Denver	99,688	6.2	
3600 Thayer Court	Chicago	66,958	5.6	
1328 Charwood	Baltimore	150,500	8.3	
7440 Whitehall	Dallas	22,615	0.7	
Ford BTS	Greensboro	252,000	9.2	
16608 Hunters Green	Baltimore	32,680	1.9	
495 East Locust	Central PA	200,000	8.3	
301-329 Airport Road	Chicago	92,527	5.0	
Total Second Quarter Sales		1,438,608	\$74.5	8.4%
6070 Lagrange	Atlanta	75,600	\$1.3	
50 Napoleon Court	N. New Jersey	20,158	1.5	
216 Kelsey Drive	Tampa	112,000	4.2	
Tractor Supply Waco	Dallas	318,924	12.6	
11866 Hubbard	Detroit	41,380	1.9	
33200 Capitol Ave.	Detroit	40,000	2.2	
Portland Portfolio	Portland	564,163	34.2	
1017-25 Jacksboro	Dallas	30,000	1.0	
Garden of the Gods II	Denver	50,470	3.4	
Corporate Center	Tampa	107,540	6.4	
8122 South Park Lane	Denver	43,987	3.9	
Denver Portfolio	Denver	229,086	12.4	
1501 Luna Road	Dallas	58,989	7.1	
8220-8260 Northcreek	Cincinnati	92,422	7.9	
417 Harding	Nashville	207,440	8.1	
315 Kirk Road	Chicago	309,600	12.6	
Century 105	Los Angeles	68,672	4.6	
First Brandon - Bldg 1	Tampa	71,180	7.4	
First Brandon - Bldg 2	Tampa	63,080	5.6	
Total Third Quarter Sales		2,504,691	\$138.1	8.3%
Total 2003 Sales		5,058,381	\$277.0	8.5%

2002 PROPERTY SALES SUMMARY

(UNAUDITED)



ADDRESS/PORTFOLIO	LOCATION	SQUARE FEET	SALE PRICE (in millions)	WEIGHTED AVERAGE CAP RATE
10 Edison Street	Long Island	34,400	\$1.5	
5062 Kendrick Court	Grand Rapids	31,750	0.9	
3395 Kraft Avenue	Grand Rapids	42,600	1.5	
12 Wright Way	N. New Jersey	52,402	3.3	
4107 N. Himes Avenue	Tampa	26,716	3.2	
2651-2677 Manana	Dallas	82,229	2.0	
2001 110th Street	Dallas	74,106	2.3	
11674-11688 Fairgrove	St. Louis	31,500	1.0	
11652-11666 Fairgrove	St. Louis	31,500	1.0	
First Commons Phase I	Phoenix	132,261	8.0	
Delicor - 1645 NE 72nd Avenue	Portland	21,600	1.0	
700 Allen Road	Harrisburg	181,990	7.4	
155 Pierce Street	N. New Jersey	46,000	6.4	
7025 S. Revere Pkwy	Denver	59,270	4.8	
1255 Terminus Drive	Atlanta	527,000	15.6	
22731 Newman Street	Detroit	48,000	5.1	
Capital Business Center	Harrisburg	1,016,354	28.2	
851 Feehanville	Chicago	34,875	2.2	
Total First Quarter Sales		2,474,553	\$95.4	9.2%
5902 Decatur Blvd/GM	Indianapolis	389,660	\$20.9	
20909-11 Western	Los Angeles	7,300	0.8	
7359 South Hamlin	Chicago	56,017	1.5	
5079 33rd Street	Grand Rapids	109,875	3.2	
1920 Air Lane Dr.	Nashville	49,922	2.5	
3900 West 74th Street	Chicago	66,000	1.2	
2935 & 2945 Walkent	Grand Rapids	158,335	4.5	
5 Sidney Court	Long Island	29,300	1.4	
Quality Plaza	Long Island	174,169	8.7	
6635 E. 30th Street	Indianapolis	100,000	4.1	
7000 Highland Parkway	Atlanta	123,808	5.7	
1003 Sigman Road	Atlanta	123,457	4.2	
Capital Business Center	Harrisburg	537,720	16.3	
30 Troy Road	N. New Jersey	17,500	1.3	
20 Leslie Court	N. New Jersey	17,997	1.1	
25 Leslie Court	N. New Jersey	70,800	4.3	
130 Algonquin Parkway	N. New Jersey	29,008	1.5	
150 Algonquin Parkway	N. New Jersey	17,531	1.0	
First Arrowhead Bldg B	Phoenix	54,455	5.9	
Qualex	Portland	35,000	1.8	
280-296 Palatine Road	Chicago	90,833	4.3	
1405-1409 Avenue H	Dallas	36,000	0.8	
Total Second Quarter Sales		2,294,687	\$96.6	8.8%
4309 S. Morgan	Chicago	200,000	\$6.2	
550 Business Center Dr.	Chicago	34,596	2.1	
410 West 169th Street	Chicago	151,436	3.6	
21477 MBL Bridge Industrial	Detroit	41,500	2.4	
5025 28th Street	Grand Rapids	14,400	0.7	
401 Airport Road	Chicago	53,330	3.3	
7320 Executive Way	Baltimore	43,978	4.2	
First Garland Bldg A	Dallas	472,200	13.4	
2370 Trenton Way	Denver	22,735	1.7	
Addison Tech Bldg A	Dallas	36,000	3.9	
Highpoint Bldg A	Denver	42,380	5.9	
9197 W. 6th Avenue	Denver	32,741	3.8	
260 Greenwood Court	Atlanta	455,000	13.9	
Verizon	Harrisburg	67,200	4.5	
6800 Route 33	Tampa	360,000	14.9	
55 Locust Avenue	N. New Jersey	79,750	4.1	
2600 South 25th Street	Chicago	389,155	9.5	
4121-4161 McDonald/Dixon Ave	Des Moines	604,708	11.8	
38220 Plymouth Road	Detroit	145,232	7.5	
15 Leslie Court	N. New Jersey	18,000	1.2	
219 Welsh Pool Road	Philadelphia	19,965	1.3	
Total Third Quarter Sales		3,284,306	\$119.8	8.6%

2002 PROPERTY SALES SUMMARY

(UNAUDITED)



ADDRESS/PORTFOLIO	LOCATION	SQUARE FEET	SALE PRICE (in millions)	WEIGHTED AVERAGE CAP RATE
4545 Mossford Drive	Houston	66,565	1.9	
140 Hanover Drive	N. New Jersey	24,905	3.0	
800 Stephenson Highway	Detroit	48,200	5.5	
2443 SE 4th Ave.	Portland	27,128	1.1	
2760 South 1st Street	St. Louis	178,800	6.4	
5333 33rd Street	Grand Rapids	101,250	3.4	
20904-06 Higgins Court	Los Angeles	7,300	1.0	
35-45 Lake Street	Chicago	124,804	3.7	
100 Donwick Drive	Houston	251,850	6.1	
12221 West Feerick	Milwaukee	38,230	1.7	
110 Thousand Oaks Boulevard	Philadelphia	110,000	5.3	
14626 NE Airport Way	Portland	20,000	1.9	
16661 N. 84th Avenue	Phoenix	18,881	2.0	
1255 Terminus Drive 2	Atlanta	202,400	8.0	
Sweetwater Business Center	Tampa	172,000	10.4	
Grand Rapids Portfolio	Grand Rapids	1,856,726	49.0	
3170-3190 MacArthur Blvd	Chicago	41,423	2.6	
2002 Stephenson Highway	Detroit	21,850	2.1	
6045 Guion Road	Indianapolis	81,600	3.0	
8122 South Park Lane B	Denver	20,389	1.6	
6675 Parkland Blvd	Cleveland	102,500	6.0	
1630 SE 8th Ave	Portland	5,000	1.3	
12050-12200 Farmington Road	Detroit	25,470	1.4	
1601 Feehanville Road	Chicago	64,080	5.5	
1875 Rockdale	Atlanta	121,600	4.0	
32200 N. Avis	Detroit	88,700	4.6	
Total Fourth Quarter Sales		3,821,651	\$142.5	9.3%
Total 2002 Sales		11,875,197	\$454.3	9.0%

DEVELOPABLE AND EXPANDABLE SITE INVENTORY (w)

(UNAUDITED)
(AS OF JUNE 30, 2003)



Building Address/Land Project	Location	Land Area (Acres)	Developable/ Expandable GLA (Est.)
<u>Owned Land</u>			
Atlanta			
Terminus	Douglas County, GA	39.9	869,022
	Subtotal	39.9	869,022
Baltimore			
Advantage Way	Aberdeen, MD	22.0	479,160
	Subtotal	22.0	479,160
Chicago			
Tollway Park of Commerce	Chicago, IL	11.0	240,233
	Subtotal	11.0	240,233
Denver			
Jeffco	Denver, CO	11.3	246,114
	Subtotal	11.3	246,114
Dallas			
Miller Distribution Center	Garland, TX	20.0	435,600
Pinnacle Business Park	Dallas, TX	47.2	1,028,016
	Subtotal	67.2	1,463,616
Indianapolis			
Brookville	Indianapolis, IN	51.5	1,121,670
	Subtotal	51.5	1,121,670
Philadelphia			
Covington	Philadelphia, PA	330.0	7,187,400
	Subtotal	330.0	7,187,400
Phoenix			
Red Mountain	Phoenix, AZ	30.8	671,260
Scotsdale Airpark	Phoenix, AZ	5.2	113,474
Talavi	Phoenix, AZ	7.6	164,657
	Subtotal	43.6	949,390
San Diego			
Otay Mesa	Otay Mesa, CA	10.8	235,224
	Subtotal	10.8	235,224
Tampa			
Faulkenberg	Tampa, FL	12.5	272,032
Bridgewater	Lakeland, FL	57.0	1,241,460
	Subtotal	69.5	1,513,492
SUBTOTAL OF OWNED LAND		656.8	14,305,322
<u>Land Under Option</u>			
Joliet	Chicago	38.4	835,916
Heartland	Chicago	128.0	2,787,840
New Jersey	New Jersey	83.8	1,825,164
TOTAL		907.0	19,754,242



FOOTNOTES

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

- (a) In August 2001, the Financial Accounting Standards Board issued Statement of Financial Accounting Standard No. 144 "Accounting for the Impairment or Disposal of Long-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 subsequent to December 31, 2001 that were not held for sale at December 31, 2001 and properties that were classified as held for sale subsequent to December 31, 2001 be presented in discontinued operations 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 September 30, 2003 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 SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended by SFAS No. 138, "Accounting for Certain Derivative Instruments and Certain Hedging Activities" ("FAS 133"). FAS 133 requires an entity to recognize all derivatives as either assets or liabilities in the statement of financial position and to measure those instruments at fair value. These fair value adjustments will affect either accumulated other comprehensive income or net income depending on whether the derivative instrument qualifies as a hedge for accounting purposes. Additionally, FAS 133 requires an entity to recognize in accumulated other comprehensive income settled derivative transactions that qualify for hedge accounting. The \$10,056 of 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.

- (d) Other Assets and Deferred Financing Costs as of September 30, 2003 are comprised as follows:

Other Assets

Mortgage Loans Receivable	\$	63,102
Investment in Joint Ventures (ak)		13,378
Furniture, Fixtures, Leasehold Improvements and Equipment, Net		3,648
Prepaid Real Estate Taxes		3,284
Earnest Money and Escrow Deposits		5,527
Pursuit Costs		3,415
Deferred Financing Costs, Net		10,197
Leasing Commissions, Net		37,243
Other		7,275
Total Other Assets, net	\$	147,069

- (e) Mortgage Loans Payable consists of 9 first mortgage loans: 1) two assumed mortgage loans totaling \$5.6 million that are collateralized by 14 properties in Indianapolis, Indiana; 2) one assumed mortgage loan totaling \$2.2 million that is collateralized by one property in Baltimore, Maryland; 3) one assumed mortgage loan totaling \$2.6 million that is collateralized by one property in Tampa, Florida; 4) two assumed mortgage loans totaling \$11.5 million that are collateralized by 2 properties in Rancho Dominguez, CA; 5) one assumed mortgage loan totaling \$16.9 million that is collateralized by one property in Hagerstown, MD; 6) one assumed mortgage loan totaling \$4.8 million that is collateralized by one property in Downer's Grove, IL; and 7) one assumed mortgage loan totaling \$2.6 million that is collateralized by one property in Indianapolis, IN.
- (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	Baa	Baa3
Standard & Poor's	BBB	BBB-

- (g) Unsecured Line of Credit consists of a \$300,000 unsecured revolving credit facility ("2002 Unsecured Line of Credit").

The 2002 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 to, from time to time, replace borrowings under the 2002 Unsecured Line of Credit with longer term sources of capital as the Company deems appropriate. The 2002 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 2002 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 2002 Unsecured Line of Credit matures on September 30, 2005.

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

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

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



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) For periods beginning on January 1, 2003, FFO includes Net Economic Gains (Losses) resulting from all property sales. For periods prior to 2003, including the nine months ended September 30, 2002, Net Economic Gains (Losses) include the Net Economic Gains (Losses) from properties under the Company's IIS™ program. The Company's IIS™ program generated income from the following: sales of properties developed by the Company, sales of land, and properties acquired, redeveloped and/or sold pursuant to the Company's IIS™ program. Net Economic Gains (Losses) 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/amortization on real estate sold. The breakdown of Net Economic Gains (Losses) as reported in the supplemental statement of operations is as follows:

	September 30, 2003	June 30, 2003	March 31, 2003	September 30, 2002	June 30, 2002	March 31, 2002
Land Sales Gains	\$ 1,128	\$ 1,558	\$ 83	\$ 1,575	\$ 299	\$ 470
Merchant (Re)Development Gains	5,304	3,915	4,765	8,906	9,295	9,377
Existing Property Gains	9,561	6,071	6,991	2,287	1,865	1,964
	<u>\$ 15,993</u>	<u>\$ 11,544</u>	<u>\$ 11,839</u>	<u>\$ 12,768</u>	<u>\$ 11,459</u>	<u>\$ 11,811</u>

- (m) In July 2003, the Securities and Exchange Commission (the "SEC") issued a clarification on Emerging Issues Task Force ("EITF") Abstract, Topic No. D 42, "The Effect on the Calculation of Earnings per Share for the Redemption or Induced Conversion of Preferred Stock" ("EITF 42"). This clarification of EITF 42, states for the purpose of calculating the excess of (1) fair value of the consideration to the holders of the preferred stock over (2) the carrying amount of the preferred stock in the balance sheet, the carrying amount of the preferred stock should be reduced by the issuance costs of the preferred stock. This clarification is effective in the first fiscal period ending after September 15, 2003 and requires prior periods presented to be restated. Accordingly, the Company has restated net income available to common stockholders and net income available to common stockholders per share amounts for the Nine Months Ended September 30, 2002 for the issuance costs related to the redemption of the Company's 8.75%, \$.01 par value, Series B Cumulative Preferred Stock on May 14, 2002.

- (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.

	September 30, 2003	June 30, 2003	March 31, 2003	September 30, 2002	June 30, 2002	March 31, 2002
Building Improvements	\$ 2,499	\$ 3,674	\$ 1,094	\$ 1,650	\$ 2,171	\$ 948
Leasing Costs	6,899	7,760	7,598	7,114	5,902	4,553
Prorata Share of JV Costs	9	5	27	51	43	26
	<u>\$ 9,407</u>	<u>\$ 11,439</u>	<u>\$ 8,719</u>	<u>\$ 8,815</u>	<u>\$ 8,116</u>	<u>\$ 5,527</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 September 30, 2003, options covering 2,857 shares were outstanding, 2,579 shares have been exercised or converted and options covering 3,033 shares were available under the 1994, 1997 and 2001 Stock Incentive Plan for future grants.

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

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

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

	September 30, 2003	September 30, 2002
5 Yr. U.S. Treasuries	2.82%	2.58%



FOOTNOTES

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

10 Yr. U.S. Treasuries 3.94% 3.61%

- (v) Weighted average maturity includes senior unsecured debt and mortgage loans payable and excludes unsecured line of credit. Maturity date assumes no exercise of the bondholder put option on the 2011 PATS (as defined in footnote (ad)). If this put option is exercised, weighted average maturity is 10.3 years as of September 30, 2003.
- (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.

	September 30, 2003	June 30, 2003	March 31, 2003	December 31, 2002	September 30, 2002
Number of Properties	3	5	2	4	7
Square Feet (in Millions)	0.2	0.4	0.1	0.3	0.7
Accumulated Amortization	491	1,064	312	2,135	5,016

- (z) The return of capital percentages represent actual results in 2002 and an estimate for 2003.
- (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:

	Three Months Ended September 30, 2003	Three Months Ended September 30, 2002	Nine Months Ended September 30, 2003	Nine Months Ended September 30, 2002
Total Revenues per the Form 10-Q	\$ 86,560	\$ 81,504	\$ 262,518	\$ 239,033
Revenues from Discontinued Operations	2,916	11,142	11,999	38,017
Total Revenues per the Supplemental	\$ 89,476	\$ 92,646	\$ 274,517	\$ 277,050
Property Expenses per the Form 10-Q	\$ 27,932	\$ 25,269	\$ 84,784	\$ 74,694
Property Expenses from Discontinued Operations	1,115	3,355	4,085	11,774
Property Expenses per the Supplemental	\$ 29,047	\$ 28,624	\$ 88,869	\$ 86,468
	Three Months Ended September 30, 2003	Three Months Ended September 30, 2002	Nine Months Ended September 30, 2003	Nine Months Ended September 30, 2002
Net Economic Gains (Losses) per the Form 10-Q	\$ -	\$ -	\$ -	\$ -
Net Economic Gains (Losses)	15,993	12,768	39,376	36,038
Net Economic Gains (Losses) per the Supplemental	\$ 15,993	\$ 12,768	\$ 39,376	\$ 36,038
Gain on Sale of Properties per Form 10-Q	\$ 4,641	\$ 8,176	\$ 11,259	\$ 18,360
Gains from Discontinued Operations	21,837	6,895	54,686	32,206
Net Economic Gains (Losses)	(15,993)	(12,768)	(39,376)	(36,038)
Gain on Sale of Properties per the Supplemental	\$ 10,485	\$ 2,303	\$ 26,569	\$ 14,528
	Three Months Ended September 30, 2003	Three Months Ended September 30, 2002	Nine Months Ended September 30, 2003	Nine Months Ended September 30, 2002
Depreciation and Other Amortization per the Form 10-Q	\$ 20,720	\$ 17,319	\$ 58,046	\$ 50,327
Depreciation and Other Amortization from Discontinued Operations	460	2,003	2,436	7,115
Depreciation of Corporate FF&E	(328)	(266)	(955)	(1,090)
Depreciation and Other Amortization per the Supplemental	\$ 20,852	\$ 19,056	\$ 59,527	\$ 56,352

- (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 and assumes the 2011 PATS (as defined in footnote (ad)) are not put to the Company on the put date.
- (ac) Intentionally left blank.



FOOTNOTES

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

(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 hedge the interest rate on the 2007 Notes prior to issuance. 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 hedge the interest rate on the 2027 Notes prior to issuance. Including the impact of the offering discounts and the interest rate protection agreements, the Company's effective interest rate on the 2027 Notes is 7.04%. The 2027 Notes were redeemable at the option of the holders thereof, on May 12, 2002. On April 15, 2002, the Company received redemption notices from holders representing \$84,930 of the 2027 Notes outstanding. On May 15, 2002, the Company paid off and retired \$84,930 of the 2027 Notes. Due to the partial payoff of the 2027 Notes, the Company has recorded a loss from the early retirement of debt in 2002 of approximately \$888 comprised of the amount paid above the carrying amount of the 2027 Notes, the write-off of the pro rata unamortized deferred financing costs and legal costs. See footnote (af)

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 are redeemable at the option of the holder thereof, on May 15, 2004. The Company received approximately \$1.7 million from the holder of the 2011 PATS as consideration for the put option. The Company will amortize the discount over the life of the 2011 PATS. The Company also entered into an interest rate protection agreement which was used to hedge the interest rate on the 2011 PATS. Including the impact of the offering discount, the proceeds from the put option and the interest rate protection agreement, the Company's effective interest rate on the 2011 PATS is 7.18%.

On November 20, 1997, the Company issued \$50 million of 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 equal to 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 hedge the interest rate on the 2006 Notes prior to issuance. 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 hedge 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%.

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

	Quarter Ended	
	September 30, 2003	September 30, 2002
Quarterly Capitalized Interest	\$ 114	\$ 1,610
	Year to Date	
	September 30, 2003	September 30, 2002
Annual Capitalized Interest	\$ 480	\$ 6,814

(af) For the nine months ended September 30, 2003, represents the write-off of loan fees due to the retirement of mortgage debt. For the nine months ended September 30, 2002, represents the write-off of the pro-rata unamortized loan fees and legal costs and the amount paid above the carrying amount in connection with the partial retirement of the 2027 Notes. In April 2002, the Financial Accounting Standards Board issued Statement of Financial Accounting Standard No. 145 "Rescission of FASB Statements No. 4, 44, and 64, Amendment of FASB Statement No. 13, and Technical Corrections" ("FAS 145"). FAS 145 eliminates the requirement that gains and losses from the extinguishment of debt be aggregated and, if material, classified as an extraordinary item unless the criteria in Accounting Principles Board Opinion No. 30, "Reporting the Results of Operations- Reporting the Effects of Disposal of a Segment of a Business, and Extraordinary, Unusual and Infrequently Occurring Events and Transactions" are met. Prior to the issuance of FAS 145, these write-offs would have been characterized as extraordinary. Under FAS 145, it is not considered extraordinary but instead part of continuing operations. FAS 145 was effective for fiscal years beginning after May 15, 2002 and requires prior periods be restated for financial statements issued in 2003. Accordingly, the Company reclassified amounts shown as extraordinary for the nine months ended September 30, 2002 to continuing operations.

(ag) Other income includes acquisition, disposition, property and asset management fees from joint ventures First Industrial manages. These fees amounted to \$915 and \$481 for the quarters ending September 30, 2003 and 2002, respectively, and \$1,748 and \$1,491 for the nine months ended September 30, 2003 and 2002, respectively.



FOOTNOTES

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

(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 September 30, 2003
Quarterly NOI	60,429
Sales/Acq./Dev. Run	
Rate Adjustment	(2,264)
Stabilized Occupancy	
Adjustment (95% Occupancy)	8,127
Adjusted NOI	66,292
	4
	x
Annualized NOI	265,170
Cap Rate	9%
	2,946,333
Net economic gains (losses)	15,993
	4
	x
Annualized net economic gains (losses)	63,972
Cap Rate	20%
	319,860
CIP	113,894
Cash and Cash Equivalents	7,130
Restricted Cash	66,640
Tenant A/R	10,934
Investment in JV	13,378
Furn. Fix. & Equip.	3,648
Prepaid Expenses	3,284
Earnest Money & Escrows	5,527
Land Under Construction	25,204
Developable Land Inventory	59,069
Asset Value	3,574,901
Total Liabilities	(1,592,551)
Preferred Stock	(250,000)
Net Asset Value (NAV)	1,732,350
Shares & Units Outstanding	46,221
NAV per share	\$ 37.48

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



FOOTNOTES

(UNAUDITED)
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- (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

	Three Months Ended September 30, 2003	
	Joint Ventures	Company's Interest
JV Net Operating Income	\$ 5,815	\$ 813
Add: Net Economic Gains (Losses)	489	49
Less: Interest Expense	(1,812)	(234)
Less: Amort of Deferred Financing Fees	(419)	(60)
Funds From Operations (FFO)	4,073	568
Less: Depreciation and Amortization	\$ (1,804)	(245)
Add: Accum Depreciation/Amortization on Sold Properties	311	31
Net Income	\$ 2,580	354

Combined Balance Sheet

	As of September 30, 2003	
	Joint Ventures	Company's Interest
Gross Real Estate Investment	\$ 330,805	\$ 46,199
Less: Accumulated Depreciation	(14,170)	(1,708)
Net Real Estate	316,635	44,491
Other Assets	16,783	2,216
	\$ 333,418	\$ 46,707
Mortgage Loans Payable	\$ 208,314	\$ 28,781
Other Liabilities	6,332	829
Equity	118,772	17,097
	\$ 333,418	\$ 46,707

As of September 30, 2003, the Company has invested in two joint ventures. The first joint venture began in August 1998 and has \$68.5 million of gross real estate and \$49.3 million of secured debt. The Company has a 10% ownership interest in this joint venture, which owns 2.1 million square feet of real estate. The second joint venture began in December 2001 and has \$262.3 million of gross real estate and \$159 million of secured debt. The Company has a 15% ownership interest in this joint venture, which owns 5.6 million square feet of real estate.

- (al) At September 30, 2003, Construction in Progress excludes \$25.2 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

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

(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 further tool to evaluate ability to incur and service debt and to fund dividends and other cash needs. FAD provides a further tool to 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.

As previously announced, the Company simplified and revised its calculation of FFO effective January 1, 2003. Accordingly, for the nine months ended September 30, 2003, the Company calculated FFO to be equal to net income available to common stockholders plus depreciation/amortization/impairment of real estate minus accumulated depreciation/amortization/impairment on real estate sold. For periods prior to 2003, including the nine months ended September 30, 2002, the Company calculated FFO to be equal to net income available to common stockholders, excluding extraordinary gains/losses from debt restructuring and sales of depreciated property (other than Net Economic Gains/Losses on sales of properties related to the Company's Integrated Industrial Solutions™ activities) plus depreciation/amortization/impairment (other than amortization of deferred financing costs, interest rate protection agreements and corporate F.F&E) and after adjustments for unconsolidated partnerships and joint ventures. Net Economic Gains/Losses 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/amortization/impairment on real estate sold.

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 (Losses) (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 straight-line rental income, 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.