

FIRST INDUSTRIAL REALTY TRUST INC

Form DEF 14A

April 10, 2008

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities  
Exchange Act of 1934 (Amendment No. )

Filed by the Registrant   
Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

**FIRST INDUSTRIAL REALTY TRUST, INC.**

---

(Name of Registrant as Specified In Its Charter)

---

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1) Title of each class of securities to which transaction applies:

---

2) Aggregate number of securities to which transaction applies:

---

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

---

4) Proposed maximum aggregate value of transaction:

---

5) Total fee paid:

---

- Fee paid previously with preliminary materials.
-

Edgar Filing: FIRST INDUSTRIAL REALTY TRUST INC - Form DEF 14A

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

---

2) Form, Schedule or Registration Statement No.:

---

3) Filing Party:

---

4) Date Filed:

---

---

**FIRST INDUSTRIAL REALTY TRUST, INC.**  
**311 South Wacker Drive**  
**Suite 4000**  
**Chicago, Illinois 60606**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**To Be Held On May 20, 2008**

NOTICE IS HEREBY GIVEN that the 2008 Annual Meeting of Stockholders (the Annual Meeting ) of First Industrial Realty Trust, Inc. (the Company ) will be held on Tuesday, May 20, 2008 at 9:00 a.m. at The Chicago Club, Robert Todd Lincoln Room 2nd floor, 81 East Van Buren, Chicago, Illinois 60605 for the following purposes:

1. To elect three Class II Directors of the Company to serve until the 2011 Annual Meeting of Stockholders and until their respective successors are duly elected and qualified, and one Class III Director to serve until the 2009 Annual Meeting of Stockholders and until his successor is duly elected and qualified;
2. To ratify the appointment of PricewaterhouseCoopers LLP as the Company s independent registered public accounting firm for the fiscal year ending December 31, 2008; and
3. To consider and act upon any other matters that may properly be brought before the Annual Meeting and at any adjournments or postponements thereof.

Any action may be taken on the foregoing matters at the Annual Meeting on the date specified above, or on any date or dates to which, by original or later adjournment, the Annual Meeting may be adjourned, or to which the Annual Meeting may be postponed.

The Board of Directors has fixed the close of business on March 20, 2008 as the record date for the Annual Meeting. Only stockholders of record of the Company s common stock, \$.01 par value per share, at the close of business on that date will be entitled to notice of and to vote at the Annual Meeting and at any adjournments or postponements thereof.

You are requested to fill in and sign the enclosed Proxy Card, which is being solicited by the Board of Directors, and to mail it promptly in the enclosed postage-prepaid envelope. Any proxy may be revoked by delivery of a later dated proxy. Stockholders of record who attend the Annual Meeting may vote in person, even if they have previously delivered a signed proxy. Street name stockholders who wish to vote in person will need to obtain a duly executed proxy form from the institution that holds their shares prior to the Annual Meeting.

By Order of the Board of Directors

John H. Clayton  
*Secretary*

Chicago, Illinois  
April 10, 2008

**WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, PLEASE COMPLETE, SIGN, DATE AND PROMPTLY RETURN THE ENCLOSED PROXY CARD IN THE POSTAGE-PREPAID ENVELOPE PROVIDED.**

---

**FIRST INDUSTRIAL REALTY TRUST, INC.**  
**311 South Wacker Drive**  
**Suite 4000**  
**Chicago, Illinois 60606**

**PROXY STATEMENT**

**FOR THE 2008 ANNUAL MEETING OF STOCKHOLDERS**

**To Be Held On May 20, 2008**

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors of First Industrial Realty Trust, Inc. (the Company) for use at the 2008 Annual Meeting of Stockholders of the Company to be held on Tuesday, May 20, 2008, and at any adjournments or postponements thereof (the Annual Meeting). At the Annual Meeting, stockholders will be asked to vote on the election of three Class II Directors and one Class III Director of the Company, to ratify the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the current fiscal year and to act on any other matters properly brought before them.

This Proxy Statement and the accompanying Notice of Annual Meeting and Proxy Card are first being sent to stockholders on or about April 10, 2008. The Board of Directors has fixed the close of business on March 20, 2008 as the record date for the Annual Meeting (the Record Date). Only stockholders of record of the Company's common stock, par value \$.01 per share (the Common Stock), at the close of business on the Record Date will be entitled to notice of and to vote at the Annual Meeting. As of the Record Date, there were 44,169,156 shares of Common Stock outstanding and entitled to vote at the Annual Meeting. Holders of Common Stock outstanding as of the close of business on the Record Date will be entitled to one vote for each share held by them on each matter presented to the stockholders at the Annual Meeting.

**Stockholders of the Company are requested to complete, sign, date and promptly return the accompanying Proxy Card in the enclosed postage-prepaid envelope. Shares represented by a properly executed Proxy Card received prior to the vote at the Annual Meeting and not revoked will be voted at the Annual Meeting as directed on the Proxy Card. If a properly executed Proxy Card is submitted and no instructions are given, the persons designated as proxy holders on the Proxy Card will vote (i) FOR the election of the three nominees for Class II Directors and the one nominee for Class III Director of the Company named in this Proxy Statement, (ii) FOR the ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the current fiscal year and (iii) in their own discretion with respect to any other business that may properly come before the stockholders at the Annual Meeting or at any adjournments or postponements thereof. It is not anticipated that any matters other than those set forth in the Proxy Statement will be presented at the Annual Meeting.**

The presence, in person or by proxy, of holders of at least a majority of the total number of outstanding shares of Common Stock entitled to vote is necessary to constitute a quorum for the transaction of business at the Annual Meeting. The affirmative vote of the holders of a majority of the votes cast with a quorum present at the Annual Meeting is required for the election of directors and the ratification of the appointment of the Company's independent

registered public accounting firm. Abstentions and broker non-votes will not be counted as votes cast and, accordingly, will have no effect on the majority vote required, although they will be counted for quorum purposes.

---

## PROXY STATEMENT

A stockholder of record may revoke a proxy at any time before it has been exercised by filing a written revocation with the Secretary of the Company at the address of the Company set forth above, by filing a duly executed proxy bearing a later date, or by appearing in person and voting by ballot at the Annual Meeting. Any stockholder of record as of the Record Date attending the Annual Meeting may vote in person whether or not a proxy has been previously given, but the presence (without further action) of a stockholder at the Annual Meeting will not constitute revocation of a previously given proxy. Street name stockholders who wish to vote in person will need to obtain a duly executed proxy form from the institution that holds their shares prior to the Annual Meeting.

In the pages preceding this Proxy Statement is a Letter to Stockholders from the Company's President and Chief Executive Officer. Also, Appendix A to this Proxy Statement contains the Company's 2007 Annual Report, including the Company's financial statements for the fiscal year ended December 31, 2007 and certain other information required by the rules and regulations of the Securities and Exchange Commission (the SEC). Neither the Letter to Stockholders from the Company's President and Chief Executive Officer nor the Company's 2007 Annual Report, however, are part of the proxy solicitation material. See Other Matters-Incorporation by Reference herein.

## PROPOSAL I

### ELECTION OF DIRECTORS

Pursuant to the Articles of Amendment and Restatement of the Company, as amended (the Articles), the maximum number of members allowed to serve on the Company's Board of Directors is 12. The Board of Directors of the Company currently consists of ten seats and is divided into three classes, with the directors in each class serving for a term of three years and until their successors are duly elected and qualified. The term of one class expires at each Annual Meeting of Stockholders. Pursuant to the Amended and Restated Bylaws of the Company, vacancies on the Board of Directors may be filled by a majority vote of the directors, and directors elected to fill vacancies shall hold office until the next Annual Meeting of Stockholders.

At the Annual Meeting, three directors will be elected to serve as Class II Directors until the 2011 Annual Meeting of Stockholders and until their successors are duly elected and qualified, and one director will be elected to serve as a Class III Director until the 2009 Annual Meeting of Stockholders and until his successor is duly elected and qualified. The Board of Directors has nominated Michael W. Brennan, Michael G. Damone and Kevin W. Lynch to serve as Class II Directors (the Class II Nominees) and John W. M. Brenninkmeijer to serve as a Class III director (the Class III Nominee) and, together with the Class II Nominees, the Nominees). Each of the Class II Nominees is currently serving as a Class II Director of the Company. Mr. Brenninkmeijer, the Class III Nominee, was elected as a Class III Director by the Board of Directors in August 2007. Each of the Class II Nominees has consented to be named as a nominee in this Proxy Statement. The Board of Directors anticipates that each of the Nominees will serve as a director if elected. However, if any person nominated by the Board of Directors is unable to accept election, the proxies will vote for the election of such other person or persons as the Board of Directors may recommend.

**The Board of Directors recommends a vote FOR the Nominees.**

### INFORMATION REGARDING NOMINEES AND DIRECTORS

The following biographical descriptions set forth certain information with respect to the three Nominees for election as Class II Directors and the one Nominee for election as a Class III Director at the Annual Meeting, the continuing directors whose terms expire at the Annual Meetings of Stockholders in 2009 and 2010 and certain executive officers, based on information furnished to the Company by such persons. The following information is as of March 20, 2008,



unless otherwise specified.

**PROXY STATEMENT****Class II Nominees for Election at 2008 Annual Meeting Term to Expire in 2011****Michael W. Brennan**

Director since 1996

Mr. Brennan, 51, has been a director since March 1996. He has been President and Chief Executive Officer of the Company since November 1998, prior to which time he served as Chief Operating Officer of the Company from December 1995 to November 1998 and as Senior Vice President Asset Management of the Company from April 1994 to December 1995. He was a partner of The Shidler Group between 1988 and 1994 and the President of the Brennan/Tomasz/Shidler Investment Corporation and was in charge of asset management, leasing, project finance, accounting and treasury functions for The Shidler Group's Chicago operations. Between 1986 and 1988, Mr. Brennan served as The Shidler Group's principal acquisition executive in Chicago. Prior to joining The Shidler Group, Mr. Brennan was an investment specialist with CB Commercial (now CB Richard Ellis, Inc.). Mr. Brennan is a director of Strategic Hotels & Resorts, Inc. (NYSE: BEE), a director of Pacific Office Properties, Inc. (AMEX:PCE) and a director of the Chicago Public Library Foundation. His professional affiliations include the Urban Land Institute (ULI), The Real Estate Roundtable, the National Association of Real Estate Investment Trusts (NAREIT), the World Presidents Organization and the Economic Club of Chicago.

**Michael G. Damone**

Director since 1994

Mr. Damone, 73, has served as Director of Strategic Planning for the Company, and has been a director of the Company since June 1994. Between 1973 and 1994, Mr. Damone was Chief Executive Officer of Damone/Andrew, a full service real estate organization, which developed several million square feet of industrial, warehouse, distribution and research and development buildings. Prior to co-founding Damone/Andrew in 1973, Mr. Damone was the executive vice president of a privately held, Michigan-based real estate development and construction company, where he was responsible for the development of industrial/business parks. His professional affiliations include the Society of Industrial and Office Realtors (SIOR), the National Association of Realtors (NAR), the Michigan Association of Realtors and the Detroit Area Commercial Board of Realtors.

**Kevin W. Lynch**

Director since 1994

Mr. Lynch, 55, has been a director of the Company since June 1994. Mr. Lynch is the co-founder and Principal of The Townsend Group (Townsend), an institutional real estate consulting firm, which provides real estate consulting for pension funds and institutional investors. In his capacity as Principal, Mr. Lynch is responsible for strategic development and implementation of client real estate portfolios. Mr. Lynch is also responsible for new product development. Prior to founding Townsend, Mr. Lynch was associated with Stonehenge Capital Corporation, where he was involved in the acquisition of institutional real estate properties and the structuring of institutional real estate transactions. Mr. Lynch is a director of Lexington Realty Trust (NYSE: LXP). Mr. Lynch is a member of the Pension Real Estate Association (PREA), the National Counsel for Real Estate Investment Fiduciaries (NCREIF) and the European Association for Investors in Non-listed Real Estate Vehicles (INREV). He is a frequent speaker at industry conferences and has presented in Amsterdam and Frankfurt for the benefit of the Association of Foreign Investors in Real Estate (AFIRE) and as a guest lecturer at Columbia University and Tel Aviv University. Mr. Lynch is currently on the Advisory Board for the European Institutional Real Estate Letter.

**Class III Nominee for Election at 2008 Annual Meeting Term to Expire in 2009****John W. M. Brenninkmeijer**

Director since 2007

Mr. Brenninkmeijer, 55, has been a director of the Company since August 2007. From 2001 to 2007, Mr. Brenninkmeijer served as non-executive chairman of REDEVCO Europe Services B.V., a privately held European real estate firm based in Amsterdam with more than 54 million square feet of retail properties in 20 countries throughout Europe. Prior to joining REDEVCO, Mr. Brenninkmeijer served as a senior executive with major retailing firms in Europe, the United States and Brazil.

**PROXY STATEMENT**

**Class III Continuing Directors Term to Expire in 2009**

**John Rau**

Director since 1994

Mr. Rau, 59, has been a director of the Company since June 1994. Since December 2002, Mr. Rau has served as President and Chief Executive Officer and as a director of Miami Corporation, a private asset management firm. From January 1997 to March 2000, he was a director, President and Chief Executive Officer of Chicago Title Corporation, a New York Stock Exchange listed company, and its subsidiaries, Chicago Title and Trust Co., Chicago Title Insurance Co., Ticor Title Insurance Co. and Security Union Title Insurance Co. Mr. Rau is a director of Nicor Inc. and Wm. Wrigley Jr. Company. From July 1993 until November 1996, Mr. Rau was Dean of the Indiana University School of Business. From 1991 to 1993, Mr. Rau served as Chairman of the Illinois Economic Development Board and as special advisor to Illinois Governor Jim Edgar. From 1990 to 1993, he was Chairman of the Banking Research Center Board of Advisors and a Visiting Scholar at Northwestern University's J.L. Kellogg Graduate School of Management. During that time, he also served as Special Consultant to McKinsey & Company, a worldwide strategic consulting firm. From 1989 to 1991, Mr. Rau served as President and Chief Executive Officer of LaSalle National Bank. From 1979 to 1989, he was associated with The Exchange National Bank, serving as President from 1983 to 1989, at which time The Exchange National Bank merged with LaSalle National Bank. Prior to 1979, he was associated with First National Bank of Chicago.

**Robert J. Slater**

Director since 1994

Mr. Slater, 70, has been a director of the Company since June 1994. From 1988 until his retirement in 2004, Mr. Slater was President of Jackson Consulting, Inc., a private investment and consulting company that specializes in advising manufacturing and distribution companies on strategic, organizational, and economic planning. He retired as President, Chief Operating Officer and Director of Crane Co., a multinational manufacturing, distribution, and aerospace company, after serving the company from 1969 to 1988. Mr. Slater also held several executive level positions at Crane Co. subsidiaries including CF&I Corporation, Medusa Corporation, and Huttig Sash & Door Co. Mr. Slater has served on the boards of directors of a number of public companies during his career. Most recently, he was a director of Southdown, Inc. and National Steel Corporation.

**W. Ed Tyler**

Director since 2000

Mr. Tyler, 55, has been a director of the Company since March 2000. Mr. Tyler was appointed CEO of Ideapoint Ventures in 2002. Ideapoint Ventures is an early stage venture fund that focuses on nanotechnologies. Prior to joining Ideapoint Ventures, Mr. Tyler served as Chief Executive Officer and a director of Moore Corporation Limited, a provider of data capture, information design, marketing services, digital communications and print solutions, from 1998 to 2000. Prior to joining Moore Corporation, Mr. Tyler served in various capacities at R.R. Donnelley & Sons Company, most recently as Executive Vice President and Chief Technology Officer, from 1997 to 1998, and as Executive Vice President and Sector President of Donnelley's Networked Services Sector, from 1995 to 1997.

**Class I Continuing Directors Term to Expire in 2010**

**Jay H. Shidler**

Director since 1993

Mr. Shidler, 61, has been Chairman of the Board of Directors since the formation of the Company in August 1993. He is the founder and managing partner of The Shidler Group. A nationally acknowledged expert in the field of real estate investment and finance, Mr. Shidler has over 35 years of experience in real estate investment and has acquired and

managed properties involving several billion dollars in aggregate value. Since 1970, Mr. Shidler has been directly involved in the acquisition and management of over 1,000 properties in 40 states and Canada. Mr. Shidler is the Chairman of the Board of Trustees of Corporate Office Properties Trust (NYSE:OFC) and Chairman of the Board of Directors of Pacific Office Properties Trust, Inc. (AMEX:PCE). From 1998 through 2005, Mr. Shidler served as a director of Primus Guaranty, Ltd. (NYSE:PRS), a Bermuda company of which Mr. Shidler is a founder and whose subsidiary is a AAA-rated financial products company.

## PROXY STATEMENT

### **J. Steven Wilson**

Director since 1994

Mr. Wilson, 64, has been a director of the Company since June 1994. Since February 2003, Mr. Wilson has been owner and President of Advanced Building Products & Services, LLC, a building product supply company located in Jacksonville, Florida. Since 1985, Mr. Wilson has been President, Chief Executive Officer and Chairman of the Board of Directors of Riverside Group, Inc., a holding company. From 1991 to April 2003, Mr. Wilson was Chairman of the Board of Directors and Chief Executive Officer of Wickes Inc. In January 2004, Wickes Inc. filed for bankruptcy protection under Chapter 11 of the U.S. Bankruptcy Code to facilitate a restructuring of its debt.

### **Robert D. Newman**

Director since 2006

Mr. Newman, 46, has been a director of the Company since July 2006. Mr. Newman is a principal and a member of the executive committee of William Blair & Company, L.L.C., a Chicago-based investment firm offering investment banking, asset management, equity research, institutional and private brokerage, and private capital to individual, institutional and issuing clients. Since 2001, he has served as that firm's director of equity research, managing its equity research group. He joined William Blair & Company, L.L.C. in 1989 as a securities analyst in its investment management services group, became a principal in the firm in 1993 and from 1999 to 2001, served as director of research of investment management services. He has chaired the firm's annual United Way Campaign since 2004. Before joining William Blair & Company, L.L.C., Mr. Newman was a senior financial analyst in the business development and corporate planning groups for the Quaker Oats Company. He is a CFA (chartered financial analyst) and a CPA (certified public accountant) and his professional affiliations include the CFA Society of Chicago, the American Institute of Certified Public Accountants, and the Economic Club of Chicago. He has started up and/or served on the boards of several nonprofit educational foundations and is currently on the board of CASEL, the Collaborative for Academic, Social, and Emotional Learning.

## INFORMATION REGARDING EXECUTIVE OFFICERS AND OTHER SENIOR MANAGEMENT

### **Michael J. Havala**

Mr. Havala, 48, has been Chief Financial Officer of the Company since April 1994. He joined The Shidler Group in 1989, and was Chief Financial Officer for The Shidler Group's Midwest region with responsibility for accounting, finance, information technology and treasury functions. With The Shidler Group, Mr. Havala structured joint ventures, obtained and refinanced project financing, developed and implemented management information systems and directed all financial aspects of a several million square foot portfolio located in various states throughout the Midwest. Prior to joining The Shidler Group, Mr. Havala was a Senior Tax Consultant with Arthur Andersen & Company, where he specialized in real estate, banking and corporate finance. Mr. Havala is a certified public accountant. His professional affiliations include NAREIT.

### **Johannson L. Yap**

Mr. Yap, 45, has been the Chief Investment Officer of the Company since February 1997. From April 1994 to February 1997, he served as Senior Vice President - Acquisitions of the Company. Prior to joining the Company, Mr. Yap worked for The Shidler Group in 1988 as an acquisitions associate, and became Vice President in 1991, with responsibility for acquisitions, property management, leasing, project financing, sales and construction management functions. Between 1988 and 1994, he participated in the acquisition, underwriting and due diligence of several hundred million dollars of commercial properties. His professional affiliations include ULI, NAREIT and the Council of Logistics Management.

**David P. Draft**

Mr. Draft, 56, has been Executive Vice President Operations of the Company since January 2001, in which capacity, since September 2007, he has assisted with the Company's European expansion. Prior to becoming Executive Vice President Operations, Mr. Draft served as Managing Director of the Company's Central region from December

## PROXY STATEMENT

1998 to January 2001 and as Senior Regional Director of the Company's Michigan and Northern Ohio regions from March 1996 to December 1998. He has 29 years experience in real estate brokerage, sales, leasing and asset management. Between 1994 and March 1996, Mr. Draft was Co-Founder and Principal of Draft & Gantos Properties, L.L.C., where he was responsible for real estate management, construction and development. From 1990 to 1994, Mr. Draft was Director of Development and Operations for Robert Grooters Development Company where he was responsible for land acquisitions, development project planning, financing and construction of industrial property. From 1977 to 1990, he was with First Real Estate, Inc., serving in the capacity of chief operating officer.

### **Robert Cutlip**

Mr. Cutlip, 58, has been Executive Vice President – North America of the Company since September 2007. Prior to that time, from March 2006, Mr. Cutlip served as Managing Director of the Company's East region. From September 2003 to February 2006, he served as Senior Vice President of Highwoods Properties, Inc. (NYSE: HIW), a real estate investment trust. From April 2001 to September 2003, Mr. Cutlip served as Vice President of Real Estate Operations for Progress Energy (NYSE: PGN), a diversified energy company, prior to which time, from 1999 to 2001, he served as Executive Vice President of Duke-Weeks Realty Corp. (NYSE: DRE), a real estate investment trust. Mr. Cutlip has over 25 years of real estate experience. His professional affiliations include NAIOP.

### **Gerald Pientka**

Mr. Pientka, 52, has been Executive Vice President – Development of the Company since January 2006. Prior to joining the Company, from September 2003 to January 2006, he was a Principal of Verus Partners, a private real estate development firm that he founded. From 1982 to 2003, he served as President of Higgins Development Partners, L.L.C., a private Chicago-based development company. Mr. Pientka has more than 25 years of commercial real estate management and development experience. His professional affiliations include ULI and NAIOP and he is Board President of Christopher House, a family resource center providing low-income children and families with equal access to tools and opportunities.

### **Scott A. Musil**

Mr. Musil, 40, has been Chief Accounting Officer of the Company since March 2006; Senior Vice President of the Company since March 2001; Controller of the Company since December 1995; Treasurer of the Company since May 2002; and Assistant Secretary of the Company since May 1996. In addition, he served as a Vice President of the Company from May 1998 to March 2001. Prior to joining the Company, he served in various capacities with Arthur Andersen & Company, culminating as an audit manager specializing in the real estate and finance industries. Mr. Musil is a certified public accountant. His professional affiliations include the American Institute of Certified Public Accountants and NAREIT.

## **THE BOARD OF DIRECTORS AND CORPORATE GOVERNANCE**

*The Board of Directors.* The Board of Directors of the Company is currently comprised of ten members, a majority of whom are independent as affirmatively determined by the Board of Directors. In determining the independence of its members, the Board of Directors applied the following standards:

1) The member must meet the definition of Independent Director contained in the Company's Articles, which requires that he or she be neither an employee of the Company nor a member of The Shidler Group.



- 2) After taking into account all relevant facts and circumstances, the Board must determine that the member has no material relationships with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). Relationships to be considered include commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships.
- 3) The member must satisfy the independence tests set forth in Section 303A.02(b) of the Listed Company Manual of the New York Stock Exchange (the NYSE ).

## PROXY STATEMENT

Applying such standards, the Board of Directors has affirmatively determined that its current independent directors are Messrs. Brenninkmeijer, Lynch, Newman, Rau, Slater, Tyler and Wilson.

Pursuant to the terms of the Company's Articles, the directors are divided into three classes. Class II Directors, Messrs. Brennan, Damone and Lynch, as well as Class III Director, Mr. Brenninkmeijer, hold office for a term expiring at this Annual Meeting. The other Class III Directors, Messrs. Rau, Slater and Tyler, hold office for a term expiring at the Annual Meeting of Stockholders to be held in 2009. Class I Directors, Messrs. Shidler, Wilson and Newman, hold office for a term expiring at the Annual Meeting of Stockholders to be held in 2010. Each director will hold office for the term to which he is elected and until his successor is duly elected and qualified. At each Annual Meeting of Stockholders, the successors to the class of directors whose term expires at that meeting will be elected to hold office for a term continuing until the Annual Meeting of Stockholders held in the third year following the year of their election and the election and qualification of their successors.

The Board of Directors held 12 meetings and acted four times by unanimous consent during 2007. Each of the directors serving in 2007 attended at least 75% of the total number of meetings of the Board of Directors and of the respective committees of the Board of Directors of which he was a member, except for Mr. Brenninkmeijer. Although the Company does not have a formal policy regarding director attendance at Annual Meetings of Stockholders, all of the directors then serving attended the 2007 Annual Meeting of Stockholders.

The Board of Directors has adopted Corporate Governance Guidelines to reflect the principles by which it operates. These guidelines, as well as the charters of the Audit Committee, Compensation Committee and Nominating/Corporate Governance Committee of the Board of Directors, are accessible at the investor relations pages of the Company's website at [www.firstindustrial.com](http://www.firstindustrial.com). The Company has adopted a Code of Business Conduct and Ethics, which includes the principles by which the Company expects its employees, officers and directors to conduct Company business and which is accessible at the investor relations pages of the Company's website at [www.firstindustrial.com](http://www.firstindustrial.com). The Company intends to post on its website amendments to, or waivers from, any provision of the Company's Code of Business Conduct and Ethics.

The Board of Directors has appointed an Audit Committee, a Compensation Committee, an Investment Committee, a Nominating/Corporate Governance Committee and a Special Committee.

*Audit Committee.* The Audit Committee is directly responsible for the appointment, discharge, compensation, and oversight of the work of any independent public accountants employed by the Company for the purpose of preparing or issuing an audit report or related work. In connection with such responsibilities, the Audit Committee approves the engagement of independent public accountants, reviews with the independent public accountants the audit plan, the audit scope, and the results of the annual audit engagement, pre-approves audit and non-audit services provided by the independent public accountants, reviews the independence of the independent public accountants, pre-approves audit and non-audit fees and reviews the adequacy of the Company's internal accounting controls.

The membership of the Audit Committee currently consists of Messrs. Rau, Lynch and Wilson, each of whom, in the judgment of the Company's Board of Directors, is independent as required by the listing standards of the NYSE and the rules of the SEC. In the judgment of the Company's Board of Directors, each member is financially literate as required by the listing standards of the NYSE. Further, in the judgment of the Company's Board of Directors, Mr. Rau is an audit committee financial expert, as such term is defined in the SEC rules, and has accounting or related financial management expertise, as defined in the listing standards of the NYSE. See Mr. Rau's biography above. The Audit Committee met 11 times in 2007.

*Compensation Committee.* The Compensation Committee has overall responsibility for approving and evaluating the compensation plans, policies and programs relating to the executive officers of the Company. The Compensation Committee administers, and has authority to grant awards under, the First Industrial Realty Trust, Inc. 1994 Stock Incentive Plan (the 1994 Stock Plan ), the First Industrial Realty Trust, Inc. 1997 Stock Incentive Plan (the 1997 Stock Plan ), the First Industrial Realty Trust, Inc. Deferred Income Plan (the Deferred Income Plan ) and the First Industrial Realty Trust, Inc. 2001 Stock Incentive Plan (the 2001 Stock Plan ). The

## PROXY STATEMENT

Compensation Committee currently consists of Messrs. Slater, Newman and Tyler, each of whom, in the judgment of the Company's Board of Directors, is independent as required by the listing standards of the NYSE. The Compensation Committee met 12 times and acted twice by unanimous consent in 2007.

*Investment Committee.* The Investment Committee provides oversight and discipline to the investment process. Investment opportunities are described in written reports based on detailed research and analyses in a standardized format applying appropriate underwriting criteria. The Investment Committee meets with the Company's acquisition personnel, reviews each submission thoroughly and approves acquisitions of land having a total investment of greater than \$5 million and all other acquisitions and development projects having a total investment of greater than \$20 million. The Investment Committee makes a formal recommendation to the Board of Directors for all acquisitions and development projects with a total investment in excess of \$50 million. The membership of the Investment Committee currently consists of Messrs. Shidler, Brennan, Damone, Tyler and Wilson. The Investment Committee met 38 times and acted once by unanimous consent in 2007.

*Nominating/Corporate Governance Committee.* The Nominating/Corporate Governance Committee recommends individuals for election as directors at the Annual Meeting of Stockholders of the Company and in connection with any vacancy that may develop on the Board of Directors. The Board of Directors, in turn, as a whole by a majority vote either approves all of the nominations so recommended by the Nominating/Corporate Governance Committee or rejects all of the nominations in whole, but not in part. In the event that the Board of Directors as a whole by a majority vote rejects the recommended nominations, the Nominating/Corporate Governance Committee develops a new recommendation. In addition, the Nominating/Corporate Governance Committee develops and oversees the Company's corporate governance policies. The current Nominating/Corporate Governance Committee consists of Messrs. Lynch, Slater and Wilson, each of whom, in the judgment of the Company's Board of Directors, is independent as required by the listing standards of the NYSE. Mr. Lynch is the current Chairman of the Nominating/Corporate Governance Committee and also presides at meetings of non-management directors. The Nominating/Corporate Governance Committee met four times during 2007 and met in February 2008 to determine its nominations for this Proxy Statement.

The Nominating/Corporate Governance Committee will consider nominees recommended by stockholders of the Company. In order for a stockholder to nominate a candidate for election as a director at an Annual Meeting, notice must be given in accordance with the Bylaws of the Company to the Secretary of the Company not more than 180 days nor less than 75 days prior to the first anniversary of the preceding year's Annual Meeting. The fact that the Company may not insist upon compliance with the requirements contained in its Bylaws should not be construed as a waiver by the Company of its right to do so at any time in the future.

In general, it is the Nominating/Corporate Governance Committee's policy that, in its judgment, its recommended nominees for election as members of the Board of Directors of the Company must, at a minimum, have business experience of a breadth, and at a level of complexity, sufficient to understand all aspects of the Company's business and, through either experience or education, have acquired such knowledge as is sufficient to qualify as financially literate. In addition, recommended nominees must be persons of integrity and be committed to devoting the time and attention necessary to fulfill their duties to the Company.

The Nominating/Corporate Governance Committee may identify nominees for election as members of the Board of Directors of the Company through its own sources (including through nominations by stockholders made in accordance with the Company's Bylaws), through sources of other directors of the Company, and through the use of third-party search firms. The Company has previously engaged a third party search firm to identify potential nominees, including Mr. Brenninkmeijer, and may do so again in the future. Subject to the foregoing minimum

standards, the Nominating/Corporate Governance Committee will evaluate each nominee on a case-by-case basis, assessing each nominee's judgment, experience, independence, understanding of the Company's business or that of other related industries, and such other factors as the Nominating/Corporate Governance Committee concludes are pertinent in light of the current needs of the Company's Board of Directors.

*Special Committee.* The Special Committee is authorized, within limits specified by the Board of Directors, to approve the terms under which the Company issues Common Stock, preferred stock or depository shares representing fractional interests in preferred stock, or under which the Company or any of the Company's

## PROXY STATEMENT

subsidiaries, including First Industrial, L.P., issues debt. The membership of the Special Committee currently consists of Messrs. Shidler, Brennan and Rau. The Special Committee acted by unanimous consent four times during 2007.

*Communications by Stockholders.* Stockholders of the Company may send communications to the Board of Directors as a whole, its individual members, its committees or its non-management members as a group. Communications to the Board of Directors as a whole should be addressed to The Board of Directors; communications to any individual member of the Board of Directors should be addressed to such individual member; communications to any committee of the Board of Directors should be addressed to the Chairman of such committee; and communications to non-management members of the Board of Directors as a group should be addressed to the Chairman of the Nominating/Corporate Governance Committee. In each case, communications should be further addressed c/o First Industrial Realty Trust, Inc., 311 South Wacker Drive, Suite 4000, Chicago, Illinois 60606. All communications will be forwarded to their respective addressees and, if a stockholder marks his or her communication Confidential, will be forwarded directly to the addressee.

## DIRECTOR COMPENSATION

Directors of the Company who are also employees, namely Michael W. Brennan and Michael G. Damone, receive no additional compensation for their services as a director. Compensation of non-employee directors is reviewed annually by the Compensation Committee of the Board of Directors, which makes any recommendations of compensation changes to the entire Board of Directors. Currently, non-employee directors of the Company receive an annual director's fee equivalent in value to \$40,000. At least 50% of the value of such fee must be taken in the form of restricted Common Stock but directors can elect to receive a greater proportion of their fee in restricted Common Stock. The Chairman of the Audit Committee receives an additional fee of \$20,000 for his service as Chairman of the Audit Committee; the Chairman of the Compensation Committee receives an additional fee of \$10,000 for his service as Chairman of the Compensation Committee; and the Chairman of the Nominating/Corporate Governance Committee receives an additional fee of \$5,000 for his service as Chairman of the Nominating/Corporate Governance Committee. Each non-employee director also receives \$2,000 for each in-person meeting of the Board of Directors attended, \$1,500 for each telephonic Board meeting participated in, \$2,000 for each in-person committee meeting attended and \$1,500 for each telephonic committee meeting participated in. Following the 2007 Annual Meeting of Stockholders, each of the Company's non-employee directors also received 1,500 shares of restricted Common Stock under the 1997 Stock Plan. Shares of restricted Common Stock issued to directors receive dividends at the same rate as the Company's Common Stock. Non-employee directors are not entitled to retirement benefits, incentive compensation or perquisites, although they are reimbursed for their out-of-pocket expenses for meeting attendance.

## PROXY STATEMENT

## DIRECTOR COMPENSATION SUMMARY

Name	Fees Earned or Paid in	Stock	All Other Compensation	Total
	Cash \$(1)	Awards \$(2)	\$(3)	Compensation (\$)
Jay H. Shidler	\$ 72,500	\$ 77,942(4)	\$ 31,171	\$ 181,613
John W. M. Brenninkmeijer	\$ 2,000	\$ 425(5)	\$ 185	\$ 2,610
Kevin W. Lynch	\$ 37,000	\$ 69,524(6)	\$ 23,787	\$ 130,311
Robert D. Newman	\$ 33,500	\$ 15,197(7)	\$ 4,406	\$ 53,103
John Rau	\$ 53,500	\$ 68,049(8)	\$ 25,102	\$ 146,651
Robert J. Slater	\$ 55,500	\$ 79,735(9)	\$ 30,975	\$ 166,210
W. Ed Tyler	\$ 102,000	\$ 73,266(10)	\$ 26,634	\$ 201,900
J. Steven Wilson	\$ 99,500	\$ 77,942(11)	\$ 31,171	\$ 208,613

- (1) Does not include that portion of non-employee directors' annual director fees paid in the form of Stock Awards. See under "Stock Awards" in the adjacent column.
- (2) All reported awards are of shares of restricted Common Stock and amounts reported represent the amount of expense recognized by the Company during 2007 under Statement of Financial Accounting Standard No. 123R (Share-Based Payments) (FAS 123R) for grants made in 2007 and prior years. The grant date fair value of each stock award granted in 2007 to a director is reflected in the footnotes below. The grant date fair value determined under FAS 123R for each award is approximately equal to the product of the number of shares of restricted Common Stock granted multiplied by the closing price of the Common Stock as reported by the NYSE on the applicable date of grant (\$45.70 on January 8, 2007; \$44.25 on April 10, 2007; \$38.60 on July 9, 2007; \$42.16 on October 8, 2007).
- (3) Amounts represent dividends on shares of unvested restricted Common Stock. Amounts do not include dividends/distributions paid on original shares of Common Stock issued in connection with the Company's initial public offering, shares of Common Stock purchased subsequently in the open market or by exercise of options, shares of formerly restricted Common Stock after such stock has vested or on limited partnership units of First Industrial, L.P. (which generally are exchangeable on a one-for-one basis, subject to adjustments, for Common Stock).
- (4) Mr. Shidler received grants of stock during 2007 with the following grant date fair values: \$9,734; \$9,779; \$67,859; and \$10,835. As of December 31, 2007, Mr. Shidler held 11,569 shares of unvested restricted Common Stock.
- (5) Mr. Brenninkmeijer received a grant of stock during 2007 with a grant date fair value of \$10,835. As of December 31, 2007, Mr. Brenninkmeijer held 257 shares of unvested restricted Common Stock.
- (6) Mr. Lynch received grants of stock during 2007 with the following grant date fair values: \$9,734; \$9,779; \$67,859; and \$10,835. As of December 31, 2007, Mr. Lynch held 8,978 shares of unvested restricted Common

Stock.

- (7) Mr. Newman received a grant of stock during 2007 with the following grant date fair values: \$9,734; \$9,779; \$67,859; and \$10,835. As of December 31, 2007, Mr. Newman held 2,676 shares of unvested restricted Common Stock.
- (8) Mr. Rau received grants of stock during 2007 with the following grant date fair values: \$4,890; \$4,868; \$62,879; and \$5,439. As of December 31, 2007, Mr. Rau held 9,251 shares of unvested restricted Common Stock.
- (9) Mr. Slater received grants of stock during 2007 with the following grant date fair values: \$9,734; \$9,779; \$67,859; and \$10,835. As of December 31, 2007, Mr. Slater held 11,500 shares of unvested restricted Common Stock.



## PROXY STATEMENT

- (10) Mr. Tyler received grants of stock during 2007 with the following grant date fair values: \$9,734; \$9,779; \$67,859; and \$10,835. As of December 31, 2007, Mr. Tyler held 9,977 shares of unvested restricted Common Stock and 30,000 options.
- (11) Mr. Wilson received grants of stock during 2007 with the following grant date fair values: \$9,734; \$9,779; \$67,859; and \$10,835. As of December 31, 2007, Mr. Wilson held 11,569 shares of unvested restricted Common Stock and 50,000 options.

## EXECUTIVE COMPENSATION DISCUSSION AND ANALYSIS

### OVERVIEW OF COMPENSATION PROGRAM OBJECTIVES AND DESIGN

The Compensation Committee of the Company's Board of Directors (the Committee) has overall responsibility for approving and evaluating the compensation plans, policies and programs relating to the executive officers of the Company.

The Company maintains the philosophy that compensation of its executive officers and other employees should serve the best interests of the Company's stockholders. Accordingly, the Company believes its executive compensation program should not only serve to attract and retain talented, capable individuals, but also to provide them with proper incentives linked to performance criteria that are designed to maximize the Company's overall performance. To this end, the Company's compensation program consists of a mix of compensation that is intended to compensate executive officers for their contributions during the year and to reward them for achievements that lead to increased Company performance and increases in stockholder value.

### THE EXECUTIVE COMPENSATION PROCESS AND THE ROLE OF EXECUTIVE OFFICERS IN COMPENSATION DECISIONS

The Compensation Committee typically formulates executive compensation beginning in the December before and in the first quarter of the applicable fiscal year by setting that year's salary and, if applicable, maximum cash and equity bonus for each of its Chief Executive Officer, its Chief Financial Officer and its three other most highly compensated executive officers (the Named Executive Officers) and certain other members of senior management. Also, typically, in the first quarter of the applicable fiscal year, the Compensation Committee adopts, and the full Board of Directors ratifies, the performance criteria to be used to determine the Chief Executive Officer's and other Named Executive Officers (other than Gerald Pientka) incentive compensation for that year. Then, after the end of the applicable fiscal year, the Compensation Committee meets to determine incentive compensation to be paid to the Named Executive Officers (other than Mr. Pientka) with respect to that year. At that time, the Compensation Committee also reviews the calculations of the incentive compensation of senior management with respect to that year, per the terms of the respective plans and agreements covering those members of senior management. Per such determination, the Company pays cash bonuses, typically in February, and issues restricted stock, typically in March. In the case of the Named Executive Officers' 2007 incentive compensation, the Compensation Committee reviewed/determined both the cash and equity components of incentive compensation at meetings on January 23, 2008, February 2, 2008 and February 12, 2008. Cash bonuses were paid on February 22, 2008 and restricted stock awards were granted on March 7, 2008. The restricted stock awards were granted in the ordinary course, and the number of shares to be awarded was based on the closing price of the Company's Common Stock on February 11, 2008, the day prior to the Compensation Committee's final meeting to approve incentive compensation.

Periodically, though not every year, the Company and the Compensation Committee engage the services of outside consultants to evaluate the Company's executive compensation program. In 2007, the Compensation Committee retained FPL Associates, an outside consultant, to review the appropriateness of the compensation of the Company's Chief Executive Officer, Chief Financial Officer, Chief Investment Officer and Executive Vice President - Operations, and certain other members of senior management. As part of its review, the outside consultant surveyed a range of real estate companies that included not only the Company's industrial peers, but

## PROXY STATEMENT

similarly sized companies and companies with similar operating strategies from other sectors of the REIT industry. Peers identified by management and the Compensation Committee for inclusion in the survey were: AMB Property Corp., Archstone-Smith Trust, Boston Properties, Inc., BRE Properties, Inc., Corporate Office Properties Trust, Cousins Properties, Inc., Crescent Real Estate Equities, Developers Diversified Realty, Duke Realty Corp., Eastgroup Properties, Inc., Essex Property Trust, Inc., FelCor Lodging Trust, Inc., Home Properties, Inc., Kimco Realty Corporation, Liberty Property Trust, Mack-Cali Realty Corp., Maguire Properties, Inc., Pennsylvania REIT, PS Business Parks, Inc., ProLogis, Realty Income Corporation, SL Green Realty Corp., Taubman Centers, Inc. and Vornado Realty Trust. The Compensation Committee used this survey not as a benchmark, per se, but rather to gauge generally the appropriateness of the Company's executive compensation programs.

The Company's Chief Executive Officer and Chief Financial Officer participate in meetings with the Compensation Committee at various times throughout the year. During the December before and first quarter of the applicable fiscal year, they meet with the Compensation Committee to present and discuss recommendations with respect to the applicable fiscal year's salaries for the Named Executive Officers and maximum cash and equity bonus for the Named Executive Officers (other than Mr. Pientka). In the first quarter of each year, they meet with the Compensation Committee to present and discuss recommendations with respect to incentive compensation for the year just ended. They also meet with the Compensation Committee regarding employment agreements that the Company has entered into and assist the Compensation Committee in providing compensation information to outside consultants engaged to evaluate the Company's compensation programs.

### EXECUTIVE COMPENSATION COMPONENTS

The components of the Company's executive compensation program are base salary, incentive bonuses (both cash and equity awards) and benefits/perquisites (including premiums paid by the Company on term life insurance and long-term disability insurance, car allowances, moving and housing allowances, personal financial planning allowances, 401(k) matching contributions and standard health, life and disability insurance).

Each component of the Company's executive compensation program serves to attract and retain talented, capable individuals to the Company's management ranks. Incentive bonuses serve the added purpose of providing such individuals with proper incentives linked to performance criteria that are designed to maximize the Company's overall performance.

The Company considers base salary, incentive bonuses and benefits/perquisites as independent components of the Company's executive compensation program. Base salary and benefits/perquisites are intended to compensate Named Executive Officers for services rendered and increases to their base salary are a function of individual performance and general economic conditions. Incentive bonuses, by contrast, are linked to, and are a function of the achievement of, performance criteria that are designed to maximize the Company's overall performance. Base salary and benefits/perquisites constitute approximately 1/3 of Named Executive Officers' compensation in a typical year, while incentive bonus makes up approximately 2/3. This allocation between base salary and incentive compensation is consistent with the Compensation Committee's compensation philosophy that executive officers' compensation should be largely tied to performance criteria designed to maximize the Company's overall performance.

The Compensation Committee does not have a specific policy regarding the mix of cash and non-cash compensation awarded to its executive officers, although it believes that a significant portion of executive officer compensation should be paid in the form of equity. The mix of maximum cash and non-cash incentive compensation our executive officers are entitled to receive is set forth in their respective employment agreements. Depending on the individual, non-cash compensation makes up approximately 40% of the executive officers' potential incentive compensation.

When granting non-cash compensation to the executive officers, the Compensation Committee uses restricted stock awards. Typically, such restricted stock awards vest ratably over 3 years and are denominated based on the closing price of the Company's Common Stock on the day prior to the submission of award information and recommendations to the Compensation Committee for purposes of its award determinations. The Compensation

**PROXY STATEMENT**

Committee believes that restricted stock awards play an important role in aligning management's interests with those of the Company's stockholders in that restricted stock (other than the vesting and transfer restrictions applicable to it) is economically identical to stockholders' common stock. For this reason, restricted stock awards have been and, the Company expects, will continue to be a significant part of executive compensation.

**SETTING EXECUTIVE COMPENSATION****Base Salary**

The Company provides the Named Executive Officers with base salary to compensate them for services rendered during the fiscal year. The base salaries of the Named Executive Officers are a function of the minimum base salaries specified in their employment agreements and the increases to such base salaries approved by the Compensation Committee. The Compensation Committee consulted with outside compensation consultants in setting the base salaries of the Named Executive Officers that are specified in their employment agreements. In determining increases to such base salaries for the following year, the Compensation Committee considers individual performance of the Named Executive Officers in the most recently completed year, including organizational and management development and sales leadership exhibited from year-to-year and peer information provided by compensation consultants. The Compensation Committee also considers general economic conditions prevailing at the end of such year, when the increases for the following year are typically determined. Overall, the increases in base salaries for 2007 were relatively modest and reflect a cost of living increase. The increase in the base salary of the Company's Chief Executive Officer reflects, in addition to a cost of living increase, the Compensation Committee's consideration of the Chief Executive Officer's leadership of the Company and the Company's strong performance during 2006.

**Incentive Bonuses**

The Company provides the executive officers with incentive compensation, which currently includes cash and equity awards in the form of restricted stock, to incentivize and reward them for Company and individual performance in specified areas that serves the best interests of the Company's stockholders. Our Chief Executive Officer, Chief Financial Officer, Chief Investment Officer and Executive Vice President - Operations each participate in an incentive compensation plan (the Executive Officer Bonus Plan) which derives from the Company's strategic plan, while other members of senior management are covered by separate plans/agreements.

The Executive Officer Bonus Plan seeks to tie executive officer compensation to achievement of the Company's business plan and individual goals. Under the Executive Officer Bonus Plan, awards are made in cash and restricted stock based on maximum cash and equity bonuses, expressed as a percentage of participants' base salaries. The maximum cash and equity bonuses are based on the participants' employment agreements and are subject to increase by the Compensation Committee. The maximum bonus for 2007 for the Named Executive Officers that participated in the Executive Officer Bonus Plan were as follows:

<b>Named Executive Officer</b>	<b>Maximum Cash Bonus</b>	<b>Maximum Equity Bonus</b>
Michael W. Brennan	225%	187%
Michael J. Havala	200%	187%
Johannson L. Yap	200%	187%
David P. Draft	180%	187%



## PROXY STATEMENT

When granting awards under the Executive Officer Bonus Plan, the Compensation Committee evaluates five broad performance categories designed to reward different areas of executive officer performance. These categories include earnings growth, growth in stockholder value, customer base growth, personnel excellence and competitiveness. Under these five broad categories are more specific goals and objectives: for example, under the broad category earnings growth there is a funds from operations (or FFO) growth percentage target, among other targets; under growth in stockholder value there is a target total stockholder return, among other targets; under customer base growth there is a tenant retention target, among other targets; under personnel excellence there is a target percentage for employee satisfaction, among other targets; under competitiveness there is a target percentage for portfolio occupancy to exceed market occupancy, among other targets.

The Compensation Committee sets targets based on the above-described criteria at the beginning of each year and evaluates whether the Company met, exceeded or failed to meet each of these more specific goals and objectives. Based on this evaluation, the Compensation Committee assigns an overall grade to each of the broad categories. An overall weighted average grade, expressed as a percentage, is then established based on the weight the Compensation Committee has assigned to each of the broad categories: currently 50% to earnings growth and 12.5% to each of customer base growth, personnel excellence, competitiveness and growth in stockholder value. Earnings growth is given the greatest weight in this calculation because the Compensation Committee believes this category represents the most important goal for our executive officers for the reasons stated in the note below.

For 2007, the Compensation Committee assigned a high grade to the earnings growth category. This grade was primarily based on FFO per share growth of 12%, compared to a target of 10%. In addition to the grade for earnings growth, the Compensation Committee assigned average grades for customer base growth, personnel excellence, and competitiveness and a low grade for growth in stockholder value. The overall weighted average grade is then applied to the applicable officer's maximum cash and equity bonus to compute the executive officers' estimated cash and non-cash bonus payout.

Once the Compensation Committee has determined the estimated cash and non-cash bonus payout for each executive officer, it has the discretion to increase or decrease such amounts, and to alter the mix of cash versus non-cash compensation. Based on the achievement of these and other factors and on the Compensation Committee's evaluation of certain other qualitative factors, including organizational and management development and sales leadership exhibited from year-to-year, the Compensation Committee awarded bonuses to the Named Executive Officers that participate in the Executive Officer Bonus Plan ranging from 58% to 87% of the executive officer's maximum cash bonus potential and 58% to 87% of the executive officer's maximum equity bonus potential (based on the closing price of the Company's common stock on February 11, 2008 (\$31.28)). This range is primarily attributable to differences in individual performance evaluations. The Compensation Committee rewarded Michael

(2) FFO is a non-GAAP measure that the Company defines as net income available to common stockholders, plus depreciation and amortization of real estate, minus accumulated depreciation and amortization on real estate sold. Investors in and analysts following the real estate industry utilize FFO, variously defined, as a supplemental performance measure. The Company considers FFO, given its wide use by and relevance to investors and analysts, an appropriate supplemental performance measure. 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. In addition, FFO is commonly used in various ratios, pricing multiples/yields and returns and valuation calculations used to measure financial position, performance and value. FFO does not represent cash generated from operating activities in accordance with GAAP and is not necessarily indicative of cash available to fund cash needs, including the repayment of principal on debt and payment of dividends and distributions. FFO should not be considered as a

substitute 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 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. Please see the reconciliation of FFO to net income available to common stockholders contained in our Current Report on Form 8-K dated February 21, 2008.



**PROXY STATEMENT**

Havala's success in expanding the Company's access to private equity capital notwithstanding the difficult environment for such transactions and rewarded Johansson Yap's success in initiating the Company's international expansion.

Incentive compensation for other members of senior management is covered by their respective employment agreements. In the case of Mr. Pientka, his employment agreement provides that his annual incentive compensation is based on an amount equal to two percent (2%) of net after-tax profits generated from land purchases and sales, ground-up development and redevelopment activities. Mr. Pientka's incentive compensation metrics are more narrowly focused than the other Named Executive Officers because Mr. Pientka's responsibilities are primarily related to the Company's development activities rather than Company-wide activities. For 2007, it also provides a guaranteed bonus draw of \$275,000 against his incentive compensation and that incentive compensation in excess of his bonus draw shall be paid 60% in cash and 40% in restricted stock. Mr. Pientka has no maximum cash and equity bonus under his employment agreement.

**Benefits/Perquisites**

The Company provides the Named Executive Officers with certain benefits/perquisites, which, depending on the officer, include premiums paid by the Company on term life insurance and long-term disability insurance, car allowances, personal financial planning allowances, and, when applicable, moving and housing allowances. The Named Executive Officers, along with all of the Company's other full time employees, also receive 401(k) matching contributions and standard health, life and disability insurance. Premiums are paid by the Company on term life insurance and long-term disability insurance and personal financial planning allowances are provided only if specified in the employment agreements of the Named Executive Officers. Current car allowances were set in 2000, 2001 and 2006 and are a function of the then prevailing market rates to lease and operate an executive class vehicle. 401(k) matching payments are a function of each Named Executive Officer's contribution to his 401(k) account during the year and the percentage match which management determines to apply to the Company's 401(k) Plan for that year. Standard health, life and disability insurance benefits are a function of the group benefit packages the Company is able to negotiate with third party providers.

**Termination and Change-in-Control Triggers**

Each of the Company's Named Executive Officers has an employment agreement, along with an agreement in respect of his restricted stock awards pursuant to the Company's stock incentive plans, and such agreements specify events, including involuntary termination and change-in-control, that trigger the payment of cash and/or vesting in restricted stock awards. The Company believes having such events as triggers for the payment of cash and/or vesting in restricted stock awards promotes stability and continuity of management. See Potential Payments Upon Termination or Change of Control below for more information on the payments triggered by such events.

**Stock Ownership Guidelines**

The stock ownership guidelines for the Company's directors and senior executive officers are as follows:

<b>Position</b>	<b>Base Salary Multiple</b>	<b>Time to Attain</b>
Directors	3x	5 years
Chief Executive Officer	5x	5 years

Chief Financial Officer, Chief Investment Officer and Executive Vice Presidents 4x 5 years

The stock ownership goal for each person subject to the ownership guidelines is determined on an individual basis, first in dollars as a multiple of the executive's base salary, and then by converting that amount to a fixed number of shares. A copy of the Stock Ownership Guidelines can be found on the Investor Relations/Corporate Governance section of the Company's website at [www.firstindustrial.com](http://www.firstindustrial.com).

**PROXY STATEMENT**

**Stock Retention Requirements**

Until the directors and senior executive officers reach their respective stock ownership goal, they will be required to retain shares that are owned on the date they became subject to the Stock Ownership Guidelines and at least seventy-five percent (75%) of net shares delivered through the Company's executive compensation plans. Net shares deducts from the number of shares obtained by exercising stock options or through the vesting of awards the number of shares the executive sells to pay exercise costs or taxes. If the executive transfers an award to a family member, the transferee becomes subject to the same retention requirements. Until the director and executive stock ownership goals have been met, shares may be disposed of only for one or more of the exclusion purposes as set forth in the Company's Stock Ownership Guidelines.

**TAX AND ACCOUNTING IMPLICATIONS**

**Deductibility of Executive Compensation**

Section 162(m) of the Internal Revenue Code of 1986, as amended (the Code), generally limits the deductible amount of annual compensation paid by a public company to a covered employee (the chief executive officer and four other most highly compensated executive officers of the Company) to no more than \$1 million. The Company does not believe that Section 162(m) of the Code is applicable to its current arrangements with its executive officers.

**Accounting for Restricted Stock**

Effective January 1, 2006, the Company adopted FAS 123R, using the modified prospective application method, which requires measurement of compensation cost for the Company's restricted stock awards at fair value on the date of grant and recognition of compensation over the service period for awards expected to vest. Although the Compensation Committee has considered the impacts of FAS 123R, it has not altered its equity award practices as a result of it.

**COMPENSATION COMMITTEE REPORT**

The Compensation Committee of the Board of Directors of the Company has reviewed, and discussed with management, the Compensation Discussion and Analysis included above in this Proxy Statement. Based on such review and discussions, the Compensation Committee recommended to the Board of Directors of the Company that the Compensation Discussion and Analysis be included in the Company's annual report on Form 10-K for the Company's fiscal year ended December 31, 2007.

Submitted by the Compensation Committee:

Robert J. Slater, Chairman  
W. Ed Tyler  
Robert D. Newman

**PROXY STATEMENT****EXECUTIVE COMPENSATION SUMMARY**

The Summary Compensation Table below sets forth the aggregate compensation, including cash compensation and amortization expenses of, and ordinary dividends with respect to, restricted stock awards, paid by the Company to its Chief Executive Officer, its Chief Financial Officer and its three other most highly compensated executive officers (the Named Executive Officers ) for the fiscal year ended December 31, 2007. The Grants of Plan Based Awards Table following the Summary Compensation Table provides additional information regarding the cash compensation paid and restricted stock awarded by the Company to Named Executive Officers.

The Company's Chief Executive Officer, Chief Financial Officer, Chief Investment Officer and Executive Vice President Operations have employment agreements which provide for an annual base salary, subject to increase or decrease at the discretion of the Compensation Committee, an annual cash and/or equity bonus at the discretion of the Board of Directors and as may be determined by the Committee and/or the Board, and certain other benefits.

Base salary of the Named Executive Officers accounted for only approximately 20% of the aggregate total compensation of the Named Executive Officers for 2007. This is consistent with the Company's compensation philosophy, which is to weight compensation towards incentive compensation to better align executive compensation with the Company's actual economic performance during the applicable fiscal year.

Restricted Common Stock granted to the Named Executive Officers typically vests in three approximately equal installments on each January 1st following the year of grant. From and after the date of issuance, holders of the restricted Common Stock are entitled to vote such Common Stock and receive dividends at the same rate applicable to unrestricted shares of Common Stock.

**SUMMARY COMPENSATION TABLE**

Name and Principal Position	Year	Annual Salary (\$)	Stock Awards (\$)(1)	Non-Equity Incentive		Total (\$)
				Plan Compensation (\$)(2)	All Other Compensation (\$)(3)	
Michael W. Brennan	2007	\$ 600,000	\$ 1,219,139	\$ 776,872	\$ 308,741	\$ 2,904,752
President and CEO	2006	530,000	1,061,425	850,000	301,104	2,742,529
Michael J. Havala	2007	\$ 328,000	\$ 756,229	\$ 570,720	\$ 205,315	\$ 1,860,264
Chief Financial Officer	2006	315,000	682,314	450,500	210,887	1,658,701
Johannson L. Yap	2007	\$ 347,000	\$ 754,104	\$ 603,780	\$ 201,799	\$ 1,906,683
Chief Investment Officer	2006	334,000	594,722	467,500	199,208	1,595,430
David P. Draft	2007	\$ 312,000	\$ 603,618	\$ 370,656	\$ 262,969	\$ 1,549,243
Executive Vice President Operations	2006	300,000	543,297	391,000	145,247	1,379,544
Gerald Pientka	2007	\$ 240,000	\$ 334,653	\$ 475,906	\$ 94,543	\$ 1,145,102
Executive Vice President Development	2006	221,846	158,333	424,825	78,569	883,573

- (1) The amount reflected is the cost recognized by the Company in 2007 under FAS 123R for all restricted stock grants to the executive in 2007 and prior years.
- (2) Amounts represent cash incentive compensation awarded in February 2008 based on performance for the year ended December 31, 2007.
- (3) Includes premiums paid by the Company on term life insurance and long-term disability insurance, car allowances, personal financial planning allowances and 401(k) matching payments. Term life insurance premiums paid on behalf of Mr. Brennan aggregated \$15,800 and \$15,800 in 2007 and 2006, respectively. In the case of Mr. Draft in 2007, also includes a moving allowance of approximately \$97,941 and a housing/parking allowance of approximately \$16,849. Also includes dividends on shares of unvested restricted Common Stock in 2007 and 2006, respectively, of: \$271,142 and \$263,679 for Mr. Brennan; \$181,395 and \$187,160 for Mr. Havala; \$178,511 and \$176,113 for Mr. Yap; \$128,347 and \$128,997 for Mr. Draft; and \$85,543 and

## PROXY STATEMENT

\$70,250 for Mr. Pientka. Does not include dividends/distributions paid on original shares of Common Stock issued in connection with the Company's initial public offering, shares of Common Stock purchased subsequently in the open market or by exercise of options, shares of formerly restricted Common Stock after such stock has vested or on limited partnership units of First Industrial, L.P. (which generally are exchangeable on a one-for-one basis, subject to adjustments, for Common Stock).

## GRANTS OF PLAN BASED AWARDS TABLE

Name (a)	Date Grant (b)	Approval Date (c)	Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards			Grant Date Fair Value of Stock Awards (i)
			Threshold (\$) (d)	Target (\$)(4) (d)	Maximum (\$) (e)	Threshold (\$) (f)	Target (\$)(4) (g)	Maximum (\$)(5) (h)	
Michael W. Brennan	(1)	(1)	(2)	850,000	1,350,000	(2)	1,417,680	1,122,000	616,164
Michael J. Havala	(1)	(1)	(2)	450,500	656,000	(2)	751,349	613,360	509,241
Johannson L. Yap	(1)	(1)	(2)	467,500	694,000	(2)	779,703	648,890	538,733
David P. Draft	(1)	(1)	(2)	391,000	561,600	(2)	652,154	583,440	367,454
Gerald Pientka	(1)	(1)	(3)	424,825	(3)	(3)	462,492	(3)	403,691

- (1) On February 23, 2007, the Compensation Committee determined 2007 salaries for the Named Executive Officers and set maximum percentages applicable to the cash and equity bonuses for Messrs. Brennan, Havala, Yap and Draft. The Compensation Committee adopted performance criteria for 2007 bonus eligibility on March 29, 2007. Cash and equity incentive awards bonuses for Named Executive Officers for 2007 were determined at meetings in January and February 2008. Cash bonuses for Named Executive Officers were paid February 22, 2008, and shares of restricted Common Stock were issued on March 7, 2008.
- (2) Bonus payments for Messrs. Brennan, Havala, Yap and Draft do not have threshold amounts.
- (3) Under his employment agreement (described above) with the Company, Mr. Pientka is not subject to any threshold amount or any limit on his cash or equity incentive compensation.
- (4) The Company has no incentive bonus targets, per se. Amounts shown are the aggregate dollar values of the cash and equity incentive bonuses paid for the year ended December 31, 2006.
- (5) The Company does not express its maximum payout in numbers of shares, but rather as a dollar value based on a percentage of salary (187% in the case Messrs. Brennan, Havala, Yap and Draft).
- (6) The Company typically grants shares of restricted Common Stock in March of each year as compensation for the prior year's performance. On March 7, 2008, the Company granted shares of restricted Common Stock to the

Edgar Filing: FIRST INDUSTRIAL REALTY TRUST INC - Form DEF 14A

Named Executive Officers as follows: 20,642 to Mr. Brennan; 17,060 to Mr. Havala; 18,048 to Mr. Yap; 12,310 to Mr. Draft; and 13,524 to Mr. Pientka. The dollar amount shown represents closing price of the Company's Common Stock as reported by the NYSE on March 7, 2008 (\$29.85).

## PROXY STATEMENT

## OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

Name	Option Awards			Stock Awards		
	Number of Securities Underlying Unexercised Options (#)	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Number Of Share Or Units Of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)
(a)	(b)	(c)	(e)	(f)	(g)	(h)(6)
Michael W. Brennan(1)	60,000	0	31.13	5-14-08	95,135	3,291,671
	75,000	0	33.13	1-23-11		
	32,000	0	30.53	1-16-12		
Michael J. Havala(2)	0	0			63,642	2,202,013
Johannson L. Yap(3)	52,000	0	33.13	1-23-11	62,634	2,167,136
David P. Draft(4)	0	0			45,029	1,558,034
Gerald Pientka(5)	0	0			30,015	1,038,510

- (1) Of the shares of unvested restricted Common Stock reported in column (g), 30,925 vested in January 2008, as to which restrictions have been removed, 24,485 vest in January 2009, 17,606 vest in January 2010 and 22,120 vest in approximately equal installments in January 2011, 2012 and 2013.
- (2) Of the shares of unvested restricted Common Stock reported in column (g), 19,621 vested in January 2008, as to which restrictions have been removed, 15,761 vest in January 2009, 11,129 vest in January 2010 and 17,118 vest in approximately equal installments in January 2011, 2012 and 2013.
- (3) Of the shares of unvested restricted Common Stock reported in column (g), 19,649 vested in January 2008, as to which restrictions have been removed, 15,918 vest in January 2009, 10,988 vest in January 2010 and 16,081 vest in approximately equal installments in January 2011, 2012 and 2013.
- (4) Of the shares of unvested restricted Common Stock reported in column (g), 15,247 vested in January 2008, as to which restrictions have been removed, 11,800 vest in January 2009, 8,027 vest in January 2010 and 9,960 vest in approximately equal installments in January 2011, 2012, 2013 and 2014.
- (5) Of the shares of unvested restricted Common Stock reported in column (g), 8,338 vested in January 2008, as to which restrictions have been removed, 8,339 vest in January 2009, 8,338 vest in January 2010 and 5,000 vest in January 2011.
- (6) The dollar amounts shown in column (h) are approximately equal to the product of the number of shares of restricted Common Stock reported in column (g) multiplied by the closing price of the Common Stock as reported by the NYSE on December 31, 2007, the last trading day of the year (\$34.60). This valuation does not



take into account any diminution in value that results from the restrictions applicable to such Common Stock.

**PROXY STATEMENT****OPTION EXERCISES AND STOCK VESTED**

In 2007, no options were exercised by the Named Executive Officers and an aggregate of 85,491 shares of restricted Common Stock held by the Named Executive Officers vested.

Name	Options Awards		Stock Awards	
	Number of Shares Acquired on Exercise	Value Realized on Exercise	Number of Shares Acquired on Vesting	Value Realized on Vesting
(a)	(b)	(c)	(d)	(e)
Michael W. Brennan	0		29,397	1,374,898
Michael J. Havala	0		19,228	899,294
Johannson L. Yap	0		16,922	791,442
David P. Draft	0		14,944	698,931
Gerald Pientka	0		5,000	233,850

- (1) The shares of Common Stock reported in column (d) vested on January 1, 2007.
- (2) The dollar amounts shown in column (e) are approximately equal to the product of the number of shares of Common Stock reported in column (d) multiplied by the closing price of the Common Stock as reported by the NYSE on January 3, 2007, the first trading following the date of vesting of such award (\$46.77).

**POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE OF CONTROL****Employment Agreements**

The Company has entered into written employment agreements with Messrs. Brennan, Havala, Yap, Draft and Pientka. These employment agreements may require the Company to make payments and provide benefits to these executives in the event of a termination of their employment or of a change of control. Severance amounts payable to Messrs. Havala, Yap and Draft upon their termination will be reduced if such amounts become payable after their respective 67th birthdays. In addition to their rights under the standard grant agreements under our stock incentive plans, Messrs. Havala, Yap and Draft are entitled to the accelerated vesting of their restricted stock and stock options in the event their employment is terminated without cause. In addition to his rights under the standard grant agreements under our stock incentive plans, Mr. Pientka is entitled to the accelerated vesting of his restricted stock in the event his employment is terminated without cause.

In addition to the events of termination of employment identified in the following table, the employment agreements provide for payments in the event of an executive's death or disability. Mr. Brennan's agreement provides that, upon a termination related to disability, Mr. Brennan is entitled to receive his current annual base salary for five years after

termination and to the continuation of his health benefits or comparable health coverage for a period of up to five years. Upon a work-related disability, each of Mr. Havala, Mr. Yap and Mr. Draft is entitled to severance in an amount equal to three times his annual base salary, plus 75% of his maximum bonus potential for the then-current year prorated through the date of termination. Upon death, each executive is entitled to such base salary and unused vacation pay that has accrued and remains unpaid through the date of death and 75% of the maximum cash bonus for which he would have been eligible, prorated through the date of his death. Mr. Pientka is entitled to 50% of his prior year's total compensation upon permanent disability or death.

The employment agreements also contain important non-financial provisions that apply in the event of a termination of employment or of a change of control. Benefits payable upon a merger, acquisition or other changes in control are payable upon consummation of such transactions regardless of whether the executive is terminated. Each of Mr. Havala, Mr. Yap and Mr. Draft has agreed to a one-year covenant not to compete after his termination, except in connection with certain changes in control of the Company. Each of Mr. Havala, Mr. Yap and Mr. Draft has agreed to a six-month covenant not to compete in connection with certain changes in control of the Company. In the event of termination, Mr. Brennan has agreed to a one-year covenant not to compete and a two-year covenant (one year in the case of a change of control) not to solicit Company employees after termination. Mr. Pientka has agreed to a one-year covenant not to compete after his termination.

**PROXY STATEMENT****Stock Incentive Plans**

Under the 1994, 1997 and 2001 Stock Plans, unvested restricted Common Stock vests in the event of a change of control or involuntary termination. Assuming that the triggering event occurred on December 31, 2007, Messrs. Brennan, Havala, Yap, Draft and Pientka would have vested in restricted Common Stock having the respective values set forth in the table below.

The following table includes estimated payments owed and benefits required to be provided to the applicable Named Executive Officer under the employment agreements and stock incentive plans described above, exclusive of benefits available on a non-discriminatory basis generally, in each case assuming that the triggering event described in the table occurred on December 31, 2007.

<b>Name</b>	<b>Triggering Event</b>	<b>Severance (1)(\$)</b>	<b>Accelerated Equity Awards (3)(\$)</b>	<b>Medical Insurance Premiums (4)(\$)</b>
Michael W. Brennan	Change of Control	4,585,735	3,291,671	25,923
	Termination w/out Cause(2)	4,585,735	3,291,671	25,923
	Non-renewal of Agreement	3,838,588	3,291,671	25,923
	Termination for Cause	0	3,291,671	0
Michael J. Havala	Change of Control	2,624,000	2,202,013	38,885
	Termination w/out Cause(2)	1,476,000	2,202,013	38,885
	Termination for Cause	0	2,202,013	0
Johannson L. Yap	Change of Control	2,776,000	2,167,136	38,885
	Termination w/out Cause(2)	1,561,500	2,167,136	38,885
	Termination for Cause	0	2,167,136	0
David P. Draft	Change of Control	2,308,800	1,558,034	38,885
	Termination w/out Cause(2)	1,404,000	1,558,034	38,885
	Termination for Cause	0	1,558,034	0
Gerald Pientka	Change of Control	1,130,116	1,038,484	0
	Termination w/out Cause	700,990	1,038,484	0
	Termination for Cause	0	346,519	0

- (1) Each Named Executive other than Mr. Pientka is entitled to a supplemental payment of one month's base salary in addition to amounts reflected if requisite notice is not provided prior to termination of employment by the Company.
- (2) Includes constructive discharge under the terms of the employment agreement of each Named Executive Officer other than Mr. Pientka.
- (3) For purposes of estimating the value of awards of restricted stock for which restrictions lapse the Company has considered any applicable employment agreement limitations and assumed a price per share of its Common Stock of \$34.60, which was the closing price of its Common Stock on the NYSE on December 31, 2007, the last trading day of the year.

- (4) Present value of estimated premiums required to be paid by the Company or cash payments in lieu of benefits required to be provided.

**COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION**

The Compensation Committee consists of Messrs. Slater, Newman and Tyler. None of them has served as an officer of the Company or, except for his service as a director, had any other business relationship or affiliation with the Company in 2007 requiring disclosure by the Company under Item 404 of Regulation S-K.

## PROXY STATEMENT

### REPORT OF THE AUDIT COMMITTEE

Pursuant to a meeting of the Audit Committee on February 21, 2008, the Audit Committee reports that it has: (i) reviewed and discussed the Company's audited financial statements with management; (ii) discussed with the independent registered public accounting firm the matters (such as the quality of the Company's accounting principles and internal controls) required to be discussed by Statement on Auditing Standards No. 61; and (iii) received written confirmation from PricewaterhouseCoopers LLP that it is independent and written disclosures regarding such independence as required by Independence Standards Board No. 1, and discussed with PricewaterhouseCoopers LLP its independence. Based on the review and discussions referred to in items (i) through (iii) above, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in the Company's annual report for the Company's fiscal year ended December 31, 2007.

*Submitted by the Audit Committee:*

John Rau, Chairman  
Kevin W. Lynch  
J. Steven Wilson

### TRANSACTIONS WITH RELATED PERSONS, PROMOTERS AND CERTAIN CONTROL PERSONS

*Transactions with Related Persons.* The Company often engages in transactions for which CB Richard Ellis, Inc. ( CBRE ) acts as a broker. CBRE is among the largest real estate brokerage companies in the world. The brother of Michael W. Brennan, the President and Chief Executive Officer and a director of the Company, is an employee of CBRE and a member of CBRE's national Single Tenant Net Lease Properties Group. In 2007, in two transactions in which the Company sold property for approximately \$26.6 million and \$35.8 million, Mr. Brennan's brother received \$81,438 and \$42,250, respectively, as a portion of the brokerage commissions paid by the Company to CBRE in connection with such transactions. Also in 2007, in one transaction in which the Company sold property for approximately \$48.8 million, Mr. Brennan's brother received \$116,750, as a portion of the brokerage commissions paid by the buyer to CBRE in connection with such transactions. Management of the Company believes the terms of brokerage services provided by CBRE in such transaction were as favorable to the Company as could be obtained in arm's length transactions.

*Review, Approval or Ratification of Transactions with Related Persons.* Transactions involving the Company and its executive officers and directors that are reportable under Item 404 of Regulation S-K are required by the Company's written policies to be reported to and approved by the Nominating/Corporate Governance Committee of the Board of Directors. The Nominating/Corporate Governance Committee addresses such transactions on a case-by-case basis, after considering the relevant facts and circumstances. The Company's engagement in transactions involving CBRE and Mr. Brennan's brother (e.g. as discussed above) was approved by the Board of Directors prior to the implementation of such policies.

### COMPLIANCE WITH SECTION 16(A) OF THE EXCHANGE ACT

Section 16(a) of the Securities Exchange Act of 1934 (as amended, the Exchange Act ) requires the Company's officers and directors, and persons who own more than ten percent of a registered class of the Company's equity securities, to file reports of ownership and changes in ownership with the SEC and the NYSE. Officers, directors and greater than ten-percent stockholders are required by SEC regulations to furnish the Company with copies of all Section 16(a)

forms so filed.

Based solely on review of the copies of such forms furnished to the Company for 2007, all of the Company's officers, directors and greater than ten-percent stockholders timely filed all reports required to be filed by Section 16(a) of the Exchange Act during 2007.

**PROXY STATEMENT****SECURITY OWNERSHIP OF MANAGEMENT AND CERTAIN BENEFICIAL OWNERS**

The following table presents information concerning the ownership of Common Stock of the Company and limited partnership units ( Units ) of First Industrial, L.P. (which generally are exchangeable on a one-for-one basis, subject to adjustments, for Common Stock) by all directors, the Named Executive Officers, the directors and executive officers of the Company as a group and persons and entities, if any, known to the Company to be beneficial owners of more than 5% of the Company's Common Stock. The information is presented as of March 20, 2008, unless otherwise indicated, and is based on representations of officers and directors of the Company and filings received by the Company on Schedule 13G under the Exchange Act. As of March 20, 2008, there were 44,169,156 shares of Common Stock and 6,425,858 Units outstanding.

<b>Names and Addresses of 5% Stockholders</b>	<b>Common Stock/Units Beneficially Owned</b>	
	<b>Number</b>	<b>Percent of Class</b>
Barrow, Hanley, Mewhinney & Strauss, Inc. 2200 Ross Avenue, 31st Floor Dallas, TX 75201-2761(1)	3,867,190	8.7%
Barclays Global Investors, NA. 45 Fremont Street San Francisco, CA(2)	2,377,593	5.3%
The Vanguard Group, Inc. 100 Vanguard Blvd. Malvern, PA 19355(3)	2,843,782	6.4%
Vanguard Whitehall Funds Vanguard Selected Value Fund 100 Vanguard Blvd. Malvern, PA 19355(4)	2,835,900	6.4%

**Names and Addresses of Directors and Officers\***

Jay H. Shidler(5)	1,353,296	3.0%
Michael W. Brennan(6)	569,925	1.3%
John W. M. Brenninkmeijer(7)	546	**
Michael G. Damone(8)	216,379	**
Kevin W. Lynch(9)	11,426	**
Robert D. Newman(10)	2,965	**
John Rau(11)	11,555	**
Robert J. Slater(12)	22,215	**
W. Ed Tyler(13)	42,266	**
J. Steven Wilson(14)	74,351	**
Michael J. Havala(15)	145,311	**
Johannson L. Yap(16)	254,820	**
David P. Draft(17)	102,744	**



Edgar Filing: FIRST INDUSTRIAL REALTY TRUST INC - Form DEF 14A

Gerald A. Pientka(18)	40,894	**
All directors, Named Executive Officers and other executive officers as a group (16 persons)(19)	2,912,393	6.5%

\* The business address for each of the directors and executive officers of the Company is 311 South Wacker Drive, Suite 4000, Chicago, Illinois 60606.

\*\* Less than 1%

**PROXY STATEMENT**

- (1) Pursuant to a Schedule 13G filed February 13, 2008 by Barrow, Hanley, Mewhinney & Strauss, Inc. ( Barrow ). Of the shares reported, Barrow has the sole power to vote 758,890 shares; shared power to vote 3,108,300 shares; and sole power to dispose of 3,867,190 shares.
- (2) Pursuant to a Schedule 13G dated February 5, 2008 filed by Barclays Global Investors, N.A. ( Barclays ). Barclays has the sole power to dispose of all 2,377,593 shares reported, but has the sole power to vote only 2,068,736 of such shares.
- (3) Pursuant to a Schedule 13G dated February 14, 2008 filed by The Vanguard Group Inc. ( Vanguard ). Vanguard has the sole power to dispose of all 2,843,782 shares reported, but has the sole power to vote only 48,137 of such shares.
- (4) Pursuant to a Schedule 13G dated February 12, 2008 filed by Vanguard Whitehall Funds Vanguard Selected Value Fund ( Whitehall ). Whitehall has the sole power to vote all 2,835,900 shares reported.
- (5) Includes 910,660 shares held by Shidler Equities, L.P., a Hawaii limited partnership owned by Mr. Shidler and Mrs. Shidler, 20,000 shares owned by Mrs. Shidler, 68,020 Units held by Mr. Shidler directly, 254,541 Units held by Shidler Equities, L.P., 1,223 Units held by Mr. and Mrs. Shidler jointly, and 22,079 Units held by Holman/Shidler Investment Corporation. Also includes 11,228 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.
- (6) Includes 167,000 shares that may be acquired by Mr. Brennan upon the exercise of vested options granted under the 1997 Stock Plan, consisting of 60,000 shares at an exercise price of \$31.13 per share, 75,000 shares at an exercise price of \$33.13 per share and 32,000 shares at an exercise price of \$30.53 per share. Also includes 3,806 Units and 84,854 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.
- (7) Includes 546 shares of restricted Common Stock issued under the 1997 Stock Plan.
- (8) Includes 7,500 shares held by a trust for the benefit of Mr. Damone s wife. Also includes 6,700 shares that may be acquired upon the exercise of vested options granted under the 1997 Stock Plan at an exercise price of \$30.53 per share. Also includes 144,296 Units. Also includes 9,255 shares of restricted Common Stock issued under the 1997 Stock Plan.
- (9) Includes 8,951 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.
- (10) Includes 2,965 shares of restricted Common Stock issued under the 2001 Stock Plan.
- (11) Includes 9,080 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.
- (12) Includes 11,228 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.
- (13) Includes 30,000 shares that may be acquired by Mr. Tyler upon the exercise of vested options granted under the 1997 Stock Plan, consisting of 10,000 shares at an exercise price of \$30.00 per share, 10,000 shares at an exercise price of \$31.05 per share and 10,000 shares at an exercise price of \$33.15 per share. Also includes 10,266 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.

- (14) Includes 50,000 shares that may be acquired upon the exercise of vested options granted under the 1997 Stock Plan, consisting of 10,000 shares at an exercise price of \$31.13 per share, 10,000 shares at an exercise price of \$27.69 per share, 10,000 shares at an exercise price of \$30.00 per share, 10,000 shares at an exercise price of \$31.05 per share and 10,000 shares at an exercise price of \$33.15 per share. Also includes 11,228 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.
- (15) Includes 2,100 shares held in custodial accounts for Mr. Havala's children. Also includes 61,087 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.
- (16) Includes 52,000 shares that may be acquired by Mr. Yap upon the exercise of vested options granted under the 1997 Stock Plan at an exercise price of \$33.13 per share. Also includes 1,680 Units. Also includes 61,035 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.
- (17) Includes 42,098 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.
- (18) Includes 35,201 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.

**PROXY STATEMENT**

(19) Includes 305,700 shares in the aggregate that may be acquired by directors and executive officers upon the exercise of vested options granted under the 1997 Stock Plan, consisting of 70,000 shares at an exercise price of \$31.13, 10,000 shares at an exercise price of \$27.69, 127,000 shares at an exercise price of \$33.13, 20,000 shares at an exercise price of \$30.00, 20,000 shares at an exercise price of \$31.05, 20,000 shares at an exercise price of \$33.15 and 38,700 shares at an exercise price of \$30.53. Also includes 495,645 Units. Also includes 396,873 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.

**PROPOSAL II****RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED  
PUBLIC ACCOUNTING FIRM**

The accounting firm of PricewaterhouseCoopers LLP (or its predecessor, Coopers & Lybrand L.L.P.) has served as the Company's independent auditors since the Company's formation in August 1993. On February 27, 2008, the Audit Committee of the Board of Directors appointed PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the current fiscal year. A representative of PricewaterhouseCoopers LLP will be present at the Annual Meeting, will be given the opportunity to make a statement if he or she so desires and will be available to respond to appropriate questions.

**FEES**

During 2007 and 2006, the aggregate fees billed by PricewaterhouseCoopers LLP related to services in the following categories and amounts are:

	<b>2007</b>	<b>2006</b>
Audit Fees(1)	1,353,667	1,329,160
Audit-Related Fees(2)	445,958	414,283
Tax Fees(3)	1,095,728	851,225
Other Fees(4)	27,501	350
Total Fees	2,922,854	2,595,018

- (1) Audit Fees include amounts related to professional services rendered in connection with the audits of the Company's annual financial statements and those of our subsidiaries, the reviews of our quarterly financial statements and other services that are normally provided by the auditor in connection with statutory and regulatory filings or engagements.
- (2) Audit-Related Fees include amounts for assurance and related services, including Rule 3-14 audit work, joint venture audits, certain agreed-upon procedures and an annual employee benefit plan audit.
- (3) Tax Fees include amounts billed for professional services rendered in connection with tax compliance, tax advice and tax planning. These amounts primarily relate to tax services related to tax return preparation, REIT

compliance consultation, 1031 exchange consultation, federal and state audit consultation, return of capital review, federal and state regulation consultation, federal and state entity structuring, taxable REIT subsidiary consultation and international tax consultation.

- (4) Other Fees includes fees billed to the Company by PricewaterhouseCoopers LLP for any services not included in the foregoing categories.

**PROXY STATEMENT**

**PRE-APPROVAL OF SERVICES**

The Audit Committee pre-approves all audit, audit-related, tax and other services proposed to be provided by the Company's independent registered public accounting firm. Consideration and approval of such services generally occur at the Audit Committee's regularly scheduled meetings. In situations where it is impractical to wait until the next regularly scheduled meeting, the Audit Committee has delegated the authority to approve the audit, audit-related, tax and other services to each of its individual members. Approvals of audit, audit-related, tax and other services pursuant to the above-described delegation of authority must be reported to the full Audit Committee at its next regularly scheduled meeting.

**The Board of Directors recommends a vote FOR ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for fiscal 2008.**

**PROXY STATEMENT**

**OTHER MATTERS**

**SOLICITATION OF PROXIES**

The cost of solicitation of proxies in the form enclosed herewith will be borne by the Company. In addition to the solicitation of proxies by mail, the directors, officers and employees of the Company may also solicit proxies personally or by telephone without additional compensation for such activities. The Company will also request persons, firms and corporations holding shares in their names or in the names of their nominees, which are beneficially owned by others, to send proxy materials to and obtain proxies from such beneficial owners. The Company will reimburse such holders for their reasonable expenses.

Georgeson Inc. acts as the Company's proxy solicitor at a cost of \$7,500, plus reasonable out-of-pocket expenses, including a telephone solicitation campaign approved by the Company.

**STOCKHOLDER PROPOSALS**

Stockholder proposals intended to be presented at the 2009 Annual Meeting of Stockholders must be received by the Secretary of the Company no later than December 11, 2008, in order to be considered for inclusion in the proxy statement and on the proxy card that will be solicited by the Board of Directors in connection with the 2009 Annual Meeting of Stockholders.

**INCORPORATION BY REFERENCE**

In the pages preceding this Proxy Statement is a Letter to Stockholders from the Company's President and Chief Executive Officer. Appendix A to this Proxy Statement is the Company's 2007 Annual Report, which includes its consolidated financial statements and management's discussion and analysis of financial condition and results of operations, as well as certain other financial and other information required by the rules and regulations of the SEC. Information contained in the Letter to Stockholders or Appendix A to this Proxy Statement shall not be deemed to be filed or soliciting material, or subject to liability for purposes of Section 18 of the Exchange Act to the maximum extent permitted under the Exchange Act.

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDERS MEETING TO BE HELD ON MAY 20, 2008**

The Proxy Statement, Notice of Annual Meeting, Proxy Card and the Company's 2007 Annual Report are available on the Proxy Statement tab of the Investor Relations page on the Company's website, at [www.firstindustrial.com](http://www.firstindustrial.com).

For directions to attend the Annual Meeting in person, please contact Sean P. O'Neill, the Company's SVP, Investor Relations and Corporate Communications, at (312) 344-4401, or Art Harmon, the Company's Director, Investor Relations and Corporate Communications, at (312) 344-4320.

**OTHER MATTERS**

The Board of Directors does not know of any matters other than those described in this Proxy Statement that will be presented for action at the Annual Meeting. If other matters are presented, it is the intention of the persons named as proxies in the accompanying Proxy Card to vote in their discretion all shares represented by validly executed proxies.

**REGARDLESS OF THE NUMBER OF SHARES YOU OWN, YOUR VOTE IS IMPORTANT TO THE COMPANY. PLEASE COMPLETE, SIGN, DATE AND PROMPTLY RETURN THE ENCLOSED PROXY CARD TODAY.**



**Important Notice Regarding the Availability of Proxy Materials for the Shareholders Meeting to Be Held on May 20, 2008:** The Proxy Statement, Notice of Annual Meeting, Proxy Card and the Company's 2007 Annual Report are available on the Proxy Statement tab of the Investor Relations page on the Company's website, at [www.firstindustrial.com](http://www.firstindustrial.com).

Using a **black ink** pen, mark your votes with an **X** as shown in this example. Please do not write outside the designated areas. x

**Annual Meeting Proxy Card**

**PLEASE FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE.**

**Proposals** The Board of Directors recommends a vote FOR all the nominees listed and FOR Proposal 2.

1. Election of three Class II Directors and one Class III Director:

	<b>For</b>		<b>Withhold</b>			<b>For</b>		<b>Withhold</b>		<b>+</b>
01 - Michael W. Brennan*	<input type="radio"/>	<input type="radio"/>			02 - Michael G. Damone*	<input type="radio"/>	<input type="radio"/>			
	<input type="radio"/>	<input type="radio"/>								
04 - John W. M. Brenninkmeijer**										

\* Term, if elected, expires in 2011.  
 \*\* Term, if elected, expires in 2009.

**For Against Abstain**

2. Ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm.      o      o      o

3. In their discretion, on any and all other matters that may properly come before the meeting.

**B Authorized Signatures This section must be completed for your vote to be counted. Date and Sign Below**

Please sign exactly as name(s) appears hereon. Joint owners should each sign. When signing as attorney, executor, administrator, corporate officer, trustee, guardian, or custodian, please give full title.

Date (mm/dd/yyyy) Please print date below.

Signature 1 Please keep signature within the box.

Signature 2 Please keep signature within the box.

<STOCK#>      00VQSA      1 U P X      0 1 7 5 7 3 2      +

---

**PLEASE FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE.**

**Proxy FIRST INDUSTRIAL REALTY TRUST, INC.**

**PROXY FOR ANNUAL MEETING OF STOCKHOLDERS ON MAY 20, 2008  
SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS**

The undersigned appoints Michael W. Brennan and Michael J. Havala, or either of them, with full powers of substitution, as proxies of the undersigned, with the authority to vote upon and act with respect to all shares of stock of First Industrial Realty Trust, Inc. (the Company), which the undersigned is entitled to vote, at the Annual Meeting of Stockholders of the Company, to be held at The Chicago Club, Robert Todd Lincoln Room 2nd Floor, 81 East Van Buren, Chicago, Illinois 60605, commencing Tuesday, May 20, 2008, at 9:00 a.m., and at any and all adjournments thereof, with all the powers the undersigned would possess if then and there personally present, and especially (but without limiting the general authorization and power hereby given) with the authority to vote on the reverse side. The undersigned hereby revokes any proxy or proxies heretofore given to vote upon or act with respect to said shares and hereby confirms all that the proxies named herein and their substitutes, or any of them, may lawfully do by virtue hereof.

**This proxy, when properly executed, will be voted as specified herein. If this proxy does not indicate a contrary choice, it will be voted for all nominees for director listed in Item 1, for the ratification of the independent registered public accounting firm in Item 2, and in the discretion of the persons named as proxies herein with respect to any and all matters referred to in Item 3.**

**PLEASE VOTE, DATE AND SIGN THIS PROXY ON THE OTHER SIDE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE.**