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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):
November 2, 2016

REXFORD INDUSTRIAL REALTY, INC.
(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of
incorporation)

001-36008
(Commission File Number)

46-2024407
(IRS Employer Identification No.)

11620 Wilshire Boulevard, Suite 1000, Los Angeles, California
(Address of principal executive offices)

90025
(Zip Code)

Registrant's telephone number, including area code: (310) 966-1680

N/A
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2.):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-
-

ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On November 2, 2016, Rexford Industrial Realty, Inc. (“Rexford Industrial”) issued a press release announcing its earnings for the quarter ended September 30, 2016 and distributed certain supplemental financial information. On November 2, 2016, Rexford Industrial also posted the supplemental financial information on its website located at www.rexfordindustrial.com. Copies of the press release and supplemental financial information are furnished herewith as Exhibits 99.1 and 99.2, respectively.

The information included in this Current Report on Form 8-K under this Item 2.02 (including Exhibits 99.1 and 99.2 hereto) are being “furnished” and shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of the Exchange Act, nor shall it be incorporated by reference into a filing under the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

ITEM 7.01 REGULATION FD DISCLOSURE

As discussed in Item 2.02 above, Rexford Industrial issued a press release announcing its earnings for the quarter ended September 30, 2016 and distributed certain supplemental information. On November 2, 2016, Rexford Industrial also posted the supplemental financial information on its website located at www.rexfordindustrial.com.

The information included in this Current Report on Form 8-K under this Item 7.01 (including Exhibit 99.1 and 99.2 hereto) is being “furnished” and shall not be deemed to be “filed” for the purposes of the Exchange Act, or otherwise subject to the liabilities of the Exchange Act, nor shall it be incorporated by reference into a filing under the Securities Act or the Exchange Act, except as shall be expressly set forth by specific reference in such filing. The information included in this Current Report on Form 8-K under this Item 7.01 (including Exhibit 99.1 and 99.2 hereto) will not be deemed an admission as to the materiality of any information required to be disclosed solely to satisfy the requirements of Regulation FD.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits.

99.1 Press Release dated November 2, 2016

99.2 Third Quarter 2016 Supplemental Financial Report

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

November 2, 2016	Rexford Industrial Realty, Inc. /s/ Michael S. Frankel _____ Michael S. Frankel Co-Chief Executive Officer (Principal Executive Officer)
November 2, 2016	Rexford Industrial Realty, Inc. /s/ Howard Schwimmer _____ Howard Schwimmer Co-Chief Executive Officer (Principal Executive Officer)

EXHIBIT INDEX

Exhibit Number	Description
99.1	Press Release dated November 2, 2016
99.2	Third Quarter 2016 Supplemental Financial Report



REXFORD INDUSTRIAL ANNOUNCES THIRD QUARTER 2016 FINANCIAL RESULTS

- Net Income of \$0.03 per Diluted Share for Third Quarter 2016 -
- Third Quarter 2016 Core FFO of \$0.22 per Diluted Share -
- Same Property Portfolio NOI Up 8.2% Compared to Third Quarter 2015 -
- Stabilized Same Property Portfolio Occupancy at 96.3%, Up 530 Basis Points Year-Over-Year -
- Increases Company Share of Core FFO 2016 Guidance to \$0.87 to \$0.89 per diluted share -

Los Angeles, California - November 2, 2016 - Rexford Industrial Realty, Inc. (the "Company" or "Rexford Industrial") (NYSE: REXR), a real estate investment trust ("REIT") that specializes in acquiring, owning and operating industrial properties located in Southern California infill markets, today announced financial results for the third quarter 2016.

Third Quarter 2016 Financial and Operational Highlights:

- Net Income attributable to common stockholders of \$0.03 per diluted share for the quarter ended September 30, 2016.
 - Core Funds From Operations (FFO) of \$0.22 per diluted share for the quarter ended September 30, 2016. Adjusting for non-core expenses, FFO was \$0.21 per diluted share for the quarter ended September 30, 2016.
 - Total rental revenues of \$32.9 million, which represents an increase of 41.2% year-over-year. Property Net Operating Income (NOI) of \$24.0 million, which represents an increase of 40.2% year-over-year.
 - Same Property Portfolio NOI increased 8.2% in the third quarter of 2016 compared to the third quarter of 2015, driven by an 8.4% increase in Same Property Portfolio total rental revenue and an 8.9% increase in Same Property Portfolio operating expenses. Same Property Portfolio Cash NOI increased 6.8% compared to the third quarter of 2015.
 - Signed new and renewal leases totaling 837,391 rentable square feet. Rental rates on new and renewal leases were 15.6% higher than prior rents on a GAAP basis and 7.0% higher on a cash basis.
 - Stabilized Same Property Portfolio occupancy was 96.3%, which represents an increase of 530 basis points year-over-year. Same Property Portfolio occupancy was 93.7%, which represents an increase of 370 basis points year-over-year.
 - At September 30, 2016, the consolidated portfolio including repositioning assets was 90.6% leased and 89.7% occupied, which represents an increase in occupancy of 90 basis points year-over-year. At September 30, 2016, the consolidated portfolio, excluding repositioning assets aggregating 932,163 rentable square feet, was 96.7% leased and 95.8% occupied.
 - During the third quarter of 2016, the Company acquired three industrial properties for an aggregate purchase price of \$80.8 million. During the first nine months of 2016, the Company acquired 16 properties for an aggregate purchase price of \$311.5 million.
 - Issued 3.6 million shares of its 5.875% Series A Cumulative Redeemable Preferred Stock at \$25.00 per share, for net proceeds of approximately \$86.7 million.
-

"We are pleased with our third quarter operating and financial performance, which included a 40.2% increase in consolidated NOI and an 8.2% increase in Same Property Portfolio NOI over the prior year period," stated Michael Frankel and Howard Schwimmer, Co-Chief Executive Officers of the Company. "We continue to realize robust organic growth through strong re-leasing spreads, occupancy gains and increased cash flow from the completion and lease-up of value-add repositioned properties. Strong, accretive external growth has also contributed to a 41.2% increase in total revenue and a 10% increase in Core FFO per share. Year to date, we have acquired in excess of \$311 million of high-quality industrial assets within our supply constrained target in-fill submarkets, with \$80.8 million of property acquired during the quarter. Additionally, with our recent preferred equity offering, we have accessed a new source of capital and added additional capacity to our strong balance sheet. Measured by occupancy, rental rates and per-square-foot values, the infill Southern California industrial market also remains the strongest in the nation, with increasing tenant demand and robust ecommerce growth. Market vacancy continues at historically low levels as high-barriers and the lack of developable land severely limit the development of new buildings for lease within infill Southern California. As evidenced by our increased Core FFO per share guidance, we believe we have strong momentum and remain excited about our favorable secular growth profile as we look forward into future periods."

Financial Results:

The Company reported net income attributable to common stockholders of \$2.3 million, or \$0.03 per diluted share, for the three months ended September 30, 2016, as compared to net income attributable to common stockholders of \$0.5 million, or \$0.01 per diluted share, for the three months ended September 30, 2015.

The Company reported net income attributable to common stockholders of \$15.9 million, or \$0.26 per diluted share, for the nine months ended September 30, 2016, as compared to net income attributable to common stockholders of \$0.7 million, or \$0.01 per diluted share, for the nine months ended September 30, 2015. Net income for the nine months ended September 30, 2016 included \$11.6 million of gains on sale of real estate, for which there was no comparable amount for the nine months ended September 30, 2015.

The Company reported Company share of Core FFO of \$14.2 million, or \$0.22 per diluted share of common stock, for the three months ended September 30, 2016, as compared to Company share of Core FFO of \$11.2 million, or \$0.20 per diluted share of common stock, for the three months ended September 30, 2015. Adjusting for non-core expenses (\$0.4 million reported during the third quarter of 2016 and \$0.4 million reported during the third quarter of 2015), Company share of FFO was \$13.9 million, or \$0.21 per diluted share of common stock, as compared to Company share of FFO of \$10.8 million, or \$0.20 per diluted share of common stock, for the three months ended September 30, 2015.

The Company reported Company share of Core FFO of \$40.1 million, or \$0.65 per diluted share of common stock, for the nine months ended September 30, 2016, as compared to Company share of Core FFO of \$32.4 million, or \$0.60 per diluted share of common stock, for the nine months ended September 30, 2015. Adjusting for non-core expenses (\$0.8 million reported during the first nine months of 2016 and \$2.0 million during the first nine months of 2015), Company share of FFO was \$39.3 million, or \$0.64 per diluted share of common stock, as compared to Company share of FFO of \$30.5 million, or \$0.57 per diluted share of common stock, for the nine months ended September 30, 2015.

For the three months ended September 30, 2016, the Company's Same Property Portfolio NOI increased 8.2% compared to the third quarter of 2015, driven by an 8.4% increase in Same Property Portfolio total rental revenue, and an 8.9% increase in Same Property Portfolio expenses. Same Property Portfolio Cash NOI increased 6.8% compared to the third quarter 2015.

Operating Results:

In the third quarter of 2016, the Company signed 134 new and renewal leases in its consolidated portfolio, totaling 837,391 rentable square feet. Average rental rates on comparable new and renewal leases were up 15.6% on a GAAP basis and up 7.0% on a cash basis. The Company signed 59 new leases for 519,212 rentable square feet, with GAAP rents up 17.6% compared to the prior in-place leases. The Company signed 75 renewal leases for 318,179 rentable square feet, with GAAP rents up 14.4% compared to the prior in-place leases. For the 59 new leases, cash rents were up 10.7%, and for the 75 renewal leases, cash rents were up 4.9%, compared to the ending cash rents for the prior leases.

The Company has included in a supplemental information package the detailed results and operating statistics that reflect the activities of the Company for the three months ended September 30, 2016. See below for information regarding the supplemental information package.

Transaction Activity:

In the third quarter 2016, the Company acquired three industrial properties, for an aggregate purchase price of \$80.8 million, as detailed below.

In July 2016, the Company acquired the remaining 85% joint venture interest in 3233 Mission Oaks Boulevard, a two-building industrial property containing 457,693 square feet in the Ventura County submarket for \$21.8 million, based on 85% of the total purchase price of \$25.7 million, or approximately \$56 per square foot.

In August 2016, the Company acquired 1600 Orangethorpe, a five-building industrial complex containing 345,756 square feet in the Orange County North submarket for \$40.1 million, or approximately \$116 per square foot.

In September 2016, the Company acquired 14742-14750 E. Nelson Avenue, a two-building industrial property containing 145,531 square feet, with excess land available for development, in the San Gabriel Valley submarket for \$15.0 million, or approximately \$103 per square foot.

Balance Sheet:

In August 2016, the Company issued 3.6 million shares of its 5.875% Series A Cumulative Redeemable Preferred Stock at \$25.00 per share, for net proceeds of approximately \$86.7 million after deducting the underwriting discount and offering expenses.

At September 30, 2016, the Company had \$503 million of outstanding debt, with an average interest rate of 3.087% and an average term-to-maturity of 5.6 years. At September 30, 2016, \$160 million of the Company's floating-rate debt has been effectively fixed at 3.461% through the use of interest rate swaps. As a result of interest rate swaps and the issuance of \$100 million of fixed-rate notes last year, approximately \$278 million, or 55%, of the Company's outstanding debt was fixed-rate with an average interest rate of 3.86% and an average term-to-maturity of 5.0 years. The remaining \$225 million, or 45%, of the Company's outstanding debt was floating-rate, with an average interest rate of LIBOR + 1.60% and an average term-to-maturity of 6.3 years. If the forward-starting portions of the two interest rate swaps noted above were effective as of September 30, 2016, then 100% of the Company's debt would be effectively fixed.

Guidance

The Company is increasing its full year 2016 guidance range for Company share of Core FFO to a range of \$0.87 to \$0.89 per diluted share of common stock. This Core FFO guidance refers only to the Company's in-place portfolio as of November 2, 2016, and does not include any assumptions for acquisitions, dispositions or balance sheet activities that may or may not occur later during the year. Increased full year guidance assumes the following: year-end Same Property Portfolio occupancy within a range of 94% to 95%, Same Property Portfolio NOI growth for the year of 7% to 8% and general & administrative expenses of \$17.5 to \$17.8 million.

The Company does not provide a reconciliation for its guidance range of Core FFO per diluted share to net income attributable to common stockholders per diluted share, the most directly comparable forward-looking GAAP financial measure, because it is impractical to provide a meaningful or accurate estimation of reconciling items and the information is not available without unreasonable effort. This is due to the inherent difficulty of forecasting the timing and/or amount of various items that would impact net income available to common stockholders per diluted share, including, for example, acquisition costs, gains on sales of depreciable real estate and other items that have not yet occurred and are out of the Company's control. For the same reasons, the Company is unable to address the probable significance of the unavailable information and believes that providing a reconciliation for its guidance range of Core FFO per diluted share would imply a degree of precision as to its forward-looking net income available to common stockholders per diluted share that would be confusing or misleading to investors.

Dividend:

On November 1, 2016, the Board of Directors declared a dividend of \$0.135 per share for the fourth quarter of 2016, payable in cash on January 17, 2017, to common stockholders and common unit holders of record as of December 30, 2016. On November 1, 2016, the Board of Directors declared a cash dividend of \$0.55078 per share payable to its Series A Cumulative Redeemable Preferred stockholders, payable in cash on December 30, 2016, to stockholders of record as of December 15, 2016.

Supplemental Information:

Details regarding these results can be found in the Company's supplemental financial package available on the Company's investor relations website at www.ir.rexfordindustrial.com.

Earnings Release, Investor Conference Webcast and Conference Call:

The Company will host a webcast and conference call on Wednesday, November 2, 2016, at 5:00 p.m. Eastern Time to review third quarter results and discuss recent events. The live webcast will be available on the Company's investor relations website at ir.rexfordindustrial.com. To participate in the call, please dial 877-407-0789 (domestic) or 201-689-8562 (international). A replay of the conference call will be available through December 2, 2016, by dialing 877-870-5176 (domestic) or 858-384-5517 (international) and entering the pass code 13647191.

About Rexford Industrial:

Rexford Industrial is a real estate investment trust focused on owning and operating industrial properties in Southern California infill markets. The Company owns 134 properties with approximately 14.6 million rentable square feet and manages an additional 19 properties with approximately 1.2 million rentable square feet.

For additional information, visit www.rexfordindustrial.com.

Forward Looking Statements:

This press release may contain forward-looking statements within the meaning of the federal securities laws, which are based on current expectations, forecasts and assumptions that involve risks and uncertainties that could cause actual outcomes and results to differ materially. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," or "potential" or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. While forward-looking statements reflect the Company's good faith beliefs, assumptions and expectations, they are not guarantees of future performance. For a further discussion of these and other factors that could cause the Company's future results to differ materially from any forward-looking statements, see the reports and other filings by the Company with the U.S. Securities and Exchange Commission, including the Company's Annual Report on Form 10-K for the year ended December 31, 2015, and subsequent filings with the Securities and Exchange Commission. The Company disclaims any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, of new information, data or methods, future events or other changes.

Definitions / Discussion of Non-GAAP Financial Measures:

Funds from Operations (FFO): We calculate FFO in accordance with the standards established by the National Association of Real Estate Investment Trusts ("NAREIT"). FFO represents net income (loss) (computed in accordance with GAAP), excluding gains (or losses) from sales of depreciable operating property, impairment losses, real estate related depreciation and amortization (excluding amortization of deferred financing costs) and after adjustments for unconsolidated partnerships and joint ventures. Management uses FFO as a supplemental performance measure because, in excluding real estate related depreciation and amortization, gains and losses from property dispositions, other than temporary impairments of unconsolidated real estate entities, and impairment on our investment in real estate, it provides a performance measure that, when compared year over year, captures trends in occupancy rates, rental rates and operating costs. We also believe that, as a widely recognized measure of performance used by other REITs, FFO may be used by investors as a basis to compare our operating performance with that of other REITs. However, because FFO excludes depreciation and amortization and captures neither the changes in the value of our properties that result from use or market conditions nor the level of capital expenditures and leasing commissions necessary to maintain the operating performance of our properties, all of which have real economic effects and could materially impact our results from operations, the utility of FFO as a measure of our performance is limited. Other equity REITs may not calculate or interpret FFO in accordance with the NAREIT definition as we do, and, accordingly, our FFO may not be comparable to such other REITs' FFO. FFO should not be used as a measure of our liquidity, and is not indicative of funds available for our cash needs, including our ability to pay dividends. FFO should be considered only as a supplement to net income computed in accordance with GAAP as a measure of our performance. A reconciliation of net income, the nearest GAAP equivalent, to FFO is set forth below.

Core Funds from Operations (Core FFO): We calculate Core FFO by adjusting FFO to exclude the impact of certain items that we do not consider reflective of our core revenue or expense streams. These adjustments consist of acquisition expenses and legal expenses or reimbursements related to prior litigation. For more information on prior litigation, see Item 3. Legal Proceedings in our 2014 Annual Report on Form 10-K. Management believes that Core FFO is a useful supplemental measure as it provides a more meaningful and consistent comparison of operating performance and allows investors to more easily compare the Company's operating results. Because certain of these adjustments have a real economic impact on our financial condition and results from operations, the utility of Core FFO as a measure of our performance is limited. Other REITs may not calculate Core FFO in a consistent manner. Accordingly, our Core FFO may not be comparable to other REITs' Core FFO. Core FFO should be considered only as a supplement to net income computed in accordance with GAAP as a measure of our performance. A reconciliation of FFO to Core FFO is set forth below.

Net Operating Income (NOI): NOI is a non-GAAP measure, which includes the revenue and expense directly attributable to our real estate properties. NOI is calculated as total revenue from real estate operations including i) rental revenues, ii) tenant reimbursements and iii) other income less property expenses (before interest expense, depreciation and amortization). We use NOI as a supplemental performance measure because, in excluding real estate depreciation and amortization expense and gains (or losses) from property dispositions, it provides a performance measure that, when compared year over year, captures trends in occupancy rates, rental rates and operating costs. We also believe that NOI will be useful to investors as a basis to compare our operating performance with that of other REITs. However, because NOI excludes depreciation and amortization expense and captures neither the changes in the value of our properties that result from use or market conditions, nor the level of capital expenditures and leasing commissions necessary to maintain the operating performance of our properties (all of which have real economic effect and could materially impact our results from operations), the utility of NOI as a measure of our performance is limited. Other equity REITs may not calculate NOI in a similar manner and, accordingly, our NOI may not be comparable to such other REITs' NOI. Accordingly, NOI should be considered only as a supplement to net income as a measure of our performance. NOI should not be used as a measure of our liquidity, nor is it indicative of funds available to fund our cash needs.

NOI should not be used as a substitute for cash flow from operating activities in accordance with GAAP. We use NOI to help evaluate the performance of the Company as a whole, as well as the performance of our Same Property Portfolio. A calculation of NOI for our Same Property Portfolio, as well as a reconciliation of NOI for our Same Property Portfolio to net income, is set forth below.

Cash NOI: Cash NOI is a non-GAAP measure, which we calculate by adding or subtracting from NOI i) fair value lease revenue and ii) straight-line rent adjustments. We use Cash NOI, together with NOI, as a supplemental performance measure. Cash NOI should not be used as a measure of our liquidity, nor is it indicative of funds available to fund our cash needs. Cash NOI should not be used as a substitute for cash flow from operating activities computed in accordance

with GAAP. We use Cash NOI to help evaluate the performance of the Company as a whole, as well as the performance of our Same Property Portfolio. A calculation of Cash NOI for our Same Property Portfolio, as well as a reconciliation of Cash NOI for our Same Property Portfolio to net income, is set forth below.

Same Property Portfolio: Our Same Property Portfolio is a subset of our consolidated portfolio and includes properties that were wholly-owned by us as of January 1, 2015, and still owned by us as of September 30, 2016. Therefore, we excluded from our Same Properties Portfolio any properties that were acquired or sold during the period from January 1, 2015 through September 30, 2016. The Company's computation of same property performance may not be comparable to other REITs.

Stabilized Same Property Portfolio: Our Stabilized Same Property Portfolio represents the properties included in our Same Property Portfolio, adjusted to exclude space at properties that were in various stages of repositioning (defined below) or lease-up. As of September 30, 2016, space aggregating 262,625 rentable square feet at five of our Same Property Portfolio properties were in various stages of repositioning or lease-up.

Properties and Space Under Repositioning: Typically defined as properties or units where a significant amount of space is held vacant in order to implement capital improvements that improve the functionality (not including basic refurbishments, i.e., paint and carpet), cash flow and value of that space. We define a significant amount of space in a building as the lower of (i) 20,000 square feet of space or (ii) 50% of a building's square footage. Typically, we would include properties or space where the repositioning and lease-up time frame is estimated to be greater than six months. A repositioning is considered complete once the investment is fully or nearly fully deployed and the property is marketable for leasing. We consider a property to be stabilized once it reaches 95% occupancy.

Contact:

Investor Relations:

Stephen Swett
424 256 2153 ext 401
investorrelations@rexfordindustrial.com

Rexford Industrial Realty, Inc.
Consolidated Balance Sheets
(In thousands except share data)

	September 30, 2016 (unaudited)	December 31, 2015
ASSETS		
Land	\$ 659,641	\$ 492,704
Buildings and improvements	778,066	650,075
Tenant improvements	36,687	28,977
Furniture, fixtures, and equipment	175	188
Construction in progress	23,300	16,822
Total real estate held for investment	1,497,869	1,188,766
Accumulated depreciation	(126,601)	(103,623)
Investments in real estate, net	1,371,268	1,085,143
Cash and cash equivalents	55,263	5,201
Notes receivable	5,817	—
Rents and other receivables, net	2,633	3,040
Deferred rent receivable, net	10,913	7,827
Deferred leasing costs, net	8,064	5,331
Deferred loan costs, net	996	1,445
Acquired lease intangible assets, net	38,093	30,383
Acquired indefinite-lived intangible	5,215	5,271
Other assets	5,522	5,523
Acquisition related deposits	400	—
Investment in unconsolidated real estate entities	—	4,087
Total Assets	\$ 1,504,184	\$ 1,153,251
LIABILITIES & EQUITY		
Liabilities		
Notes payable	\$ 500,428	\$ 418,154
Interest rate swap liability	5,938	3,144
Accounts payable, accrued expenses and other liabilities	18,433	12,631
Dividends payable	9,214	7,806
Acquired lease intangible liabilities, net	5,722	3,387
Tenant security deposits	14,946	11,539
Prepaid rents	3,945	2,846
Total Liabilities	558,626	459,507
Equity		
Rexford Industrial Realty, Inc. stockholders' equity		
Preferred stock, \$0.01 par value, 10,000,000 shares authorized; 5.875% series A cumulative redeemable preferred stock, liquidation preference \$25.00 per share, 3,600,000 and zero shares outstanding at September 30, 2016 and December 31, 2015, respectively	86,664	—
Common Stock, \$0.01 par value 490,000,000 shares authorized and 66,048,341 and 55,598,684 shares outstanding at September 30, 2016 and December 31, 2015, respectively	658	553
Additional paid in capital	898,354	722,722
Cumulative distributions in excess of earnings	(56,651)	(48,103)
Accumulated other comprehensive loss	(5,764)	(3,033)
Total stockholders' equity	923,261	672,139
Noncontrolling interests	22,297	21,605
Total Equity	945,558	693,744
Total Liabilities and Equity	\$ 1,504,184	\$ 1,153,251

Rexford Industrial Realty, Inc.
Consolidated Statements of Operations
(Unaudited and in thousands, except per share data)

	Three Months Ended September 30,		Nine months ended September 30,	
	2016	2015	2016	2015
RENTAL REVENUES				
Rental income	\$ 28,285	\$ 20,617	\$ 77,903	\$ 58,449
Tenant reimbursements	4,467	2,377	12,144	7,405
Other income	192	341	764	693
TOTAL RENTAL REVENUES	32,944	23,335	90,811	66,547
Management, leasing and development services	131	186	376	479
Interest income	228	153	228	710
TOTAL REVENUES	33,303	23,674	91,415	67,736
OPERATING EXPENSES				
Property expenses	8,978	6,237	24,480	17,882
General and administrative	5,067	3,778	13,190	11,064
Depreciation and amortization	13,341	10,642	37,165	31,016
TOTAL OPERATING EXPENSES	27,386	20,657	74,835	59,962
OTHER EXPENSES				
Acquisition expenses	380	528	1,490	1,608
Interest expense	3,804	2,245	10,774	5,729
TOTAL OTHER EXPENSES	4,184	2,773	12,264	7,337
TOTAL EXPENSES	31,570	23,430	87,099	67,299
Equity in income from unconsolidated real estate entities	1,328	45	1,451	58
Gain from early repayment of note receivable	—	581	—	581
Loss on extinguishment of debt	—	(253)	—	(182)
Gains on sale of real estate	—	—	11,563	—
NET INCOME	3,061	617	17,330	894
Less: net income attributable to noncontrolling interest	(63)	(24)	(533)	(36)
NET INCOME ATTRIBUTABLE TO REXFORD INDUSTRIAL REALTY, INC.	2,998	593	16,797	858
Less: preferred stock dividends	(661)	—	(661)	—
Less: earnings attributable to participating securities	(70)	(53)	(223)	(152)
NET INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS	\$ 2,267	\$ 540	\$ 15,913	\$ 706
Net income available to common stockholders per share - basic and diluted	<u>\$ 0.03</u>	<u>\$ 0.01</u>	<u>\$ 0.26</u>	<u>\$ 0.01</u>

Rexford Industrial Realty, Inc.
Same Property Portfolio Occupancy and NOI and Cash NOI
(Unaudited, dollars in thousands)

Same Property Portfolio Occupancy:

	September 30, 2016		September 30, 2015		Change (basis points)	
	Same Property Portfolio	Stabilized Same Property Portfolio ⁽¹⁾	Same Property Portfolio	Stabilized Same Property Portfolio ⁽¹⁾	Same Property Portfolio	Stabilized Same Property Portfolio ⁽¹⁾
Occupancy:						
Los Angeles County	94.0%	96.8%	88.8%	88.5%	520 bps	830 bps
Orange County	85.6%	94.4%	84.3%	93.0%	130 bps	140 bps
San Bernardino County	96.3%	96.3%	97.0%	97.0%	(70) bps	(70) bps
San Diego County	96.9%	96.9%	90.4%	90.4%	650 bps	650 bps
Ventura County	95.9%	95.9%	95.0%	95.0%	90 bps	90 bps
Total/Weighted Average	93.7%	96.3%	90.0%	91.0%	370 bps	530 bps

(1) Reflects the occupancy of our Same Property Portfolio adjusted for space aggregating 262,625 rentable square feet at five properties that were in various stages of repositioning or lease-up as of September 30, 2016.

Same Property Portfolio NOI and Cash NOI

	Three Months Ended September 30,				Nine months ended September 30,			
	2016	2015	\$ Change	% Change	2016	2015	\$ Change	% Change
Rental income	\$ 19,871	\$ 18,270	\$ 1,601	8.8%	\$ 58,124	\$ 54,052	\$ 4,072	7.5%
Tenant reimbursements	2,540	2,203	337	15.3%	7,735	7,212	523	7.3%
Other income	121	314	(193)	(61.5)%	474	633	(159)	(25.1)%
Total rental revenues	22,532	20,787	1,745	8.4%	66,333	61,897	4,436	7.2%
Property expenses	6,216	5,706	510	8.9%	17,994	16,966	1,028	6.1%
Same property portfolio NOI	\$ 16,316	\$ 15,081	\$ 1,235	8.2%	\$ 48,339	\$ 44,931	\$ 3,408	7.6%
Straight-line rents	(631)	(408)	(223)	54.7%	(1,105)	(1,149)	44	(3.8)%
Amort. above/below market leases	30	41	(11)	(26.8)%	94	114	(20)	(17.5)%
Same property portfolio cash NOI	\$ 15,715	\$ 14,714	\$ 1,001	6.8%	\$ 47,328	\$ 43,896	\$ 3,432	7.8%

Rexford Industrial Realty, Inc.
Reconciliation of Same Property Portfolio Cash NOI and Same Property Portfolio NOI to Net Income
(Unaudited and in thousands)

	Three Months Ended September 30,		Nine months ended September 30,	
	2016	2015	2016	2015
Same property portfolio cash NOI	\$ 15,715	\$ 14,714	\$ 47,328	\$ 43,896
Straight-line rents	631	408	1,105	1,149
Amort. above/below market leases	(30)	(41)	(94)	(114)
Same property portfolio NOI	16,316	15,081	48,339	44,931
Non-comparable property operating revenues	10,412	2,548	24,478	4,650
Non-comparable property expenses	(2,762)	(531)	(6,486)	(916)
Total consolidated portfolio NOI	23,966	17,098	66,331	48,665
Add:				
Management, leasing and development services	131	186	376	479
Interest income	228	153	228	710
Equity in income from unconsolidated real estate entities	1,328	45	1,451	58
Gain from early repayment of note receivable	—	581	—	581
Gains on sale of real estate	—	—	11,563	—
Deduct:				
General and administrative	5,067	3,778	13,190	11,064
Depreciation and amortization	13,341	10,642	37,165	31,016
Acquisition expenses	380	528	1,490	1,608
Interest expense	3,804	2,245	10,774	5,729
Loss on extinguishment of debt	—	253	—	182
Net income	<u>\$ 3,061</u>	<u>\$ 617</u>	<u>\$ 17,330</u>	<u>\$ 894</u>

Rexford Industrial Realty, Inc.
Reconciliation of Net Income to Funds From Operations and Core Funds From Operations
(Unaudited and in thousands, except share data)

	Three Months Ended September 30,		Nine months ended September 30,	
	2016	2015	2016	2015
Net income	\$ 3,061	\$ 617	\$ 17,330	\$ 894
Add:				
Depreciation and amortization	13,341	10,642	37,165	31,016
Depreciation and amortization from unconsolidated joint ventures ⁽¹⁾	—	4	10	52
Deduct:				
Gains on sale of real estate	—	—	11,563	—
Gain on acquisition of unconsolidated joint venture property	1,332	—	1,332	—
Funds From Operations (FFO)	<u>\$ 15,070</u>	<u>\$ 11,263</u>	<u>\$ 41,610</u>	<u>\$ 31,962</u>
Less: preferred stock dividends	(661)	—	(661)	—
Less: FFO attributable to noncontrolling interest ⁽²⁾	(424)	(407)	(1,294)	(1,225)
Less: FFO attributable to participating securities ⁽³⁾	(111)	(76)	(349)	(223)
Company share of FFO	<u>\$ 13,874</u>	<u>\$ 10,780</u>	<u>\$ 39,306</u>	<u>\$ 30,514</u>
FFO	\$ 15,070	\$ 11,263	\$ 41,610	\$ 31,962
Add:				
Legal fees (reimbursements)	—	(88)	(643)	345
Acquisition expenses	380	528	1,490	1,608
Core FFO	<u>\$ 15,450</u>	<u>\$ 11,703</u>	<u>\$ 42,457</u>	<u>\$ 33,915</u>
Less: preferred stock dividends	(661)	—	(661)	—
Less: Core FFO attributable to noncontrolling interest ⁽²⁾	(435)	(423)	(1,318)	(1,303)
Less: Core FFO attributable to participating securities ⁽³⁾	(114)	(79)	(356)	(236)
Company share of Core FFO	<u>\$ 14,240</u>	<u>\$ 11,201</u>	<u>\$ 40,122</u>	<u>\$ 32,376</u>
Weighted-average shares outstanding - basic and diluted	65,707,476	55,145,963	61,694,835	53,613,874

- (1) Amount represents our 15% ownership interest in a joint venture that owned the property located at 3233 Mission Oaks Boulevard for all periods prior to July 6, 2016, when we acquired the remaining 85% ownership interest.
- (2) Noncontrolling interest represent holders of outstanding common units of the Company's operating partnership that are owned by unit holders other than the Company.
- (3) Participating securities include invested shares of restricted stock, unvested LTIP units and unvested performance units.



Supplemental Financial Reporting Package

Third Quarter 2016

Rexford Industrial Realty, Inc.
NYSE: REXR
11620 Wilshire Blvd
Suite 1000
Los Angeles, CA 90025
310-966-1680

www.RexfordIndustrial.com

Table of Contents

Section	Page
Corporate Data:	
Investor Company Summary	3
Financial and Portfolio Highlights and Common Stock Data	4
Consolidated Financial Results:	
Consolidated Balance Sheets	5
Consolidated Statement of Operations	6-7
Non-GAAP FFO, Core FFO and AFFO Reconciliations	8-9
Statement of Operations Reconciliations	10-11
Same Property Portfolio Performance	12-13
Joint Venture Financial Summary	14-15
Capitalization Summary	16
Debt Summary	17
Debt Covenants	18
Portfolio Data:	
Portfolio Overview	19
Occupancy and Leasing Trends	20
Leasing Statistics	21-22
Top Tenants and Lease Segmentation	23
Capital Expenditure Summary	24
Properties and Space Under Repositioning	25-26
Current Year Acquisitions and Dispositions Summary	27
Net Asset Value Components	28
Fixed Charge Coverage Ratio	29
Definitions / Discussion of Non-GAAP Financial Measures	30-31

Disclosures:

Forward Looking Statements: This supplemental package contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. We caution investors that any forward-looking statements presented herein are based on management's beliefs and assumptions and information currently available to management. Such statements are subject to risks, uncertainties and assumptions and may be affected by known and unknown risks, trends, uncertainties and factors that are beyond our control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected. These risks and uncertainties include, without limitation: general risks affecting the real estate industry (including, without limitation, the market value of our properties, the inability to enter into or renew leases at favorable rates, dependence on tenants' financial condition, and competition from other developers, owners and operators of real estate); risks associated with the disruption of credit markets or a global economic slowdown; risks associated with the potential loss of key personnel (most importantly, members of senior management); risks associated with our failure to maintain our status as a Real Estate Investment Trust under the Internal Revenue Code of 1986, as amended; possible adverse changes in tax and environmental laws; litigation, including costs associated with prosecuting or defending pending or threatened claims and any adverse outcomes, and potential liability for uninsured losses and environmental contamination.

For a further discussion of these and other factors that could cause our future results to differ materially from any forward-looking statements, see Item 1A. Risk Factors in our 2015 Annual Report on Form 10-K, which was filed with the Securities and Exchange Commission ("SEC") on February 25, 2016. We disclaim any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, of new information, data or methods, future events or other changes.

Investor Company Summary

Senior Management Team

Howard Schwimmer	Co-Chief Executive Officer, Director
Michael S. Frankel	Co-Chief Executive Officer, Director
Adeel Khan	Chief Financial Officer
David Lanzer	General Counsel
Patrick Schlehuber	Senior Vice President, Acquisitions
Bruce Herbkerman	Senior Vice President, Development & Construction
Shannon Lewis	Senior Vice President, Leasing
Tara Denman	Senior Vice President, Human Resources

Board of Directors

Richard Ziman	Chairman
Howard Schwimmer	Co-Chief Executive Officer, Director
Michael S. Frankel	Co-Chief Executive Officer, Director
Robert L. Antin	Director
Steven C. Good	Director
Peter Schwab	Director
Tyler H. Rose	Director

Company Contact Information

11620 Wilshire Blvd, Suite 1000
Los Angeles, CA 90025
310-966-1680
www.RexfordIndustrial.com

Investor Relations Information

ICR
Stephen Swett
www.icrinc.com
212-849-3882

Equity Research Coverage

Bank of America Merrill Lynch	Juan C. Sanabria
Capital One	Thomas J. Lesnick, CFA
Citigroup Investment Research	Emmanuel Korchman
D.A Davidson	Barry Oxford
J.P. Morgan	Michael W. Mueller, CFA
Jefferies LLC	Jonathan Petersen
National Securities Corporation	John R. Benda
Stifel Nicolaus & Co.	John W. Guinee
Wells Fargo Securities	Blaine Heck
Wunderlich Securities	Craig Kucera

Disclaimer: This list may not be complete and is subject to change as firms add or delete coverage of our company. Please note that any opinions, estimates, forecasts or predictions regarding our historical or predicted performance made by these analysts are theirs alone and do not represent opinions, estimates, forecasts or predictions of Rexford Industrial Realty, Inc. or its management. We are providing this listing as a service to our stockholders and do not by listing these firms imply our endorsement of, or concurrence with, such information, conclusions or recommendations. Interested persons may obtain copies of analysts' reports on their own; we do not distribute these reports.

Financial and Portfolio Highlights and Common Stock Data (1)

(in thousands except share and per share data and portfolio statistics)

	Three Months Ended				
	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015	September 30, 2015
Financial Results:					
Total rental revenues	\$ 32,944	\$ 30,497	\$ 27,370	\$ 26,059	\$ 23,335
Net income	\$ 3,061	\$ 12,792	\$ 1,477	\$ 1,056	\$ 617
Net income per common share-basic and diluted	\$ 0.03	\$ 0.19	\$ 0.02	\$ 0.02	\$ 0.01
Company share of Core FFO	\$ 14,240	\$ 13,920	\$ 11,962	\$ 11,870	\$ 11,201
Core FFO per common share-basic and diluted	\$ 0.22	\$ 0.22	\$ 0.22	\$ 0.21	\$ 0.20
Company share of FFO	\$ 13,874	\$ 13,309	\$ 12,123	\$ 11,365	\$ 10,780
FFO per share-basic and diluted	\$ 0.21	\$ 0.21	\$ 0.22	\$ 0.21	\$ 0.20
Adjusted EBITDA	\$ 20,622	\$ 19,679	\$ 17,074	\$ 16,385	\$ 14,607
Dividend declared per common share	\$ 0.135	\$ 0.135	\$ 0.135	\$ 0.135	\$ 0.135
Portfolio Statistics:					
Portfolio SF - consolidated	14,588,101	13,640,820	12,152,138	11,955,455	11,078,912
Ending occupancy - consolidated portfolio	89.7%	90.1%	88.1%	89.2 %	88.8 %
Leased percentage - consolidated portfolio	90.6%	90.3%	88.4%	89.3 %	90.5 %
Leasing spreads-GAAP	15.6%	23.5%	13.6%	12.9 %	16.3 %
Leasing spreads-cash	7.0%	11.0%	5.6%	6.4 %	5.4 %
Same Property Performance:					
Same Property Portfolio SF	9,644,030	9,643,837	9,828,422	6,083,359	6,083,359
Total rental revenue growth	8.4%	5.3%	8.4%	2.8 %	5.0 %
Total property expense growth	8.9%	1.0%	8.7%	-2.2 %	-3.2 %
NOI growth	8.2%	6.9%	8.3%	4.8 %	8.4 %
Cash NOI growth	6.8%	9.1%	8.2%	7.5 %	7.1 %
Same Property Portfolio ending occupancy	93.7%	92.5%	91.7%	94.4 %	93.7 %
Stabilized Same Property Portfolio ending occupancy	96.3%	95.7%	95.1%	95.6 %	94.8 %
Same Property Portfolio occupancy growth (basis points) (2)	370 bps	350 bps	100 bps	160 bps	240 bps
Capitalization:					
Common stock price at quarter end	\$ 22.89	\$ 21.09	\$ 18.16	\$ 16.36	\$ 13.79
Common shares issued and outstanding	65,725,504	65,679,483	55,276,567	55,265,243	55,198,780
Total shares and units issued and outstanding at period end (3)	67,704,346	67,679,046	57,303,209	57,291,885	57,265,484
Weighted average shares outstanding - basic and diluted	65,707,476	64,063,337	55,269,598	55,244,664	55,145,963
Total equity market capitalization	\$ 1,549,752	\$ 1,427,351	\$ 1,040,626	\$ 937,295	\$ 789,691
Total consolidated debt	\$ 502,776	\$ 503,009	\$ 445,611	\$ 418,698	\$ 335,904
Total combined market capitalization (net debt and equity)	\$ 2,087,265	\$ 1,901,183	\$ 1,479,835	\$ 1,350,792	\$ 1,120,512
Ratios:					
Net debt to total combined market capitalization	21.4%	24.9%	29.7%	30.6 %	29.5 %
Net debt to Adjusted EBITDA (quarterly results annualized)	5.4x	6.0x	6.4x	6.3x	5.7x

(1) For a definition and discussion of non-GAAP financial measures and reconciliations to their nearest GAAP equivalents, see the definitions section and reconciliation section beginning on page 30 and page 8 of this report, respectively.

(2) Represents the year over year percentage point change in ending occupancy of the Same Property Portfolio for the reported period. See page 13 for a summary of our current period Same Property Portfolio and page 29 for a definition of Same Property Portfolio. For prior periods ending in 2015, the Same Property Portfolio includes all properties that were wholly-owned by us as of January 1, 2014 and still owned by us as of the reporting date.

(3) Includes the following number of OP Units held by noncontrolling interests: 1,978,842 (Sep 30, 2016), 1,999,563 (Jun 30, 2016), 2,026,642 (Mar 31, 2016), 2,026,642 (Dec 31, 2015) and 2,066,704 (Sep 30, 2015). Excludes the following number of shares of unvested restricted stock: 322,837 (Sep 30, 2016), 356,249 (Jun 30, 2016), 380,861 (Mar 31, 2016), 333,441 (Dec 31, 2015) and 389,123 (Sep 30, 2015). Excludes 166,669 unvested LTIP Units and 315,998 unvested performance units granted during Q4-15.

Consolidated Balance Sheets

(unaudited and in thousands)

	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015	September 30, 2015
Assets					
Land	\$ 659,641	\$ 605,694	\$ 501,972	\$ 492,704	\$ 445,454
Buildings and improvements	778,066	745,968	667,675	650,075	620,341
Tenant improvements	36,687	33,873	30,305	28,977	26,539
Furniture, fixtures, and equipment	175	175	188	188	188
Construction in progress	23,300	23,714	17,662	16,822	14,265
Total real estate held for investment	1,497,869	1,409,424	1,217,802	1,188,766	1,106,787
Accumulated depreciation	(126,601)	(117,590)	(111,167)	(103,623)	(96,403)
Investments in real estate, net	1,371,268	1,291,834	1,106,635	1,085,143	1,010,384
Cash and cash equivalents	55,263	29,177	6,402	5,201	5,083
Restricted cash	—	17,979	—	—	—
Notes receivable	5,817	—	—	—	—
Rents and other receivables, net	2,633	3,010	2,939	3,040	2,221
Deferred rent receivable	10,913	9,585	8,670	7,827	7,009
Deferred leasing costs, net	8,064	6,531	6,001	5,331	5,044
Deferred loan costs, net	996	1,146	1,296	1,445	1,595
Acquired lease intangible assets, net(1)	38,093	37,789	28,802	30,383	27,838
Indefinite-lived intangible	5,215	5,271	5,271	5,271	5,271
Other assets	5,522	5,589	5,580	5,523	5,491
Acquisition related deposits	400	400	400	—	1,250
Investment in unconsolidated real estate entities	—	4,203	4,144	4,087	4,056
Total Assets	\$ 1,504,184	\$ 1,412,514	\$ 1,176,140	\$ 1,153,251	\$ 1,075,242
Liabilities					
Notes payable	\$ 500,428	\$ 500,608	\$ 444,010	\$ 418,154	\$ 335,058
Interest rate swap liability	5,938	7,551	4,949	3,144	4,716
Accounts payable and accrued expenses	18,433	10,877	14,897	12,631	13,886
Dividends and distributions payable	9,214	9,212	7,814	7,806	7,504
Acquired lease intangible liabilities, net(2)	5,722	4,346	3,307	3,387	2,700
Tenant security deposits	14,946	13,769	11,995	11,539	10,523
Prepaid rents	3,945	3,367	2,667	2,846	1,935
Total Liabilities	558,626	549,730	489,639	459,507	376,322
Equity					
Preferred stock, net (\$90,000 liquidation preference)	86,664	—	—	—	—
Common stock	658	657	554	553	552
Additional paid in capital	898,354	897,991	723,074	722,722	722,102
Cumulative distributions in excess of earnings	(56,651)	(50,733)	(54,192)	(48,103)	(41,613)
Accumulated other comprehensive loss	(5,764)	(7,328)	(4,728)	(3,033)	(4,546)
Total stockholders' equity	923,261	840,587	664,708	672,139	676,495
Noncontrolling interests	22,297	22,197	21,793	21,605	22,425
Total Equity	945,558	862,784	686,501	693,744	698,920
Total Liabilities and Equity	\$ 1,504,184	\$ 1,412,514	\$ 1,176,140	\$ 1,153,251	\$ 1,075,242

(1) Includes net above-market tenant lease intangibles of \$6,204 (September 30, 2016), \$6,348 (June 30, 2016), \$5,818 (March 31, 2016), \$6,225 (December 31, 2015) and \$5,621 (September 30, 2015).

(2) Includes net below-market tenant lease intangibles of \$5,533 (September 30, 2016), \$4,149 (June 30, 2016), 3,102 (March 31, 2016), \$3,174 (December 31, 2015) and \$2,479 (September 30, 2015).

Consolidated Statements of Operations

Quarterly Results

(unaudited and in thousands, except share and per share data)

	Three Months Ended				
	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015	September 30, 2015
Revenues					
Rental income	\$ 28,285	\$ 26,119	\$ 23,499	\$ 22,665	\$ 20,617
Tenant reimbursements	4,467	4,119	3,558	3,074	2,377
Other income	192	259	313	320	341
Total Rental Revenues	32,944	30,497	27,370	26,059	23,335
Management, leasing, and development services	131	111	134	105	186
Interest income	228	—	—	—	153
Total Revenues	33,303	30,608	27,504	26,164	23,674
Operating Expenses					
Property expenses	8,978	7,959	7,543	7,118	6,237
General and administrative	5,067	4,521	3,602	3,952	3,778
Depreciation and amortization	13,341	12,610	11,214	10,821	10,642
Total Operating Expenses	27,386	25,090	22,359	21,891	20,657
Other Expenses					
Acquisition expenses	380	635	475	528	528
Interest expense	3,804	3,716	3,254	2,724	2,245
Total Other Expenses	4,184	4,351	3,729	3,252	2,773
Total Expenses	31,570	29,441	26,088	25,143	23,430
Equity in income from unconsolidated real estate entities	1,328	62	61	35	45
Gain from early repayment of note receivable	—	—	—	—	581
Loss on extinguishment of debt	—	—	—	—	(253)
Gains on sale of real estate	—	11,563	—	—	—
Net Income	3,061	12,792	1,477	1,056	617
Less: net income attributable to noncontrolling interest	(63)	(418)	(52)	(40)	(24)
Net income attributable to Rexford Industrial Realty, Inc.	2,998	12,374	1,425	1,016	593
Less: preferred stock dividends	(661)	—	—	—	—
Less: earnings allocated to participating securities	(70)	(75)	(78)	(71)	(53)
Net income attributable to common stockholders	\$ 2,267	\$ 12,299	\$ 1,347	\$ 945	\$ 540
Earnings per Common Share - Basic and Diluted					
Net income attributable to common stockholders	\$ 0.03	\$ 0.19	\$ 0.02	\$ 0.02	\$ 0.01
Weighted average shares outstanding - basic and diluted	65,707,476	64,063,337	55,269,598	55,244,664	55,145,963

Consolidated Statements of Operations

Quarterly Results

(unaudited and in thousands)

	Three Months Ended September 30,		Nine months ended September 30,	
	2016	2015	2016	2015
Rental Revenues				
Rental income	\$ 28,285	\$ 20,617	\$ 77,903	\$ 58,449
Tenant reimbursements	4,467	2,377	12,144	7,405
Other income	192	341	764	693
Total Rental Revenues	32,944	23,335	90,811	66,547
Management, leasing, and development services	131	186	376	479
Interest income	228	153	228	710
Total Revenues	33,303	23,674	91,415	67,736
Operating Expenses				
Property expenses	8,978	6,237	24,480	17,882
General and administrative	5,067	3,778	13,190	11,064
Depreciation and amortization	13,341	10,642	37,165	31,016
Total Operating Expenses	27,386	20,657	74,835	59,962
Other Expenses				
Acquisition expenses	380	528	1,490	1,608
Interest expense	3,804	2,245	10,774	5,729
Total Other Expenses	4,184	2,773	12,264	7,337
Total Expenses	31,570	23,430	87,099	67,299
Equity in income from unconsolidated real estate entities	1,328	45	1,451	58
Gain from early repayment of note receivable	—	581	—	581
Loss on extinguishment of debt	—	(253)	—	(182)
Gains on sale of real estate	—	—	11,563	—
Net Income	3,061	617	17,330	894
Less: net income attributable to noncontrolling interest	(63)	(24)	(533)	(36)
Net income attributable to Rexford Industrial Realty, Inc.	2,998	593	16,797	858
Less: preferred stock dividends	(661)	—	(661)	—
Less: earnings allocated to participating securities	(70)	(53)	(223)	(152)
Net income attributable to common stockholders	\$ 2,267	\$ 540	\$ 15,913	\$ 706

Non-GAAP FFO and Core FFO Reconciliations(1)

(unaudited and in thousands, except share and per share data)

	Three Months Ended				
	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015	September 30, 2015
Net Income	\$ 3,061	\$ 12,792	\$ 1,477	\$ 1,056	\$ 617
Add:					
Depreciation and amortization	13,341	12,610	11,214	10,821	10,642
Depreciation and amortization from unconsolidated joint ventures	—	5	5	5	4
Deduct:					
Gains on sale of real estate	—	11,563	—	—	—
Gain on acquisition of unconsolidated joint venture property	1,332	—	—	—	—
Funds From Operations (FFO) (2)	<u>15,070</u>	<u>13,844</u>	<u>12,696</u>	<u>11,882</u>	<u>11,263</u>
Less: preferred stock dividends	(661)	—	—	—	—
Less: FFO attributable to noncontrolling interests(3)	(424)	(421)	(449)	(418)	(407)
Less: FFO attributable to participating securities(4)	(111)	(114)	(124)	(99)	(76)
Company share of FFO	<u>\$ 13,874</u>	<u>\$ 13,309</u>	<u>\$ 12,123</u>	<u>\$ 11,365</u>	<u>\$ 10,780</u>
FFO per share-basic and diluted	<u>\$ 0.21</u>	<u>\$ 0.21</u>	<u>\$ 0.22</u>	<u>\$ 0.21</u>	<u>\$ 0.20</u>
FFO	\$ 15,070	\$ 13,844	\$ 12,696	\$ 11,882	\$ 11,263
Adjust:					
Legal fee reimbursements(5)	—	—	(643)	—	(88)
Acquisition expenses	380	635	475	528	528
Core FFO (2)	<u>15,450</u>	<u>14,479</u>	<u>12,528</u>	<u>12,410</u>	<u>11,703</u>
Less: preferred stock dividends	(661)	—	—	—	—
Less: Core FFO attributable to noncontrolling interests(3)	(435)	(440)	(443)	(437)	(423)
Less: Core FFO attributable to participating securities(4)	(114)	(119)	(123)	(103)	(79)
Company share of Core FFO	<u>\$ 14,240</u>	<u>\$ 13,920</u>	<u>\$ 11,962</u>	<u>\$ 11,870</u>	<u>\$ 11,201</u>
Core FFO per share-basic and diluted	<u>\$ 0.22</u>	<u>\$ 0.22</u>	<u>\$ 0.22</u>	<u>\$ 0.21</u>	<u>\$ 0.20</u>
Weighted-average shares outstanding-basic and diluted	65,707,476	64,063,337	55,269,598	55,244,664	55,145,963

(1) For a definition and discussion of non-GAAP financial measures, see the definitions section beginning on page 30 of this report.

(2) FFO and Core FFO for the three months ended September 30, 2015, includes the following: (i) \$581 thousand gain from the early repayment of the Calle Perfecto note receivable and (ii) \$253 thousand loss on extinguishment of debt.

(3) Noncontrolling interests represent holders of outstanding common units of the Company's operating partnership that are owned by unit holders other than us.

(4) Participating securities include unvested shares of restricted stock, unvested LTIP units and unvested performance units.

(5) Legal fee reimbursements relate to prior litigation of the Company. For more information, see Item 3. Legal Proceedings in our 2014 Annual Report on Form 10-K.

Non-GAAP AFFO Reconciliation(1)

(unaudited and in thousands, except share and per share data)

Rexford Industrial Realty, Inc.					
Three Months Ended					
	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015	September 30, 2015
Funds From Operations(2)	\$ 15,070	\$ 13,844	\$ 12,696	\$ 11,882	\$ 11,263
Add:					
Amortization of deferred financing costs	263	264	221	194	200
Net fair value lease revenue (expense)	(39)	60	(4)	48	69
Non-cash stock compensation	992	953	934	494	443
Straight line corporate office rent expense adjustment	(12)	(11)	(1)	(1)	21
Loss on extinguishment of debt	—	—	—	—	253
Deduct:					
Preferred stock dividends	661	—	—	—	—
Straight line rental revenue adjustment(3)	1,395	922	1,095	1,409	1,039
Capitalized payments(4)	833	735	795	651	548
Note receivable discount amortization	—	—	—	—	38
Note payable premium amortization	60	59	59	33	33
Gain from early repayment of note receivable	—	—	—	—	581
Recurring capital expenditures(5)	691	848	586	1,346	921
2nd generation tenant improvements and leasing commissions(6)	1,988	1,483	461	762	701
Unconsolidated joint venture AFFO adjustments	2	9	3	4	5
Adjusted Funds From Operations (AFFO)	<u>\$ 10,644</u>	<u>\$ 11,054</u>	<u>\$ 10,847</u>	<u>\$ 8,412</u>	<u>\$ 8,383</u>

(1) For a definition and discussion of non-GAAP financial measures, see the definitions section beginning on page 30 of this report.

(2) A reconciliation of net income to Funds From Operations is set forth on page 8 of this report.

(3) The straight line rental revenue adjustment includes concessions of \$1,072, \$767, \$848, \$727, and \$870 for the three months ended September 30, 2016, June 30, 2016, March 31, 2016, December 31, 2015 and September 30, 2015, respectively. The straight line rental revenue adjustment includes \$245 and \$554 of free rent under a license agreement at one of our properties for the three months ended March 31, 2016 and December 31, 2015, respectively.

(4) Includes capitalized interest, and leasing and construction development compensation.

(5) Excludes nonrecurring capital expenditures of \$7,030, \$5,430, \$4,238, \$4,018, and \$4,222 for the three months ended September 30, 2016, June 30, 2016, March 31, 2016, December 31, 2015 and September 30, 2015, respectively.

(6) Excludes 1st generation tenant improvements/space preparation and leasing commissions of \$1,407, \$1,064, \$989, \$418 and \$624 for the three months ended September 30, 2016, June 30, 2016, March 31, 2016, December 31, 2015 and September 30, 2015, respectively.

Statement of Operations Reconciliations - NOI and Cash NOI(1)

(unaudited and in thousands)

Rexford Industrial Realty, Inc.					
Three Months Ended					
	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015	September 30, 2015
Rental income	\$ 28,285	\$ 26,119	\$ 23,499	\$ 22,665	\$ 20,617
Tenant reimbursements	4,467	4,119	3,558	3,074	2,377
Other income	192	259	313	320	341
Total Rental Revenues	32,944	30,497	27,370	26,059	23,335
Property Expenses	8,978	7,959	7,543	7,118	6,237
Net Operating Income (NOI)	\$ 23,966	\$ 22,538	\$ 19,827	\$ 18,941	\$ 17,098
Net fair value lease revenue (expense)	(39)	60	(4)	48	69
Straight line rental revenue adjustment	(1,395)	(922)	(1,095)	(1,409)	(1,039)
Cash NOI	\$ 22,532	\$ 21,676	\$ 18,728	\$ 17,580	\$ 16,128
Net Income	\$ 3,061	\$ 12,792	\$ 1,477	\$ 1,056	\$ 617
Add:					
General and administrative	5,067	4,521	3,602	3,952	3,778
Depreciation and amortization	13,341	12,610	11,214	10,821	10,642
Acquisition expenses	380	635	475	528	528
Interest expense	3,804	3,716	3,254	2,724	2,245
Loss on extinguishment of debt	—	—	—	—	253
Subtract:					
Management, leasing, and development services	131	111	134	105	186
Interest income	228	—	—	—	153
Equity in income from unconsolidated real estate entities	1,328	62	61	35	45
Gain from early repayment of note receivable	—	—	—	—	581
Gains on sale of real estate	—	11,563	—	—	—
NOI	\$ 23,966	\$ 22,538	\$ 19,827	\$ 18,941	\$ 17,098
Net fair value lease revenue (expense)	(39)	60	(4)	48	69
Straight line rental revenue adjustment	(1,395)	(922)	(1,095)	(1,409)	(1,039)
Cash NOI	\$ 22,532	\$ 21,676	\$ 18,728	\$ 17,580	\$ 16,128

(1) For a definition and discussion of non-GAAP financial measures, see the definitions section beginning on page 30 of this report.

Statement of Operations Reconciliations - EBITDA and Adjusted EBITDA (1)

(unaudited and in thousands)

Rexford Industrial Realty, Inc.					
Three Months Ended					
	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015	September 30, 2015
Net income	\$ 3,061	\$ 12,792	\$ 1,477	\$ 1,056	\$ 617
Interest expense	3,804	3,716	3,254	2,724	2,245
Depreciation and amortization	13,341	12,610	11,214	10,821	10,642
Proportionate share of real estate related depreciation and amortization from unconsolidated joint ventures	—	5	5	5	4
EBITDA	\$ 20,206	\$ 29,123	\$ 15,950	\$ 14,606	\$ 13,508
Stock-based compensation amortization	992	953	934	494	443
Gains on sale of real estate	—	(11,563)	—	—	—
Gain on sale of real estate from unconsolidated joint ventures	(1,332)	—	—	—	—
Loss on extinguishment of debt	—	—	—	—	253
Gain from early repayment of note receivable	—	—	—	—	(581)
Legal fees reimbursements ⁽²⁾	—	—	(643)	—	(88)
Acquisition expenses	380	635	475	528	528
Pro forma effect of acquisitions ⁽³⁾	376	567	358	757	544
Pro forma effect of dispositions ⁽⁴⁾	—	(36)	—	—	—
Adjusted EBITDA	\$ 20,622	\$ 19,679	\$ 17,074	\$ 16,385	\$ 14,607

(1) For a definition and discussion of non-GAAP financial measures, see the definitions section beginning on page 30 of this report.

(2) Legal fees (reimbursements) relate to prior litigation of the Company. For more information, see Item 3. Legal Proceedings in our 2014 Annual Report on Form 10-K.

(3) Represents the estimated impact on EBITDA of Q3'16 acquisitions as if they had been acquired July 1, 2016, Q2'16 acquisitions as if they had been acquired April 1, 2016, Q1'16 acquisitions as if they had been acquired January 1, 2016, Q4'15 acquisitions as if they had been acquired October 1, 2015 and Q3'15 acquisitions as if they had been acquired July 1, 2015. We have made a number of assumptions in such estimates and there can be no assurance that we would have generated the projected levels of EBITDA had we owned the acquired entities as of the beginning of each period.

(4) Represents the impact on Q2'16 EBITDA of Q2'16 dispositions as if they had been sold as of April 1, 2016. See page 27 for a detail of disposition properties.

Same Property Portfolio Performance (1)

NOI and Cash NOI and Reconciliation to Net Income

(unaudited and in thousands)

Same Property Portfolio NOI and Cash NOI:

	Three Months Ended September 30,				Nine months ended September 30,			
	2016	2015	\$ Change	% Change	2016	2015	\$ Change	% Change
Rental income	\$ 19,871	\$ 18,270	\$ 1,601	8.8%	\$ 58,124	\$ 54,052	\$ 4,072	7.5%
Tenant reimbursements	2,540	2,203	337	15.3%	7,735	7,212	523	7.3%
Other income	121	314	(193)	(61.5)%	474	633	(159)	(25.1)%
Total rental revenues	22,532	20,787	1,745	8.4%	66,333	61,897	4,436	7.2%
Property expenses	6,216	5,706	510	8.9%	17,994	16,966	1,028	6.1%
Same property portfolio NOI	\$ 16,316	\$ 15,081	\$ 1,235	8.2%	\$ 48,339	\$ 44,931	\$ 3,408	7.6%
Straight-line rents	(631)	(408)	(223)	54.7%	(1,105)	(1,149)	44	(3.8)%
Amort. above/below market leases	30	41	(11)	(26.8)%	94	114	(20)	(17.5)%
Same property portfolio Cash NOI	\$ 15,715	\$ 14,714	\$ 1,001	6.8%	\$ 47,328	\$ 43,896	\$ 3,432	7.8%

Reconciliation of Same Property Portfolio Cash NOI and Same Property Portfolio NOI to Net Income:

	Three Months Ended September 30,				Nine months ended September 30,			
	2016	2015	\$ Change	% Change	2016	2015	\$ Change	% Change
Same property portfolio cash NOI	\$ 15,715	14,714			\$ 47,328	43,896		
Straight-line rents	631	408			1,105	1,149		
Amort. above/below market leases	(30)	(41)			(94)	(114)		
Same property portfolio NOI	\$ 16,316	\$ 15,081	\$ 1,235	8.2%	\$ 48,339	\$ 44,931	\$ 3,408	7.6%
Non-comparable property operating revenues	10,412	2,548			24,478	4,650		
Non-comparable property expenses	(2,762)	(531)			(6,486)	(916)		
Total consolidated portfolio NOI	\$ 23,966	\$ 17,098	\$ 6,868	40.2%	\$ 66,331	\$ 48,665	\$ 17,666	36.3%
Add:								
Management, leasing and development services	131	186			376	479		
Interest income	228	153			228	710		
Equity in income from unconsolidated real estate entities	1,328	45			1,451	58		
Gain from early repayment of note receivable	—	581			—	581		
Gains on sale of real estate	—	—			11,563	—		
Deduct:								
General and administrative	5,067	3,778			13,190	11,064		
Depreciation and amortization	13,341	10,642			37,165	31,016		
Acquisition expenses	380	528			1,490	1,608		
Interest expense	3,804	2,245			10,774	5,729		
Loss on extinguishment of debt	—	253			—	182		
Net income	\$ 3,061	\$ 617	\$ 2,444	396.1%	\$ 17,330	\$ 894	\$ 16,436	1,838.5%

(1) For a definition and discussion of non-GAAP financial measures, see the definitions section beginning on page 30 of this report.

Same Property Portfolio Performance

(1)

Portfolio Summary and Occupancy

(unaudited and dollars in thousands)

Same Property Portfolio Summary:

	Same Property Portfolio	Stabilized Same Property Portfolio(2)
Number of properties	96	91
Square Feet	9,644,030	9,381,405

Same Property Portfolio Occupancy:

	September 30, 2016		September 30, 2015		Change (basis points)	
	Same Property Portfolio	Stabilized Same Property Portfolio(2)	Same Property Portfolio	Stabilized Same Property Portfolio(2)	Same Property Portfolio	Stabilized Same Property Portfolio(2)
Occupancy:						
Los Angeles County	94.0%	96.8%	88.8%	88.5%	520 bps	830 bps
Orange County	85.6%	94.4%	84.3%	93.0%	130 bps	140 bps
San Bernardino County	96.3%	96.3%	97.0%	97.0%	(70) bps	(70) bps
San Diego County	96.9%	96.9%	90.4%	90.4%	650 bps	650 bps
Ventura County	95.9%	95.9%	95.0%	95.0%	90 bps	90 bps
Total/Weighted Average	93.7%	96.3%	90.0%	91.0%	370 bps	530 bps

(1) For a definition and discussion of non-GAAP financial measures, see the definitions section beginning on page 30 of this report.

(2) Reflects the square footage and occupancy of our Same Property Portfolio adjusted for space aggregating 262,625 rentable square feet at five of our properties that were classified as repositioning or lease-up as of September 30, 2016. For additional details, refer to pages 25 -26 of this report.

Joint Venture Financial Summary

Balance Sheet

(unaudited and in thousands)

	Mission Oaks (1)				
	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015	September 30, 2015
Assets:					
Investments in real estate, net	\$ —	\$ 21,532	\$ 21,416	\$ 21,558	\$ 21,153
Cash and cash equivalents	74	2,702	2,837	2,474	2,631
Rents and other receivables, net	29	100	61	34	5
Deferred rent receivable	—	85	65	61	39
Deferred leasing costs and acquisition related intangible assets, net	—	156	177	140	152
Other assets	—	4	14	13	16
Total Assets	\$ 103	\$ 24,579	\$ 24,570	\$ 24,280	\$ 23,996
Liabilities:					
Accounts payable, accrued expenses and other liabilities	\$ 68	\$ 157	\$ 603	\$ 646	\$ 686
Tenant security deposits	—	436	436	436	429
Prepaid rents	—	33	43	168	130
Total Liabilities	68	626	1,082	1,250	1,245
Equity:					
Equity	(19,084)	8,202	8,202	8,202	8,202
Accumulated deficit and distributions	19,119	15,751	15,286	14,828	14,549
Total Equity	35	23,953	23,488	23,030	22,751
Total Liabilities and Equity	\$ 103	\$ 24,579	\$ 24,570	\$ 24,280	\$ 23,996
Rexford Industrial Realty, Inc. Ownership %:	15%	15%	15%	15%	15%

(1) On July 6, 2016, we acquired the remaining 85% ownership interest in the joint venture property, not previously owned by us. These financial statements represent the entire amounts attributable to the joint venture entity and do not represent our 15% proportionate share.

Joint Venture Financial Summary(1)

Statement of Operations

(unaudited and in thousands)

Statement of Operations

	Mission Oaks (2)				
	Three Months Ended				
	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015	September 30, 2015
Income Statement					
Rental revenues	\$ 8	\$ 526	\$ 549	\$ 526	\$ 502
Tenant reimbursements	4	121	80	106	191
Other operating revenues	(4)	9	3	(2)	2
Total revenue	8	656	632	630	695
Property expenses	27	160	121	288	334
General and administrative	7	(2)	19	36	3
Depreciation and amortization	2	33	34	27	27
Total Operating Expenses	36	191	174	351	364
Gain on sale of assets/investments	3,396	—	—	—	—
Net Income	\$ 3,368	\$ 465	\$ 458	\$ 279	\$ 331
NOI					
Total revenue	8	656	632	630	695
Total property expenses	27	160	121	288	334
NOI	\$ (19)	\$ 496	\$ 511	\$ 342	\$ 361
EBITDA					
Net income	\$ 3,368	\$ 465	\$ 458	\$ 279	\$ 331
Depreciation and amortization	2	33	34	27	27
EBITDA	\$ 3,370	\$ 498	\$ 492	\$ 306	\$ 358
Rexford Industrial Realty, Inc. Ownership %:	15%	15%	15%	15%	15%

Reconciliation - Equity Income in Joint Venture

Net income	\$ 3,368	\$ 465	\$ 458	\$ 279	\$ 331
Rexford Industrial Realty, Inc. Ownership %:	15%	15%	15%	15%	15%
Company share	505	69	69	42	50
Intercompany eliminations/basis adjustments	(1,119)	(7)	(8)	(7)	(5)
Distributions from joint venture in excess of investment carrying amount	1,942	—	—	—	—
Equity in net income from unconsolidated real estate entities	\$ 1,328	\$ 62	\$ 61	\$ 35	\$ 45

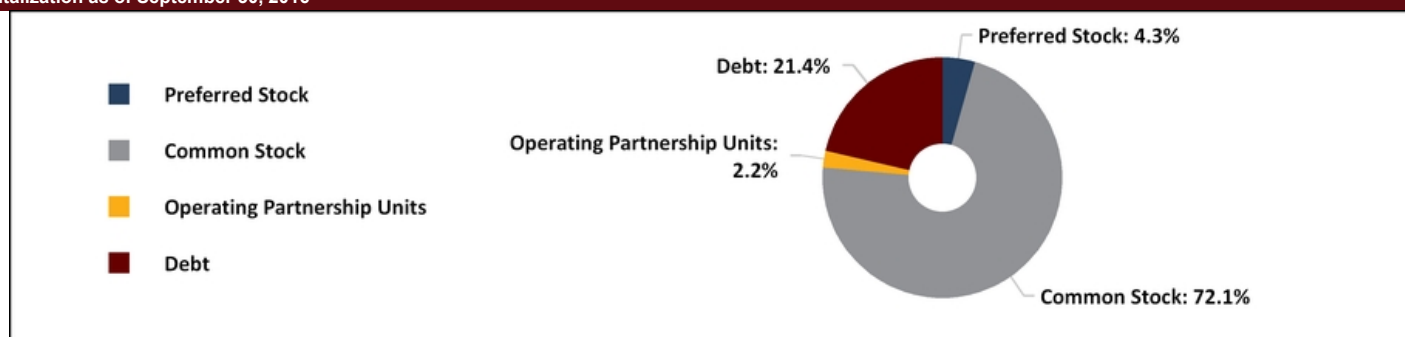
(1) For a definition and discussion of non-GAAP financial measures, see the definitions section beginning on page 30 of this report.

(2) On July 6, 2016, we acquired the remaining 85% ownership interest in the joint venture property not previously owned by us. These financial statements represent the entire amounts attributable to the joint venture entity and do not represent our 15% proportionate share.

Capitalization Summary

(unaudited and in thousands, except share and per share data)

Capitalization as of September 30, 2016



Description	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015	September 30, 2015
Common shares outstanding (1)	65,725,504	65,679,483	55,276,567	55,265,243	55,198,780
Operating partnership units outstanding(2)	1,978,842	1,999,563	2,026,642	2,026,642	2,066,704
Total shares and units outstanding at period end	67,704,346	67,679,046	57,303,209	57,291,885	57,265,484
Share price at end of quarter	\$ 22.89	\$ 21.09	\$ 18.16	\$ 16.36	\$ 13.79
Common Stock and Operating Partnership Units - Capitalization	\$ 1,549,752	\$ 1,427,351	\$ 1,040,626	\$ 937,295	\$ 789,691
5.875% Series A Cumulative Redeemable Preferred Stock(3)	\$ 90,000	\$ —	\$ —	\$ —	\$ —
Total Equity Market Capitalization	\$ 1,639,752	\$ 1,427,351	\$ 1,040,626	\$ 937,295	\$ 789,691
Total Debt	\$ 502,776	\$ 503,009	\$ 445,611	\$ 418,698	\$ 335,904
Less: Cash and cash equivalents	(55,263)	(29,177)	(6,402)	(5,201)	(5,083)
Net Debt	\$ 447,513	\$ 473,832	\$ 439,209	\$ 413,497	\$ 330,821
Total Combined Market Capitalization (Net Debt and Equity)	\$ 2,087,265	\$ 1,901,183	\$ 1,479,835	\$ 1,350,792	\$ 1,120,512
Net debt to total combined market capitalization	21.4%	24.9%	29.7%	30.6%	29.5%
Net debt to Adjusted EBITDA (quarterly results annualized)(4)	5.4x	6.0x	6.4x	6.3x	5.7x

(1) Excludes the following number of shares of unvested restricted stock: 322,837 (Sep 30, 2016), 356,249 (Jun 30, 2016), 380,861 (Mar 31, 2016), 333,441 (Dec 31, 2015) and 389,123 (Sep 30, 2015).

(2) Represents outstanding common units of the Company's operating partnership, Rexford Industrial Realty, LP, that are owned by unit holders other than Rexford Industrial Realty, Inc. Represents the noncontrolling interest in our operating partnership. Excludes 166,669 unvested LTIP Units and 315,998 unvested performance units which were granted during 4Q-2015.

(3) Value based on 3,600,000 outstanding shares of preferred stock at a liquidation preference of \$25.00 per share.

(4) For a definition and discussion of non-GAAP financial measures, see the definitions section beginning on page 30 of this report.

Debt Summary

(unaudited and dollars in thousands)

Debt Detail:

As of September 30, 2016

Debt Description	Maturity Date	Stated Interest Rate	Effective Interest Rate(1)	Principal Balance	Maturity Date of Effective Swaps
Secured Debt:					
\$60M Term Loan	8/1/2019(2)	LIBOR + 1.90%	3.818%	\$ 59,870	2/15/2019
Gilbert/La Palma	3/1/2031	5.125%	5.125%	2,943	--
12907 Imperial Highway	4/1/2018	5.950%	5.950%	5,212	--
1065 Walnut St	2/1/2019(3)	4.550%	4.550%	9,751	--
Unsecured Debt:					
\$100M Term Loan Facility	6/11/2019	LIBOR + 1.35%(4)	3.248%	100,000	12/14/2018
\$200M Revolving Credit Facility(5)	6/11/2018(2)	LIBOR + 1.40%(4)	1.931%	—	--
\$225M Term Loan Facility(6)	1/14/2023	LIBOR + 1.60%(4)	2.131%	225,000	--
\$100M Senior Notes	8/6/2025	4.290%	4.290%	100,000	--
Total Consolidated:			3.087%	\$ 502,776	

(1) Includes the effect of interest rate swaps effective as of September 30, 2016, and excludes the effect of discounts/premiums, deferred loan costs and the unused commitment fee.

(2) One additional one-year extension is available, provided that certain conditions are satisfied.

(3) One additional five-year extension is available, provided that certain conditions are satisfied.

(4) The applicable LIBOR margin will range from 1.30% to 1.90% for the revolving credit facility, 1.25% to 1.85% for the \$100M term loan facility and 1.50% to 2.25% for the \$225M term loan facility depending on the ratio of our outstanding consolidated indebtedness to the value of our consolidated gross asset value, which is measured on a quarterly basis. As a result, the effective interest rate will fluctuate from period to period.

(5) The credit facility is subject to an unused commitment fee which is calculated as 0.30% or 0.20% of the daily unused commitment if the balance is under \$100M or over \$100M, respectively.

(6) We have executed two interest rate swaps that will effectively fix this \$225M term loan as follows: (i) \$125M at 1.349% plus the applicable LIBOR margin from 2/14/18 to 1/14/22 and (ii) \$100M at 1.406% plus the applicable LIBOR margin from 8/14/18 to 1/14/22.

Debt Composition:

Category	Avg. Term Remaining (yrs)(1)	Stated Interest Rate	Effective Interest Rate	Balance	% of Total
Fixed(2)	5.0	3.86%	3.86%	\$277,776	55%
Variable(2)	6.3	LIBOR + 1.60%	2.13%	\$225,000	45%
Secured	3.1		4.10%	\$77,776	15%
Unsecured	6.0		2.90%	\$425,000	85%

(1) The weighted average remaining term to maturity of our consolidated debt is 5.6 years.

(2) If all of our interest rate swaps were effective as of September 30, 2016, our consolidated debt would be 100% fixed and 0% variable. See footnote (6) above.

Debt Maturity Schedule:

Year	Secured(1)	Unsecured Debt	Total(1)	% Total	Effective Interest Rate
2016-2017	\$ —	\$ —	\$ —	—%	—%
2018	5,212	—	5,212	1%	5.950%
2019	69,621	100,000	169,621	34%	3.524%
Thereafter	2,943	325,000	327,943	65%	2.816%
Total	\$ 77,776	\$ 425,000	\$ 502,776	100%	3.087%

(1) Excludes the effect of scheduled monthly principal payments on amortizing loans.

Debt Covenants

(unaudited results)

Unsecured Revolving Credit Facility and Term Loan Facility Covenants⁽¹⁾

	<u>Covenant</u>	<u>September 30, 2016</u>	<u>June 30, 2016</u>	<u>March 31, 2016</u>	<u>December 31, 2015</u>
Maximum Leverage Ratio	less than 60%	40.2%	36.2%	37.8%	36.3%
Maximum Secured Leverage Ratio	less than 45%	5.3%	5.6%	6.6%	5.9%
Maximum Secured Recourse Debt	less than 15%	—%	—%	—%	—%
Minimum Tangible Net Worth	\$582,432,000	\$1,014,321	\$913,570,000	\$755,296,000	\$753,641,000
Minimum Fixed Charge Coverage Ratio	at least 1.50 to 1.00	3.40 to 1.00	4.40 to 1.00	4.42 to 1.00	4.72 to 1.00
Unencumbered Leverage Ratio	less than 60%	31.7%	34.1%	35.4%	33.6%
Unencumbered Interest Coverage Ratio	at least 1.75 to 1.00	3.41 to 1.00	3.20 to 1.00	3.15 to 1.00	3.31 to 1.00

(1) Our actual performance for each covenant is calculated based on the definitions set forth in the loan agreement.

Portfolio Overview

at 9/30/16

(unaudited results)

Consolidated Portfolio:

Market	# Properties	Rentable Square Feet			Occupancy			Total Portfolio Excluding Repositioning ⁽¹⁾	Annualized Base Rent	
		Same Properties Portfolio	Non-Same Properties Portfolio	Total Portfolio	Same Properties Portfolio	Non-Same Properties Portfolio	Total Portfolio		Total (in thousands) ⁽²⁾	per SF
Central LA	4	238,153	149,157	387,310	80.1%	100.0%	87.7%	100.0%	\$ 3,502	\$10.31
Greater San Fernando Valley	25	2,449,846	347,953	2,797,799	93.5%	56.8%	89.0%	96.5%	23,631	\$9.49
Mid-Counties	9	369,350	302,740	672,090	96.2%	100.0%	97.9%	97.9%	6,065	\$9.22
San Gabriel Valley	15	1,213,095	666,500	1,879,595	98.8%	78.2%	91.5%	99.1%	12,657	\$7.36
South Bay	12	636,397	337,082	973,479	90.6%	100.0%	93.9%	96.2%	8,405	\$9.20
Los Angeles County	65	4,906,841	1,803,432	6,710,273	94.0%	83.6%	91.2%	97.5%	54,260	\$8.87
North Orange County	7	579,446	410,326	989,772	98.7%	97.6%	98.2%	98.2%	8,195	\$8.43
OC Airport	8	511,419	243,371	754,790	73.8%	100.0%	82.2%	98.1%	5,879	\$9.47
South Orange County	3	46,178	283,280	329,458	—%	100.0%	86.0%	86.0%	2,442	\$8.62
West Orange County	3	170,865	322,865	493,730	100.0%	100.0%	100.0%	100.0%	4,304	\$8.72
Orange County	21	1,307,908	1,259,842	2,567,750	85.6%	99.2%	92.3%	96.9%	20,821	\$8.79
Inland Empire East	2	85,282	—	85,282	100.0%	—%	100.0%	100.0%	569	\$6.68
Inland Empire West	13	961,184	568,109	1,529,293	96.0%	95.6%	95.8%	95.8%	10,536	\$7.19
San Bernardino County	15	1,046,466	568,109	1,614,575	96.3%	95.6%	96.1%	96.1%	11,105	\$7.16
Ventura	12	1,057,369	542,982	1,600,351	95.9%	67.4%	86.2%	86.2%	11,645	\$8.44
Ventura County	12	1,057,369	542,982	1,600,351	95.9%	67.4%	86.2%	86.2%	11,645	\$8.44
Central San Diego	13	664,487	769,706	1,434,193	98.2%	49.6%	72.1%	97.5%	11,621	\$11.24
North County San Diego	6	584,258	—	584,258	95.0%	—%	95.0%	95.0%	5,417	\$9.76
South County San Diego	1	76,701	—	76,701	99.4%	—%	99.4%	99.4%	706	\$9.26
San Diego County	20	1,325,446	769,706	2,095,152	96.9%	49.6%	79.5%	96.8%	17,744	\$10.65
CONSOLIDATED TOTAL / WTD AVG	133	9,644,030	4,944,071	14,588,101	93.7%	81.9%	89.7%	95.8%	\$ 115,575	\$8.83

(1) Excludes space aggregating 932,163 square feet at eight of our properties that were in various stages of repositioning or lease-up as of September 30, 2016. See pages 25 - 26 for additional details on these properties.

(2) Calculated for each property as monthly contracted base rent per the terms of the lease(s) at such property, as of September 30, 2016, multiplied by 12 and then multiplied by our ownership interest for such property, and then aggregated by market. Excludes billboard and antenna revenue and rent abatements.

Occupancy and Leasing Trends

(unaudited results, data represents consolidated portfolio only)

Occupancy by County:

	Sep 30, 2016	June 30, 2016	Mar 31, 2016	Dec 31, 2015	Sep 30, 2015
Occupancy: (1)					
Los Angeles County	91.2%	90.6%	89.3%	91.4%	86.1%
Orange County	92.3%	91.8%	88.1%	86.4%	85.1%
San Bernardino County	96.1%	97.9%	96.7%	97.0%	97.2%
Ventura County	86.2%	91.8%	91.6%	95.3%	94.7%
San Diego County	79.5%	79.9%	77.2%	75.8%	91.7%
Total/Weighted Average	89.7%	90.1%	88.1%	89.2%	88.8%

Consolidated Portfolio SF	14,588,101	13,640,820	12,152,138	11,955,455	11,078,912
----------------------------------	------------	------------	------------	------------	------------

Leasing Activity:

	Three Months Ended				
	Sep 30, 2016	June 30, 2016	Mar 31, 2016	Dec 31, 2015	Sep 30, 2015
Leasing Activity (SF): (2)					
New leases	519,212	476,858	248,520	343,876	216,499
Renewal	318,179	598,301	712,771	237,935	323,085
Gross leasing	837,391	1,075,159	961,291	581,811	539,584
Expiring leases	619,461	936,655	1,071,075	378,694	455,677
Net absorption	217,930	138,504	(109,784)	203,117	83,907
Retention rate (3)	51%	64%	67%	63%	71%

Weighted Average New/Renewal Leasing Spreads:

	Three Months Ended				
	Sep 30, 2016	June 30, 2016	Mar 31, 2016	Dec 31, 2015	Sep 30, 2015
GAAP Rent Change	15.6%	23.5%	13.6%	12.9%	16.3%
Cash Rent Change	7.0%	11.0%	5.6%	6.4%	5.4%

(1) See page 19 for the occupancy by county of our total consolidated portfolio excluding repositioning space.

(2) Excludes month-to-month tenants.

(3) Excluding four leases totaling 27,250 rentable square feet where the tenant relocated within the portfolio and two leases totaling 38,478 rentable square feet where we are performing value-add space improvements, our retention rate was 57% for the three months ended September 30, 2016.

Leasing Statistics

(unaudited results, data represents consolidated portfolio only)

Leasing Activity:

	# Leases Signed	SF of Leasing	Weighted Average Lease Term (Years)
Third Quarter 2016:			
New	59	519,212	4.3
Renewal	75	318,179	3.0
Total/Weighted Average	134	837,391	3.8

Change in Annual Rental Rates for Current Quarter Leases

	GAAP Rent				Cash Rent		
	Current Lease	Prior Lease	Rent Change - GAAP	Weighted Average Abatement (Months)	Starting Cash Rent - Current Lease	Expiring Cash Rent - Prior Lease	Rent Change - Cash
Third Quarter 2016:							
New ⁽¹⁾	\$11.09	\$9.43	17.6%	1.5	\$10.85	\$9.80	10.7%
Renewal ⁽²⁾	\$10.54	\$9.21	14.4%	1.0	\$10.37	\$9.89	4.9%
Total/Weighted Average	\$10.74	\$9.29	15.6%	1.2	\$10.55	\$9.85	7.0%

Uncommenced Leases by County:

Market	Leased SF	Uncommenced Leases Annual Base Rent (in thousands)	Total Pro Forma Annualized Base Rent (in thousands)	Pro Forma Occupancy	Pro Forma Occupancy Excluding Repositioning	Pro Forma Annualized Base Rent per SF
Los Angeles County	17,993	\$ 263	\$ 54,523	91.5%	97.8%	\$8.88
Orange County	—	—	20,821	92.3%	96.9%	\$8.79
San Bernardino County	1,920	19	11,124	96.2%	96.2%	\$7.16
San Diego County	17,417	218	17,962	80.3%	97.8%	\$10.67
Ventura County	86,334	689	12,334	91.6%	91.6%	\$8.41
Total/Weighted Average	123,664	\$ 1,189	\$ 116,764	90.6%	96.7%	\$8.84

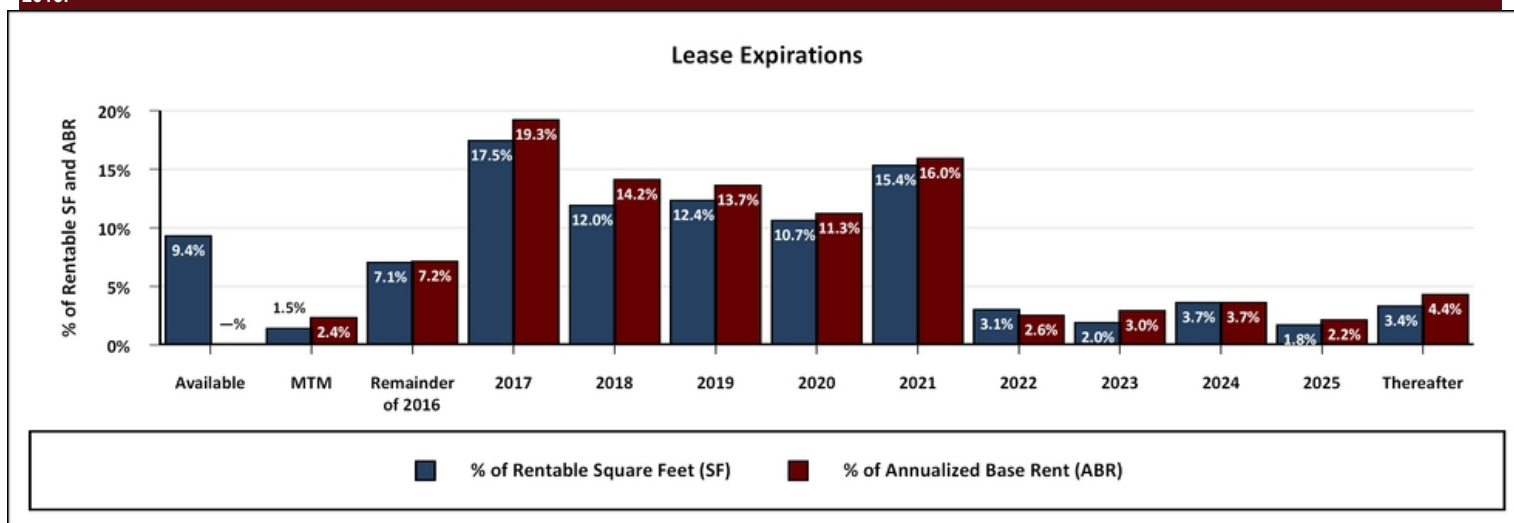
(1) GAAP and cash rent statistics for new leases excludes 23 leases aggregating 369,294 rentable square feet for which there was no comparable lease data. Of these 23 excluded leases, 4 leases aggregating 150,738 rentable square feet relate to recently completed repositioning projects and 2 leases aggregating 110,248 relate to one of the properties we acquired during the current quarter. Comparable leases generally exclude: (i) space that has never been occupied under our ownership, (ii) repositioned/redeveloped space, (iii) space that has been vacant for over one year, (iv) space with different lease structures (for example a change from a gross lease to a modified gross lease or a increase or decrease in the leased square footage) or (v) lease terms shorter than six months.

(2) GAAP and cash statistics for renewal leases excludes 7 leases aggregating 58,248 rentable square feet for which there was no comparable lease data, due to either (i) space with different lease structures or (ii) lease terms shorter than six months.

Leasing Statistics (Continued)

(unaudited results, data represents consolidated portfolio only)

Lease Expiration Schedule for Leases in Place as of September 30, 2016:



Year of Lease Expiration	# of Leases Expiring	Total Rentable SF	Annualized Base Rent (in thousands)	Annualized Base Rent per SF
Available	—	1,378,574	\$ —	\$—
MTM Tenants	104	220,743	2,768	\$12.54
Remainder of 2016	118	1,031,976	8,398	\$8.14
2017	387	2,549,990	22,663	\$8.89
2018	321	1,751,409	16,545	\$9.45
2019	194	1,811,416	15,958	\$8.81
2020	66	1,555,910	13,166	\$8.46
2021	79	2,247,132	18,643	\$8.30
2022	14	455,403	3,068	\$6.74
2023	10	287,155	3,518	\$12.25
2024	8	535,587	4,359	\$8.14
2025	4	260,467	2,539	\$9.75
Thereafter	8	502,339	5,139	\$10.23
Total Portfolio	1,313	14,588,101	\$ 116,764	\$8.84

Top Tenants and Lease Segmentation

(unaudited results, data represents consolidated portfolio only)

Top 10 Tenants:

Tenant	Submarket	Leased SF	% of Total Ann. Base Rent	Ann. Base Rent per SF	Lease Expiration
32 Cold, LLC	Central LA	149,157	1.8%	\$14.02	3/31/2026 ⁽¹⁾
Money Mailer Holding Corporation	West Orange County	207,953	1.7%	\$9.71	12/31/2016
Cosmetic Laboratories of America, LLC	Greater San Fernando Valley	319,348	1.6%	\$5.95	6/30/2020
Technicolor Home Entertainment Services, Inc.	Ventura	144,465	1.2%	\$9.92	5/31/2017
Valeant Pharmaceuticals International, Inc.	West Orange County	170,865	1.2%	\$8.24	12/31/2019
Triscenic Production Services, Inc.	Greater San Fernando Valley	186,988	1.2%	\$7.49	9/30/2021 ⁽²⁾
Triumph Processing, Inc.	South Bay	164,662	1.1%	\$8.22	5/31/2030
Senior Operations, Inc.	Greater San Fernando Valley	130,800	1.0%	\$8.88	11/30/2024
Cox Communications California, LLC	South Orange County	102,299	1.0%	\$11.16	9/30/2021
Biosense Webster	San Gabriel Valley	89,920	1.0%	\$12.62	10/31/2020 ⁽³⁾
Top 10 Total / Weighted Average		1,666,457	12.8%	\$9.03	

⁽¹⁾ Includes (i) 78,280 rentable square feet expiring September 30, 2025 and (ii) 70,877 rentable square feet expiring March 31, 2026.

⁽²⁾ Includes (i) 39,670 rentable square feet expiring November 30, 2019 and (ii) 147,318 rentable square feet expiring September 30, 2021.

⁽³⁾ Includes (i) 12,800 rentable square feet expiring September 30, 2017, (ii) 1,120 rentable square feet expiring September 30, 2019 and (iii) 76,000 rentable square feet expiring October 31, 2020.

Lease Segmentation by Size:

Square Feet	Number of Leases	Rentable SF	Leased %	Leased % Excluding Repositioning	Ann. Base Rent (in thousands)	% of Total Ann. Base Rent	Ann. Base Rent per SF
<4,999	900	2,014,797	91.4%	91.8%	\$ 20,482	17.5%	\$11.12
5,000-9,999	154	1,113,363	94.9%	95.7%	11,148	9.5%	\$10.56
10,000-24,999	154	2,734,670	89.9%	95.6%	23,166	19.9%	\$9.42
25,000-49,999	45	1,825,357	87.7%	93.0%	14,992	12.9%	\$9.36
>50,000	60	6,899,914	90.6%	100.0%	46,976	40.2%	\$7.51
Total / Weighted Average	1,313	14,588,101	90.6%	96.7%	\$ 116,764	100.0%	\$8.84

Capital Expenditure Summary

(unaudited results, in thousands, except square feet and per square foot data)
(data represents consolidated portfolio only)

Three Months Ended September 30, 2016

	Amount	SF(1)	PSF
Tenant Improvements and Space Preparation:			
New Leases -1st Generation	\$ 366	155,022	\$ 2.36
New Leases -2nd Generation	\$ 955	486,532	\$ 1.96
Renewals	\$ 76	139,029	\$ 0.55
Leasing Commissions & Lease Costs:			
New Leases -1st Generation	\$ 1,041	487,514	\$ 2.14
New Leases -2nd Generation	\$ 383	203,051	\$ 1.89
Renewals	\$ 574	562,841	\$ 1.02
Total Recurring Capex:			
Recurring Capex	\$ 691	14,251,237	\$ 0.05
Recurring Capex % of NOI	2.9%		
Recurring Capex % of Operating Revenue	2.1%		
Nonrecurring Capex	\$ 7,030	6,823,346	\$ 1.03

Nine months ended September 30, 2016

	Amount	SF(1)	PSF
Tenant Improvements and Space Preparation:			
New Leases -1st Generation ⁽²⁾	\$ 1,362	430,017	\$ 3.17
New Leases -2nd Generation	\$ 1,737	847,180	\$ 2.05
Renewals	\$ 178	236,951	\$ 0.75
Leasing Commissions & Lease Costs:			
New Leases -1st Generation	\$ 2,098	1,079,609	\$ 1.94
New Leases -2nd Generation	\$ 1,164	677,875	\$ 1.72
Renewals	\$ 853	1,299,345	\$ 0.66
Total Recurring Capex:			
Recurring Capex	\$ 2,125	13,225,517	\$ 0.16
Recurring Capex % NOI	3.2%		
Recurring Capex % Operating Revenue	2.3%		
Nonrecurring Capex	\$ 16,698	8,202,659	\$ 2.04

(1) For tenant improvements and leasing commissions, reflects the aggregate square footage of the leases in which we incurred such costs, excluding new/renewal leases in which there were no tenant improvements and/or leasing commissions. For recurring capex, reflects the weighted average square footage of our consolidated portfolio for the period. For nonrecurring capex, reflects the aggregate square footage of the properties in which we incurred such capital expenditures.

(2) Includes a tenant improvement allowance payment of \$499 thousand to a tenant located at 2431-2433 Impala during Q2-2016. Excluding this allowance payment, 1st generation tenant improvements were \$864 thousand for 417,548 SF or \$2.07 PSF for the nine months ended September 30, 2016.

Properties and Space Under Repositioning(1)

As of September 30, 2016

(unaudited results, in thousands, except square feet)

Repositioning Properties

Property (Submarket)	Total Property Rentable Square Feet	Space Under Repositioning/Lease-Up	Total Property Occ % 9/30/16	Same Property Portfolio	Est. Construction Period		Costs Incurred				Actual Cash NOI 3Q-2016(4)	Est. Annual Stabilized Cash NOI(5)	Est. Period until Stabilized (months) (6)
					Start	Target Completion	Purchase Price	Repositioning	Cumulative Investment to date(2)	Projected Total Investment(3)			
CURRENT REPOSITIONING:													
1601 Alton Pkwy. (OC Airport)	124,000	74,667	40%	Y	4Q-2014	4Q-2016(6)	\$ 13,276	\$ 4,694	\$ 17,970	\$ 19,078	\$ 97	\$ 1,330	4 - 10(7)
9615 Norwalk Blvd. (Mid-Counties)(8)	38,362	—	100%	N	3Q-2015	TBD(7)	\$ 9,642	\$ 188	\$ 9,830	\$ 23,682	\$ 120	\$ 1,556	See footnote (8)
2535 Midway Drive Phase I (Central SD)	233,951	233,951	0%	N	4Q-2015	4Q-2017	\$ 19,295	\$ 635	\$ 19,930	\$ 42,599	\$ (83)	\$ 2,806	24 - 26
2535 Midway Drive Phase II (Central SD)	139,793	139,793	0%	N	4Q-2017	2Q-2018	\$ —	\$ —	\$ —	\$ 16,814	\$ —	\$ 2,795	31 - 33
2535 Midway Drive - Total Phases I & II	373,744	373,744	0%	N			\$ 19,295	\$ 635	\$ 19,930	\$ 59,413	\$ (83)	\$ 5,601	
24955 Avenue Kearny (SF Valley)(9)	138,980	69,219	50%	Y	3Q-2016	1Q-2017	\$ 11,510	\$ 8	\$ 11,518	\$ 12,260	\$ 112	\$ 959	7 - 10
14750 Nelson (San Gabriel Valley)	145,531	145,531 (10)	0%	N	3Q-2016	1Q-2018	\$ 15,000	\$ 16	\$ 15,016	\$ 26,743	\$ (7)	\$ 1,774	23 - 29
TOTAL/WEIGHTED AVERAGE	820,617	663,161	19%				\$ 68,723	\$ 5,541	\$ 74,264	\$ 141,176	\$ 239 (11)	\$ 11,220	
LEASE-UP:													
2610 & 2701 S. Birch St. (OC Airport)	98,230	47,500	52%	Y	2Q-2015	4Q-2015	\$ 11,000	\$ 2,606	\$ 13,606	\$ 13,606	\$ (81)	\$ 965	0 - 5
9401 De Soto Avenue (SF Valley)	150,263	150,263	0%	N	2Q-2015	1Q-2016	\$ 14,075	\$ 2,594	\$ 16,669	\$ 16,992	\$ (43)	\$ 1,165	0 - 6
679-691 S. Anderson Street (Central LA)	47,490	47,490	0%	Y	1Q-2016	3Q-2016	\$ 6,490	\$ 635	\$ 7,125	\$ 7,125	\$ (10)	\$ 437	0 - 6
TOTAL/WEIGHTED AVERAGE	295,983	245,253	17%				\$ 31,565	\$ 5,835	\$ 37,400	\$ 37,723	\$ (134) (11)	\$ 2,567	
COMPLETED DURING 3Q-2016:													
24105 Frampton Avenue (South Bay)	49,841	—	100%	Y	2Q-2015	3Q-2016	\$ 3,930	\$ 1,741	\$ 5,671	\$ 5,671	\$ 26	\$ 396	--
12247 Lakeland Road (Mid-Counties)	24,875	—	100%	N	1Q-2016	3Q-2016	\$ 4,257	\$ 517	\$ 4,774	\$ 4,925	\$ 24	\$ 313	--
TOTAL/WEIGHTED AVERAGE	74,716	—	100%				\$ 8,187	\$ 2,258	\$ 10,445	\$ 10,596	\$ 50 (11)	\$ 709	

(1) See page 31 for a definition of Properties and Space Under Repositioning.

(2) Cumulative investment-to-date includes the purchase price of the property and subsequent costs incurred for nonrecurring capital expenditures.

(3) Projected total investment includes the purchase price of the property and an estimate of total expected nonrecurring capital expenditures to be incurred on each repositioning project to reach completion.

(4) Represents the actual cash NOI for each property for the three months ended September 30, 2016. For a definition and discussion of non-GAAP financial measures, see the definitions section beginning on page 30 of this report.

(5) Represents management's estimate of each property's cash NOI upon stabilization. Actual results may vary materially from our estimates. The Company does not provide a reconciliation to net income on a consolidated basis, because it is unable to provide a meaningful or accurate estimation of reconciling items due to the inherent difficulty of forecasting the timing and/or amount of various items that would impact net income.

(6) Represents the estimated remaining number of months, as of September 30, 2016, for the property to reach stabilization. Includes time to complete construction and lease-up the property. Actual number of months required to reach stabilization may vary materially from our estimates.

(7) Construction on three units totaling 60,667 square feet will be completed in October 2016 and we expect to lease these units by year-end. Construction on one additional 14,000 square foot unit will be completed in December 2016 and we expect to lease this unit in 2017.

(8) 9615 Norwalk has 10.26 acres of partially paved storage yard/industrial land that is currently under a month-to-month lease and generating \$79 thousand per month in short term rent. The current projected total investment and estimated stabilized cash NOI reflects the construction and lease-up of a new approximately 200,000 square foot building after the month-to-month lease terminates. We expect the building to be completed and leased-up between 19 and 25 months from the commencement of the construction date.

(9) We are currently in the permitting and design phase of the repositioning project at 24955 Avenue Kearny. As of the filing date of this report, we are also in negotiations to lease the entire building to an existing tenant in our portfolio. The current projected total investment and estimated stabilized cash NOI reflects the completion and lease-up of the repositioned building, and assumes that we do not execute a lease in the near term.

(10) Represents the square footage of the existing acquired building. Upon completion of the project, the property will be approximately 200,000 square feet, which reflects an increase in square footage from the construction of two additional buildings on the excess land.

(11) Actual NOI for the three months ended September 30, 2016, reflects the capitalization of \$135 thousand of real estate property taxes and insurance for current repositioning, \$54 thousand for lease-up properties and \$18 thousand for completed properties, respectively. We will continue to capitalize real estate property taxes and insurance during the period in which construction is taking place to get each repositioning property ready for its intended use.

Properties and Space Under Repositioning(1) (Continued)

(unaudited results, in thousands, except square feet)

As of September 30, 2016

Repositioning Space

Property (Submarket)	Rentable Square Feet	Space Under Repositioning	Same Property Portfolio	Construction Period		Costs Incurred	Projected Total Investment(2)	Occ % 9/30/16	Actual Cash NOI 3Q-2016(3)	Est. Annual Stabilized Cash NOI(4)	Est. Period until Stabilized (months)(5)
				Start	Target Completion	Repositioning					
CURRENT REPOSITIONING:											
228th Street (South Bay)(6)	89,236	23,749	Y	1Q-2016	2Q-2017	\$ 966	\$ 1,550	66%	\$ (7) (7)	\$ 207	6 - 9
COMPLETED:											
15140 & 15148 Bledsoe St. (SF Valley)	133,356	—	Y	1Q-2015	2Q-2016	\$ 1,437	\$ 1,437	100%	\$ 124 (7)	\$ 882	--

Completed and Leased Repositionings

Property (Submarket)	Rentable Square Feet	Stabilized Period	Stabilized Yield
7110 Rosecrans Ave. (South Bay)	73,439	2Q-2015	7.9%
7900 Nelson Rd. (SF Valley)	202,905	4Q-2015	6.6%
605 8th Street (SF Valley)	55,715	4Q-2015	6.8%
24105 Frampton Ave. (South Bay)	49,841	3Q-2016	7.0%
12247 Lakeland Rd. (Mid-Counties)	24,875	3Q-2016	6.4%
TOTAL/WEIGHTED AVERAGE	406,775		6.8%

(1) See page 31 for a definition of Properties and Space Under Repositioning.

(2) Projected total investment includes the purchase price of the property and an estimate of total expected nonrecurring capital expenditures to be incurred on each repositioning project to reach completion.

(3) Represents the actual net operating income for each property for the three months ended September 30, 2016. For a definition and discussion of non-GAAP financial measures, see the definitions section beginning on page 30 of this report.

(4) Based on current management estimates. Actual results may vary materially from our estimates. The Company does not provide a reconciliation to net income on a consolidated basis, because it is unable to provide a meaningful or accurate estimation of reconciling items due to the inherent difficulty of forecasting the timing and/or amount of various items that would impact net income.

(5) Represents the estimated remaining number of months, as of September 30, 2016, for the property to reach stabilization. Includes time to complete construction and lease-up the property. Actual number of months required to reach stabilization may vary materially from our estimates.

(6) The property located at 228th Street includes eight buildings, of which three buildings aggregating 23,749 rentable square feet were under repositioning as of September 30, 2016. The amounts presented on this page represent the actual and estimated costs and cash NOI of only these three buildings.

(7) Actual NOI for the three months ended September 30, 2016, reflects the capitalization of \$18 thousand for repositioning space. We will continue to capitalize real estate property taxes and insurance during the period in which construction is taking place to get each repositioning property ready for its intended use.

Current Year Acquisitions and Dispositions Summary

(unaudited results, data represents consolidated portfolio only)

2016 Acquisitions

Acquisition Date	Property Address	County	Submarket	Rentable Square Feet	Acquisition Price (\$ in MM)	Occ. % at Acquisition	Occ. % at September 30, 2016
3/15/2016	8525 Camino Santa Fe	San Diego	Central San Diego	59,399	\$8.45	100%	89%
3/29/2016	28454 Livingston Avenue	Valencia	Greater San Fernando Valley	134,287	\$16.00	100%	100%
4/15/2016	REIT Portfolio	Various(1)	Various(1)	1,530,814	\$191.00	100%	100%
5/3/2016	10750-10826 Lower Azusa Road	Los Angeles	San Gabriel Valley	79,050	\$7.66	92%	100%
6/30/2016	525 Park Avenue	Los Angeles	Greater San Fernando Valley	63,403	\$7.55	100%	100%
7/6/2016	3233 Mission Oaks Boulevard(2)	Ventura	Ventura	457,693	\$25.70	66%	66%
8/24/2016	1600 Orangethorpe Avenue	Orange County	North Orange County	345,756	\$40.14	97%	97%
9/8/2016	14742-14750 Nelson Avenue	Los Angeles	San Gabriel Valley	145,531	\$15.00	—%	—%
				<u>2,815,933</u>	<u>\$311.50</u>		

(1) The REIT Portfolio consists of nine properties located in four of the Company's core infill submarkets, including Orange County, Los Angeles - San Gabriel Valley, Inland Empire West and Central San Diego. For more information, see our Form 8-K filed on April 11, 2016 with the SEC.

(2) On July 6, 2016, we acquired the remaining 85% ownership interest in the joint venture property located at 3233 Mission Oaks Boulevard.

2016 Dispositions

Disposition Date	Property Address	County	Submarket	Rentable Square Feet	Sale Price (\$ in MM)	Reason for Selling
5/2/2016	6010 North Paramount Boulevard	Los Angeles	South Bay	16,534	\$2.48	User Sale
5/25/2016	1840 Dana Street	Los Angeles	Greater San Fernando Valley	13,497	\$4.25	User Sale
6/7/2016	12910 East Mulberry Drive	Los Angeles	Mid-Counties	153,080	\$15.00	User Sale
				<u>183,111</u>	<u>\$21.73</u>	

Net Asset Value Components

At 9/30/2016

(unaudited and in thousands, except share data)

Net Operating Income

ProForma Net Operating Income (NOI) ⁽¹⁾	Three Months Ended September 30, 2016	
Total operating revenues	\$	32,944
Property operating expenses		(8,978)
Pro forma effect of uncommenced leases ⁽²⁾		297
Pro forma effect of acquisitions ⁽³⁾		376
Pro forma NOI effect of properties and space under repositioning ⁽⁴⁾		3,625
ProForma NOI		28,264
Fair value lease revenue		(39)
Straight line rental revenue adjustment		(1,395)
ProForma Cash NOI	\$	26,830

Balance Sheet Items

Other assets and liabilities	September 30, 2016	
Cash and cash equivalents	\$	55,263
Notes receivable		5,817
Rents and other receivables, net		2,633
Other assets		5,522
Acquisition related deposits		400
Accounts payable, accrued expenses and other liabilities		(18,433)
Dividends payable		(9,214)
Tenant security deposits		(14,946)
Prepaid rents		(3,945)
Total other assets and liabilities	\$	23,097

Debt and Shares Outstanding

Total consolidated debt ⁽⁵⁾	\$	502,776
Preferred stock - liquidation preference		90,000
Common shares outstanding ⁽⁶⁾		65,725,504
Operating partnership units outstanding ⁽⁷⁾		1,978,842
Total common shares and operating partnership units outstanding		67,704,346

(1) For a definition and discussion of non-GAAP financial measures, see the definitions section beginning on page 30 of this report.

(2) Represents the estimated incremental base rent from uncommenced leases as if they had commenced as of July 1, 2016.

(3) Represents the estimated incremental NOI from Q3'16 acquisitions as if they had been acquired on July 1, 2016. We have made a number of assumptions in such estimates and there can be no assurance that we would have generated the projected levels of NOI had we actually owned the acquired entities as of July 1, 2016.

(4) Represents the estimated incremental NOI from the properties that were classified as repositioning/lease-up or that were not fully stabilized as of September 30, 2016, assuming that all repositioning work had been completed and the properties/space were fully stabilized as of July 1, 2016. See pages 25 - 26 for the properties included. We have made a number of assumptions in such estimates and there can be no assurance that we would have generated the projected levels of NOI had these properties actually been stabilized as of July 1, 2016.

(5) Excludes net deferred loan fees and net loan premium aggregating \$2.3 million.

(6) Represents outstanding shares of common stock of the Company, which excludes 322,837 shares of unvested restricted stock.

(7) Represents outstanding common units of the Company's operating partnership, Rexford Industrial Realty, L.P., that are owned by unit holders other than Rexford Industrial Realty, Inc.

Fixed Charge Coverage Ratio

at 9/30/16

(unaudited and in thousands)

	For the Three Months Ended				
	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015	September 30, 2015
EBITDA(1)	20,206	29,123	15,950	14,606	13,508
Cash distributions from unconsolidated joint ventures	(4)	75	74	46	54
Fair value lease expense	(39)	60	(4)	48	69
Non-cash stock compensation	992	953	934	494	443
Straight line corporate office rent expense adjustment	(12)	(11)	(1)	(1)	21
Gains on sale of real estate	—	(11,563)	—	—	—
Loss on extinguishment of debt	—	—	—	—	253
Straight line rental revenue adjustment	(1,395)	(922)	(1,095)	(1,409)	(1,039)
Capitalized payments	(400)	(292)	(356)	(345)	(296)
Note receivable discount amortization	—	—	—	—	(38)
Gain from early repayment of note receivable	—	—	—	—	(581)
Recurring capital expenditures	(691)	(848)	(586)	(1,346)	(921)
2nd generation tenant improvements and leasing commissions	(1,988)	(1,483)	(461)	(762)	(701)
Unconsolidated joint venture AFFO adjustments	(2)	(9)	(3)	(4)	(5)
Cash flow for fixed charge coverage calculation	16,667	15,083	14,452	11,327	10,767
Cash interest expense calculation detail:					
Interest expense	3,804	3,716	3,254	2,724	2,245
Capitalized interest	433	443	439	306	252
Note payable premium amortization	60	59	59	33	33
Amortization of deferred financing costs	(263)	(264)	(221)	(194)	(200)
Cash interest expense	4,034	3,954	3,531	2,869	2,330
Preferred stock dividends	661	—	—	—	—
Fixed charges	4,695	3,954	3,531	2,869	2,330

Fixed Charge Coverage Ratio	3.5x	3.8x	4.1x	3.9x	4.6x
------------------------------------	------	------	------	------	------

(1) For a definition and discussion of non-GAAP financial measures and reconciliations to their nearest GAAP equivalents, see the definitions section and reconciliation section beginning on page 30 and page 8 of this report, respectively.

Definitions / Discussion of Non-GAAP Financial Measures

Adjusted Funds from Operations (AFFO): We calculate adjusted funds from operations, or AFFO, by adding to or subtracting from FFO, as defined below, the following items: (i) certain non-cash operating revenues and expenses, (ii) capitalized operating expenditures such as leasing and construction payroll, (iii) recurring capital expenditures required to maintain and re-tenant our properties, (iv) capitalized interest costs resulting from the repositioning/redevelopment of certain of our properties, (v) 2nd generation tenant improvements and leasing commissions, (vi) gain (loss) on extinguishment of debt and (vii) gain from early repayment of note receivable. Management uses AFFO as a supplemental performance measure because it provides a performance measure that, when compared year over year, captures trends in portfolio operating results. We also believe that, as a widely recognized measure of the performance of REITs, AFFO will be used by investors as a basis to assess our performance in comparison to other REITs. However, because AFFO may exclude certain non-recurring capital expenditures and leasing costs, the utility of AFFO as a measure of our performance is limited. Additionally, other Equity REITs may not calculate AFFO using the method we do. As a result, our AFFO may not be comparable to such other Equity REITs' AFFO. AFFO should be considered only as a supplement to net income (as computed in accordance with GAAP) as a measure of our performance.

Annualized Base Rent: Calculated for each lease as the latest monthly contracted base rent per the terms of such lease multiplied by 12. Excludes billboard and antenna revenue and rent abatements.

Capital Expenditures, Non-recurring: Expenditures made in respect of a property for improvement to the appearance of such property or any other major upgrade or renovation of such property, and further includes capital expenditures for seismic upgrades, or capital expenditures for deferred maintenance existing at the time such property was acquired.

Capital Expenditures, Recurring: Expenditures made in respect of a property for maintenance of such property and replacement of items due to ordinary wear and tear including, but not limited to, expenditures made for maintenance or replacement of parking lot, roofing materials, mechanical systems, HVAC systems and other structural systems. Recurring capital expenditures shall not include any of the following: (a) improvements to the appearance of such property or any other major upgrade or renovation of such property not necessary for proper maintenance or marketability of such property; (b) capital expenditures for seismic upgrades; or (c) capital expenditures for deferred maintenance for such property existing at the time such property was acquired.

Capital Expenditures, First Generation: Capital expenditures for newly acquired space, newly developed or redeveloped space, or change in use.

Cash NOI: Cash basis NOI is a non-GAAP measure, which we calculate by adding or subtracting from NOI (i) fair value lease revenue and (ii) straight-line rent adjustment. We use Cash NOI, together with NOI, as a supplemental performance measure. Cash NOI should not be used as a measure of our liquidity, nor is it indicative of funds available to fund our cash needs. Cash NOI should not be used as a substitute for cash flow from operating activities computed in accordance with GAAP. We use Cash NOI to help evaluate the performance of the Company as a whole, as well as the performance of our Same Property Portfolio.

Core Funds From Operations (Core FFO): We calculate Core FFO by adjusting FFO, as defined below, to exclude the impact of certain items that we do not consider reflective of our core revenue or expense streams. These adjustments consist of acquisition expenses and legal expenses or reimbursements related to prior litigation. For more information on prior litigation, see Item 3. Legal Proceedings in our 2014 Annual Report on Form 10-K. Management believes that Core FFO is a useful supplemental measure as it provides a more meaningful and consistent comparison of operating performance and allows investors to more easily compare the Company's operating results. Because certain of these adjustments have a real economic impact on our financial condition and results from operations, the utility of core FFO as a measure of our performance is limited. Other REITs may not calculate core FFO in a consistent manner. Accordingly, our core FFO may not be comparable to other REITs' core FFO. Core FFO should be considered only as a supplement to net income computed in accordance with GAAP as a measure of our performance.

EBITDA and Adjusted EBITDA: EBITDA is calculated as earnings (net income) before interest expense, tax expense and depreciation and amortization, including our proportionate share from our unconsolidated joint venture. We calculate Adjusted EBITDA by adding or subtracting from EBITDA the following items: (i) non-cash stock based compensation expense, (ii) gains on sale of real estate (including our proportionate share from our unconsolidated joint venture), (iii) gain (loss) on extinguishment of debt, (iv) gain from early repayment of note receivable, (v) legal expenses or reimbursements related to prior litigation, (vi) acquisition expenses and (vii) the pro-forma effects of acquisitions and dispositions. We believe that EBITDA and Adjusted EBITDA are helpful to investors as a supplemental measure of our operating performance as a real estate company because it is a direct measure of the actual operating results of our industrial properties. We also use these measures in ratios to compare our performance to that of our industry peers. In addition, we believe EBITDA and Adjusted EBITDA are frequently used by securities analysts, investors and other interested parties in the evaluation of Equity REITs. However, because EBITDA and Adjusted EBITDA are calculated before recurring cash charges including interest expense and income taxes, and are not adjusted for capital expenditures or other recurring cash requirements of our business, their utility as a measure of our liquidity is limited. Accordingly, EBITDA and Adjusted EBITDA should not be considered alternatives to cash flow from operating activities (as computed in accordance with GAAP) as a measure of our liquidity. EBITDA and Adjusted EBITDA should not be considered as alternatives to net income or loss as an indicator of our operating performance. Other Equity REITs may calculate EBITDA and Adjusted EBITDA differently than we do; accordingly, our EBITDA and Adjusted EBITDA may not be comparable to such other Equity REITs' EBITDA and Adjusted EBITDA. EBITDA and Adjusted EBITDA should be considered only as supplements to net income (as computed in accordance with GAAP) as a measure of our performance.

Definitions / Discussion of Non-GAAP Financial Measures

Funds from Operations (FFO): We calculate FFO in accordance with the standards established by the National Association of Real Estate Investment Trusts ("NAREIT"). FFO represents net income (loss) (computed in accordance with GAAP), excluding gains (or losses) from sales of depreciable operating property, real estate related depreciation and amortization (excluding amortization of deferred financing costs) and after adjustments for unconsolidated partnerships and joint ventures. Management uses FFO as a supplemental performance measure because, in excluding real estate related depreciation and amortization, gains and losses from property dispositions, other than temporary impairments of unconsolidated real estate entities, and impairment on our investment in real estate, it provides a performance measure that, when compared year over year, captures trends in occupancy rates, rental rates and operating costs. We also believe that, as a widely recognized measure of performance used by other REITs, FFO may be used by investors as a basis to compare our operating performance with that of other REITs. However, because FFO excludes depreciation and amortization and captures neither the changes in the value of our properties that result from use or market conditions nor the level of capital expenditures and leasing commissions necessary to maintain the operating performance of our properties, all of which have real economic effects and could materially impact our results from operations, the utility of FFO as a measure of our performance is limited. Other equity REITs may not calculate or interpret FFO in accordance with the NAREIT definition as we do, and, accordingly, our FFO may not be comparable to such other REITs' FFO. FFO should not be used as a measure of our liquidity, and is not indicative of funds available for our cash needs, including our ability to pay dividends. FFO should be considered only as a supplement to net income computed in accordance with GAAP as a measure of our performance.

Net Operating Income (NOI): NOI is a non-GAAP measure which includes the revenue and expense directly attributable to our real estate properties. NOI is calculated as total revenue from real estate operations including i) rental revenues ii) tenant reimbursements, and iii) other income less property-level operating expenses. We use NOI as a supplemental performance measure because, in excluding real estate depreciation and amortization expense, general and administrative expenses, interest expense, gains (or losses) on sale of real estate and other non-operating items, it provides a performance measure that, when compared year over year, captures trends in occupancy rates, rental rates and operating costs. We also believe that NOI will be useful to investors as a basis to compare our operating performance with that of other REITs. However, because NOI excludes depreciation and amortization expense and captures neither the changes in the value of our properties that result from use or market conditions, nor the level of capital expenditures and leasing commissions necessary to maintain the operating performance of our properties (all of which have real economic effect and could materially impact our results from operations), the utility of NOI as a measure of our performance is limited. Other equity REITs may not calculate NOI in a similar manner and, accordingly, our NOI may not be comparable to such other REITs' NOI. Accordingly, NOI should be considered only as a supplement to net income as a measure of our performance. NOI should not be used as a measure of our liquidity, nor is it indicative of funds available to fund our cash needs. NOI should not be used as a substitute for cash flow from operating activities in accordance with GAAP. We use NOI to help evaluate the performance of the Company as a whole, as well as the performance of our Same Property Portfolio.

Proforma NOI: Proforma NOI is calculated by adding to NOI the following adjustments: (i) the estimated impact on NOI of uncommenced leases as if they had commenced as the beginning of the reportable period, (ii) the estimated impact on NOI of current period acquisitions as if they had been acquired at the beginning of the reportable period, (iii) the actual NOI of properties sold during the current period and (iv) the estimated incremental NOI from properties that were classified as repositioning/lease-up properties as of the end of the reporting period, assuming that all repositioning work had been completed and the properties/space were fully stabilized as of the beginning of the reportable period. These estimates do not purport to be indicative of what operating results would have been had the acquisitions actually occurred at the beginning of the reportable period and may not be indicative of future operating results.

Properties and Space Under Repositioning: Typically defined as properties or units where a significant amount of space is held vacant in order to implement capital improvements that improve the functionality (not including basic refurbishments, i.e., paint and carpet), cash flow and value of that space. We define a significant amount of space in a building as the lower of (i) 20,000 square feet of space or (ii) 50% of a building's square footage. Typically, we would include properties or space where the repositioning and lease-up time frame is estimated to be greater than six months. A repositioning is considered complete once the investment is fully or nearly fully deployed and the property is marketable for leasing. We consider a property to be stabilized once it reaches 95% occupancy.

Rent Change - Cash: Compares the first month cash rent excluding any abatement on new leases to the last month rent for the most recent expiring lease. Data included for comparable leases only. Comparable leases generally exclude properties under repositioning, short-term leases, and space that has been vacant for over one year.

Rent Change - GAAP: Compares GAAP rent, which straightlines rental rate increases and abatement, on new leases to GAAP rent for the most recent expiring lease. Data included for comparable leases only. Comparable leases generally exclude properties under repositioning, short-term leases, and space that has been vacant for over one year.

Same Property Portfolio: Our Same Property Portfolio is a subset of our consolidated portfolio and includes properties that were wholly-owned by us as of January 1, 2015, and still owned by us as of September 30, 2016. The Company's computation of same property performance may not be comparable to other REITs.

Stabilized Same Property Portfolio: Our Stabilized Same Property Portfolio represents the properties included in our Same Property Portfolio, adjusted to exclude space at properties that were in various stages of repositioning or lease-up.

Uncommenced Leases: Reflects signed leases that have not yet commenced as of the reporting date.