



Rexford Industrial

Rexford Industrial Acquires Two Industrial Properties For \$127.1 Million; Sells Two Properties For \$9.1 Million

May 10, 2018

LOS ANGELES, May 10, 2018 /PRNewswire/ -- Rexford Industrial Realty, Inc. (the "Company" or "Rexford Industrial") (NYSE: REXR), a real estate investment trust focused on owning and operating industrial properties located in Southern California infill markets, today announced the acquisition of two industrial properties for a total investment of \$127.1 million and the disposition of two properties for \$9.1 million. The acquisitions were funded through a combination of cash on hand, disposition proceeds and use of Rexford's existing line of credit.

"These acquisitions demonstrate our ability to source high-quality industrial property investments at favorable values within infill Southern California, the most sought-after industrial market in the nation," stated Howard Schwimmer and Michael Frankel, Co-Chief Executive Officers of the Company. "Both properties are 100% leased. Sheila Street provides attractive, long-term cash flow from an entrenched credit tenant. Stanford Court generates stable initial cash flow plus an opportunity to roll the below-market in-place rent to higher market rent upon lease expiration. In addition, we completed the planned disposition of two non-core assets which were recently acquired as a part of a portfolio. Year to date, we have exceeded \$235 million in acquisitions and we continue to see favorable opportunities to execute our internal and external growth strategies to enhance cash flow and shareholder value."

In an off-market acquisition, the Company acquired 5300 Sheila Street, located in Commerce, within the Los Angeles -- Central submarket, for \$121.0 million or \$174 per square foot. This exceptional infill property contains a 100% leased, 695,120 square foot industrial building situated on 35.83 acres of land. The building comprises 36' maximum clear heights, 118 cross-dock loading positions, and nearly 4 acres of excess land accommodating storage of up to 435 trailer / containers. The property is leased at a below-market rent on a long-term triple-net lease to a high-quality, credit tenant. The site features immediate access to eight Southern California freeways and to the two largest intermodal train facilities in Southern California. The property represents a highly desirable first-mile and last-mile logistics solution positioned less than 5 miles from Downtown Los Angeles, less than 15 miles from Los Angeles International Airport and less than 20 miles from the Ports of Long Beach and Los Angeles. According to CBRE, the vacancy rate in the 289 million square foot Los Angeles -- Central submarket was 1.2% at the end of the first quarter 2018.

Rexford also acquired 1190 E. Stanford Court, located in Anaheim, within the Orange County -- North submarket, for \$6.08 million or \$176 per square foot. This modern, highly-functional 24-foot clear building contains 34,494 square feet on 1.46 acres of land and features dock-high loading and a large fenced yard. The property is 100% leased to a single tenant with in-place rents estimated to be 30% below-market. Rexford intends to implement functional and cosmetic upgrades and to roll the below-market in-place rent to higher market rent when the existing lease expires in approximately two years. According to CBRE, the vacancy rate in the 114 million square foot Orange County -- North submarket was 0.6% at the end of the first quarter 2018.

In addition, the Company sold 1910 and 1920 S. Archibald Avenue, located in Ontario, within the Inland Empire -- West submarket, for \$9.05 million or \$116 per square foot. Acquired as a part of a recent three-building portfolio purchase, this represents a planned disposition as these two 69% occupied flex buildings were not in alignment with Rexford's standard industrial property focus. The buildings were widely marketed and sold at values in excess of the prices originally underwritten at the time of the portfolio purchase.

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 158 properties with approximately 19.8 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, 2017. 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.

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