



Rexford Industrial

Rexford Industrial Acquires Four Industrial Properties For \$69.6 Million; Sells Two Properties For \$30.6 Million

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LOS ANGELES, Nov. 29, 2017 /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 four industrial properties for approximately \$69.6 million. The acquisitions were funded using cash on hand, draws on the Company's line of credit and proceeds from two dispositions totaling \$30.6 million.

"We continue to capitalize upon Rexford's exceptional growth opportunity by acquiring prime industrial properties in the highest-demand industrial market in the country – infill Southern California," stated Howard Schwimmer and Michael Frankel, Co-Chief Executive Officers of the Company. "We continue to recycle capital into accretive high-quality, leased industrial product such as 687 Eucalyptus Avenue, completing a tax deferred exchange from two dispositions, one of which was a vacant property. We are also pleased to complement this activity by acquiring value-add investments with below-market in-place leases including Gardena, a two-building leased portfolio, and 8542 Slauson Avenue, a 4.24 acre paved land site. Year to date, we have exceeded \$600 million in acquisitions, and we continue to see favorable opportunities to execute our internal and external growth strategies to drive cash flow and shareholder value."

The Company acquired 687 Eucalyptus Avenue, located in Inglewood in the Los Angeles – West Los Angeles/South Bay submarket for \$53.9 million, or \$376 per square foot. The single tenant industrial building contains 143,436 square feet on 6.79 acres of land and is 100% leased to Federal Express Corporation. The recently completed build-to-suit features 32-foot clear height, ESFR sprinklers and LEED certification. The property is the closest modern distribution facility to service last-mile e-commerce delivery within this densely populated West Los Angeles submarket. Industrial supply is extremely limited in West Los Angeles, having been cannibalized by demand for creative office space and multifamily development, resulting in increased building conversions and removal of the industrial supply.

Also in the Los Angeles – South Bay submarket, the Company acquired a two-property portfolio consisting of 15401 S. Figueroa Street and 13225 S. Western Avenue located in Gardena for \$6.7 million, or \$112 per square foot. 15401 S. Figueroa Street contains 38,584 square feet on 1.62 acres of land and 13225 S. Western Avenue contains 21,010 square feet on 0.95 acres of land. The two single-tenant buildings are both 100% leased at substantially below-market rents to occupants with less than six months average lease term remaining. According to CBRE, the vacancy rate in the 222 million square foot Los Angeles – South Bay submarket was 0.8% at the end of the third quarter 2017.

The Company acquired an improved land site at 8542 Slauson Avenue, located in Pico Rivera in the Los Angeles – Central submarket for \$9.0 million, or approximately \$49 per square foot of land. The low-coverage single-tenant property consists of a 24,679 square foot industrial building on 4.24 acres of land. The property is currently 100% leased at rates significantly below-market to a publicly traded tenant and is well located near the I-5 and I-605 highways within a neighborhood that is experiencing increased redevelopment. According to CBRE, the vacancy rate in the 287 million square foot Los Angeles – Central submarket was 1.6% at the end of the third quarter 2017.

The Company sold 12345 First American Way in the Central San Diego submarket for approximately \$7.6 million, or \$190 per square foot. The highly improved single tenant industrial property contains 40,022 square feet on 2.67 acres of land and was sold at a premium to an owner-user. In a separate transaction, the Company sold 9401 DeSoto Avenue in the Greater San Fernando Valley submarket for \$23 million, or \$152 per square foot. The recently repositioned industrial property was sold vacant at a premium owner-user value. Proceeds from both asset sales were recycled in a tax deferred 1031 exchange to fund a portion of the Eucalyptus Avenue acquisition. Year to date, the Company has completed approximately \$96.2 million of dispositions with all of the proceeds used to fund acquisitions.

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 148 properties with approximately 18.1 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, 2016. 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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