



Rexford Industrial

Rexford Industrial Acquires Industrial Park For \$141.2 Million; Sells Project For \$40.1 Million

May 25, 2017

LOS ANGELES, May 25, 2017 /PRNewswire/ -- Rexford Industrial Realty, Inc. (the "Company" or "Rexford Industrial") (NYSE: REXR), a real estate investment trust focused on owning and operating industrial property located in Southern California infill markets, today announced the acquisition of a 16-building industrial park for approximately \$141.2 million. Additionally, the Company completed the disposition of an industrial property for approximately \$40.1 million. Proceeds from the disposition were reinvested into the new acquisition through a 1031 exchange with the balance of the purchase funded utilizing the Company's line of credit.

"These two transactions exemplify Rexford's value-add acquisition and accretive disposition opportunities within our core infill Southern California submarkets," stated Howard Schwimmer and Michael Frankel, Co-Chief Executive Officers of the Company. "In October 2015, we acquired 2535 Midway Drive for \$19.3 million and have been entitling our planned project repositioning. The Midway property was sold vacant, prior to the start of construction after receiving an unsolicited purchase offer at a substantial premium to its industrial market value from a buyer intending to convert the property to mixed creative office and residential use. This transaction allowed us to efficiently recycle capital from the sale of a vacant property into the purchase of a highly-occupied, institutional-quality industrial complex, providing immediate accretion to cash flow and portfolio value."

The Company acquired Safari Business Center, containing 16 buildings totaling approximately 1.14 million square feet on 52.2 acres, for approximately \$141.2 million, or approximately \$124 per square foot. The property is located in Ontario, California, adjacent to the Ontario Airport within the Inland Empire West submarket and is currently 97% leased to 75 tenants. In-place rents at the property are estimated to be approximately 17% below market, on average. The high-quality property is the largest multi-tenant industrial park in the sub-market and features market-leading functionality and high-image identity in a premier infill location. Spaces range from 7,000 to 36,000 square feet with dock-high loading and flexible, low-finish floor plans, which draw consistent leasing demand from a broad cross-section of national and regional businesses. According to CBRE, the vacancy rate in the 281 million square foot Inland Empire West submarket was 2.1% at the end of the first quarter, 2017.

In a separate transaction, the Company sold 2535 Midway Drive in the Central San Diego submarket, for approximately \$40.1 million, or \$107 per square foot. The property consists of two vacant multi-story buildings comprising 373,744 square feet. The property had been purchased in October 2015, and was vacant at the time of the sale with substantial redevelopment near commencement. Proceeds from the sale were used in a tax deferred 1031 exchange to fund a portion of the Safari Business Center acquisition.

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 137 properties with approximately 16.0 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.

Contact:

Investor Relations:

Stephen Swett

424 256 2153 ext. 401

investorrelations@refordindustrial.com

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