



Rexford Industrial

Rexford Industrial Acquires Two Properties for \$29.4 Million and Sells Two Properties for \$19.2 Million

July 7, 2016

– Redeploys \$19.2 Million of Sale Proceeds into Value-Add and Stabilized Investments –

– 2016 Acquisition Volume Exceeds \$256 Million –

LOS ANGELES--(BUSINESS WIRE)-- 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 assets, including the remaining 85% interest in a property previously held in a joint venture for approximately \$21.8 million and a multi-tenant industrial building for \$7.6 million. Additionally, the Company disposed of two assets for a total of approximately \$19.2 million. The acquisitions were funded using proceeds from the dispositions and cash on hand.

“The acquisition of these two properties exemplifies our ability to opportunistically recycle capital into favorably-priced, value-add and stabilized opportunities within our target infill submarkets,” stated Howard Schwimmer and Michael Frankel, Co-Chief Executive Officers of the Company. “Mission Oaks, the joint venture asset, is proximate to Rexford’s properties located in the Ventura county submarket and provides a favorable in-place yield plus incremental value-add redevelopment potential to further increase cash yields and value. The 525 Park acquisition represents the purchase of a fully stabilized, modern industrial asset at a significant discount to replacement cost. We remain excited about our acquisition pipeline and continue to explore both internal and external pathways to create long-term value for our shareholders.”

The Company acquired the remaining 85% interest that it did not previously own in 3233 Mission Oaks Boulevard in Camarillo, located in the Ventura County submarket, for \$21.8 million, at a total valuation of \$25.7 million or approximately \$56.2 per square foot. The property is comprised of two buildings containing 457,693 square feet on 31.9 acres of land. The joint venture recently completed an \$11 million capital improvement program, including modernization and demising of 295,000 square feet of warehouse area into eight spaces ranging from 21,000 to 57,000 square feet. Further, land coverage is currently 33%, providing the value-add potential to develop additional industrial space on the site. The property is located adjacent to the 101 freeway with significant freeway frontage and is the last of three properties to have been sold out of the Company’s only joint venture. Subject to customary prorations and related post-closing adjustments, Rexford expects to receive approximately \$1.8 million back from the joint venture within approximately thirty days as realization of Rexford’s promoted profits interest earned in the joint venture. According to CBRE, the vacancy rate in the 63 million square foot Ventura County submarket was 3.4% at the end of the first quarter 2016.

Additionally, the Company acquired 525 Park Ave., in San Fernando, located in the San Fernando Valley submarket, for \$7.6 million, or \$119 per square foot. The two-tenant industrial building contains 63,403 square feet on 2.5 acres of land. The asset is a modern vintage Class A property with dock-high loading and high-pile storage capability, which are rare within the submarket, and is leased to strong, regionally entrenched tenants at aggregate rates that the Company believes are approximately 25% below market. Rexford intends to harvest cash flow from the existing tenants and implement planned functional enhancements upon expiration and to increase rents to current market rates. According to CBRE, the vacancy rate in the 173 million square foot San Fernando Valley submarket was 1.2% at the end of the first quarter 2016.

Separately, the Company sold 12910 Mulberry Drive, a 153,080 square foot 1960’s vintage building with 18-foot clear-heights located in Whittier, California, in the Los Angeles’ Mid Counties submarket, for \$15.0 million, or approximately \$98 per square foot. The Company also sold 1840 Dana Street, a 13,497 square foot creative industrial building in Glendale, California, in the Greater San Fernando Valley submarket, for \$4.25 million, or approximately \$315 per square foot. Both assets were sold vacant to users and proceeds from both dispositions were used in a tax deferred exchange contributed towards the Mission Oaks 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 interests in 131 properties with approximately 14.1 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, 2015. 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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