



# Rexford Industrial

## Rexford Industrial Acquires Industrial Property for \$19.3 Million

October 26, 2015

– Value-Add Industrial Investment in Central San Diego Submarket –

– Year-to-Date Acquisition Volume Exceeds \$196 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 the former Main Postal Annex facility in San Diego, located at 2535 Midway Drive, San Diego, California, for \$19.3 million, or approximately \$52 per square foot. The acquisition was completed with borrowings under the Company's line of credit.

"This transaction presents an opportunity to acquire and reposition two prominent industrial buildings in a dense, supply-constrained infill submarket in Central San Diego," stated Howard Schwimmer and Michael Frankel, Co-Chief Executive Officers of the Company. "The acquisition represents an exciting opportunity to create significant value by capitalizing upon a favorable cost basis to reposition a single tenant facility into an industrial complex delivering high-demand industrial spaces in an under-served market. This investment, which brings our year to date acquisition volume to nearly \$200 million, is indicative of our value-driven investment approach and ability to source accretive opportunities in our target Southern California infill markets."

2535 Midway Drive is comprised of two buildings containing an aggregate of 373,000 rentable square feet on 16.05 acres of land in Central San Diego, CA. The repositioning strategy comprises an initial phase demising the ground floor of the two buildings into ten industrial units of 10,000 to 45,000 square feet, totaling approximately 229,000 square feet, with highly functional dock-high and ground-level loading, new office areas and abundant surface parking. The second phase comprises repositioning of up to approximately 144,000 square feet of 22-foot clear second-floor area in the larger building. The expected time frame to deliver the initial finished spaces is eighteen months. Midway Drive is a heavily traveled main arterial located in the Sports Arena micro market within the Central San Diego submarket, adjacent to the San Diego International Airport and shipping port. The property also benefits from major street frontage in addition to Midway Drive, on Barnett Ave that provides direct access to downtown San Diego, immediate access to major thoroughways including I-8 and I-5, as well as close proximity to the 52, 15, 163 and 805 freeways. According to CBRE, the vacancy rate in the 80 million square foot Central San Diego submarket was 5.3% at the end of the third quarter 2015.

### 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 116 properties with approximately 11.5 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](http://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, 2014. 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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