

February 25, 2014



# Rexford Industrial Announces Fourth Quarter 2013 Portfolio and Operational Results

- Same Property Portfolio Occupancy Increases 300 Basis Points to 89.3% –**
- Achieves GAAP Leasing Spreads of 12.9% and Cash Leasing Spreads of 3.5% –**
- Completes Acquisitions of \$180 Million Since the Start of 2013 –**

LOS ANGELES--(BUSINESS WIRE)-- Rexford Industrial Realty, Inc. (the “Company” or “Rexford Industrial”) (NYSE:REXR), a real estate investment trust (“REIT”) that specializes in acquiring, owning and operating industrial properties located in Southern California infill markets, today announced certain portfolio results for the fourth quarter and full year 2013.

## **Fourth Quarter and Full Year 2013 Operational Highlights:**

- Same Property Portfolio occupancy increased 3.0 percentage points to 89.3% compared to the fourth quarter of 2012.
- Signed new and renewal leases totaling approximately 386,000 square feet, resulting in approximately 76,000 square feet of positive net absorption and increased GAAP leasing spreads of 12.9% and cash leasing spreads of 3.5% during the fourth quarter of 2013.
- For the full year 2013, signed new and renewal leases totaling approximately 1,856,000 square feet, resulting in approximately 454,000 square feet of positive net absorption.
- In the fourth quarter, acquired six properties totaling approximately 832,000 square feet for an aggregate cost of \$69.7 million. Subsequent to year end, acquired three properties totaling approximately 264,000 square feet for an aggregate cost of \$22.5 million. Since the beginning of 2013, acquired fifteen properties totaling approximately 1,960,000 square feet for an aggregate cost of \$180.0 million.

“We ended 2013 on a strong note, as we achieved solid results within our portfolio, benefitting from the execution of our operating and leasing strategies, and continued success in sourcing and closing new investments within our core Southern California infill submarkets” commented Michael Frankel and Howard Schwimmer, Rexford Industrial’s Co-Chief Executive Officers. “Our leasing team secured a high volume of new and renewal leases, capitalizing on our marketing programs, lease execution expertise and high-quality portfolio management, and we are benefitting from steady improvement in our core Southern California infill industrial markets. Since our initial public offering in July, 2013, we have closed on 11 properties for \$106.2 million totaling 1,219,627 square feet, representing a 22%

expansion of our portfolio. As we move forward, we continue to see a substantial pipeline of what we believe are accretive investment opportunities that meet our strategic criteria.”

### **Portfolio and Operating Detail:**

In the fourth quarter, the Company signed 91 new and renewal leases in its consolidated portfolio, totaling approximately 386,000 square feet. Average rental rates on comparable new and renewal leases were up 12.9% on a GAAP basis, and up 3.5% on a cash basis. The Company signed 38 new leases for approximately 142,000 square feet, with GAAP rents up 15.2%, compared to the prior in place leases. The Company signed 53 renewal leases for approximately 244,000 square feet, with GAAP rents up 12.4% compared to the prior in place leases. For the 38 new leases, cash rents were up 4.5%, and for the 53 renewal leases, cash rents were up 3.3%, compared to the ending cash rents for the prior leases.

### **Acquisition Activity:**

In November, the Company acquired Yorba Linda Business Park, a four-building Orange County, multi-tenant industrial park totaling 115,760 square feet, in Yorba Linda, California. The property was acquired for \$12.7 million, or \$109.71 per square foot, and was 79% occupied at the time of purchase.

In November, the Company acquired The Park, an Orange County industrial business park located in Anaheim, California, for \$10.6 million, or \$88.10 per square foot. The Park is located adjacent to the Interstate 5 Freeway in Anaheim, California, and consists of six multi-tenant buildings totaling 120,313 square feet. The buildings are situated on 6.9 acres of land, and were 85% occupied at the time of acquisition.

In December, the Company acquired Bonita Thompson, an industrial property in Pomona, California, for \$27.2 million, or \$74.34 per square foot. Located in the San Gabriel Valley sub-market, Bonita Thompson is in close proximity to three major highways, and consists of two 24' clear single-tenant, rail-served distribution buildings, with 52 dock-high loading positions, totaling 365,859 square feet. The divisible buildings are situated on 16.3 acres of land, and are currently 100% occupied.

In December, the Company acquired a 199,370 square foot industrial and office property located in Simi Valley, California, for \$15.8 million, or \$79 per square foot. The project consists of a 30' clear, ESFR single-tenant industrial building with 136,065 square feet and a two-story 63,305 square foot Class A office building, situated on 16.3 acres of land. The industrial building is 100% leased to Kingsbridge International, Inc. for ten years. The office building, which is situated on a separate parcel, is currently vacant and is currently in escrow for sale.

In December, the Company acquired Vanowen, a 31,037 square foot industrial building located in the San Fernando Valley, for \$3.4 million, or \$109.55 per square foot, adjacent to the Burbank (Bob Hope) Airport. The property is 100% leased to four tenants.

Subsequent to year-end and through February 24, the Company acquired three additional properties totaling approximately 264,000 square feet for an aggregate cost of \$22.5 million, detailed below.

In January, the Company acquired Rosecrans, a 72,000 square foot industrial building located in Paramount, California, for \$5.0 million, or \$69.44 per square foot. The seller is

consolidating into half of the building under a five year lease-back, enabling the Company to execute its value-add improvement and leasing plan for the remainder of the property.

In January, the Company acquired Oxnard Street, located in Van Nuys, California, for \$8.9 million, or \$114 per square foot. The property consists of a six-building multi-tenant business park totaling 78,000 square feet. The buildings are situated on 3.25 acres of land and are currently 98% occupied. The Company plans to upgrade the property through overall aesthetic improvements and operational enhancements to facilitate accelerated rent growth.

In February, the Company acquired Ontario Airport Business Park, an industrial property located in Ontario, California, for \$8.6 million, or \$75.69 per square foot. The project consists of a five-building multi-tenant business park totaling 113,612 square feet and is currently 95.4% occupied. The acquisition was funded with a portion of the proceeds from the sale of Kaiser, a 121,551 square foot industrial property in San Diego, California, which was sold in January for \$10.1 million. Proceeds from the sale of Kaiser were reinvested into Ontario Airport Business Park in a tax-deferred 1031 exchange.

### **Earnings Release, Investor Conference Webcast and Conference Call:**

The company will release its fourth quarter and full year 2013 results after the market closes on Thursday, March 13, 2014. The Company will host a webcast and conference call that same day at 5:00 p.m. Eastern time to review fourth quarter results and discuss recent events. The live webcast will be available on the Company's investor relations website at [www.ir.rexfordindustrial.com](http://www.ir.rexfordindustrial.com). To participate in the call, please dial 877-407-0789 (domestic) or 201-689-8562 (international). A replay of the conference call will be available through November 25, 2013, by dialing 877-870-5176 (domestic) or 858-384-5517 (international) and entering the pass code 10000690.

### **About Rexford Industrial:**

Rexford Industrial is a real estate investment trust that specializes in acquiring, owning and operating industrial properties in Southern California infill markets. The Company owns interests in 70 properties with approximately 7.6 million rentable square feet and manages an additional 20 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 section entitled "Cautionary Note Regarding

Forward-Looking Statements" in the Company's prospectus for its July 2013 IPO and other risks described in documents subsequently filed by the Company from time to time with the Securities and Exchange Commission (in particular under the caption "Risk Factors" in our periodic filings). 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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