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Rexford Completes Conversion of San Gabriel Valley Industrial Center

With demand for modern industrial space in LA's Mid-Cities area far outstripping supply, a recently redeveloped project in the City of Industry has already generated substantial interest. The project is Rexford Industry Center, a 241.4k sf multi-tenant industrial park that was just converted from an outmoded 147.4k sf manufacturing building by Rexford Industrial.

Located on 11.52 acres at 15241-15277 and 15317-15339 Don Julian Rd, west of Hacienda Blvd and south of Valley Blvd, the previous structure on the site was redeveloped into a modern, highly functional multi-tenant distribution facility, while Rexford also constructed an additional 94k sf multi-tenant facility on excess land.

Both buildings now offer "like-new", fully amenitized, Class A spaces catering to midsize tenants. The new building is fully leased, while the repositioned older building is approximately 79% leased just one month after the final phase of its renovations were completed. Pre-leasing included a 63-month deal for a 22.6k sf unit to Win-Jet, a local auto-part distributor, and a 37-month lease with Castline, a toy distributor. Overall, the new leases are locking in rents well in excess of rates projected at the time of acquisition.

"This project offers an outstanding example of Rexford's successful strategy of redevelopment and repositioning to add tremendous value to an under-utilized property," said Howard Schwimmer, Rexford's Managing Member and Partner. "In this case, we are offering state-of-the-art office and distribution spaces to an underserved market: small distribution users who can take advantage of two-to-three dock spots for units that range in size from 8k sf to 22k sf. The pre-leasing activity has confirmed that we are delivering space in line with the market's current appetite," he added.

The property was acquired by Rexford's Rexford Industrial Fund I, which was the first in a series of value-add industrial real estate investment funds and which has acquired approximately 1.5 msf of product. Rexford currently operates more than 5 msf of property, valued at more than \$600 mil. Rexford is currently targeting the acquisition of more than \$400 mil of industrial properties, principally for its third and fourth funds.