



STAG INDUSTRIAL ANNOUNCES ACQUISITION, DISPOSITION AND LEASING ACTIVITY FOR THE SECOND QUARTER OF 2016

Boston, MA - July 6, 2016 - STAG Industrial, Inc. (the "Company") (NYSE:STAG), a real estate investment trust (REIT) focused on the acquisition and operation of single-tenant, industrial properties throughout the United States, today announced its acquisition, disposition and leasing activity for the second quarter of 2016.

Acquisitions and Dispositions

For the three months ended June 30, 2016, the Company acquired five buildings for \$58.2 million with an Occupancy Rate of 100.0% upon acquisition. The chart below details the acquisition activity for the quarter:

SECOND QUARTER 2016 ACQUISITIONS						
Location (CBSA) ⁽¹⁾	Date Acquired	Square Feet	Buildings	Purchase Price (\$MM)	Weighted Average Lease Term (Years)	Capitalization Rate
Chicago-Naperville-Elgin, IL-IN-WI	4/28/2016	249,470	1	\$8.7	3.3	
Visalia-Porterville, CA	5/6/2016	635,281	1	27.9	10.5	
Atlanta-Sandy Springs-Roswell, GA	5/11/2016	152,036	1	5.5	4.9	
Reading, PA	5/23/2016	248,000	1	9.6	2.7	
Charlotte-Concord-Gastonia, NC-SC	6/3/2016	104,852	1	6.5	2.9	
Total/Weighted Average		1,389,639	5	\$58.2	6.2	7.9%
<small>(1) Core based statistical area</small>						

The chart below details the 2016 acquisition activity and pipeline through July 6, 2016:

2016 ACQUISITION ACTIVITY & PIPELINE DETAIL						
	Square Feet	Buildings	Purchase Price (\$MM)	Weighted Average Lease Term (Years)	Capitalization Rate	
Q1	710,754	5	\$27.9	4.2	8.5%	
Q2	1,389,639	5	58.2	6.2	7.9%	
2016 Closed Acquisitions	2,100,393	10	\$86.1	5.5	8.1%	
As of July 6, 2016 ⁽¹⁾						
Under Contract	2,856,498	10	\$123.3			
Non-Binding Letter of Intent ("LOI")	1,739,901	8	95.3			
Total Under Contract & LOI	4,596,399	18	\$218.6			
Pipeline	38,027,794	160	\$1,814.4			

(1) The purchase and sale agreements for the properties under contract are subject to satisfaction of closing conditions, and the properties under LOI require the negotiation and execution of definitive purchase and sale agreements. There can be no assurance that any of the properties under contract or LOI will be acquired on the terms anticipated or at all.

During the three months ended June 30, 2016, the Company sold seven buildings consisting of 634,404 square feet for \$17.8 million. The chart below details the disposition activity for the six months ended June 30, 2016:

YEAR-TO-DATE DISPOSITIONS			
Year	Square Feet	Buildings	Gross Proceeds (\$MM)
Q1	1,182,450	4	\$32.8
Q2	634,404	7	17.8
Total	1,816,854	11	\$50.6

Subsequent to quarter end and through July 6, 2016, the Company sold two non-core, flex/office buildings consisting of 51,509 square feet for \$275,000.

Leasing

Unless otherwise defined, the following leasing disclosure excludes non-core, flex/office assets.

For the three months ended June 30, 2016, the Company executed 13 leases for approximately 2.3 million square feet. The chart below details the leasing activity for the quarter:

SECOND QUARTER 2016 LEASING ACTIVITY									
Lease Type	Square Feet	W.A. Lease Term (Years)	Cash Base Rent \$/PSF	GAAP Base Rent \$/PSF	Lease Commissions \$/PSF	Tenant Improvement \$/PSF	Total Costs \$/PSF	Cash Rent Change	GAAP Rent Change
New Leases	47,700	5.5	\$3.75	\$3.72	\$1.17	\$0.00	\$1.17	N/A ⁽¹⁾	N/A ⁽¹⁾
Renewal Leases	1,877,756	3.6	3.49	3.49	0.13	0.05	0.18	(1.0)%	3.4%
Total / Weighted Avg New & Renewal	1,925,456	3.6	\$3.50	\$3.50	\$0.16	\$0.04	\$0.20	(1.0)%	3.4%
Temporary Leases	348,120								
Total Leasing Activity	2,273,576								
(1) No Comparable Leases for the Cash and GAAP rent change.									

The chart below details the leasing activity for the six months ended June 30, 2016:

2016 LEASING ACTIVITY									
Lease Type	Square Feet	W.A. Lease Term (Years)	Cash Base Rent \$/PSF	GAAP Base Rent \$/PSF	Lease Commissions \$/PSF	Tenant Improvement \$/PSF	Total Costs \$/PSF	Cash Rent Change	GAAP Rent Change
New Leases	220,380	6.7	\$4.31	\$4.54	\$1.92	\$0.00	\$1.92	N/A ⁽¹⁾	N/A ⁽¹⁾
Renewal Leases	3,410,797	4.4	4.05	4.14	0.26	0.27	0.53	(0.7)%	3.8%
Total /Weighted Avg New & Renewal	3,631,177	4.6	\$4.07	\$4.16	\$0.36	\$0.25	\$0.61	(0.7)%	3.8%
Temporary Leases	663,740								
Total Leasing Activity	4,294,917								
(1) No Comparable Leases for the Cash and GAAP rent change.									

The Company experienced 75.4% Retention for the quarter. The chart below details Retention for the quarter and six months ended June 30, 2016:

2016 RETENTION						
Quarter	Expiring Square Footage	Retained Square Footage	W.A. Lease Term (Years)	Retention	Cash Rent Change	GAAP Rent Change
Q1	1,251,975	530,485	3.2	42.4%	3.1%	6.1%
Q2	921,971	695,395	5.0	75.4%	5.8%	9.7%
Total / Weighted Average	2,173,946	1,225,880	4.2	56.4%	4.8%	8.4%

The Occupancy Rate of the portfolio as of June 30, 2016 was 94.9% and, when excluding the flex/office buildings, 95.6%.

As of June 30, 2016, the Company's portfolio included 19 non-core, flex/office buildings that constituted approximately 2% of the overall portfolio's square footage and approximately 3% of the overall portfolio's annualized base rental revenue. There was one flex/office lease signed for the three and six months ended June 30, 2016 for 46,265 square feet for a term of 1.6 years.

Non-GAAP Financial Measures and Other Definitions

Acquisition Capital Expenditure: Recurring and non-recurring capital expenditures identified at the time of acquisition and underwritten to occur in the first twelve months. Acquisition Capital Expenditures also include new lease commissions and tenant improvements for space that was not occupied under STAG's ownership.

Cash Rent Change: Cash basis rent is a ratio of the change in base rent of the Comparable Lease.

Capitalization Rate: We define Capitalization Rate as the estimated weighted average cash capitalization rate, calculated by dividing (i) the Company's estimate of year one net operating income from the applicable property's operations stabilized for occupancy (post-lease-up for vacant properties), which does not include termination income, miscellaneous other income, capital expenditure, general and administrative costs, reserves, tenant improvements and leasing commissions, credit loss, or vacancy loss, by (ii) the Purchase Price plus estimated Acquisition Capital Expenditures. These capitalization rate estimates are subject to risks, uncertainties, and assumptions and are not guarantees of future performance, which may be affected by known and unknown risks, trends, uncertainties, and factors that are beyond our control, including those risk factors contained in our Annual Report on Form 10-K for the year ended December 31, 2015.

Comparable Lease: We define a Comparable Lease as a lease with a similar lease structure as compared to the previous in-place lease, excluding new leases for space that was not occupied under STAG's ownership, leases on space with downtime in excess of two years, leases associated with non-core flex/office assets, and leases with materially different lease structures.

GAAP: U.S. generally accepted accounting principles.

GAAP Rent Change: GAAP basis rent is a ratio of the change in base rent (including straight-line rent adjustments as required by GAAP) of the Comparable Lease. Prior to the third quarter of 2015, GAAP rent change did not include the deferred rent associated with early lease renewals. The Company changed the definition of GAAP Rent Change to include the deferred rent associated with early lease renewals effective the third quarter of 2015 for the current and prior periods presented. The definition change is not considered significant.

Occupancy Rate: The percentage of total leasable square footage for which the lease term has commenced as of the close of the reporting period.

Pipeline: The pipeline is a point in time measure that includes all of the transactions under consideration by the Company's acquisitions group that have passed the initial screening process. The pipeline also includes transactions under contract and transactions with non-binding LOIs.

Purchase Price: Purchase Price is the allocated purchase price in accordance with GAAP.

Renewal Lease: We define a Renewal Lease as a lease signed by an existing tenant to extend the term for twelve months or more, including (i) a renewal of the same space as the current lease at lease expiration, (ii) a renewal of only a portion of the current space at lease expiration and (iii) an early renewal or workout, which ultimately does extend the original term for twelve months or more, but the renewal term commences before the lease expiration of their current lease. Renewal Leases excludes flex/office assets unless otherwise defined.

Retention: We define Retention as the percentage determined by taking Renewal Lease square footage commencing in the period divided by square feet of leases expiring in the period. Neither the Renewal Leases nor leases expiring include Temporary Leases or License Agreements. Retention excludes flex/office assets unless otherwise defined.

Temporary Leases/License Agreements: We define a Temporary Lease or a License Agreement as any lease that is signed for an initial term of less than twelve months; this includes short-term new leases and short-term renewal leases.

Weighted Average Lease Term: We define Weighted Average Lease Term as the lease term in years as of the lease start date weighted by square footage. Weighted Average Lease Term related to acquired assets reflects the remaining lease term in years as of the acquisition date weighted by square footage.

About STAG Industrial, Inc.

STAG Industrial, Inc. is a real estate investment trust (REIT) focused on the acquisition and operation of single-tenant, industrial properties throughout the United States. The Company's portfolio consists of 290 properties in 38 states with approximately 55.0 million rentable square feet.

For additional information, please visit the Company's website at www.stagindustrial.com.

Forward-Looking Statements

This press release, together with other statements and information publicly disseminated by the Company, contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The Company intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and includes this statement for purposes of complying with these safe harbor provisions. Forward-looking statements, which are based on certain assumptions and describe the Company's future plans, strategies and expectations, are generally identifiable by use of the words "believe," "will," "expect," "intend," "anticipate," "estimate," "should," "project" or similar expressions. You should not rely on forward-looking statements since they involve known and unknown risks, uncertainties and other factors that are, in some cases, beyond the Company's control and which could materially affect actual results, performances or achievements. Factors that may cause actual results to differ materially from current expectations include, but are not limited to, the risk factors discussed in the Company's annual report on Form 10-K for the year ended December 31, 2015 as updated by the Company's quarterly reports on Form 10-Q. Accordingly, there is no assurance that the Company's expectations will be realized. Except as otherwise required by the federal securities laws, the Company disclaims any obligation or undertaking to publicly release any updates or revisions to any forward-looking statement contained herein (or elsewhere) to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Source: STAG Industrial, Inc.

Contact:

STAG Industrial, Inc.

Matts Pinard, Vice President

617-226-4987

InvestorRelations@stagindustrial.com